

Study finds greater productivity and earnings in family-friendly organisations with gender diversity

18 February 2016, by Niki Widdowson

A QUT Business School study has suggested that the number of work-family programs to support employees an organisation has is key to higher productivity and earnings in gender-diverse workplaces.

The study's lead researcher, Dr Muhammad Ali, from QUT Business School, said organisations that had a number of work-family programs, such as flexible work hours and parental leave, signal to [employees](#) that they take gender diversity seriously and that they value male and female employees equally.

"We know that workplace diversity in general is associated with better organisational performance thanks to the range of backgrounds, perspectives, skills and cognitive abilities diversity brings to an organisation," Dr Ali said.

"A gender-diverse workforce (one which employs equal numbers of men and women) may experience greater market insight, creativity and innovation, and improved problem-solving which leads to gains in [productivity](#) and earnings.

"This study found, however, that the value of gender diversity is contingent upon the number of family-friendly programs an organisation offers."

Dr Ali said the researchers used productivity (based on operating revenue) as a performance measure for non-management staff to gauge the effects of the number of work-family programs in gender-diverse workplaces, and 'earnings before interest and tax' as a measure for management staff.

"Of the almost 200 organisations across all industries in our study, the highest productivity was found in those with both a wide range of family-

friendly policies and high gender-diversity," he said.

"We found positive effects on productivity in organisations with a variety of work-family programs that was not found in organisations of similar size and age which had few such arrangements for their employees."

"Organisations offering few work-family programs to gender-diverse workforces signal to employees that they do little to help employees integrate work and [family responsibilities](#)."

"The study found gender diversity has positive effects on productivity, but it depends on the number of work-family programs in the organisation.

"It has been well-documented that when employees experience conflict between their work and family responsibilities, their job and life satisfaction falls, their commitment to the organisation and productivity drops and higher absenteeism and staff turnover is the result."

"Employees from both genders face challenges in organisations with few work-family programs due to changing family structures and gender roles."

Dr Ali said the researchers found that earnings were lower in organisations with high gender diversity at management level but few work-family programs.

"This could be because these organisations produce perceptions unsupportive of [gender diversity](#) leading to job dissatisfaction, negative group behaviours between male and female managers, and lower managerial and organisation performance."

"This, in turn, stymies the improved problem-solving and creativity and innovation offered by diversity."

The study, *The Impact of Work-Family Programs on the Relationship Between Gender Diversity and Performance*, was published in *Human Resource Management*.

More information: Muhammad Ali et al. *The Impact of Work-Family Programs on the Relationship between Gender Diversity and Performance*, *Human Resource Management* (2015). [DOI: 10.1002/hrm.21631](https://doi.org/10.1002/hrm.21631)

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