

THE IMPACT OF FLEXIBLE WORKING HOURS ON THE EMPLOYEES PERFORMANCE

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Abstract

Flexible working hours are the reciprocally advantageous accords between employee and employer to enhance employee productivity and higher profitability of the organization. Since the basic requirements of life are changing due to financial, social, political and economic constraints and people of both genders are compelled to work. So in order to have work-life balance and to maintain a healthy family life the flexible working hours are equally acceptable by both male and female employees. This flexi-hours strategy if adopted with proper planning of formality and degree will reduce stress and bring improvement in well being of employee life. Through flexibility, it enables the employees to make the amendments according to the circumstances. It is the tool that use to increase productivity, job satisfaction, efficiency in the work, enhance performance, improved the quality of life, it decrease absenteeism and decrease overtime cost of the organization. Under the current study, a survey of the employees of telecommunication/call centers has been conducted with a convenient sample size of 200. Purpose was to check the null hypothesis that there is a relationship between flexible working hours and the employee's performance. The simple graphs and frequency distribution has indicated that there might be less knowledge in the middle and lower levels about the flexibility as compare to executives who are well aware of flexible work arrangements. The demand for Flexible working hours is there in Pakistan but we need to generalize and increase awareness about flexible working hours among the different levels of management. Flexibility in the working

hours is a source of job satisfaction and the quality of life among employees. Many organizations encourage and support the flexible working hours because it is beneficial for both the employees and the organization.

Keywords: Flexible work hour, Work life balance, Employee performance, Job satisfaction

INTRODUCTION

Flexitime has been described by human resources manager today as one of the earliest essential introductions of employees; it has its origins in Germany with the aerospace company Messerschmitt-Bolkow-Blom. The concept was first introduced in 1967 for 3,000 white collar workers in administration and also those in Research and Development at the main headquarters near Munich as a means to reduce lines for clocking on and off, and the resultant traffic jamming of everyone being required to start and finish at the same time. People were certainly leaving early to avoid the lines, and morale and productivity were suffering. Then the personnel manager, Herr Hillert, realizing the problem and found a solution of variable hours, adjustment between variable and rigid hours. It was termed "Gleitzeit" – gliding/ sliding time, or Flexible Working Time (FWT). By 1972 6,000 of the 20,000 workers were using flexi time, and the company reported an estimated saving of around 40,000 dollars a month, it increased productivity, lower absenteeism and it also reported fewer recruiting difficulties and fewer travel problems.

The idea spread quickly and by 1973 was in use by most of companies of the labor force in Germany, and by thousands of companies across Europe. In Germany its use had been fuelled by labor shortages, and it was found that the scheme enabled women to return to work and also care for families. It increases the size of labor pool available. By the late 1970's the use of flexitime had spread all over Europe. In the UK too it was prevalent in insurance, local government, public service and white collar groups in industry. Across Europe, the UK has had the lowest increase in new organizations taking up flexi time along with Denmark and Greece. In the Netherlands, most of the organizations have widened their use of flexi time, and there has been growth in its use in Austria, Belgium and Germany - all countries with already high use. The first U.S Company who implement the flexible working hours in 1973 was the HP at Boblingen Germany, which allow the employees to come early or late at work and worked a standard number of hours every day.

The employers in all the organizations offering flexible timing benefits to retain their valuable employees, it has been seen that it increases the employee's morale, loyalty and

enhances the productivity, reduces the absenteeism, employer's time and hiring cost. Flexible working hours not only contribute to improve the general atmosphere and human relations but it also enhances the pleasure of work.

In 21st century the technological advancement has reached beyond the expectations and the frequent changes affecting the corporate world have increased the need of workplace flexibility. It is a way of thinking and a working that helps the employees to contribute and manages their personal lives as well. It also engages the employees to bring the innovative and creative solutions to the conflicts being occurred in their professional and personal life responsibilities.

Flexible work arrangements (FWA) that vary from the conventional work pattern of 9 to 5 Monday to Friday have a very diverse variety of feasible options. FWA enable your business enhanced competition between recruitment levels and workload or customer service demands, which enables the organization to open for longer hours which increases the staff availability when the workload is on the peak and less quantity of employees when business is calm/silent. Flexible work arrangements will be highly supporting for the employees personal needs.

Different businesses offer flexible work options and employees are increasingly recognizing flexible scheduling as an important factor in taking or staying with a position. Flexibility will also include the following benefits for example enhanced productivity, increases morale, lower the rate of absenteeism and improved quality of work. Flexible scheduling creates an environment where employees are more satisfied with both their jobs and their lives.

Flexibility in work Arrangements are as follows:

- ✓ Flexible, they include variations in when, where, and/or how work is done.
- ✓ Focused on overall business goals, rather than case-by-case accommodations to individuals
- ✓ Planned and predictable
- ✓ Structured to emphasize the long-term rather than the short-term

Flexibility in work Arrangements are not:

- ✓ An entitlement or reward
- ✓ A secret arrangement or special deal
- ✓ For every employee or every job

Flexibility in working hours bring convenience to the individual life which reduces their work stress and improve their mental and physical stability due to which they work effectively and efficiently and with determination and coordination. In some organizations the flexibility allows the employees to build up their career through job replacement or by taking the unpaid leaves to

switch over to the other organizations. Place flexibility is also given to the employees where they can engage in the work and perform their duties.

Flexible work arrangements (FWA) also provide the work opportunities to the disabled person who prefers to work as full-time employee, but lack of flexible work arrangements the rate of unemployment for disabled people is high due to which they are living the life of poverty.

Benefits of flexible work hours from employer's perspective:

- ✓ Increase labor capacity
- ✓ Customer service is improved
- ✓ Enhance productivity
- ✓ Attract a wide range of workers such as part-time
- ✓ Cut recruitment costs
- ✓ Retain valued employees
- ✓ It also increases employee morale, loyalty and commitment
- ✓ Improve the organization's capability to deal with amendments made by modernization and creativeness.
- ✓ To expand knowledge or certifications

Benefits of flexible work from employee's perspective:

- ✓ Better control over the working life, sense of responsibility and possession (ownership)
- ✓ Healthy relationship with the management
- ✓ Lower the rate of absenteeism, illness and anxiety
- ✓ Increased confidence and self-esteem
- ✓ Good health and fewer stress
- ✓ A sense of control after making a proactive decision
- ✓ Improved quality of life
- ✓ Choose a convenient working pattern

Disadvantages of Flexible Working:

- ✓ Sense of isolation from co-workers
- ✓ Require a separate room for work
- ✓ Evaluating individual performance is complex
- ✓ Lack of discipline
- ✓ Barrier to get promoted
- ✓ Low salary
- ✓ Lack of training
- ✓ Workers remain unskilled
- ✓ Lack of communication with the management and colleagues

Employees should be given opportunity of the flexibility to work according to their needs and their responsibilities. They enjoy work-life balance and an individual satisfaction to manage different roles and activities of their life is high. The skill to achieve an effective work-life balance directly affects their levels of job engagement.

It can also improve the employees' quality of life while enhancing business results. Economically, flexible scheduling makes sense for employers competing in a global economy to hire and retain knowledgeable employees.

Flexible work arrangements from employee's perspective:

- ✓ Consider which flex time meets the requirements of the employees
- ✓ Argue the concern with your supervisor/manager about FWA.
- ✓ Ask for the advice from the other co-workers who are currently working in a flexible schedule.
- ✓ Consider how the arrangements would impact your work and the work of your colleagues and include their feedback and needs in your considerations.
- ✓ Plan the schedule time, prepare a proposal and talk about it with your manager.
- ✓ Ensure you and your manager has clarified all the details and holds the same expectations.
- ✓ Examine and evaluate the arrangements with the manager which are currently being followed.

Flexible work arrangements from supervisor's perspective:

- ✓ When assessing flexible schedule proposals from employees the supervisor should consider the progress of company or the individual department needs.
- ✓ The proposals should consider on its own virtues, while keeping the requirements of the team in mind.
- ✓ Get the feedback from experienced employees' who are in the favor of flexible work options.
- ✓ Before implementing a flexible work schedule clarify all the expectations with the employee.
- ✓ Clearly communicate the new arrangement to other employees' in the division and to the administrators.
- ✓ Observe the achievements and challenges cooperatively.

To conclude, while there has been a multiplying of other types of flexible working, flexi time has proved durable, with clear advantages when properly implemented and well managed.

Problem Statement

The purpose of the research is to study the impact of the flexible working hours on the employee's performance in the organization. Specifically:

- ✓ Why the flexible working hours of employees in the organization is needed?
- ✓ What will be the impact of flexible working hours of employees in the organization?

Research Objective:

- ✓ Determine those aspects that influence the flexible working hours.
- ✓ To know the insights of both staffs and managers regarding the flexible working hours.

Scope of the study

Flexibility defines that when and where work gets done and how careers are planned. As far as advancement in the technologies is concern it demands that we altered the ways to how we connect with people through different means, arrange teams and measure their work performance when people work from home. Flexibility in work timing is cost-effective and efficient way which also helps in savings on overheads cost and reduces the expenses, gain competitiveness and also improve the business performance.

- ✓ To increase the creativity
- ✓ To increase employees retention
- ✓ To raise employees confidence and job satisfaction
- ✓ To improve productivity
- ✓ To reduce anxiety

LITERATURE REVIEW

It has been seen from the past decade that the technology has transformed the world. Many employees thought that FWA is an opportunity and a comfort. Most of the employees when they gain their manager's confidence then only they are able to utilize flexible work arrangements.

Pruchno, Litchfield and Fried (1997), conducted a research to find out impacts of workplace flexibility which shows that "the most workplace flexibility turns into win situation for both the company and the employee, the research also concluded that flexible working hours increases the employee productivity and allow him to do proper scheduling to move with official and personal life". Employees who are using alternative work schedule are conscious that all the other staff has not been able to utilize it. It is the responsibility of the managers to recognize the staff that will be more productive for opting flex schedule.

Employees, who are giving maximum output, will continue to sustain the same output. Supervisor evaluates an employee's capability and job performance with the flexible work schedule while maintaining productivity. By decrease in the time, supervisor believes that they can improve employee confidence, loyalty, thus enhancing productivity. Flexible working intended at making convenience for employees to change when, where and for how many hours they want to work. Flexible working persuades workers to bring in new ideas for the conflicts occurring and they convinced line managers to take flexible working options more sincerely. According to the research when organization environment are not reactive to the needs for substitute work schedule, the probability is that staff work less than their capability.

Broadly acknowledged statement is that better workplace environment produces better results. It is considered with due significance to the nature of job and the individuals that are going to work in that office. The employee performance is actually considered by the output that the individual produces and it is related to productivity. Efficiency is affected at business level by such factors such as employees, technology and objectives of the organization. Employees' performance and health also affected by the physical environment of the organization.

Golembiewski, Yeager, Hilles (1975), say "flexible time effects on employee behavior, it's also found that impact of flexi time is also highly dependent on nature of job like low wage workers get waged on daily basis at hour regulation so they could not make full use of flexi timing".

Scandura and lankau (1997), in their research show "the relationship between flexible working hours, personal (family) responsibilities and gender differences to job satisfaction and commitment toward organization". According to Hurtz and Donovan (2000), "Better significance is the opportunity that the relationship between personality characteristics and specific work environments may influence performance".

Researchers distinguished that the effects of exhaustion, are mostly related to a wide range of physical and mental health problems. People cannot give their output to maximum capacity without good health and proper functioning conditions, which cause failure for the employees' to reach their own proficient potential and the output required to make the organization perform efficiently and effectively. The secret to the job satisfaction is our ability to control our moods on a daily basis strain. Emotional stability enhances the employee's ability to handle work pressure and stress, to consistently carry out the responsibilities, and self-indulgence. Emotionally stable people are able to sustain an analytical approach when dealing with a nerve-racking work conditions.

Costa and McCrae, (1985, 1992) say "people with neuroticism behavior are those who experience more negative emotions, which would be reflected in poor job attitudes and high

levels of job stress”. Neuroticism is a propensity to experience harmful effects such as panic, depression, humiliation, annoyance, guiltiness, and hatred.

The findings of Van Vianen and De Dreu in 2001 are that “high levels of emotional stability contributed to social consistency in teams, and high levels of neuroticism predict irritation and ignorance in relationships.”

James and Galinsky, 2006, the higher income workers are more offered with the flexible work arrangements than the lower income. This creates a sense of inequality at the workplace and decreases the motivational level.

Organizations provide the traditional flexi time offer. The flex time offer allows the worker to work around the rush hours and then they have been provided a flexibility to take some break to go home or to take lunch or take children from school etc. The employees are also given a daily flextime offer. Daily flexi time offer allows them to meet the requirement of unanticipated works and helps them in saving their job and keep the all parties (employee and employer) happy. There is also a concept of shift in the organizations where the workers are offered with different shifts to choose on that fit to him/her to have balanced life. There are no policies for the flexibility in most of the organizations and the flexibility is offered at informal basis so this causes a big problem in the management of the human resource. There are much of the chances that the higher income people can accommodate the personal matters during work even the flexible time offers are not there and they can informally take the advantage of being on the higher posts. So there must be some equal base for all the workers to give them ease on work place.

The higher income people are paid and compensated or their illness in most of the firms but the actual people who need these things are neither paid nor given easy leaves for their illness or to care for their household. Higher income people have the control on their time as when to take break for lunch and when to go for relax or so. One big advantage of the flexibility is that the workers who cannot work at full time are now given with the part time offers that help them in managing the personal life as well as the work life

Worrall and cooper (1999) conducted a research to find out effects of working hour's patterns in general and by managerial level, and the way they tradeoff between official work and personal life related issues like health, moral, time to family and productivity. The research shows a strong relationship between working hours and increasingly negative impact. Findings regarding tradeoff clearly demonstrate that it's a very difficult for many managers. The results also disclose the fact that specifically the junior managers and those who are working in non-profit organization are more concerned toward their social life but picture is different for senior managers who works for profit oriented firms they are more concerned toward their office. The

research also concluded that long working hours have negative impact of manager's productivity and on their social life like with family and moral.

Marten et al (1999) in their research to find out impact of flexi timing on physical and mental health employed 480 respondents (patients) on job and on leave. The research has incorporated three dependent variables physical health, mental stress and wellbeing and quality of sleep with 3 moderating variables compresses weeks, irregular working hours and working shifts. In research it is found that people working on flexi hours reported more health issues, more physiological disturbance and problems in sleep then non flexi hour group.

Ya Tang and Wadsworth (2008), has conducted a research on the time and workplace flexibility it has been analyzed that, "flexibility is highly valued by the employees' in which a large majority of all the employees report that having the flexibility they need to manage work and personal or family life".

Manager support can be very important for both the employees and for the organization. It has been examine that manager sustain by equality, openness and sympathetic in responding to employees' personal and family needs and employees' level of relieve in bringing personal and family issues up with their manager.

In 2008, employees have more choices in managing their time and most of the employees have agreed that they have the schedule flexibility to manage the individual and family responsibilities. It has been concluded that a large number of employees consign high worth on flexibility at work, but some do not have the flexibility they need to administer their lives at and away from work. Right to use flexibility is improving employees working more than they want to and feeling increasingly time depressed. Nevertheless, it continues to recommend that increasing flexibility is not only good for employees, but it is also good for organization.

Dex, McCulloch and Smith (2002) as per the finding of the research it is noted that the unions should recognized in the work place instead of informing the individual members. Communications through the unions were have positive effect and are more appropriate than having an HR specialist in the workplace.

Human resources policies and strategies regarding flexible work arrangement should clearly be communicated with employees and influence their behavior and motivation. The outcome of the research also suggests that the main influences on awareness obtain from the staff themselves. The organization should implement particular types of flexible arrangements that suit the organization and their employees.

In October 2010 a survey has been conducted by the World at Work members, which says that workplace flexibility assistance and approach differ extensively from organization to organization, representing the needs of the workforce.

There is a lack of training in many organizations and for the managers that they will guide and give training to the staff for the FWA's. Flexibility provided at the Workplace is believed to have a tremendously encouraging effect on commitment and inspiration. Few of the divisions uses the FWA's but there is an inconsistency in whole organization. Flexibility is strategic and seen as an essential part in achieving organization success.

In 2009 researchers from the federation of small business thought that flex timing have a positive result on customer service; decrease employees absents and anxiety and therefore reduces the employee turnover and hiring costs. During an economy recession many industries should consider alternative work schedule to increase productivity, enhance employee's morale and gain a competitive advantage. SMEs find it easier than larger organizations to examine the positive impact of flexible working on performance. In providing the manager with great flexibility in time of bad economy flexibility in work which would give employer a benefit. Coulson says, small companies sometimes lead when it comes to adopting substitute ways of functioning which builds the healthy relationship of the mangers with its employees.

It has concluded that Flexibility in work would benefit the organization and the workers are became more enthusiastic to balance the need of the work and there personal life. Most of the organizations had recognized the need of the flexibility in work which ultimately benefits the organization to achieve its goals. The study is to analyze the promotional opportunities are influenced by taking advantage of a FWA's propose by an organization.

RESEARCH METHODOLOGY

The research design of study will be descriptive research. In the research the methodology used is the mixture of both quantitative and qualitative research. The secondary information has been used to gather the essential data that answer the objective of the study of the flexible working hours.

Population

The population for the research study will be the employees from the telecommunication/call centers.

Sampling Design

Convenient sampling method will be adopted to collect the data from the employees. The sample size of 200 employees of telecommunication/call centres has been selected for this research.

Measurement/ Instrument Selection

Both primary and secondary data will be collected. Primary data will be collected through interviews and questionnaires. While, secondary data will be collected through internet, research papers and articles.

Research Variables

Following the variables that are to be considered in the survey research:

- ✓ Employee designation
- ✓ Balancing in professional and personal life
- ✓ Absenteeism
- ✓ Promotion recommendations
- ✓ Work pressure

Hypothesis

H0: There is a relationship between flexible working hours and the employee's performance.

H1: There is no relationship between flexible working hours and the employee's performance.

Research Assumptions

- ✓ It is assume that workers must contribute in solving the conflicts between the professional and personal time requirements.
- ✓ Employees and the supervisors should also be involved in a flex time program planning and organization.
- ✓ It is assume that in selecting the days off the employees should be asked about their preferences.

ANALYSIS & RESULTS

Table 1. Beginning Time

		Frequency	Percent	Valid Percent
Valid	before 0800	45	21.84466	21.84466
	0800-0830	34	16.50485	16.50485
	0830-0900	47	22.81553	22.81553
	0900-0930	45	21.84466	21.84466
	after 0930	35	16.99029	16.99029
	Total	206	100	100

Table 2. End Time

		Frequency	Percent	Valid Percent
Valid	before1630	46	22.3301	22.3301
	1630-1700	50	24.27184	24.27184
	1700-1730	44	21.35922	21.35922
	1730-1800	39	18.93204	18.93204
	after 1800	27	13.1068	13.1068
	Total	206	100	100

Table 3. Flexibility Offered to Employees

		To some extent	moderate	high	very high	
occupation	executive	24	28	15	8	75
	manager	8	8	6	2	24
	employee	25	31	19	5	80
	other	11	4	8	4	27
Total		68	71	48	19	206

Table 4. NSH helpful in job

		To some extent	moderate	high	very high	
occupation	executive	27	24	21	3	75
	manager	4	13	5	2	24
	employee	32	22	19	7	80
	other	7	15	4	1	27
Total		70	74	49	13	206

Table 5. Valuable to Employees

		Salary	work hours	balance PWL	recognition	other
occupation	executive	38	5	17	13	2
	manager	10	7	5	2	0
	employee	45	17	12	6	0
	other	12	9	6	0	0
Total		105	38	40	21	2

Table 6. Productivity Impact

		FWA	Job satisfaction	low level	stress	balance PWL	all of them
occupation	executive	22	10	15		5	23
	manager	2	10	4		4	4
	employee	10	25	16		9	20
	other	4	7	5		4	7
Total		38	52	40		22	54

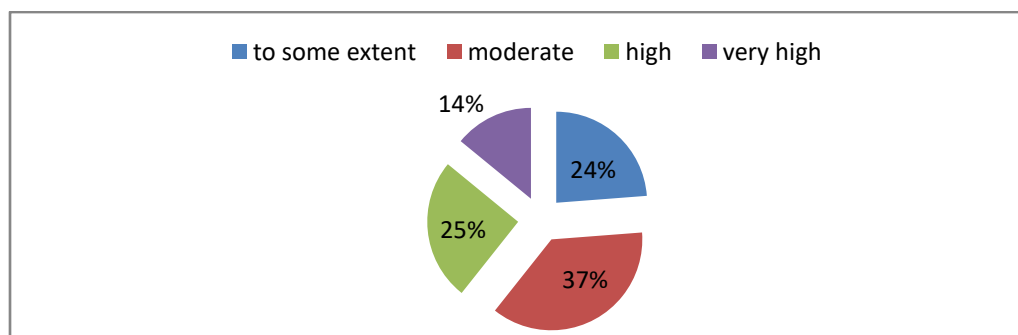
Table 7. Balance personal and work life

		Frequency	Percent	Valid Percent
Valid	some	64	31.06796	31.06796
	mild	67	32.52427	32.52427
	high	46	22.3301	22.3301
	very high	29	14.07767	14.07767
Total		206	100	100

Interpretations

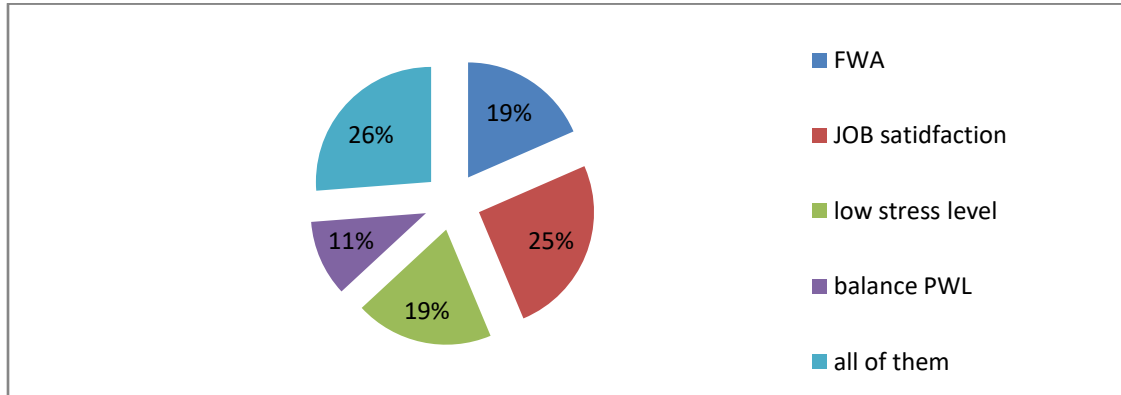
- ✓ The responses showed that the 39% of the sample use to come after 9:00 this means that they have a need for the flexibility. On the other hand the 53% of the sample use to go after 5:30.
- ✓ This means, people do have a need of flexibility that allows them to work beyond the rigid time span of 9-5.
- ✓ The 67% of the sample are being offered with the flexibility at workplace.

Figure 1. NSH increase productivity



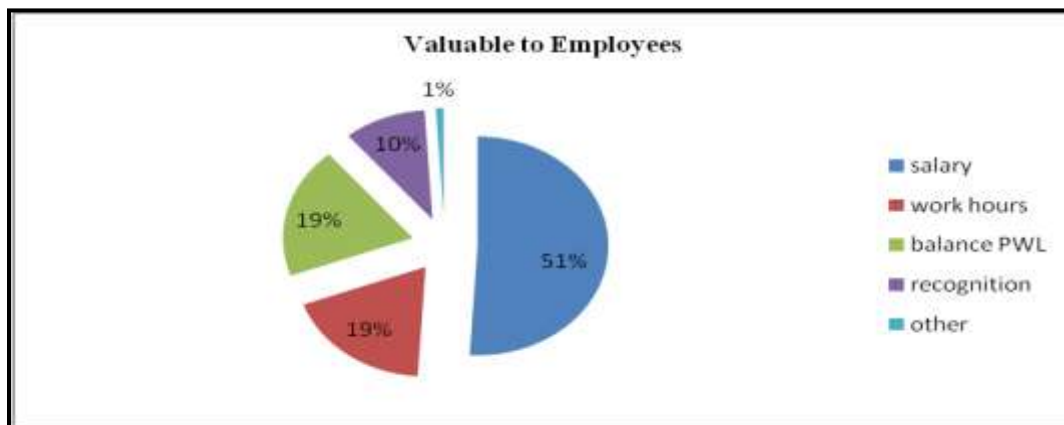
- ✓ In response to the question that “Non-Standard working hours cause productivity”, the 76% of the sample responded a high impact of Flexible working arrangements on the productivity of the workers.

Figure 2. Productivity Impact



- ✓ While on the other question about productivity impact most of the people are of the view that the flexible working arrangements do cause productivity. Most of the people are of the view that the flexible working arrangements do cause productivity. The 25% of the sample have the view that the flexible work arrangements have an impact on the job satisfaction of the workers. 19% people voted for flexibility at work reduces stress whereas 26% are of the view that flexible working hours brings all i.e. reduces stress, adds job satisfaction and provide work life balance.

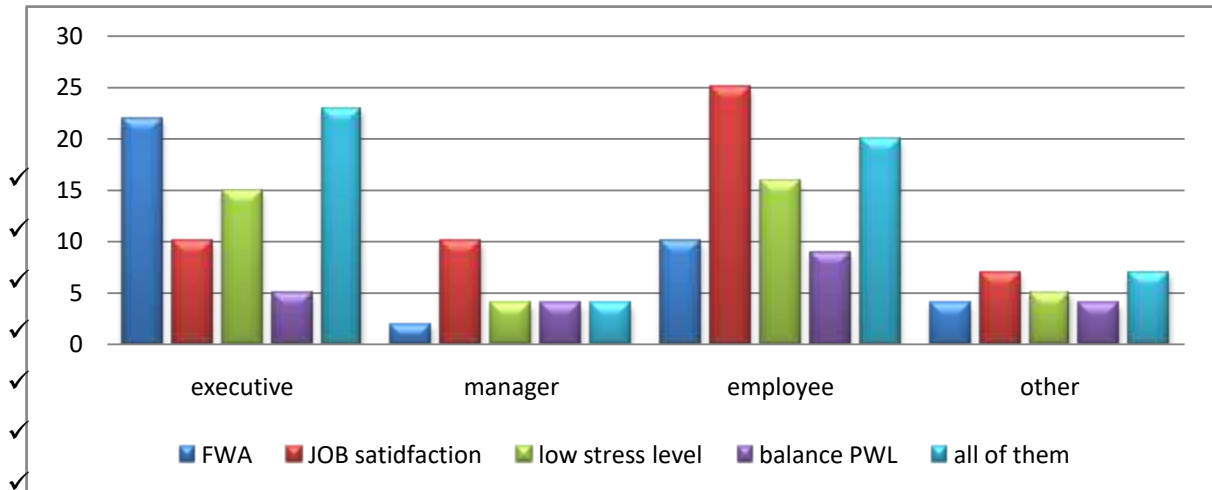
Figure 3. Valuable to Employees



- ✓ In response to “what do you value more?” The 51% of the responses were biased towards the salary.
- ✓ This means that the people do need the flexible work arrangements but they have other preferences before this flexibility.
- ✓ In the following chart we see the mix responses from all type of the corporate workers that likes salary the most. While the executive level value more for the balanced

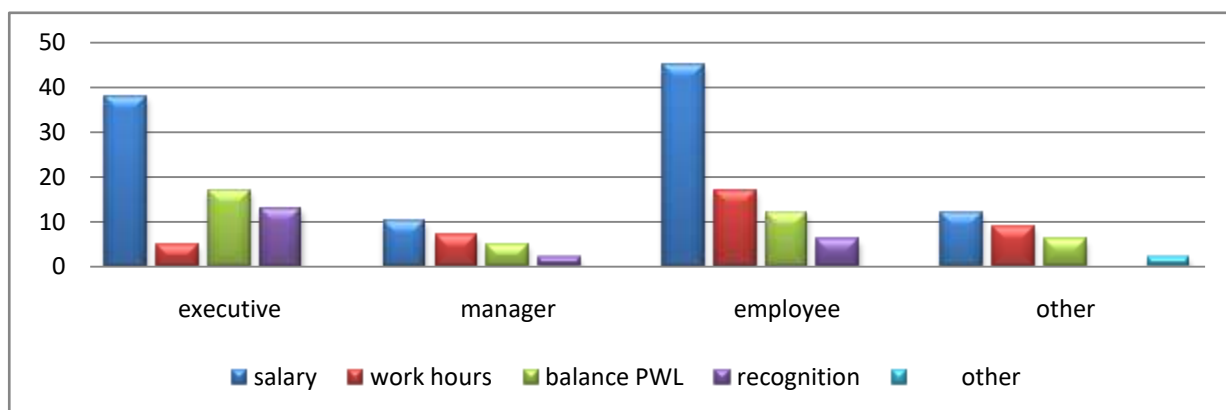
personal/work life. Working hours preference comes at third that is highly ranked by managers and employees.

Figure 4. Valuable to Employees(a)



- ✓ The following figure shows that the executives value flexible work arrangements than the other levels.
- ✓ This chart indicates that there might be less knowledge in the middle and lower levels about the flexibility as we have seen in the above charts that most of the executives are well aware of flexible work arrangements than the other levels.
- ✓ In the above said inquiry, most of the executive level responses were in favor of flexible work arrangements. The middle management level weights both the flexibility and the job satisfaction level for the better performance.

Figure 4. Valuable to Employees(b)



CONCLUSION AND RECOMMENDATIONS

There are clear indications about the FWAs that not every arrangement fits to all so the firms have to be dynamic in terms of making such arrangements which vary person to person. The flexible arrangements help employees in managing their work load, their personal life and help them to assess their responsibilities. They can build more efficiency which benefits to firm and them as well in terms of career progression etc.

Our present study also shed light that flexible work hours have high impact on the productivity: on the employee performance and also improves the work life balance. These findings also indicate that there might be less knowledge in the middle and lower levels about the flexibility as compare to executives who are well aware of flexible work arrangements. The study reveals that the people of the organization do need the flexible work arrangements but they have other preferences before this flexibility.

From this study we also concluded that only upper level managements that is executives have more knowledge about the flexi work arrangements advantages and disadvantage as compared to middle and lower level management. Most of the respondents replied that they are salary oriented and they are ready to work any time against salary.

So from our findings it has been proved that demand for flexible working hours is still here in Pakistan but we need to generalize and increase awareness about flexible working hours among the different levels of management.

A satisfied employee can satisfy and retain the customers so he/she is the responsible for the company's sustainability and for his satisfaction the company is responsible. So the company must provide such an environment which could help employees and make them satisfied of their work and company as well.

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