

IMPACT OF FLEXIBLE WORKING ARRANGEMENTS ON EMPLOYEE SATISFACTION IN IT SECTOR

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ABSTRACT

Flexible working is increasingly recognized as a strategic tool to manage space, time, and employees more effectively within the uncertainty of environment and the global economy. This paper makes an attempt to study the impact of Flexible Work Arrangement on Employee Satisfaction. Employee Satisfaction is affected by dimensions such as psychological well being, social relationship and physical health. A descriptive research designed was used to understand the relationship between Flexible Work Arrangement and Employee Satisfaction. Data was collected from 100 respondents working in IT sector in Delhi NCR using convenience sampling method. The results of the study showed positive relationship between Flexible Work Arrangement and Employee Satisfaction.

Keywords: *Employee Satisfaction, Flexible Work Arrangement and Information Technology.*

INTRODUCTION

With the advancement of technologies and rapid growth, traditional methods of working are being replaced. The organizations are required to take up the new challenges and opportunities. This has led to emergence of amended policy in working and working patterns of employees, giving origin to Flexible working arrangement. Flexibility in working hours is in demand and many organizations are observing it in order to benefit the company and employees. By following the flexibility in working, organizations are making an attempt to build the culture of trust at workplace. P. Thomson (2010) alludes that strategy of flexible working enables work life balance for both male and females. Flexible work arrangement is commonly known as flexible work scheduling, which refers to altering the time and hours of working in a week. It is the benefit provided to the employees to enable them to control time and place of work in the standard work day Hill et.al., (2001). It is classified into flexi time, part time, telecommuting and Compressed Work Schedule. These options can be used individually or be combined and incorporated by the organizations on the basis of their requirements. Organizations make an attempt to reduce the risk of unemployment by such arrangements. However, there exist no standardized rule being followed by the organization and it varies from company to company.

Employee Satisfaction is the extent to which employees are happy or contented with their jobs and work environment. Employee satisfaction covers the basic concern and needs of the employees. By encouraging good health, supporting good healthy eating and providing physical activity at work employers are making an attempt to provide a good work life balance and increasing the satisfaction of employees. Previous

researches have also shown that flexible working enables to have better mental health and stress reduction M. Shapiro et al. (2010). In order to have more creative, loyal and productive employees it is important to provide a good standard of well being at work and Flexible Work Arrangement is one of the techniques followed by organizations leading to increased work commitment (C. Kelliher and D. Anderson, 2010). Psychological satisfaction refers to the happiness of the employees, by enabling employees to balance the working and the social life effects positively. Happiness of the employees is important for the well being of the employees. It is concerned with hedonic and eudemonic elements. Hedonic is concerned with positive and negative thoughts of employees and eudemonic concept is concerned with fulfillment and realization of human potential.

Social Relationship refers to quality of social relationship with others and functioning within the society. In an organization social relationship refers to the interaction that exists between employees and environment. This element enables to enhance the productivity and efficiency of the employee. However, research conducted by Olsen (1987) stated that a high amount of flexibility in work arrangements will be negatively related to social relationship. The interaction among the employees will be low when employees work from home or different work timing.

Physical well being has been considered as a vital factor in the working of the employee. First, the energy level of an employee is part of the physical well-being of an employee, but also the amount of stress employees perceive has an effect on the health of employees. Work can also be a source of stress which has a negative effect on the health of the employee.

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There is a change in the world of work environment. Working pattern followed and experienced by Baby Boomers are no longer acceptable by millennial generation. Employers are facing the change to hire right skilled and talent for the organization. The provision of flexibility in working is now followed by the organization to add to its brand image. Thus as one of the competitive and cost saving strategies organizations are following flexible working arrangement policy. In 2008 SHRM conducted a survey which marked an increase in the percentage of organizations providing flexible working arrangement.

The current study made an attempt to examine the relationship and impact of Flexible Work Arrangement on Employee Satisfaction in IT sector.

REVIEW OF LITERATURE

Glass and Finley (2002) investigated the impact of family responsive work policy on the commitment of the employees. It enabled understanding the market based model which accommodates the family responsibilities and information. Researcher gave the framework for future where better commitment can be attained with focus on family responsive work policy.

Rogier and Padgett (2004) investigated the difference in the career development of women who opt for flexible working schedule than who do not opt for it. The respondents were the women employees of account department who were seeking promotion from manager. The result showed those women employees who are on flexible work schedule are less job career dedicated and less advancement motivation. However, there was no difference observed in the capabilities.

Grote and Raeder (2009) investigated the relationship between personal identity and experience of individual career change and flexible working. Survey data was conducted to study four different type of identity i.e. self determined, continuous, job centred and critical flexible. Research showed that continuous type expressed highest satisfaction and critical flexible type showed least satisfaction.

Jones and Jones (2011) investigated gender inequality with reference to flexible working arrangement in UK. Flexibility in working can benefit employer in terms of work, increased productivity, efficiency and saving of timing. It is also beneficial to the employees by giving the advantage of work life balance and high morale to continue with the organization. Although there are many benefits associated with Flexible working arrangement for both the parties but there exists number of challenges. Also, the research showed that this facility is mostly availed and given to women employees and there exist issues of inequality with respect to it.

Ahmad and Hashim (2013) examined the relationship between flexible working hours and employee motivation. Spending more hours at work, affects the safety, security, education of the children and family responsibilities. Through

implementation of flexible working this challenge was secured which enabled the employees to be engaged for a better coordination between work and family responsibilities. Correlation and regression was used as a technique to examine the relationship and study showed that effective implementation of flexible working schedule contributed to the motivation of staff of the department.

Shagvaliyev and Yazdanifard (2014) investigated the relationship between flexible working hours and work life balance. By employing flexibility in working, organizations are making able to build the culture of trust. It enables the employees to control his/her working time duration as well as location of work (remotely from office). Employers have introduced flexible working packages (part of work-life policy) in order to attract, recruit, and retain highly qualified staff to their organizations and work to build upon the well-being of the employees.

Jain and Swami (2014) investigated the benefits of flexible working arrangement and employee retention in IT sector. Organizations which are practicing flexible working arrangement are able to retain and have employees stay for longer period. The data was collected by questionnaire and interview method. Aon Hewitt employees were the respondents of the study, showed that flexible work arrangement is preferred by all levels gender, and is a benefit which is most sought. Research showed that flexible working policy has improved staff retention in the organizations. FWA helps them to balance work and life, reduce stress, longer tenure in the organization, more committed employees towards the organization.

Deshwal P. (2016) investigated the impact of flexible working arrangements on the companies. Flexible working is different from the regular working pattern of employees. Organizations are focusing to become flexible in the work timing has helped to create trustworthy and better retained employee. The data was collected from 300 employees of MNC's in Delhi by questionnaire. Research showed that flexible working enables the employee to balance work & life, reduce stress, and have longer tenure at organization.

OBJECTIVES OF THE STUDY

- a) To understand the relationship between Flexible Working Arrangements and Employees Satisfaction in IT sector.
- b) To analyze the impact of flexible working arrangements on employees satisfaction in IT sector.

SCOPE OF THE STUDY

The study is limited to the few companies of IT sector in Delhi NCR and this does not necessary show the findings for the whole industry. The sample of the study includes the employees of various departments of the organization such as Operations, Business Development, HR, Marketing, Finance and administration. The foundation of the study was to analyze the relationship of Flexible Working Arrangement and Employee Satisfaction of IT Sector.

METHODOLOGY

A descriptive research design was used for the study. Both primary and secondary sources were used for data collection. Questionnaire was adapted from the previous research of similar nature. Sampling used for the study was convenience sampling. The sample size of the study was 100. Primary data was collected by Questionnaire..

HYPOTHESES

H₁: There is a significant relationship between Flexible Working Arrangement and Employee Satisfaction.

H₂: There is a significant impact of Flexible Working Arrangement on Employee Satisfaction.

DATA ANALYSIS & INTERPRETATION

The reliability of the questionnaire was checked using Cronbach Alpha in SPSS containing all 30 statements. Reliability coefficient for each factor is considered acceptable if its value is between 0.70 and 0.9. Table 1 below examines the reliability of each variable separately. It shows the value of 0.711 for Flexible Working Arrangement and 0.761 for Employee Satisfaction.

Table 1: Reliability Test of Flexible Working Arrangement and Employee Satisfaction

Items	Cronbach's Alpha	No of Items
Flexible Working Arrangement	0.711	9
Employee Satisfaction	0.761	21

Table 2: Correlation Coefficient - Flexible Working Arrangement (FWA) and Employee Satisfaction

Variable			Employee Satisfaction
Flexible Working Arrangement	Pearson correlation	1	0.625**
	Sig. (2-tailed)		0.000
	N	100	100

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

Table 3: Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.625	0.390	0.384	7.24092

Table 4: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	3285.211	1	3285.211	62.658	0.000
	Residual	5138.229	98	52.431		
	Total	8423.440	99			

Dependent Variable: Employee Satisfaction

Predictors: (Constant), Flexible Working Arrangement

Table 5 : Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Constant	42.107	3.741		11.255	0.000
Flexible Working Arrangement	1.008	0.127	0.625	7.916	0.000

Relationship between Flexible Working Arrangement and Employee Satisfaction

Table 2 shows that r value is 0.625 which reflects positive correlation between the variables, at the significance value (0.00). Thus, alternate hypothesis H₁ was accepted and we conclude that there is positive correlation between Flexible

Working Arrangement and Employee Satisfaction.

Impact of Flexible Working Arrangement on Employee Satisfaction

To examine the impact of Flexible Working Arrangement on Employee Satisfaction regression analysis was conducted.

Table 3 shows value of r square is 0.390 which reflects how much the independent variable (Flexible Working Arrangement) explains the dependent variable (Employee's Satisfaction). Which means 39% variation in Employee Satisfaction was due to the Flexible Working Arrangement and the remaining 61% variation was due to some other factors. As per Table 4 p value (0.00), reflect that the relationship is statistically significant. Thus, alternate hypothesis H_2 is accepted. It also shows Employee Satisfaction = $42.107 + 1.008$ (Flexible Working Arrangement).

MANAGERIAL IMPLICATIONS

The study examined that there exist positively strong correlation between Flexible Working Arrangement and Employee Satisfaction of employees in IT sector. It also showed that there was a significant impact of Flexible Working Arrangement on Employee Satisfaction of employees in IT sector. This lays focus to adapt Flexible Working Arrangement in the working patterns by organization.

CONCLUSION

The study examined that there was a significant impact of Flexible Working Arrangement on Employee Satisfaction of IT sector. Thus, the organizations should give enough considerations to various options of Flexible Working Arrangement as this impact the employee work life balance and enable to build loyalty towards the organization. Employee Satisfaction could also be analyzed through the increased productivity gained by flexible work timing and terms of service with the organization. Employee Satisfaction could also be analyzed through increased productivity gained by flexible work timing and terms of services with the organization

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