WORKPLACE FLEXIBILITY TO IMPROVE ORGANIZATIONAL PERFORMANCE

Binal Shah, Aleš Gregar

Abstract: Workplace flexibility is recognized as the application of collective interventions in an organization. It is also known as various supportive technologies and strategies of the Human Resources Department. The purpose of this study is to design workplace flexibility strategies that are essential for organizational leaders and HR managers to sustain and improve organization competitiveness (improved productivity and improved financial performance) along with aging employees’ performance. Data collection from a large-scale survey of 2000 aging employees from a different organization in India. Participants in the survey study were based on employees’ experience within the organization. The research interviews coded by focusing on the level of flexibility given to aging employees, focusing on managers’ influence on the performance of aging employees, examining internal and external sources that impede performance. The study results organization and HR managers’ may increase the performance of aging employees by enhancing flexibility strategies that provide a positive assortment of motivational tools and opportunities. In addition, the findings suggest collaborative decision making between HR managers and aging employees has a positive relationship with work attitudes and the engagement of employees. The results of the study can make organizations more competitive that could improve aging employees’ retention rates.

Keywords: Workplace Flexibility, Flexible Work Arrangements, Employee Engagement, Retention, Human Resource Practices.

JEL Classification: J22, J28, M54, O15, L10.

Introduction

The Indian labor market has been described as one which leaves a lot to be desired. Wages have also been widely described as imperfect, and income distribution as uneven. These factors are to blame for the growing gap between the rich and poor, and older people in particular. Regarding the employer-employee relationship changes in retiree health benefits and pension provisions indicate that in India boomers have remained committed to the workplace (Prithiviraj, 2002). Workplace flexibility in India continues to vary between organizations.

Flexibility assists in addressing the relation between the employers and employees which affect business outcomes. Indian companies focus on attaining flexibility for dealing with changing market conditions. The job market is rapidly developing, and that influences the economic situation of the country. The government of India has also introduced several policies to enhance the function of the temporary workforce. The concept of contract staffing has accepted by the government as means to increase the rate of productivity in the office ambiance (Camisón & Villar-López, 2014). Various firms across the country
have worked on providing facilities to protect the health and well-being of their workers. The inclusion of several business strategies also enables the corporation to enhance flexibility in the workplace. Indian firms endeavor to include contractual staff in order to increase the profit rate. The present study has focused on how the impact of workforce flexibility on employee retention influences the business performance of the enterprise.

According to Glover and Butler (2011), the demands for an appropriate workplace has increased. Maintaining work-life balance and reducing working-related stress has become a necessity for all individuals, irrespective of their sector of work. In India, employers are becoming concerned for their employees and their needs are taken into consideration, so as to acquire and retain their talents. In this context, a variety of Indian companies is striving towards making changes in the work pattern of their employees.

The goal of this article is to address flexibility strategies at workplace lead the performance of aging employees and organization. These studies provide flexibility arrangements that can help and guide aging employees to perform better. The few published Human Resource strategies studies that explicitly focus on aging employees and the gap in the current research on the impact of workplace flexibility intervention and practices. The Flexibility models and theories contempt that the workplace flexibility can be improved by providing sufficient incremental variables. The focus in this article is on improving aging workers ‘productivity and outcomes, such as work-life balance, job satisfaction, aging employees ‘retention and performance.

1 Literature

Addressing the effects of workplace flexibility on aging worker productivity and organizational performance

Over the past decade, the emphasis on employee flexibility has been increased, as nowadays employers are focusing on developing a flexible workplace for the company in collaboration with their employees (Hill et al., 2008) defended “Flexibility” is a broad term, which specifies different things.

The inclusion of a flexible workforce is vital for managing the business operation efficiently. The active involvement of staff in increasing the ratio of productivity positively affects the business operation. The participation of a flexible labor force enables the corporation to prevent further damage in the workplace (Patel, et al., 2013). Therefore, the organization focuses on offering proper training to staff making them aware of the desired objectives.

The concept of productivity aids in identifying the business outcome that is availed by the enterprise. The inclusion of a flexible workforce creates a positive impact on the ratio of productivity. The active participation of a skilled labor force aids in increasing the business and sales performance. The flexibility of working area is beneficial for reducing the stress faced by the employees in the work area. The facilities offered by the corporation enable the workers to maintain their professional and personal life effectively. This encourages the labor force to provide proper service in the office environment.
Most studies on flexibility, have utilized diverse, flexible work possibilities with the help of the assumption of “more is better” perception which directs the idea of faith. For instance, a wide range of flexible options offered by the organization is ineffective, if the demands of worker are not met by the assistance of these options. It can also operationalize that flexibility, regarded as the subjective assessment of respondents, based on which workplace flexibility can satisfy the needs of employees and employers. As discussed in the preceding section, aging employees have required flexibility work opportunities and this has an effect on the productivity and organization performance. The existing analysis will fill the research gap found in the literature review. It has also been observed that there is a positive relationship between employee engagements and innovation in the workplace (Oeij, et al., 2012). Moreover, numerous studies found a relationship between aging employee engagement and organizational outcomes such as aging employee’s productivity, and revenue generation (Towers Perrin, 2005; Gibbons, 2006). (Gibbons, 2006) has concluded by the conference board that there is substantial evidence that the engagement of employees at work has a positive effect on productivity and performance at individual, team, and organizational levels. Organizational studies have established that various benefits are attributable to workplace flexibility for aging employees.

1.1. Theory and Hypothesis

The literature on the flexible workplace has discussed the practices of high-performance work environments. This type of work environment indicates that companies can improve performance, with the assistance of the productive elements of the strategy of Human Resource Management, by looking for methods to attract, engage and motivate aging employees by providing them with enhanced personal development and efficacy (Glover & Butler, 2012; Berg et al., 2004). There is also some provisional evidence that perceived workplace flexibility helps to attain an enhanced balance between work and life, which in turn leads to an increment in job contentment, assurance, and efficiency (Origo & Pagane, 2008). Other benefits to an organization derive from family-friendly policies, which lead to a decrease in employee turnover and absenteeism. (Barmby, Ercolani, & Treble, 2004; Lusinyan & Bonato, 2007).

The objective of this paper is to demonstrate the relationship of flexibility in the workplace to aging-worker productivity and organizational performance. According to the literature, the utilization of flexibility should promote the resources and capabilities of aging employees to meet the hassles of work thereby enhance their productivity. Moreover, a higher degree of support from the organization is related to a higher rate of employee engagement, which will in turn result in increased employee retention and business performance.
Different theories are available for managing the workforce in the office environment. Contingent Workforce Management (CWM) focuses on managing temporary staff in the workplace. The model is used to fulfill corporations’ long-term objectives. CWC theory is vital for management of freelance workers in the workplace. The decreased ratio of workforce flexibility is the disadvantage visible in this model. A business with continuous operational changes can adopt this workforce management theory for developing the business function (Korschun et al., 2014). On the other hand, the Blended Workforce Model (BMW) focuses on merging the contractors, employees, and consultants in order to improve the business operation. The flexibility of the workforce aids in enhancing the organizational function (Camisón & Villar-López, 2014). The use of BMW model by various enterprises has increased in recent times as it aids them in attaining flexibility in the workplace. However, the current model aids management of the permanent labour force to produce better service from them; the result of a recent survey has highlighted the fact that a large number of corporate staff are now temporary recruitments and, therefore, the use of this model would not be fruitful to attain proper service from them.

In the case of managing contingent labour, the model of the Managed Service Provider Model (MSP) plays a vital role that influences the business operation. The companies involved in the outsourcing business process also avail themselves of this model for managing the workforce smoothly (Korschun et al., 2014). A cost-effective approach facilitates the scope of business and sales operation. The inclusion of a law regarding contingency labour has also aided in improving the quality of service provided by them. Functional flexibility is another factor that enables the enterprise to manage the workforce effectively. It is beneficial for resolving conflicts between managers and staff which affect the business operation. The incorporation of functional flexibility is vital for managing teamwork efficiently. It aids in attaining the views of different team members on strategies for enhancing the business function. The Multi-Generation Workforce Management model

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**Fig. 1: Benefits of Workplace Flexibility**

<table>
<thead>
<tr>
<th>Organization</th>
<th>Job/Co-workers</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Improve retention, recruitment.</td>
<td>- Improve productivity.</td>
<td>- Freedom to work from anywhere and anytime.</td>
</tr>
<tr>
<td>- Reduction in cost and overhead expenses.</td>
<td>- Reduce accidents in the workplace.</td>
<td>- Less likely to miss work (due to illness, nonwork demands).</td>
</tr>
<tr>
<td>- Organization are better able to address challenges of the globalization of business.</td>
<td></td>
<td>- Improve work-life balance.</td>
</tr>
</tbody>
</table>

(MGWM) assists in introducing various strategies that can be used by corporations to achieve workforce flexibility (Camisón & Villar-López, 2014). The model enables the organisation to attain the feedback of the workers regarding the service provided to them. The innovative ideas offered by staff members also aid the enterprise in achieving its desired business objectives.

1.2. Hypothesis

The incorporation of multiple models of workforce management is beneficial for enhancing flexibility in the workplace. It also cooperates in achieving stability among the function of the workforce. The employment of various business models aids in gaining competitive advantage in the current market situation. Based on the literature and theory, we present three hypotheses:

Hypothesis 1 (H1): The impact of workplace flexibility on the organizational performance along and employee productivity will be positive.

Hypothesis 2 (H2): Workplace flexibility will influence employee productivity in a positive way by maintaining work-life balance.

Hypothesis 3 (H3): Workplace flexibility will affect the employee performance and the organizational results positively.

2 Methods

The current study has focused on using the explanatory research design for attaining important conclusions in support of the present study. The survey method has also used for deriving valid and proper information about the current research topic. It has aided in identifying the impact of a flexible labor force on productivity. The use of this investigation method is essential for deriving authentic data in order to advance the research work.

The present study has focused on using the primary research method for deriving the accurate information from human resources (Taylor, et al., 2015). Both qualitative and quantitative data analyses are useful in gathering valuable information for the current research topic. The survey and questionnaire formats are essential for collecting quantitative data. On the other hand, interviews sessions are useful for gathering qualitative data.

A survey was carried out among a sample of India’s profit and non-profit organizations. Around 2000 Respondents, first approached by telephone, received an internet link or postal questionnaire, upon affirming their willingness to cooperate. Organizations under study are “establishments”. Respondents are (managing) directors/owners, senior HR-managers, and other aging workers. The analyses were performed on a sample of 2000 aging employees from a different organization. The sample obtained consisted of 42.3% managers and 27.1% senior managers. Additionally, 24% respondents were assistant manager and while the rest did not include their job designation. Most respondents (41.7%) had a bachelor’s degree, 25.8% had a Master’s degree, 21% had a two-year-professional qualification, and 11.5% of respondents had a doctorate. Of the aging employee's sample, 50% were male and 40% were female. The large sample of were
45-54 years old (42.8%), 55-64 years old (31.8%), and 65-70 years old (15%). In the survey, all relevant measures were explored, including engagement of employees, work-life balance, working-hours, and flexible retention of employees.

3 Measures

The analysis of the resultant data is vital for deriving relevant conclusions for the current research topic. Different methods can be used for analyzing the data, such as an interview or survey for gathering the opinion of the respondents (Mackey & Gass, 2015). The view of employees can be canvassed by conducting surveys in the workplace. The open-ended question format can be used for attaining the views of staff regarding flexibility in the office environment. The introduction of the interview process is beneficial for obtaining the views of managers relating to the impact of working flexibility on the performance of the workers. The close-ended question format should be used for achieving the qualitative data on current research topics. The information investigated enumeration variables: these included age, gender, aging-employee productivity of aging employee, and organization performance.

3.1 Independent Variable

Where a particular job is shared between two or more individuals; compressed working weeks, where workforces squeeze total working hours into 3 or 4 days rather than 5; job enrichment by providing training for aging employees; job redesign where specific tasks are rendered physically or psychologically easier for aging employees to perform; individual performance-related pay, linking salary progression to assessment of individual performance or competence rating.

3.2 Dependent Variable

Organizational Performance (“To what extent do you agree or disagree with the following statements on organizational performance in the last two years?”, “The labour productivity in our organization has improved,” “The growth in turnover in our organization has improved” and “The increase in profit in our organization has improved” [or financial outcomes for not-for-profit organizations], 0= disagree, 1= agree).

3.3 Covariates

Various factors are known to contribute to aging-employee productivity: these include age and gender are continuously variable and gender (0= male, 1= female). The size of the organization will be measured in terms of total number of employees. Workplace and job experiences will assessed as open questions, resulting in continuous variables. Management level will be determined according to the standard job classification (CBS, 2001) and according to gender (i.e. male vs. female). The concept of workforce flexibility also creates an impact on the productivity ratio considered by the corporation. An increasing rate of productivity plays a vital role in managing the stress level of existing
workers in the office ambiance. The job functions of the employees also contribute in facilitating the satisfaction level of staff in the workplace.

4 Problem Solving

*Hypothesis 1: The impact of workplace flexibility on organizational performance along with employee productivity will be positive.*

Tab. 1 demonstrates that aging and the impact of a flexibility program on performance are positively ($r = .251$) correlated. Therefore, with an increase in age a flexible schedule helps to achieve better employee performance and generate better organizational performance. The Managed Service Provider Model (MSP) has focused on offering flexibility that enables workforce management. The analysis has assisted in identifying the relation between flexibility and the business performance of an enterprise.

<table>
<thead>
<tr>
<th>Pair 1</th>
<th>N</th>
<th>Correlation</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>How old are you? &amp; Impact of flexibility programs on performance</td>
<td>1692</td>
<td>.251</td>
<td>.000</td>
</tr>
<tr>
<td>What types of flexibility practices does your organization offer to all employees? &amp; Impact of flexibility programs on performance</td>
<td>1702</td>
<td>-.126</td>
<td>.000</td>
</tr>
</tbody>
</table>

The flexibility of organizations negatively correlates ($r = -.126$), with employee performance. Therefore, offering high flexibility reduces the organizational performance.

In Tab. 2 the $t = (-0.639)$, $p < 0.005$ of pair 1 is less than the significant value at a 9% confidence interval. Therefore, it accords with the null hypothesis. This means that aging and organizational performance are positively related. Therefore, a null hypothesis is rejected. Flexibility and organizational performance are not positively related. The current analysis has helped to identify the impact of flexibility on the business function of the corporation. The model of functional flexibility has focused on addressing the relation between a business function and its effect on the business operation. It also enables workers to change their job roles to attain the desired objectives of the corporation.
**Tab. 2: Paired samples t-test of aging and flexibility program effect on performance**

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>t</th>
<th>do</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>Std. Deviation</td>
<td>Std. Error</td>
<td>95% Confidence Interval of the Difference Lower</td>
</tr>
<tr>
<td>Pair 1</td>
<td>How old are you? - Impact of flexibility programs on performance</td>
<td>-.553</td>
<td>1.795</td>
</tr>
<tr>
<td></td>
<td>What types of flexibility practices does your organization offer to all employees? - Impact of flexibility programs on performance</td>
<td>1.709</td>
<td>3.609</td>
</tr>
</tbody>
</table>

Source: Own

**Hypothesis 2: Workplace flexibility will influence employee productivity in a positive way by maintaining work-life balance.**

The analysis in Tab. 3 indicates that the degree of flexibility offered by an organization and its employee productivity are highly correlated ($r = .542$). With the increase of flexibility, productivity will increase.

**Tab. 3: Paired samples correlations of usage of flexibility and employee productivity**

<table>
<thead>
<tr>
<th>N</th>
<th>Correlation</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1700</td>
<td>.542</td>
<td>.000</td>
</tr>
</tbody>
</table>

Source: Own

The $t = (-32.118)$ and $p < 0.005$ in Tab. 4 is less than the significance level at a 95% confidence interval. The outcome proves the null hypothesis. Therefore, flexibility in workforce helps to develop employees’ performance and reduce organizational turnover.
Tab. 4: Paired samples t-test impact of flexibility and employee productivity

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>t</th>
<th>do</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Std. Deviation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Std. Error Mean</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>95% Confidence Interval of the Difference</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mean</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lower</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upper</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Using the flexibility scale below, how would you rate the current culture of flexibility at your organization? - Usage of Flexibility on employee performance, by organization turnover

Pair 1

<table>
<thead>
<tr>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
<th>95% Confidence Interval of the Difference</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.000</td>
<td>1.284</td>
<td>.031</td>
<td>-.939</td>
<td>-32.118</td>
<td>1699</td>
</tr>
</tbody>
</table>

In Tab. 5 indicates that flexibility practices in originations and level of performance are positively correlated ($r = .828$), which signifies that with an increase of flexibility; the level of performance will increase.

Hypothesis 3: Workplace flexibility will affect the employee performance and the organizational results positively.

In the current situation, the Multi-Generation Workforce Management Model (MGMW) plays a vital role in managing the workforce in the enterprise. The increasing ratio of flexibility enables the workforce to attain the desired goals of the business firm. The professional skills of the employees also facilitate them in reaching the desired objectives.

Tab. 5: Paired samples correlations of flexibility program and level of performance

<table>
<thead>
<tr>
<th>N</th>
<th>Correlation</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1700</td>
<td>.828</td>
<td>.000</td>
</tr>
</tbody>
</table>

In Tab. 6 the $t = (-63.130)$ and $p < 0.005$ than significance level at a 95% confidence interval. Therefore, the null hypothesis will be accepted. Thus, flexibility in workplace culture helps to develop a high level of performance. The regression of the two variables (workplace flexibility and employee performance) is (1524.368), and the regression coefficient is (1.828.)
<table>
<thead>
<tr>
<th>Pair</th>
<th>Using the flexibility scale below, how would you rate the current culture of flexibility at your organization?</th>
<th>1.235</th>
<th>0.807</th>
<th>-0.274</th>
<th>-1.197</th>
<th>63.130</th>
<th>1699.000</th>
</tr>
</thead>
</table>

Source: Own

Therefore, most employees consider that flexibility in work schedule provides to a greater or lesser extent/to some degree, benefits for employee growth. The Contingent Workforces Management Model (CMW) can be mention in this context. It provides strategies that can be used for bringing greater flexibility among workers in the office environment. The model is employed by the enterprise to assist in achieving both short- and long-term goals of the corporation. According to this model, the organization should focus on protecting the health and well-being of its staff and the inclusion of flexible working hours is similarly essential for attaining their trust and loyalty. The CMW model is necessary for achieving the stability in the workplace. In relation to this some people said companies invest in long distance phone calls to offer work time flexibility.

Therefore, a large number of people consider that flexibility helps to deliver moderately improves performance. The current response of the workers has helped to advance understanding of the impact of workforce stability on the level of job satisfaction among the employees. The model of a blended workforce is essential for managing the workforce efficiently. The model is beneficial for attaining the flexibility that positively influences the business performance of an organization.

Therefore, it can be seen that the majority of the people consider that flexibility helps to provide a better organizational turnover because the majority of the people responded as extremely positive, positive and neutral to this question. Therefore, there is a positive association between flexibility and turnover, but it is not mediated by motivation. This result demonstrates that the flexibility of employee performance helps to generate a high organizational turnover.

The study results conclude, in answering the central question, that flexibility at workplace is related in a positive and significant way to perceived, self-reported quantitative and qualitative organizational performance on the one hand, and to satisfaction with aging employee commitment on the other. The relations are rather modest, but in the expected directions, which implies that our theoretical assumptions are supported.
Conclusion

The finding of this study is that the majority of the people consider that flexibility contributes to providing better organizational turnover because the majority of the people responded as extremely positive, positive and neutral to this question. Therefore, the effect of flexibility on motivation does not provide high organizational turnover. This result demonstrates that the effect of flexibility on employee performance performance helps to generate a high organisational turnover.

The current research has faced certain limitations that have affected the progress of the work. The first limitation of the study design is the nature of the data. Handling a large array of data was its key drawback. Many respondents did not reply to all questions, which also acted as a key limitation of the research. The second limitation is that the survey method is a time-consuming process that fails to gather relevant knowledge in available time. The respondents failed to provide necessary feedback that might have enhancing the research. Lack of information from the respondents also created an obstacle to gaining a clear idea about flexibility in their workplaces. Achieving valuable resources, which might have created a hindrance for accomplishing future projects successfully. The inclusion of relevant information regarding workforce flexibility would be beneficial for fulfilling future projects.

References


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