



REVIEW ARTICLE

WORK-LIFE BALANCE IN THE ACCOUNTING FIRM AS PERCEIVED BY ACCOUNTING PROFESSIONALS IN THE CITY OF MAKATI, PHILIPPINES

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ABSTRACT

Due to technological advancements such as accessing email via mobile phone, employees cannot completely detach from work when they are at home or with their families. This research aims to know the perception of accountants regarding work-life balance and to explore the effect of work-life balance on job satisfaction and employee retention. Focus is given to accounting firms in the City of Makati, Philippines. A quantitative approach employing survey questionnaires is the research strategy for this research. Data were collected from 150 accountants using an online survey questionnaire through Cognito Forms. Respondents are invited by their colleagues to reach out to friends of friends via social media or professional platforms such as LinkedIn, Facebook, Instagram, etc. The data were analyzed using linear regression. This study reveals how accountant's well-being is affected by their workload which, causes them to work overtime rather than spend that time with their loved ones. To prevent a rise in burden and balance personal work among employees, the organization and its leadership team must be aware of workload segregation and take appropriate action.

KEYWORDS

Work-life-balance, stress, job satisfaction, productivity, overtime

1. INTRODUCTION

For working individuals, striking a balance between job and family life has always been difficult. Work-life balance is finding a way to work that is secure and sustainable, maintains good health, and promotes overall well-being while minimizing job-related stress. Work-life balance means that you are equally fulfilled by the dualities of your personal and professional lives.

Achieving a healthy work-life balance has grown to be a major concern for professionals across a range of industries in today's fast-paced and demanding corporate environment. The accounting industry, which is renowned for having high standards, long hours, and tight deadlines is no exception. Long work hours are a hallmark of the accounting industry, especially during busy seasons such as audit season or the end of the financial year. These demanding hours often lead to challenges in allocating time for personal commitments, family, and leisure activities. Moreover, the pressure to meet tight deadlines and address client demands can further impede accountants' ability to achieve a satisfactory work-life balance. These factors lead to professionals' potential burnout and elevated stress levels. This study will also explore how participants manage these competing demands.

By examining the viewpoints of accounting professionals and factors that affect their perceptions; this research aims to address the perceived work-life balance in accounting firms. The study intends to provide useful suggestions to assist accounting firms in creating procedures and guidelines that improve work-life balance, creating a more contented and effective workforce.

2. LITERATURE REVIEW

The most obvious challenge for accounting firms is long hours—the average full-time employee works 47 hours per week according to the Bureau of

Labor Statistics (BLS). That's nearly double what we should be working according to the American Psychological Association (APA). It's also more than five times longer than what most Europeans work (CPA Credits, 2023). The number of hours worked, how they are organized, and the availability of rest periods can significantly affect not only the quality of work but also life outside the workplace. Working hours and the organization of work and rest periods can have a profound influence on the physical and mental health and well-being of workers, their safety at work and during the transit from their homes, and their earnings (International Labour Organization, 2022). Working time also has significant implications for enterprises in terms of their performance, productivity, and competitiveness. In general, individuals who work more than 60 hours per week are colloquially called workaholics (Gowda, 2023).

Understanding work-life balance and what influences it is important because of its likely effect on an individual's job satisfaction and productivity and the organization's productivity, performance, and employee turnover and ultimately to organizational success, which is now of special concern due to alarming low national board exam passing rates and difficulty in attracting new generations of accountant (Manual, 2020). Furthermore, over 75% of CPAs will retire in the next 15 years, according to a study done by the American Institute of Certified Public Accountants (AICPA). But the predicament does not end there. Since 2018, the number of accounting graduates has been dropping. It will be a challenge to replace the old generation of accountants with professionals of the same caliber. There will be a more apparent mismatch in the supply and demand of talent, as some candidates will not be able to meet all the required skill sets by companies. Though some accounting professionals choose to stay in the field, their motivations are changing. They are now seeking to increase their salaries and find more flexible schedules during this tight labor market (Satellite Office, 2023). As research mounts, the accounting profession is taking steps to encourage a healthy workforce. And the next

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generation of young professionals is thinking about this early on—even as they begin searching for their first jobs. Job seekers often lean toward companies that offer flexible work schedules and the opportunity to work from home; especially those who plan to start families (Simeone, 2019). A recent report by recruitment firm Hudson found that work-life balance is the single most important factor professionals are looking for in a new role. Furthermore, the Accounting and Financial Services Benchmarking Report from Macquarie included placing importance on work-life balance as one of the Top 4 People Strategies adopted by the most financially successful accounting firms (Humanverse Group, 2023).

The concept of work-life balance implies that work is bad, and life is good, it suggests that work and life are two dichotomous entities that need to be strictly separated and kept at equilibrium; for some, it even insinuates that less work equals more happiness (Labbe, 2022). According to LinkedIn's research from October 2022, remote work has a positive influence on work-life balance since 52% of all job applicants looked for remote work job listings. What's more, the Federal Reserve Bank of New York's analysis conducted between May and December 2020 calculated that Americans save 60 million hours of commute time each day thanks to distance working! That time is allocated toward activities such as sleeping, socializing, exercising, doing house chores, and similar (Clockify, 2023). The results suggest that although accounting firms may keep their employees highly satisfied by offering greater career opportunities, even highly satisfied employees cannot produce high-quality outputs when they are overworked (Khavis and Krishnan, 2020).

3. METHODS

A quantitative approach employing survey questionnaires is the research strategy for this research. Online survey questionnaire through Cognito forms to be used for data collection to answer research questions and meet the objectives. Respondents will be invited to use networks to reach out to friends of friends via social media/professional platforms. The respondents must be a member of an accounting firm for the past 3 months in the City of Makati, Philippines. The questionnaire began with demographic questions, inquiring respondent's profile to understand the background characteristics of respondents. The next part is the survey consists of a different set of questions measuring stress level, job burnout, job satisfaction, productivity, and support for the adoption of AWAs. At the end of this set of questions, one open-ended question was added to the survey to gather written comments on how to improve work-life balance. The respondents are 150.

4. THE DATA ANALYSIS

The figures below are the results of the survey.

Figure 1 Burnout Measure

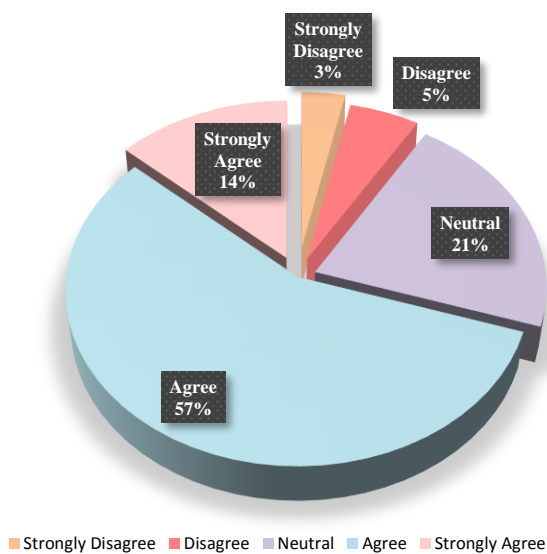


Figure 1: shows that 57% of the respondents feel emotionally drained from work at the end of the day due to heavy workloads, tight deadlines, and client demand.

Figure 2 Job Satisfaction Measure

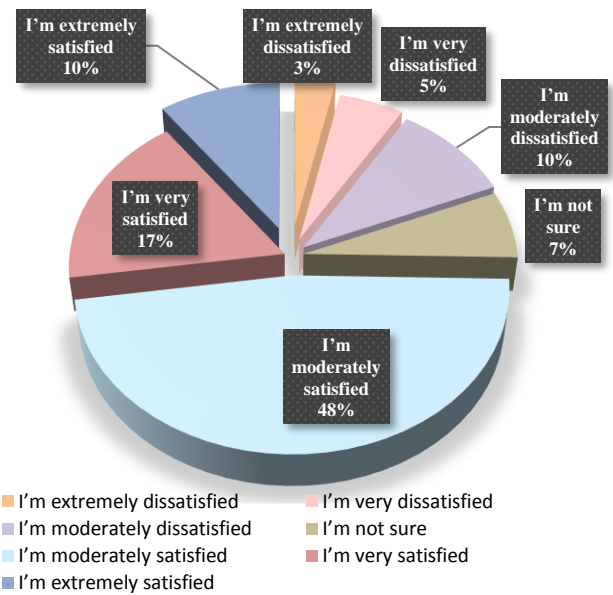


Figure 2: shows that 48% of the respondents were moderately satisfied with job recognition and job security. In addition, there is a 3%, 5%, and 7% dissatisfied respondents due to the long working hours.

Figure 3 General Measure of Perceived Productivity

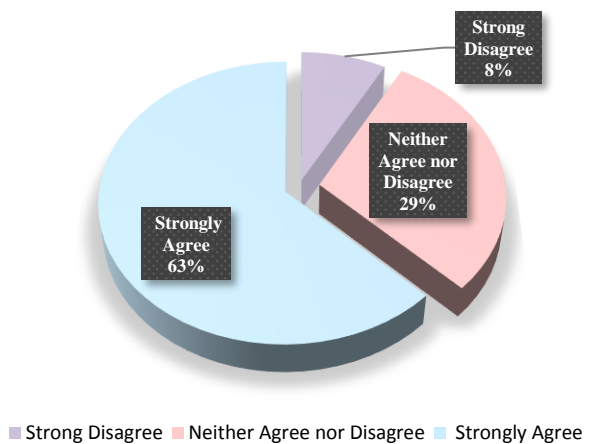


Figure 3: shows that 63% of the respondents strongly agree that the organization addresses problems that limit productivity. In addition, respondents believe that conditions in their current job allow them to be about as productive as they could be.

Figure 4 Perceived Telecommuting Productivity Measure

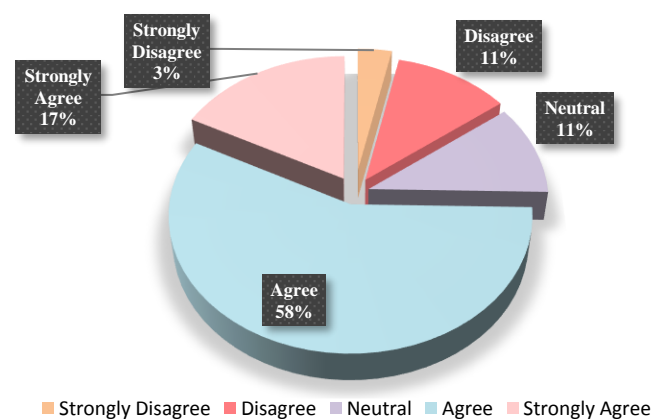


Figure 4: shows that 58% of the respondents feel productive and can be able to accomplish more tasks daily while telecommuting (working from home).

Figure 5 Support for Adaptation of Alternative Work Arrangements (AWAs)

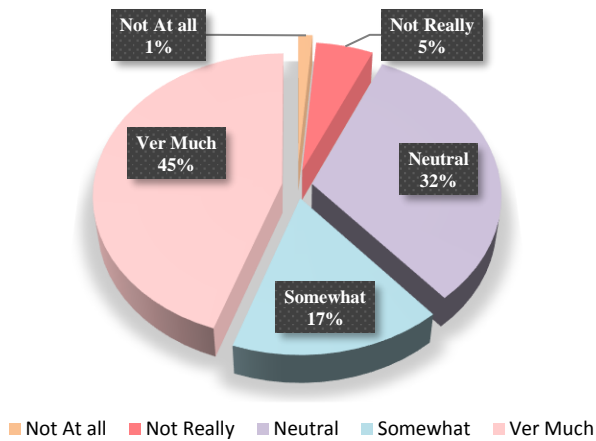


Figure 5: shows that 45% of the respondents strongly support the Alternative Work Arrangements such as flexible schedules, compressed workweek, and work-from-home set-up as the productivity remains the same.

4.1 Open-Ended Responses

Open-ended questions are used in this study to encourage participants to provide responses that reflect their thoughts and perceptions. The open-ended question was "In your opinion, what can you or your firm do to improve your work-life balance? (e.g., what type of AWAs is deemed fit for you and will likely improve your work-life balance and increase job satisfaction while remaining effective at work)." Below are some of the opinions and suggestions from the respondents.

Some respondents verified that flexitime is currently implemented in their company however the respondents also noted that overlapping responsibilities sometimes necessitate longer workdays, suggesting a staffing shortage.

"More personnel are needed to avoid compressing each person's task".

(Female, Non-Big 4 Employees, Audit & Assurance – Associate)

Other respondents indicated that work-from-home arrangement is already being offered which suggest providing working tools.

"Offering ergonomic home setup support such as table, chair, etc."

(Male, Big 4 Employees, Information Technology (IT) - Manager)

One of the respondents said that incentives like gifts, rewards, and recognition can raise staff morale and drive.

"Suggest having more incentives and bonuses."

(Male, Big 4 Employees, Finance/Accounting – Senior Associate)

Another respondent suggests hiring a more competent employee.

"Finding the proper and qualified individuals will ease the workload and improve the environment"

(Male, Non-Big 4 Employees, Finance/Accounting – Manager)

Many respondents believe that adopting AWAs will considerably increase their productivity and satisfaction at work while giving them more time for themselves and their family and friends.

5. CONCLUSION

This study reveals how accountant's well-being is impacted by their workload, which causes them to work overtime rather than spend that time with their loved ones. To prevent a rise in burden and balance personal work among employees, the organization and its leadership must be aware of workload segregation and take appropriate action.

In addition, work-life balance in accounting firms is achievable through a combination of flexible work arrangements, supportive organizational culture, efficient workload management, well-being initiatives, clear communication, continuous training, and leveraging technology. By prioritizing work-life balance, accounting firms can create a positive work environment that promotes employee satisfaction, retention, and overall success.

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