ORGANIZATIONAL FLEXIBILITY AND ITS IMPLICATIONS ON EMPLOYEES PRODUCTIVITY

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Abstract
Organizational flexibility is looked attentively as a necessary response to worldwide and it has widely associated with labor markets as well as to the enterprise level. The debate on flexibility has been around for much longer than is sometimes thought, the differences being that it has intensified in recent years. It has adopted several elements or features of labor market flexibility reflected especially at the enterprise level such as numerical flexibility, wage flexibility, functional flexibility and working time flexibility. However, employees differ in their preferences and attitudes in face of the organizations flexibility which require be accompanied by personal discipline in fulfilling the demands of organizations in the aspect of productivity improvement. This paper is to investigate the implications of organizational flexibility in focusing on functional flexibility and working time flexibility apart from numerical and wage flexibility which geared to create the atmosphere appropriate to the cooperation sphere for productivity gains.

KEYWORDS: Organization, employees, productivity, implications & flexibility

INTRODUCTION
In the past decades, employees from any sector or industry worked under fixed conditions whereby these conditions were embraced and perceived as regularity, standardization and uniformity (Karsten & Leopold, 2003). Today, working culture has undergone a lot of changes since the days of the industrial revolution. Environmental forces has changed and modernized the whole world into the new era which adaptation is needed for survival. It has been recognized that organizational success depends on among other things an organization’s ability to adapt to its changing environment. During this period, many businesses were collapsed and went off from business due to the dynamic effect of environment. However, those who are still surviving, they are developed a considerable degree of adaptation in response to changing environment. According to Haeckel (1999), explained how an organization can adapt or even create new environments so as to generate new opportunities and anticipate situations in an ever-changing environment. Wood, (1989) further added that organizations have increasingly sought to adopt work structures which are characterized by their flexibility and adaptability involving re-designing job around a functionally flexible worker (Katz 1985). As such adaptation could create and introduce new industry to the world. “One of the most popular changes has been the implementation of working arrangements which provide flexibility in a number of areas such as working time, place of work, task or job content and rewards.” (Papalexandris & Kramar, 1997).
“Organizational” means a social unit of people which are systematically structured and managed to meet the objective and goals on a continuing basis. Their task, roles, responsibilities, duty and authority are divided based on their specialty. “Flexibility” means the capacity of freedom given in a timeframe. Therefore, organizational flexibility can be defined as when, where and how people work given the flexibility because it is an essential part of creating an effective organization as well as meeting the organization goals and objective. According to Baltes, B.B., Briggs, and T.E., Huff, J.W., Wright, J.A. and Neuman, G.A. (1999) as further elaborated that the flexibility in working arrangements has positive effects on employability which included productivity, job satisfaction and low absenteeism.

Organizational flexibility helps the organization to manage the company by recognizing and understands the various types of flexibility. Teece, Pisano and Shuen (1997), have explained that organization flexibility as a combination of repertoire of organization and managerial capabilities that allow organizations to adapt quickly under environmental shifts. In the context of organizations, several flexibilities have been highlighted such as operational flexibilities, structural flexibility, functional flexibility and wages flexibility. Organizational flexibility relates to the extent to which organizations may react to their internal and external forces. Organizational reaction towards change conversant with the underlying problematic areas but also the importance of organizational flexibility in driving the organization forward towards sustainable effectiveness. Organizational flexibility enables the organization to exercise it empowerment, decision-involvement, promote renewal process, innovation and employees commitment. In recent uncertainty of global economy, organization has increasingly sought their awareness to adopt with flexibility in decision making on manpower utilization. Flexibility as a form of leadership progression does indeed break down silo models of management. If an organization were to view itself as a static monolith, it usually ends any form of efficiency that might be created. If you have an environment of trust and a well-internalized plan, you can shift things around easily. That is a huge advantage over organizations that view structure as something fixed until heaven and earth are moved to change it.

Organizational flexibility can be described when changes such as demand for the product increase, will also increase production. When, where and how in flexibility are related because ‘when’ described the flexible hours, part-time work, variable year employment, part year employment and leave where as ‘how’ can be described as job-sharing, phased retirement and annualised hours. Lastly, ‘where’ is also related to flexibility because it can be described as working at home or working remotely.

Flexible human capital practices when adopted as a whole in a congruent cultural context contribute to a work force that is more skilled, stable, and enthusiastic and free of distractions. In view of this high performance of an employee becomes a must for an organization. Organization aim in flexibility of change and its commitment to high performance work system will lead to increase productivity of an employee and as a whole the organization productivity or performance. But this achievement rely on conditions that employees can identify and recognize the organization’s goals and work hard to accomplish those goals. (Whitener, 2001). Changes demand high performance and high performance determine the survival of organization (Walton, 1985; Wood & Albanese, 1995). The term of high performance work systems refers to how an
organization can adapt and convert its flexibility of change program into high achieving vision of change with minimum resistance. The term high performance work systems refers to human resource management approach that tries to elicit employee commitment to and involvement with organizational goal.

Walton, (1985); Wood & Albanese, (1995) further mentioned that the manner in which flexibility is implemented across the board determines how flexible human capital strategies affect an organization’s profitability, ability to grow, and market value. Among the visible changes of flexibility include:

• Talented and focused employees who are on flexible schedules are more likely to be committed to the organization’s goals and deliver superior value to customers, who in turn, are more inclined to be satisfied and loyal, generating strong sales.

• An organization utilizing flexible strategies is more efficient in the short run, and more profitable. It is also better poised for long-term success, able to innovate and continually improve processes while minimizing overhead.

• These organization’s investments are in constructive, future-oriented assets—human capital, innovation, and customer relationships—all leading indicators that stock analysts use to evaluate stock price.

According to Skorstad and Ramsdal (2009), numerical flexibility refers to the ability to tailor the size of the labour force to cope with fluctuations in demand. Working time flexibility refers to a flexible working and flexi-time which allows employees to set and adapt their working hours to cater to their external obligations such as child care. Wage flexibility refers to the use of systems such as bonuses to allow payments to tally better with the shifts in demand and output and the ability to adjust budgets rapidly according to need. Functional flexibility refers to the ability to move employees around between jobs and functions.

The objective of the research is to explore on flexibility practices such as flexibility working time and functional flexibility as significance to human resource management in emphasizing employee’s productivity. According to Gottlieb, Kelloway & Barham (1998), when the individual outcomes are examined, research finding shows that attitudinal consequences such as satisfaction, commitment, intent to turnover and strain over behaviours compare to performance. Very few studies consider the motivation and coordination consequences (Levine & Moreland, 1998) on individual and group performance and often overlook cross-level effects of use on groups (Bailey & Kurland, 2002). Cross-level effects are critical because use reduces face time and has motivational and coordination consequences for co-workers.
LITERATURE REVIEW
Organizational theory has long argued that formal structures and processes are always embedded in—and their effectiveness conditioned by—a broader organizational context of culture and leadership (Scott 2002). The postulate of a tradeoff between efficiency and flexibility is one of the more enduring ideas in organizational theory. As such, managers must choose between organization designs suited to routine, repetitive tasks and those suited to non-routine perhaps innovative tasks. However, as competitive rivalry intensifies, a growing number of firms are trying to improve simultaneously in efficiency- and flexibility-related dimensions (de Meyer et al. 1989, Volberda 2006). Flexibility dimensions vary for different reasons. Yet, the ultimate goal is to enhance the visibility of flexibility and adapt that notion as part of the everyday process at the workplace. In the literature to date, three mechanisms have been identified that facilitate this kind of ambidexterity. They can be arrayed from more microscopic to more macroscopic in scale: enrichment, switching, and partitioning.

First, workers’ routine production tasks can be enriched to include improvement as well as efficiency goals. This further supported by Langer (1999) and Schon (1983) that the difference between mindless and mindful performance of routine work. Second, work can be organized so that people switch sequentially between the two types of tasks rather than attempting to do them both simultaneously. Switching allows employees the freedom to move back and forth with ease from a routine task that must be carried out according to standard procedures and also tasks that could be innovated according their own recognition that requires such steps. As compared to enrichment, switching allows greater focus and reduces the risk of confusion. The third way is known as partitioning, which deepens skills and nurtures specialties among employees. According to Lawrence and Lorsch (1997) an even more macroscopic scale if the organization as a whole partitions itself to allow some subunits to specialize in routine tasks while other subunits specialize in non-routine tasks. However, the focus is not to allow being in a unit for too long. There would be flexibilities as and when required as employees would then shift to another area coinciding with the parallel area of specialization.

DEFINITION PRODUCTIVITY
Productivity is defined as the amount of output produced with certain combinations of input resources (capital, labor, etc.). Even tough there is a lot of research already done on productivity, societies and organizations are all the time facing new challenges and opportunities because of the dynamic environment and constant change.

EMPLOYEES PRODUCTIVITY
The relationship between employee productivity growth and overall economic growth would seem to be obvious. Blinder (1997) define output growth is the sum of the growth of labor hours plus labor productivity growth. According Bureau of Labor Statistics BLS (2010) productivity measurement describe the relationship between real output and the labor time involved in its production. They show the changes from period to period in the amount of goods and services produced per hour and employee productivity is the most widely used yardstick of operational efficiency. In other words, this does not imply that labor is the best input element for productivity measurement but simply reflects the difficulty or impossibility of obtaining
numerical values for the other determinants of productivity. Thus many of the assignment on productivity seem to assume that labor productivity or employee productivity is the only suitable measure (Lowe, 1987). There is one common method of measurement of average labor productivity is a ratio of output per labor.

Average labor productivity = \(\frac{Q}{L}\) (2)
Where: \(Q\) = outputs, \(L\) = Labor employed. Source (Lowe, 1987, p105)

**DEFINITION OF WORKING TIME FLEXIBILITY**
Working time flexibility are defined as employer provided benefits that permit employees some level of control over when and where they work outside of the standard workday (Hill et al., 2001).

**WORKING TIME FLEXIBILITY**
Flexible working time model become more popular among the business due to the changes in environment. Ulrich (1998) debates that in the new economy; winning will spring from capabilities such as speed, responsiveness, agility learning capacity and employee competence. In order to capitalize upon these core competences organizations need to ensure their dexterity by ensuring work continues, even away from the traditional places of work, through establishing trust and quality communications, focusing on product instead of process and careful negotiation of objectives and workable agreements (Nilles, 1998). No more fixed space and time for any organization to use their workforce to meet it’s objective and goal in present time. The flexible time has replaced the traditional way of working which is 9am-5pm, five days per week, and it is no longer the dominant pattern if employment.

According to Peter Berg (2008), there are many of flexible work arrangements across organization because the increasing changes between work and non-work roles. He has found that the working time flexibility brings benefits to employers in coordinate labor demand and labor supply more effectively as well as lowers the cost of overtime premium due to decreasing total volume of working hours. In addition, flexibility allows savings in terms of layoff cost due to the business cycle variation and the cost of training new employs. However, Peter Berg further argued that there are also costs incurred for employers of the flexible working time arrangements such as employment guarantees to attain the flexibility. Moreover, it is more time consuming in coping of diverse work planning within and across work group.

One of the effects to employees is they can make their independent decision to depart from the usual work time. It lets employees to regulate their stress and changes that are portion of non-work responsibilities. Employees can use the sabbatical-type leaves in further of training and development opportunities and lessen the hours in anticipation of retirement. Thus, working time flexibility can be another ways to force redundancies and provide employment security to the employees.

According to Ralph Kattenbach, Evangelia Demerouti, Friedhelm Nachreiner (2010), practicing of working time flexibility is becoming more famous because of the respond of employers in the market changes and it aids to use their labor for more efficiently. Besides, it may reduce the time
required in monitoring and controlling of employees. For the employees, it has widened their individualization of lifestyles and thus need more time in planning to balance and structured job tasks and non-work activities. It also allows regulation of time according to their pace and it tends to have a better usage of one’s peak time. On the other hand, practicing flexibility can also caused inconvenience among the employees as communication and cooperation weakened especially within those who are interdependent.

The needs of flexible working time (FWT) have increase significantly due to multiple reasons. Dual-income households due to economic expansion along with higher inflation rate has warranted for work time flexibility especially for female workers. In view of this, working time flexibility is a critical issue pertaining to work-family balance. According to (Felstead et al. 2002) flexibility working time practices are those that provide some degree of responsiveness and adaptability that helps employees to reconcile the two spheres, earner and career. The dual needs of employees and employers do not mean it is an automatic acceptance but it is merely a desire especially the employees desires. However (Kattenbach et al. 2010) argued that the flexibility on behalf of the employer does not mean flexibility on behalf of the employee and vice versa, it can even counteract each other. Employer’s objective is to achieve the organization goal by maximum utilization of its workforce and its efficiency.

The game has been changed which organizations acquire new ways of managing employees to combat fierceness of competition. Manager’s rephrase the employment term’s so called traditional way of working to retain their high skills employees who might lose to the competitors. Vana et al (2008) has found that employees in managerial, technical/professional, and clerical occupations are more likely to take up conventional work-hour arrangements. Further supported by Hamermesh (1996), the most skilled or highly educated employees can successfully access flexible working schedules and arrange flexible working arrangements through their position or leverage. Hence, traditional ways of working is a constraint for employees’ capabilities which they have to work in fixed environment. It might freeze employees’ abilities to exploit more chances in their daily life. Flexible working time has broken all the constraints and creates new pathways for employees to sharpen their skills and talent. According to Burns (1979), the working schedule becomes more flexible, the level of space-time autonomy increases and daily activity prism also change in position. Further added by Hagerstrand (1970) and other researchers supported that activities which are fixed in space and time, such as work determine the opportunities to conduct other flexible activities. It gives enormous chances to an employee to exploit new things that might benefits and improve productivity efficiency.

**DEFINITION OF FUNCTIONAL FLEXIBILITY**

Functional flexibility refers to the extent which employees can be transferred to different activities and tasks within the firm. It also is a positive way for skills development as it making optimum use of the employee’s capacity to perform different tasks. According to Goudswaard & Nanteuil (2000), functional flexibility can be the idea that workers should be trained to have a range of skills so that they can do other jobs as well as their own when necessary. Functional flexibility is an employer and employee collaboration approach. It refers to efficiency and effectiveness commitment in achieving the organization desire. (Cavagnoli 2008) further define
functional flexibility as firm ability to efficiency utilizes labor resources in various tasks and types of jobs by providing safe and challenging environment.

**FUNCTIONAL FLEXIBILITY**

Flexible organizations today would need to consist of workers who are able to move from one task to another as needed while maintaining or much better, improving overall organizational efficiencies and effectiveness. The survival of organizations no longer depends on workers who do the same, well-defined tasks with prominent distinctions between the roles of one worker to the other are required (Martin & Healy, 2009).

With organization emphasizing on labor resources, employees can mould and further enhance their knowledge and skills in ensuring that they are prepared to face current and future challenges. Facing new challenges with enhancement of functional flexibility and the acceptance of the functional flexibility can be argued, as (Cordey & etc 1993) have made an argument that whether or not positive or negative outcomes arise, there seems little doubt that changes to traditional jobs and skill paths effected by the moves toward greater functional flexibility can be perceived as threatening by employees especially baby boomers and generation X, despite the assurance by the management.

According to Terry Desombre, Clare Kelliherw, Fraser Macfarlane and Mustafa Ozbilginz (2006), functional flexibility is where staff is redeployed across tasks to accommodate variations in demand. Functional flexibility has been advocated as a mechanism for improving efficiency and service quality, especially appropriate to service environments. Furthermore, functional flexibility can lead to significant improvements in productivity, as traditional production methods are replaced by multi-skilled employees undertaking more varied forms of work. In essence, greater efficiency in the management of labor is achieved by the reduction of ‘idle time’ and by the resulting intensification of work.

**NUMERICAL FLEXIBILITY**

This study examines some ways by which employers are going to reorganize the workforce to become more flexible and what the effect of restructuring the workforce. The method used is a core-peripheral model. Based on the analysis, Kalleberg (2003) suggests that standard and non-standard employment have different relations and occupation serves the effects of inequality in the organizations. From this article, we can conclude that the researcher have used two types of flexibility and various variables to test the employees on flexible firms and different labour market segmentation. Functional flexibility and numerical flexibility serves different purposes for different scenarios. Nonstandard work arrangements and standard work arrangement has its advantage where standard worker are more committed to their job and nonstandard work arrangements where employees are able to do different task in various organizations.

The purpose of this study is to define and measure numerical and functional flexibility at the firm level and also to determine the impact of each of these factors on work performance, cost and
innovation as well as the relationship between all these variables (Arvanitis, 2003). Research was conducted using questionnaire and questionnaires were received from a grand total of 1667 firms where there is 285 cases was unusable due to the inconsistent of answers. In conclusion, the result reported that companies that pursue functional flexibility seldom hire temporary workers. Hiring more part time worker can lead to reduction in labour cost but this does not mean the work productivity will increase. This is because temporary staffs are less qualified than permanent staff.

WAGES FLEXIBILITY
Peeters and Den Reijer (2011) discussed on wage coordination among European Union countries done by policy makers which are geared towards aligning wage growth with labour productivity growth at the national levels. The authors studied on the contribution of productivity to wages, taking into consideration the non-linear wage equation resulting from a wage bargaining model, and the rigidities of wages. It was found that low productivity, price inflation and reductions in unemployment put an upward pressure on wage growth. To steer and influence wages, policy makers can effectively use the replacement rate. Although the national authorities have a say in government wages and social security benefits, wages in the private sectors is a bargaining process between employers and labourers or labour unions where the government has limited interference. Each country should be responsible for the specific policies it chooses to implement with certain conditions to foster competitiveness. Traditional theories assume that economy is able to correct by itself in cycles and thus, wages drop in the events excess labour. However, the authors supported that the Keynesian theory is applicable to the current state of flexible wage setting particularly in developed economies with strong labour unions.

The authors quipped that with wage flexibility, positive inflation and low unemployment tend to push up wages. Performance-based system and new bonus systems are created through wage flexibility hence, the better the performance, the better the reward. Workers should have an equal stake in the profit-sharing plan in regards of their skills to increase their retention prospects. Employers would need to be readily willing to pay higher remuneration or prices during tight labour market conditions, high consumer prices, and replacement rates.

EFFECTS OF WORKING TIME FLEXIBILITY ON PRODUCTIVITY
Many scholars have examined the effects of flexible work arrangements on organizational productivity, using various indicators of job performance as well as records of absenteeism and tardiness. The available evidence regarding the effects of flexible work arrangements on productivity is quite mixed as argued by Gottlieb et al., (1998). Research studies are different from reported negligible effects of flexitime on productivity to founded varied reports that organizations examined increased in productivity. There are many studies have reported productivity and performance improvements with telecommuting (Bernardino, 1996). Pratt (1999) argued that an employee's productivity was the same or higher when they teleworked. There are several studies have also investigated the effects of compressed work weeks on organizational productivity. According to Barling, Gallagher, (1996) some studies have noted increases in performance; the more common observation has been no change in productivity.
There was a study on 1996 by Glass & Estes. Glass & Estes found that mothers who were allowed to work at home following childbirth displayed lower turnover and higher levels of productivity. There was some studies have presented evidence for improved productivity directly relating to the existence of family-friendly policy (Shepard et al. 1996; Friedman, 1989), and others have found links between job satisfaction and satisfaction with work-family balance (Ezra & Deckman, 1996). Shumate & Fulk (2004) findings suggest that there is a great risk for lowered productivity associated with work-at-home arrangements due to parents’ difficulty in dividing their time between work and family when working from home. Additionally research finds that employees in effective and flexible workplaces are more likely to be engaged in helping their organizations succeed, more likely to be satisfied with their jobs, more likely to stay with their employer and more likely to be in better mental health. In other words, workplace flexibility is a way to define how, when and where work gets done, and how careers are organized (Galinsky, 2008).

EFFECTS OF FUNCTIONAL FLEXIBILITY ON PRODUCTIVITY

According to Michie and Sheehan, (2005) functional flexibility is the ability of firms to vary the type of labor they use without resorting to the external labor market, and accomplished primarily by having a labor force that is able to carry out a wide range of tasks such as the ability to move workers from one task to another. It is also intended to develop a workforce that may deal effectively with exceptional situations which require creativity and initiative (Huang and Cullen, 2001).

Research results on functional flexibility; generally agree on its positive relation with performance. For example, Bhattacharya et al. (2005) identified that the two main components of functional flexibility (namely, skill and behaviour flexibility) were positively associated with return on sales, operating profit per employee, and sales per employee. Furthermore, they found that skill flexibility was significantly related to cost-efficiency, although no significant effects were found for behavior flexibility. Additionally, Michie and Sheehan-Quinn’s (2001) study of publicly quoted UK manufacturing and service-sector organizations detected that increased functional flexibility was significantly positively correlated with organizational innovation and perceived financial performance. Research results of Lepak et al. (2003) were also consistent with this idea, as they found that extensive reliance on employment systems based on functional flexibility was beneficial for firm performance. Edward M. Shepard et al. (2008) study also shows that, flexible work hours potentially influence productivity through effects on absenteeism and turnover, organizational attachment, job attitudes, work-related stress, and other areas. It seems functional flexibility have a more positive relation with performance in firms high in technological intensity (Lepak et al., 2003), and in firms pursuing a quality or innovation strategy (Michie and Sheehan, 2005). Additionally, its combination with high performance work systems seems also to improve financial performance and innovation (Michie and Sheehan, 2001).

EFFECTS OF NUMERICAL FLEXIBILITY ON PRODUCTIVITY

Numerical flexibility was also one of the flexibility that can be used in an organization. There are two types of numerical flexibility which are external and internal numerical flexibility. External numerical flexibility can be described as the amount of labour took depends on the needs of the organization. Most of them are temporary workers or part-timers where they will be hired in
accordance to organizations needs. On the other side, internal numerical flexibility can be defined as employees have the flexibility to work on the hours they feel comfortable. These employees may be working in the firm but they act as a temporary worker where they time flexibility or flexible working shifts.

The negative impact of external numerical flexibility is that since employees are given the flexibility, they may over use the flexibility given. Therefore, they take things for granted. Some may even take advantage of this to do moon walking and this may caused the company to be in trouble in terms of company’s policy exposed. Employers may have to supervise or monitored their performance and may cause minor conflict between them due to lack of trust and confidence in employees. Whereas, the negative impact about internal numerical flexibility is that employees unable to commit to the organization as they are only part of the organization if there were needed during the period of time. Thus, it is difficult for the employees to commit to the organization because they are not attached with the organization.

EFFECTS OF WAGE FLEXIBILITY ON PRODUCTIVITY

In wage flexibility, its wages level depends on the supply and demand of labour. If the supply of worker is more than the demand, hence the wages level will be lower. Their wages paid might also depend on the incentive scheme use by the respective organization. The measurement standards of the incentive schemes are not standardize. Employees don’t have a fixed rate of incentive that enables them to have an overview of their wages. They unable to estimate how much effort they need to put in order to get the desired work performance. Thus, employees might be de-motivated will in turns lead to lower work productivity. Besides, when the employees’ salary is based on team based incentive, even though one of the members in the team do not put any effort in carry out the required task, but, he still can get the incentive. Thus an inequality of distribution of wages may arise. This will lead to dissatisfaction among employees as they will feel de-motivated. Besides, wages flexibility might also bring impact such as wage level that provide by employer might not consistent with the desired work productivity provided by employees. Sometimes the work productivity that provide by the employees might not match with the wage level. In addition, there is also a probability that employers will take advantage on young employees by giving a lower pay because they are not as qualified as senior workers and the limit of experience they have.
PROPOSED CONCEPTUAL FRAMEWORK

MANAGERIAL IMPLICATIONS

This study has provided new insights for practical implication of organizational flexibility in focusing on functional flexibility and working time flexibility from the productivity perspective and has contributed to the most important area of business management.

Furthermore, several study’s findings suggest to managers that investment in functional flexibility and working time flexibility increased firm financial performance and productivity. This study makes sense in functional flexibility and working time flexibility is a source of competitive advantage in terms that firms become more productive because their managers emphasize the importance of flexibility. The relationships between these two forms of flexibility are important to understand the interaction between the dynamic control capacity of management and the responsiveness of the organization.

Functional flexibility and working time flexibility has powerful impacts on productivity in terms of engagement, turnover, and financial results. Access to flexibility results in reduced absenteeism and higher employee retention, reduced cycle times, and enhanced customer service, and contributes to greater customer retention and higher profits. Day, Gary, Minichiello, Victor, Madison, and Jeanne (2006) further supported that poor employee’s morale had negatively impact on turnover and retention rate. The flexible work arrangements was positively related to job satisfaction but negatively related to turnover intention. From the perspective of organizational flexibility, this study have illustrated the importance of adopting a broader view of the scope of organizational flexibility in the context of how employee performed once they
adapt to the organizational flexibility. Organizations are beginning to overhaul methods traditionally used to stimulate employees at work. Unlike employee-oriented flexibility arrangements, the main reason employers take up flexibility arrangements is because of direct cost benefits companies’ gain from its use. Brewster et al. (1994) argue that the main reasons for employers to take up flexibility arrangements are to reduce costs and improve effectiveness, to match work provision closely to work demand, to put greater focus on work rather than job, establish clearer performance targets, and to undertake closer more realistic performance monitoring etc. Meeting customers’ needs is another reason why employers would take up employer-oriented working time arrangements. In other words, the main goal of implementing various employer-oriented working time flexibility policies is to increase profit, though not necessarily neglecting the productivity aspect.

The following firm experienced significant turnover-related savings after they adopted flexible human capital cultures and practices:

Ernst & Young is one of the largest professional services firms in the world and considered one of the Big Four auditors, along with PricewaterhouseCoopers, Deloitte and KPMG. The firm supports its people by offering extensive flexible working programmes and informal arrangements to promote flexibility at work (Ernst & Young, 2012). Ernst & Young estimates saving $17 million in turnover-related costs during 2007 and 2008, with flexible work arrangements and a culture that made simultaneous work and personal success possible. It improved retention of employees, particularly women (65% of the people who used the flexible work arrangements had earlier considered leaving), and improved client satisfaction. The management at Ernst & Young mentioned practices that recognize both the value and the needs of employees enable companies to grow in terms of profits and revenues and to sustain that growth over longer periods of time, because they provide that critical fundamental element: “the right people on the bus and in the right seats.

Flexibility helps reduce costs associated with turnover, labor and legal fees (FlexPaths, 2004). A research done by FlexPaths, a firm delivering innovative software solutions and services that initiate, enhance or advance a flexible culture, suggested that employees having conflict between their work and family responsibilities were more likely to consider leaving their jobs. Hence, with the presence of flexibility, the relationship between the firm and its people were not compromised instead, it will be better in the sense that both sides benefited from the flexibility.

Every strategy has its own advantages and disadvantages. According to C. Kelliher and D. Anderson (2008) research on the opportunities for advancement, it was found that flexible working, regardless of opportunities or career for the future, will bring less positive effects toward workers. This is because of flexi worker will less be seen in the company compared with fixed time worker. Based on the survey, 64% of flexi worker justify that, until certain extent, they have to push themselves involving in high profile project in order to get known by others in the company. Therefore, it has indirectly contributed significant impact on employee’s performance by giving alarm to the management of their existence.
RECOMMENDATIONS

i. Other than outsourcing and subcontracting, strategic alliances and joint ventures will help facilitate change in organizations. Decisions should be made based on the situation at hand and the actions toward the attainment of organizational goals should be tailored to thrive at current market conditions.

ii. Allow employees to receive the necessary training and give them the opportunity to learn, as well as the time to absorb the knowledge for any tasks, procedures or equipment handling that is projected to need extra manpower during uncertainties.

iii. Employers should view organizational flexibility as a way to optimize and improve organizational operations and productivity leading to goal realization; employees should view it as a way to have a work/life balance and as a source of motivation to be enthusiastic about their daily regular work.

iv. Clear communication is vital in letting workers know how flexibility will help them as well as how their flexibility practices will help the organization. Describe to them in a bigger picture which allows them to see the potential benefits that will come their way through flexibility. Let them be exposed to the success stories of flexible working through the testimonies of current flexible workers.

v. Ease the accessibility towards flexibility. Make the entire process hassle-free. Let employees know that they are entitled for which respective mode or type of flexibility. As important as training is for job tasks and equipment handling, training and induction should also be conducted at the early stages of flexibility implementation. This is to disseminate vital information on the options of flexibility provided by the organization as well as the terms and conditions. This will reduce the probability of conflict and misunderstandings among all parties involved.

vi. Information and communication technologies (ICT), have improves employees lifestyle in which they could arrange their balanced work life in more effective ways. It is further mentioned by Handy and Mokhtarian (1996), Mokhtarian and Salomon (1997) Kwan (2002), Couclelis (2003) Graaff and Rietveld (2007), Schwanen and Kwan (2008) that the widespread adoption of ICT together with an increase in the flexibility of work arrangements, people now schedule their work activities in a more flexible ways. According to Valendue and Vendramin (2001), ICT supports and fosters the implementation of flexible work form and increase their efficiency. Existence of I phone, I pad, Galaxy tab, laptops, and innovation devices are assisting human capital to optimize their work efficiency. Schwanen and Kwan (2008) explained that, activities that could have been carried out online are believed to be less fixed in space and time those aided by the internet are flexible in time.
CONCLUSION
In line with flexibility, a form of stability needs to be essentially present as well. This is because changes that take place in any organizations in terms of their tasks, structures, procedures, processes, systems and culture has to be gradually and steadily incorporated into employees so that they would not experience any shock or surprises but confidence and eagerness instead, when new tasks are handed to them. However, this may not be easy as it seems to be as competitive pressures may prompt organizations to carry out changes without them reflecting on the ability or capacity of employees as well as the consequences first, when it comes to post-flexibility. Hence, employees may not be adequately trained which leads to low morale, fatigue, stress, and job burnout.

Ultimately, organizational flexibility has its own share of advantages and disadvantages but in these changing times, the benefits of flexibility seem to be much more prominent that it outweighs the drawbacks. This paper is able to discover this prominence not only through the reviewing of the many sources that have been presented in this research by various authors, but also through the understanding that globalization and diversity, the most common yet significantly important terms of our time, goes hand-in-hand with flexibility. Indeed, the gradual shift towards flexibility is evident and is constantly and continually shaping the nature of relationship among employer and employees.
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