

JAWAD SYED

## Work life balance in Russia\*

With increasing economic relations with Western Europe and other countries, Russia has, in recent years, assumed a regional and global role through its memberships in the Group of Eight (G8), the Group of Twenty (G20), and Asia-Pacific Economic Cooperation (APEC). Russia is shaping its own unique profile in addressing the major challenges of the twenty-first century as the chair of APEC in 2012, and the G20 in 2013 (World Bank, 2014). Given its enormous size in terms of area, population and economy, it is important to understand how the country is responding to issues of work–life balance.

The Russian population in 2013 was estimated to be 142 million people with 71 per cent of the population between 15 and 64 years of age. Within this group approximately 52 per cent are women. The country is experiencing negative population growth (–0.02 per cent) due to a low birth rate (1.2 per cent). With a GDP of US\$2.555 trillion, Russia has in the last few decades moved from a centrally planned economy to a more market-based and globally integrated economy. Economic reforms in the 1990s privatised most of industry, with notable exceptions in the energy and defence-related sectors. However, the private sector remains subject to heavy state regulation. The labour force is estimated to be 75.24 million, mostly concentrated in services (64.7 per cent), followed by industry (27.4 per cent) and agriculture (7.9 per cent). The unemployment rate is 5.7 per cent (2012 estimate) (CIA Factbook, 2014).

Since the Soviet era, the Russian Federation has had a long tradition of female employment and also institutional arrangements for childcare. During the transition period, there was some decline in female employment and public expenditure on the family was also cut (Ovcharova and Papova, 2005). The governmental family allowance is quite low and has not taken into account the increasing cost of childcare. Parental leave is paid for children under 18 months and additional unpaid leave may be taken until the child is three (Pailhe, 2009). Since the break-up of the Soviet Union in 1991, the development of family policy in Russia has experienced the turmoil of transformation, privatisation of enterprises, and rising unemployment affecting citizens' social rights and lifestyle (Teplova, 2007).

Putin's speech to the nation in 2006 exhibited clear pro-natalist intentions. Not only were benefits increased but the most important measure, the so-called maternity capital, was introduced in 2007, giving mothers the right to attractive non-monetary benefits. The maternity grant given at childbirth amounted to 6,000 rubles on the condition that the mother had registered with a medical establishment during pregnancy. For early registration, she was awarded an extra 300 rubles (Council of Europe, 2005). According to Zakharov (2008), changes in family policies during the 1980s led to a short-term baby boom in Russia, which

---

\* Professor Jawad Syed (Lahore University of Management Sciences) wrote this mini case as a basis for class discussion rather than to serve as an endorsement, source of primary data, or illustration of effective or ineffective management. It has been adapted from: Syed, J. (2015). Work-life balance. In Syed, J., & Özbilgin, M. (eds.), *Managing diversity and inclusion*, pp. 287-310. London: Sage.

was mostly due to women giving birth to children earlier than planned or catching up with previously postponed births.

Thus, despite underfunding and turmoil during transition, work life balance remains an important feature of governmental laws and organisational policies in Russia. In terms of health and well-being, the Russian government, through the obligatory medical insurance system, covers medical and emergency care for employees working in the public sector. Contributions are required from employees as well as employers for the obligatory medical insurance fund. Despite the growing private health care sector, most Russians still prefer government-affiliated hospitals which provide free obligatory care. Physical fitness centres have become popular with employees and are available throughout major cities (Engle et al., 2010).

There are also specific provisions for parental leave and care of children. A pregnant woman is legally entitled to paid maternity leave of 70–84 days before childbirth and of 70–110 calendar days after childbirth. Maternity pay comes from a government Social Security Fund to which both employees and employers contribute. The government also supports a childcare leave programme in which a mother can take off up to three years from her position to care for her child. During this time, she receives a government allowance equivalent to half of her annual salary and the company guarantees her the same level of position upon her return. Women are legally protected from dismissal when taking maternity leave or leave to care for a child (Engle et al., 2010).

In terms of flexibility, approximately 17 per cent of Russian companies offer flexible work options to full-time employees. In some Russian-owned companies, managers prefer to have their staff working within a zone of their effective control, thus discouraging remote working arrangements. In terms of commuting, organisations help their employees by providing special buses to transport employees to and from the office. In some companies, some employees, particularly those working in field sales jobs, are provided with company cars (Engle et al., 2010)

According to the OECD Better Life Index (OECD BLI, 2013), the Russian Federation has made progress over the last decade in improving the quality of life of its citizens. The BLI statistics shows that people in Russia work 1,981 hours a year, about 11 per cent higher than the OECD average of 1,776 hours. However, only 0.2 per cent of employees in Russia work very long hours, much lower than the OECD average of 9 per cent. While men spend more hours in paid work across the OECD, in Russia there is hardly any difference (OECD BLI, 2013).

### Questions:

1. Compare the historical context and policies of work life balance in Russia with those in your own country. What similarities and differences do you identify?
2. To what extent do governmental, political and ideological approaches to work and family affect work–life balance policies in organisations?
3. What steps do you suggest for organisations in Russia to effectively manage work life balance?