

## Impact of Financial Condition on Work-Life Balance and New Knowledge Acquisition: A Case of Pakistan

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### Abstract

*A constant rise in inflation rate as compared to the income of many households coupled with several other fluctuating economic conditions lead to the issue of financial stress. Due to such dichotomy and instabilities, people find it difficult to create a balance between work and personal life and the acquisition of new knowledge. The literature review has revealed that there exists a relationship between financial condition and work-life balance as well as between financial condition and new knowledge acquisition. This study attempts to investigate how much one variable causes its influence on another variable, especially for salaried class households working in organizations. The salaried class is severely hit by the Covid-19 pandemic and is suffering from a constant increase in inflation. The Government of Pakistan has also given a little relief to the salaried class in the recent budget. The data is collected through self-administered questionnaires from the individuals working in different IT organizations in Lahore, Pakistan. IT industry is chosen because of the constant technology change. The learning factor is maximum in this sector and employees can be given work at any time because they know how to use technology which can disturb work-life balance. However, because of financial instability and fewer job opportunities, employers can take extra advantage of their employees. The findings of this study reveal that financial conditions significantly affect work-life balance; thereby, increasing the possibility of acquiring new knowledge. Therefore, organizations should focus on financial conditions if they want to maintain work-life balance and want employees to learn new knowledge of knowledge.*

**Keywords: Work-Life Balance, Financial Stability, Financial Status, New Knowledge Acquisition**

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## **1. Introduction**

Increasing competition in our lives and worldwide fluctuating economic conditions have enhanced our dependence on financial condition more as compared to the past. Meuris and Leana (2015) have identified that less attention has been given to the paramount factor, income, on the organizational behavior. Their findings further identify that income does affect the professional and personal lives of people. The future findings of this research have drawn our attention to relating financial condition with work-life balance and acquisition of new knowledge within the organization.

The terminology “work” is referred to any work which is paid or more commonly known as ‘employment’. The concept of Work-life balance is novel, work-life balance means creating a balance between one’s professional and personal life (family life). The balance between work and life can be attained when the organizations will value and respect the life of an employee inside and outside the organization. If an organization or any boss does so, it will be in the keen interest of employer and employee because a happy and relaxed (satisfied) worker will be more productive. The financial condition (income) of an employee is a crucial factor that determines an employee’s satisfaction with his/her job.

The balance between work and life depends on financial condition (income). One of the primary factors behind doing any work is the safety of income (Kshirsagar & Kadam, 2014). The acquisition of new knowledge is indispensable as it helps corporations and businesses to achieve a competitive advantage. The factors like pay, human resource policies, and compensation packages that are given to the employees play an important role in motivating the employees to learn new skills and to get new knowledge. The literature on such topics discovered that the key role of learning in the organization is played by the Human Resource Department of that organization (Jerez-Gómez, Céspedes-Lorente, & Valle-Cabrera, 2007).

To find the relationship of study variables, the IT sector was chosen as the knowledge of IT is constantly evolving. The findings of the estimations support the hypothesis that if the financial condition of the individual is strong enough and if he is earning good to balance his work life with family life, give time to his family meet their daily demand, enjoy vacations and also manage to obtain additional knowledge and skills. The financial conditional of an individual is very significant to study from the perspective of Pakistan because of the economic condition. According to the report of the World Bank, Pakistan's inflation is projected to edge up in FY22 (The World Bank, 2021).

## **1.1. Background**

Competition among the firms and industries is getting high day by day, and every firm wants to win the market share and earn a handsome amount of profit. These things are achieved when companies have a competitive advantage over other companies in the long run. It is known through the literature that one can replicate the machines and tools; however, one cannot replicate the knowledge, skills, and employees' skills.

Literature review shows that employees of a company are its valuable assets and are known as "human capital". If employees are happy and satisfied, they will be beneficial to the enterprise. Through literature, it can be seen that 'work-life balance' plays a crucial role in making the worker's mind peaceful. A relaxed employee will be more productive if according to his/her thinking he/she is giving equal time to family and work. Moreover, it is worth mentioning that financial condition (income) plays a significant role in work-life balance. Looking at the financial condition of the organizations, they should pay fairly by the work that they are taking from employees; so that no individual ever thinks that there is no use in putting so much energy into work. Literature review further revealed that good companies especially which are working internationally have developed work-life balance programs; whereas, it is not so in the context of Pakistan.

## **2. Theoretical Structure**

### **2.1. Financial Condition**

People are not generally born with all the capabilities. A person learns skills from various places like schools, family, and universities; this learning curve also depends upon the economic conditions of a particular individual or family. Moreover, these items are considered investment in a particular individual or a person (Schultz, 1962). It is interesting to know that men and women look at the financial aspects differently, a study by Hira and Mugenda (2000) highlighted that there is no difference among the gender while comparing financial condition in the present, past, and future. At the same time, they identified that women have more uncertainties and worries, but the difference is not that significant. They concluded that women's financial condition can affect their work performance more than that of men. Women buy things unnecessarily while they are more conscious and usually more likely to be less satisfied with their financial condition in comparison to men.

Income drivers are considered to be very significant as they are the source of livelihood, and almost everyone is struggling to earn to ensure his livelihood. The

aspect of a job that is relatively stable is income but unfortunately, fewer considerations or attention has been given to this important factor. This driver leads to some attitudes and even towards the personal lives of the employees (Meuris & Leana, 2015).

## **2.2. Work-life Balance**

The notion of work and life, commonly known as the work-life balance has become a major issue in the lives of all of us. The central message of this debate is to maintain the right balance between work and life. The primary debate is what we mean by work-life balance; we should first know what we all mean by work-life balance. All the information about this issue was held by the University of London in 2006. This brook has emerged because of our disappointment with the existing discussion of work-life balance (Eikho, Warhurst, & Haunschild, 2007). The work-life balance argument appears to be positioned on many uncertain assumptions and insights; that work is usually taken as negative with extended working hours, and life is taken as that it is full of responsibilities including home chores, especially child care. Consequently, it is stressed to separate work and life because women are the primary target of work and life balance provisions. Such conventions need interrogation. The work on this significant concern uncovers in depth the problem of long working hours and the control of it and about work-life balance practices and policies and also about a career (Eikho, Warhurst, & Haunschild, 2007). Work-life balance is a tricky concept and it is affected by family roles, the support of the boss, and the autonomy given to the person for doing that job (Haar, Sunne, Russo, & Ollier-Malaterre, 2019). The autonomy of flexi hours given to employees and workers also creates a positive impact on work-life balance (Hsu, et al., 2019).

The argument for work-life balance undertakes those employees who have long working hours and employees who have to work for an extensive duration. Work is not only dominant in the lives of individuals but also it is destroying their lives somehow. In France, campaigns took place that fewer working hours should exist so that lives can be better, i.e. maintaining job demands and job resources at the workplace (Eikho, Warhurst, & Haunschild, 2007). Work does influence the life of employees in a positive way or negative way and this problem is not first-hand, but it was not acknowledged as a work-life balance dispute before; due to work, employees are getting better. In Studs Terkel's remarkable US book "Working", he had written in a very fine-looking way. He said that the nature of work is damaging, work leaves marks on our minds, and as well as it leaves marks on our lives physically we get tired due to it, can get a serious illness, can get frustrated, and much more (Terkel, 1974).

The term life is centered on childcare responsibilities and women are more responsible for it. The solution to all the problems related to work and life is “family-friendly” flexible employment. To solve these issues, Human Relations movement came in '90s which focused on the aspect that employees should be treated as humans and not as a cog in the machines. To solve these issues, the government had made policies and employers offer practices that focus on flexible working hours instead of shortening work time. Flexible work hours were designed to facilitate workers. Past studies have shown mixed findings regarding the causal relationship between work and satisfaction. It is a great source of cause to many people living in different countries of the world (Eikho, Warhurst, & Haunschild, 2007). Different research studies have proved that employees who do not have time to spend with friends, family, and with themselves are usually unable to concentrate on their work at the workplace (Riordan, 2013).

To manage or to create a balance between personal and professional life, working people should make strong bonds with other people at home and the workplace so that they will support the working individual. If the conflict between work and family occurs, it will disturb family life as well as the career of an individual (Friedman & Greenhaus, 2000). Apart from the normal routine, the coronavirus pandemic has also made it difficult to balance work and life as many people were working from home (Vyas, 2022).

### **2.3. Acquisition of New Knowledge**

Knowledge is one of the significant factors in any firm, and that is the reason the knowledge-based view of the corporation and businesses say that knowledge has a unique and exclusive power in itself. This view also says that the use of that particular knowledge which is sustaining in the organization is another important factor. The combination of the identification of knowledge and utilization can help the organization in achieving a competitive advantage (Nonaka, Toyama, & Nagata, 2000). The acquisition of knowledge is very important to gain a competitive edge for firms within the country and even across borders (Aslam, Ali, Qammar, Kiwan, & Dhir, 2022).

In the modern world, the competencies are mostly assessed by following a rubric or portfolio proposed that is also widely accepted these days. In this context, self-assessment is considered one of the suitable methods to assess the perception of people about themselves and is particularly acceptable in the case of competencies (Allen & Velden, 2005). “Individual self-assessment often provides more accurate data than information from external observers” (Mischel, 2013). It is indicated that self-reports provide relatively better predictions for skills measurement, as there is no logical proof that people misrepresent their work characteristics (Spenner, 1990).

The self-assessment technique is comparatively cheaper, flexible, and easily controllable, making it more appropriate for large-scale application in many conditions. Contrarily, there is also one drawback of self-assessment which is high probability of measurement error (Allen & Velden , 2005). However, it can be managed through techniques such as confirmatory factor analysis and structural equation modelling. International CHEERS Project “Careers After higher education – A European Research Study” survey and the REFLEX Project “The Flexible Professional in the Knowledge Society: New Demands on Higher Education in Europe” ( Allen & Velden, 2011; Allen & Weert, 2007; Schomburg & Teichler, 2007) used self-assessment as a valid method for measuring the acquired level of skills.

In the Spanish higher education context, the components of competencies are disaggregated according to the following three criteria:

1. Knowledge: general type for learning, academic, specific, and linked to the professional context.
2. Skills: intelligence, communication, interpersonal, and personal organization/management.
3. Attitudes: professional development and personal commitment (Conchado, Carot, & Bas, 2015).

The REFLEX project was conducted in sixteen 16 different countries. It was conducted through a large-scale survey among 40,000 graduates of higher education institutions based in these 16 countries. Descriptive analysis was used to compare the outcomes from REFLEX project graduates’ self-assessment of competencies among different countries. Moreover, it was also mentioned in the reports that assessments were taken from self-reports of graduates, as it is a subjective technique for skills measurement (Allen & Weert, 2007).

#### **2.4. Financial Condition and Acquisition of New Skills**

The compensation policy which comes under the human resource department plays a very imperative role in retaining, attracting, and in motivating the personnel in the organization. Furthermore, it also creates openings and encourages behavior which is favorable to the learning of the employees. Pay level has a constructive impact on learning, but still, the literature elaborates that there is no empirical evidence for this phenomenon. The author used five compensation strategies in his research which are skill-based pay vs. Job-based pay, pay about the market, fixed pay vs. incentives, Individual vs. group incentives, and Short vs. Long-term orientation and writers also explained the different dimensions of organizational learning. The researchers wanted to provide empirical evidence that the pay level has a positive impact on the

organization's learning of the employees, and the results were that they succeeded in proving partial evidence of this relationship. Each of the five compensation strategies examined is linked to at least one of the aspects of organizational learning excluding long-term pay and incentives. Learning has always been given importance at various levels in organizations and how much capacity the employees have to learn can help in predicting different things like organizational effectiveness and prospective for growth and innovation (Jerez-Gómez, Céspedes-Lorente, & Valle-Cabrera, 2007). At the same time, according to (Kamoche & Mueller, 1998), Human Resource department plays a vital role in creating an environment that errands and helps the culture of organizational learning while the subject of organizational learning (Williams, 2001) has given importance to practices of staffing. Different authors have given importance to various factors in the organizational learning like (O'Dell & Grayson, 1998) is more focused on training while (Lei, Slocum, & Pitts, 1999) is on direction of compensation.

In the world economy, today the acquisition of knowledge, skills, and intellect are the two main ingredients for adding strategic value to a firm's success to be measured and reported in economic terms as this also turns out to be the competitive advantage that a company can have over the other. All the information about this issue has been taken from the Journal of Knowledge Management's article on "Knowledge acquisition's mediation of social capital-firm innovation" (Martínez-Can, Sa´ez-Martínez, & Ruiz-Palomino, 2012).

The literature divides knowledge skills and aspects into mainly three approaches:

1. Intangible Assets Approach
2. Firms' Competences and Capabilities Approach
3. Social Environmental Approach

Firstly, from the intangible's assets approach, an organization can possess knowledge and intellect as intangible assets in the form of human capital (its employees) as well as relational capital (with its customers and suppliers, etc.). These forms of knowledge capital should be carefully identified, measured, and recognized regarding creating value for the firm and the firm creating value for them in return (Martínez-Can, Sa´ez-Martínez, & Ruiz-Palomino, 2012). The financial condition does not only fit to individuals or private firms but to governments also. A study investigated a positive relationship between efficiency and financial condition in the perspective of local government (Cuadrado-Ballesteros & Bisogno, 2019).

Secondly, and in contrast, following the competency and capability approach, knowledge is considered an emergent process in which the firm competes by its

capacity or ability to generate, leverage, develop, and transform. This second method is hence based on “firms’ adaptive and self-generative capabilities”. Thirdly, from the perspective of the social, environmental approach which is also called as a relational approach, knowledge is a socially constructed phenomenon and a shared form of resource. Building a social network of the relationships between the surrounding environments transforms the intellectual capital into social capital as now it becomes external and relational. The social capital drives knowledge management that develops innovation. However, the impact of social capital on the development of social capital is still controversial as according to the cohesive view if on one side, social capital leads to innovation through the transformation of knowledge then, on the other hand, it also slows down or restrains the knowledge flow as well. Hence according to this controversy, social capital has a role of contingent and mediating knowledge regarding innovation. To resolve this issue, this research work evaluates social capital for organizations located in science and technology parks through inter-firm relations in the form of knowledge acquisition and innovation benefits (Martínez-Can, Sa´ez-Martínez, & Ruiz-Palomino, 2012). The financial condition index is calculated by involving several other factors (Ian & Brian, 2018).

The authors further identified three aspects of social capital namely: structural, cognitive, and relational. The fundamental aspect of social capitalism refers to the individual interactions of an agent with the actors and the structural position within the network. The relational aspect of social capital relates to the interpersonal dynamics developed through shared objectives, standards, and reciprocal expectations. The cognitive aspect of social capital denotes the familiar context and shared interpretations, representations, and underlying assumptions among members of a similar social network supporting everyday communication. The authors (Adler & Kwon, 2002) also proposed a hypothesis by the theoretical concept that incorporates sources, advantages, and contingencies connected with valuable social capital. The hypotheses are as follows:

For the relationship between knowledge acquisition and social capital, the hypothesis proposed was: “The greater the social capital acquired through social relations inside an STP, the higher the firm’s knowledge acquisition.” This means that the capability of the firm to grasp external knowledge can be improved through continuous social interactions, as cohesive social networks will expedite the transfer of knowledge across the businesses. However, to evaluate the main benefits of social interaction and to enable knowledge acquisition through repetitive interaction, firms must develop an ability to identify and gauge relevant external knowledge (Yli-Renko, Autio, & Sapienza, 2001).



For the relationship between firm's innovation and Social capital, the hypothesis proposed was: "The greater the social capital acquired through social relations inside an STP, the greater the firm's innovation." This means that the social capital enables the actors to develop personal relationships and contacts through social interactions that cultivate trust. Hence, social capital is a way of convergence of all sorts of knowledge from all kinds of these innovative actors who eventually contribute to organizational innovation at large. Hence all in all, "the more direct partners a firm has, the more product innovation it produces. Therefore, social capital should play a significant role in determining firm innovation" (Ahuja, 2000). Also, social interactions with outside proxies initiate innovation performance (Zheng, 2010).

Knowledge acquisition may increase innovation through new product development in three aspects (Yli-Renko, Autio, & Sapienza, 2001):

1. Potential for innovative combinations can be enhanced by increasing the depth and breadth of relation-specific knowledge of the firm.
2. Shortened development cycles may help in quickening the speed of product development.
3. Lastly, by enhancing organizations' willingness to produce new products with others.

Even though competencies of knowledge, abilities, attitude and values are preferred, still it is not easy to determine, in a broad context, the required skills employers demand from graduates. (Allen & Weert, 2007) . Firstly, the growth of the participation of students in higher education, as well as the development of knowledge-intensive or high-technology economy sectors, show that abilities and skills are becoming rapidly obsolete with more importance towards a knowledge society, (Teichler, 1999) Although some competencies may have universal relevance still all employees need to develop different sets of idiosyncratic capabilities. Secondly, the segregation between work, education, leisure time, and care have been blurred for graduates, resulting in enhanced mobility and the non-standardization of professional careers, particularly in the current international and globalized labor market. Thirdly, organizational heterogeneity is another challenge in identifying a standard profile.

The hypotheses of this study are:

*H 1: Individuals with financial stability are more likely to have work-life balance.*

*H 2: Individuals with financial stability are more likely to acquire new knowledge.*

### **3. Methods**

#### **3.1. Study Type**

This study is taking an ontological approach with a positivist approach. This research study is causal because we want to examine a cause-and-effect relationship between our selected variables. The rationale behind carrying out the causal study is that the literature reviews relieved that the relationships among the study variables exist, but we want to figure out the nature of the direction of study variables.

#### **3.2. Sampling Design**

##### **3.2.1. Population**

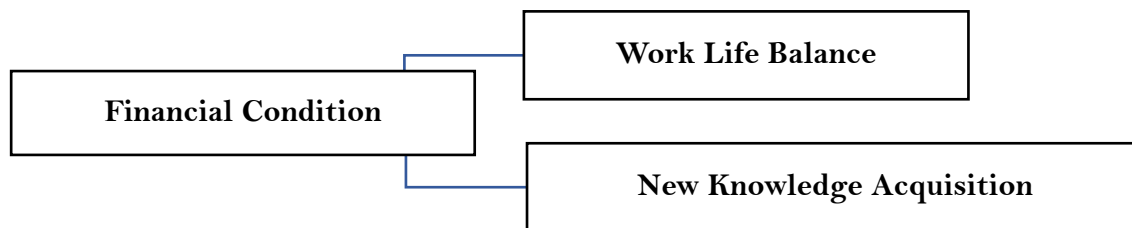
The population of this study is restricted to one of the emerging industries in Pakistan i.e., the Information Technology (IT) industry. The software houses of Lahore based in Arfa Krim Tower are taken to make the population more meaningful because this is the largest information and communications technology park in Pakistan according to Punjab Information Technology Board. Also, this tower is considered the hub of information and technology in Pakistan.

##### **3.2.2. Sampling and Sampling Method**

The method to collect data that is adopted is convenience sampling and the sample size is 253. The sample size identified by the Item response theory is 253. However, 300 questionnaires were distributed, out of which 290 were usable. The questionnaires were filled by the employees who were willing to fill working in the Software Houses of Lahore. The items for new knowledge acquisition are adopted from (Yli-Renko, Autio, & Sapienza, 2001). Work-life balance is adopted from (Ejlertsson, Heijbel, Ejlertsson,, & Andersson, 2018).

##### **3.2.3. Primary Data Sources**

Data is collected through the instrument "Questionnaire". The reliability and validity were checked through pilot testing. The data gathered from primary sources is expected to support the secondary data. This study used the "Quantitative method" and the rationale behind choosing the quantitative technique is that employees must feel hesitant while talking about their earnings and they may show reluctance in telling the effect of their financial conditions (earnings) on their work-life balance and new knowledge acquisition. Moreover, by using the quantitative technique, a sense of confidentiality in answering such sensitive questions will be there in the respondent's mind. So, to avoid employees' reluctance in answering questions through interviews or any of the qualitative techniques; the researcher has adapted the quantitative method.



**Figure 1: Theoretical Framework**

Financial condition is the independent variable while work-life balance and new knowledge acquisition are the dependent variables.

#### **4. Findings**

To estimate the influence of the financial condition of a person on work-life balance and new knowledge acquisition, this study employs correlation tests, ANOVA, adjusted  $R^2$ , and simple regression analysis. Regression is done because the scope of the study is confined to finding the strength of the relationship of study variables.

The personal income of the employee is considered as a proxy of financial condition as his income determines whether he is financially stable or not and for work-life balance, satisfaction with earning keeping in view the demands of personal life will be considered as a significant proxy because if demands of personal life are met with the personal income, only then financial condition can cast a positive impact on work-life balance. On the other hand, the ability to obtain a tremendous amount of knowledge by utilizing personal income is a suitable proxy for measuring the influence of financial condition on new knowledge acquisition. It will explain that how much new knowledge acquisition is affected by the financial condition of an employee.

The significance level set for the estimation is 1% if the probability value is less than 1% or 0.01 then reject  $H_0$  which means the variable is significant and cast a significant impact on the dependent variable.

#### 4.1. Demographics

60% of respondents in the study were male (blue collar) whereas 40% were female (red collar). Out of those 60% male respondents, 55% were married (blue collar) and 45% were unmarried (green collar). And out of 40% female, 40% were married (blue collar) and 55% were unmarried (green collar).

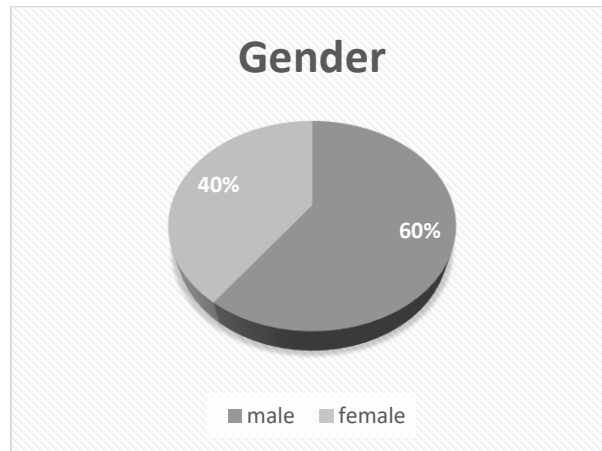


Figure 2: Demographics

There were 64% of respondents of age group 22-34, 18% were of age 35-44, 9% of respondents' age fell between 21 and below and 4% of respondents were between 45-54 years of age and 5% were of age 55 and above.

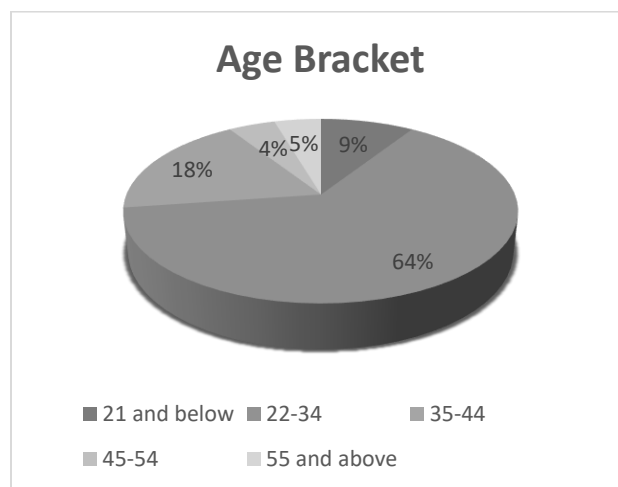
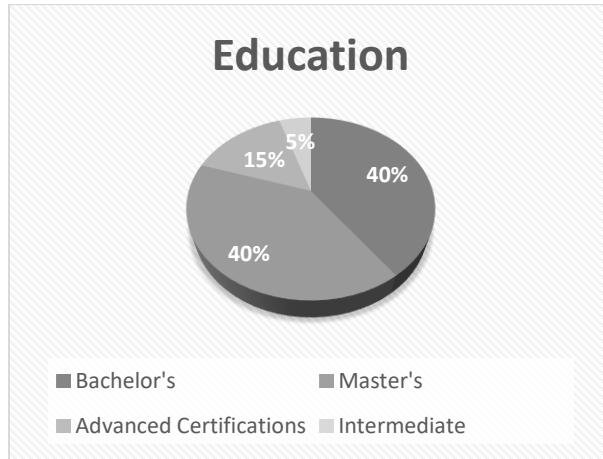


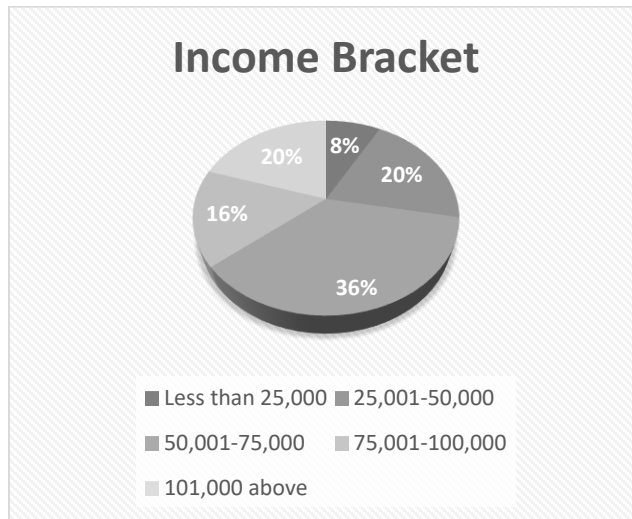
Figure 3: Demographics

Almost 40% of the respondents' education was bachelor's level, and 40% respondents possessed a master's degree, 15% had advanced certification, and only 5% had an intermediate level of education.



**Figure 4: Demographics**

As it can be seen from the chart that respondents with less than 25,000 income are 8%, while 25,001-50,000 are 20%. 36% of the respondents were from the 50,001-75,000. 16% of the respondents lie in the bracket of 75,001-100,000 while the rest of the 20% lies in the bracket of 101,000 and above.



**Figure 5: Demographics**

Our demographics analysis shows that the major chunk of the have more family income and 55% of the respondents have more than 1001,000 family income. This shows that more than one person is working in the family and it is done to meet the necessities of the family. The next major percentage lies in the bracket of 75,001-100,000 which is 30%. (Figure 6 is wrongly put. Please ask the authors to replace it with the right one.)

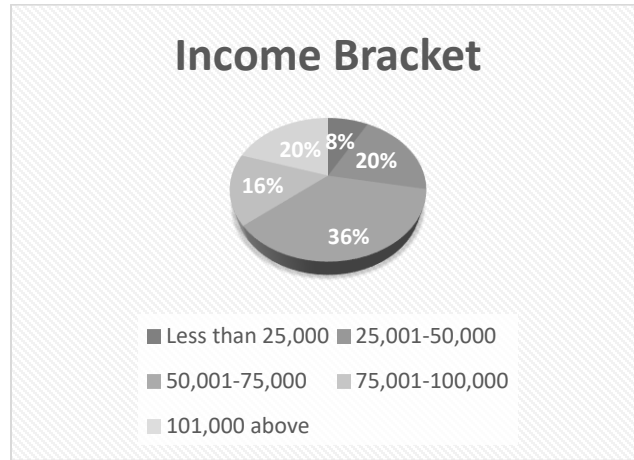


Figure 6: Demographics

#### 4.2. Correlation Test

In order to identify the correlation between dependent variables and independent variable, Pearson correlation test is carried out. If its statistics is closer to zero that explains weak correlation between two variables and if close to 1 signifies a strong correlation among variables at a 1% significance level.

Table 1: Correlation Test

Correlation		New Knowledge Acquisition	Personal income
New Knowledge Acquisition	Pearson Correlation	1	.342**
	Sig. (2-tailed)		.000
	N	253	253
Personal income	Pearson Correlation	.342**	1
	Sig. (2-tailed)	.000	
	N	253	253

Note: \*\*. Correlation is significant at the 0.01 level (2-tailed).

There exists a weak uphill (positive) linear relationship between personal income and the ability to obtain a tremendous amount of knowledge in the domain of personal income. This relationship is significant at 1% significant level.

**Table 2: Correlation Test**

Correlation test		Personal income	I am satisfied with my earnings keeping in view the demands of personal life.
Personal income	Pearson Correlation	1	.331**
	Sig. (2-tailed)		.000
	N	253	253
I am satisfied with my earnings keeping in view the demands of personal life.	Pearson Correlation	.331**	1
	Sig. (2-tailed)	.000	
	N	253	253

Note: \*\*. Correlation is significant at the 0.01 level (2-tailed).

There exists a weak uphill (positive) association between personal income and satisfaction of meeting demands of personal life from personal income. This relationship is significant at a 1% significant level.

### 4.3. Regression Analysis

To analyze the effect of marital status on the financial stability of an individual, this study will regress marital status with personal income of an individual.

**Table 3: ANOVA**

ANOVAs						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	72.68	1	72.68	53.98	.000a
	Residual	337.952	251	1.346		
	Total	410.632	252			

Note: a. Predictors: (Constant), Marital status

b. Dependent Variable: Personal income

**Table 4: Regression Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.371	0.236		18.535	0
	Marital status	-1.074	0.146	-0.421	-7.347	0

Note: Dependent Variable: Personal income

The results explain that if married his personal will decrease by \$1.07 or it can be interpreted as if an individual is married his financial stability will be decreased by \$ 1.07. As the probability value is less than 0.01 significance level variable is significantly impacting financial stability.

**Table 5: Regression**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	56.664	4	14.166	12.248	.000a
	Residual	130.692	113	1.157		
	Total	187.356	117			

Note: a. Predictors: (Constant), Dependency, Spouse earning, Educational level, Family Income

b. Dependent Variable: Personal income

**Table 6: Regression**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.24	0.641		1.934	0.056
	Educational level	0.337	0.15	0.181	2.254	0.026
	Family Income	0.457	0.078	0.48	5.832	0
	Spouse earning	0.263	0.167	0.127	1.571	0.119
	Dependency	-0.878	0.328	-0.218	-2.679	0.008

Note: Dependent Variable: Personal income

At 5% significance level p-value of all the variables are less than 0.05 except spouse earning. So, the study can interpret that if the educational level is increased by one level, financial stability can be increased by \$ .337. If family income increased by \$1, then the financial stability of an individual will be increased by \$.457. Moreover, if



the dependency on an individual is increased by 1 person, then financial stability will be decreased by \$ .878.

**Table 7: Regression**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	62.202	4	15.55	12.131	.000a
	Residual	144.849	113	1.282		
	Total	207.051	117			

*Note: a. Predictors: (Constant), Personal income, Spouse earning, Dependency, Educational level*

*Note: Dependent Variable: Family Income*

**Table 8: Regression**

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.231	0.676		1.821	0.071
	Educational level	0.086	0.161	0.044	0.535	0.593
	Spouse earning	-0.454	0.173	-0.208	-2.623	0.01
	Dependency	1.096	0.341	0.259	3.218	0.002
	Personal income	0.506	0.087	0.482	5.832	0

*Note: Dependent Variable: Family Income*

At 5% significance level p-value of all the variables are less than 0.05 except for educational level. So, the study can interpret if personal income increased by \$1 then the financial stability of an individual will be increased by \$.506. If spouse earning is increased by \$1, then the financial stability of an individual will be decreased by \$ .454, and if the dependency on an individual is increased by one person, then financial stability will be increased by \$ 1.096. The regression analysis is carried out based on the hypothesis that financial condition does cast an influence on work-life balance and the acquisition of new knowledge. The simple regression is carried out in two stages:

An individual with financial stability is more likely to have work-life balance.

In which satisfaction of meeting demands of personal life from personal income will be regressed on personal income to find that individuals (employees) who have more financial stability are more likely to have work-life balance with means that financial condition does cast an impact on the work-life stability of an individual.

An individual with financial stability is more likely to acquire new knowledge.

In which ability to acquire new skills or knowledge from personal income will be regressed on personal income to find that individuals (employees) who have more

financial stability are more likely able to gain more knowledge and skills, with means that financial condition does cast an impact on the acquisition of new knowledge of an individual.

**Table 9: Variables Entered**

Model	Variables Entered	Variables Removed	Method
dimension0 1	Personal income	.	Enter

Note: a. All requested variables entered.

Note: Dependent Variable: Keeping in view my salary, I am able to balance personal life

**Table 10: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
dimension0 1	.251 <sup>a</sup>	.063	.059	1.07054

Note: Predictors: (Constant), Personal income

R- Square is a goodness of fit defines that how much your model is explained by the variable. The value of R- Square is .063 which means the balance of personal life with work is 6.35% is explained by personal income.

**Table 11: ANOVA**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	19.384	1	19.384	16.914	.000a
	Residual	287.659	251	1.146		
	Total	307.043	252			

Note: a. Predictors: (Constant), Personal income

Note: Dependent Variable: Keeping in view my salary, I am able to balance my personal life

ANOVA is an analysis of variance which explains how much the balance of personal and work life is balanced vary with personal income the statistics show significance at 1% as p-value is  $0.00 < 0.01$ , so the balance of personal and work life is greatly varied by personal income.

**Table 12: Regression**

Model		Unstandardized Coefficients	Std. Error	Standardized Coefficients	t	Sig.
		B		Beta		
1	(Constant)	0.626	0.159		16.531	0.00
	Personal income	0.217	0.053	0.251	4.113	0.00

Note: Dependent Variable: Keeping in view my salary, I am able to balance personal life

The Regression analysis gives significant results which explain that due to 1 unit (say 1 dollar) increase in personal income raise the work-life balance by 21.7% which

means financial condition do cast a positive significant impact on work-life balance as the p-value is  $0.00 < 0.01$ .

An individual with financial stability is more likely to acquire new knowledge. In which ability to acquire new skills or knowledge from personal income will be regressed on personal income to find that individuals (employees) who have more financial stability are more likely to gain more knowledge and skills, which means that financial condition does cast an impact on the acquisition of new knowledge of an individual.

**Table 13: Variables Entered**

Model	Variables Entered	Variables Removed	Method
1	Personal income	.	Enter

Note: a. All requested variables entered.

Note: Dependent Variable: I am able to obtain a tremendous amount of knowledge of my domain by my own earnings.

**Table 14: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.342 <sup>a</sup>	.117	.113	.86308

Note: Predictors: (Constant), Personal income

R- Square is a goodness of fit defines that how much your model is explained by the variable. The value of R- Square is .117 which means 11.7% acquisition of new knowledge is explained by personal income.

**Table 15: ANOVA**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	24.751	1	24.751	33.227	.000a
	Residual	186.972	251	0.745		
	Total	211.723	252			

Note: Predictors: (Constant), Personal income

Note: b. Dependent Variable: I am able to obtain a tremendous amount of knowledge of domain by my own earnings.

ANOVA is an analysis of variance which explains how the acquisition of new knowledge varies with personal income the statistics show significance at 1% as p-value is  $0.00 < 0.01$  so acquisition of new knowledge is greatly varied by financial stability.

**Table 16: Regression**

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	0.6	0.128		20.305	0
	Personal income	0.246	0.043	0.342	5.764	0

*Note: Dependent Variable: I am able to obtain a tremendous amount of knowledge of my domain by my own earnings.*

The Regression analysis gives significant results which explain that due to 1 unit (say 1 dollar) increase in personal income increase the chances of acquisition of new knowledge by 24.6% which means financial condition do cast a positive significant impact on the acquisition of new knowledge as the p-value is  $0.00 < 0.01$ .

### 5. Discussion and Conclusion

The findings of the estimations support the hypothesis that if the financial condition of the individual is strong enough and if he is earning good to balance his work life with family life, gives time to his family, meet their daily demand, enjoy vacations, and also manage to obtain additional knowledge and skills from his earnings which help in to gain higher salary, growth in his professional life, broadening the mind horizon, then he is considered to be content and satisfied.

The financial condition of an individual is very significant to study in the context of Pakistan because of the economic condition. According to the report of World Bank, inflation in Pakistan is projected to edge up in FY22 with expected domestic energy tariff hikes and high prices of oil. High prices of oil will ultimately hike commodity prices (The World Bank, 2021). The constant increase in prices of these things ultimately affect the financial condition of an individual, hence it is an important factor for research. In recent years, Pakistan has had the slowest growth in South Asia as more than 220 million Pakistanis face issues related to inflation. Our economy recorded negative growth for the first time in recent years as it had negative growth last time in year 1952 (Siddique, 2021). The literature review of the research reveals that the income of the individual or the family has an impact on the work-life balance and new knowledge acquisition. However, the nature of the relationship varies in different countries. In the context of Pakistan, we chose the IT industry because the constant technology change, the learning factor is maximum in this sector. In the West, it was seen that usually, more than one person of the family member is earning to meet the wants and demands of their own life or family life, but this was not the case in Pakistan

a few years back. Interestingly, now our study reveals that more than one member is earning in the family intending to support the family in financial terms. This is not very common previously in Pakistan. It can be perceived that to run the family in a better way both partners work as most of the participants were married and had a working spouse with kids too. The IT industry is the one in which constant learning is required, so it was also interesting to find that employees want to learn or acquire new knowledge, but they want that their organizations should provide these opportunities to them. Most employees want to learn knowledge of their domain to have a raise in their salary. The analysis of our study confirms the literature as well, while this combination was never studied so it can add value to the research as well.

After doing the causal study of the IT firms of Lahore, the estimations and findings conclude that financial condition does cast a significant influence on the balance between work and personal life that if there is 1 dollar increase in the financial condition of an individual, the work-life balance will be raised by 21.7% which means that he can manage more easily to give time to his family and friends, he can spend more on leisure, he can spend more on his professional life and personal life, and can cope up with the demands of the family easily. An individual strives hard to make financial stability stronger and sound. The financial condition of B40 families is the most important factor in making an important decision in their life. Work-life balance is also an important factor, if a person gets proper time for himself and his family, he can be more productive and beneficial to the organization. If the financial condition stabilizes by 1 dollar more than initial value, then it can raise the possibility of acquiring new knowledge by 24.6%. The personal chance of acquiring new skills and knowledge will increase by approximately 25% if his financial stability increases by 1 dollar. Through little increases in his financial status, he can acquire more knowledge, more training, and professional skills, which not only will assist him in increment in his occupational salary but also provide him with more professional field knowledge and broader mind through which he can think of broader aspect and can turn into a productive employee of the organization. The general possibility and personal possibility of acquiring new knowledge are almost the same, i.e. 24.6% and 25% respectively, which implies that organizations should also provide facilities for new knowledge acquisition. Moreover, allowances for knowledge acquisition can also be given to employees for their growth perspective. It will ultimately have a positive impact on organization growth as employees are considered assets of an organization. It is concluded that there is a great influence of financial condition on work-life balance and new knowledge acquisition.

## 6. Study Limitations and Future Directions

It is very natural to have limitations of study which are carried and the limitations of our study are mentioned below. The study is limited to the IT sector, and the data was collected from the IT companies of Lahore. The technique which is used to collect the data was convenience sampling, so the generalizability of our study is less.

The time span of our research was one year which is also one of the constraints.

The data from 320 employees was gathered, while the data which was error free and correct was 290. In addition, the usage of survey questionnaires can obviously make the results bias and inaccurate to some extent because every respondent interpreted the questions according to his own intellect level. Moreover, constraints of finances and time are obvious, which are main resources for carrying out any research work.

This combination of the study has not been studied but literature identifies that less research has been done on the income drivers and directions for the future research of "Living to Work and Working to Live: Income as a Driver of Organizational Behavior". The employees of the IT industry can understand and relate their things. The research signifies that employees can maintain work-life balance along with financial stability and it plays a critical role. It will be interesting to know the analysis and results of the employees of other corporate and government sectors. IT sector is one of the sectors in which learning is given much importance and organizations provide opportunities to their employees to learn different software and other related things. Future research can be done to find whether other sectors also give opportunities or spend their revenues on learning for their employees or not. As the demand of different sectors is different, so the intensity of gaining the knowledge and the reason behind gaining the new knowledge could be different and interesting to know. Moreover, SEM and other analytical techniques can be used for more interesting results.

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