

The Female Employees' Readiness on Flexible Working Arrangements in Malaysia

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Abstract

Flexible working arrangements (FWA) has become an important aspect in Human Resource Management policy for organization to attract and retain talented employees in the organization. The low female participation in labour workforce has motivated this study to be conducted. It aimed to provide insight to the employers on female employees special needs and their readiness to embrace flexible working arrangements if the resources were made available to them. "Readiness" to embrace flexible working arrangement was not previously studied in the flexible working arrangements field, hence a considerable amount of attention has been paid to construct the theoretical framework. An instrument is developed based on a critical review of Person-Environment (PE) fit theory that is able to explain the readiness of female employees depending on the situation surroundings them. Thus, this study postulates into three microsystems that are family (family responsibility, perceived benefits), work (career advancement, company policy), and community (supportive workplace) in PE fit theory that creates demands and resources (readiness on flexible working arrangements). The integrated approach has explained how the independent variables family responsibility, perceived benefits, career advancement, company policy impact on the readiness on flexible working arrangements and the mediating role of supportive workplace. The results shown that hypothesised relationships were partially supported, i.e family responsibility and perceived benefits was positively related to readiness to embrace flexible working arrangements. Besides, supportive workplace mediated the relationship between perceived benefits and company policy in relation to readiness to embrace flexible working arrangements. These findings have also demonstrated that women with different experience have different demands in flexible working arrangements. Findings have shown that 60 percent of the respondents were ready to embrace flexible working arrangements except for part time work options. Besides, this study has found that respondents with no children favored in compressed work schedule as the statistical result recorded at $p < 0.05$. The output of this study would be able to benefit policy makers, organizations and practitioners to establish flexible working arrangements in Malaysia. Consequently, corporate companies would be able to attract more female employees in the business, resulting in higher productivity.

Keywords: Flexible working arrangements, labour workforce, female employees

1. Introduction

Malaysia was positioned as the country with lowest participation of female labour workforce among the ASEAN countries by World Bank Report (World Development Indicators, 2011). The enrolment of female in universities has increased dramatically over the decades. It has become a ratio of two female to every male in public universities (World Development Indicators, 2011). Flexible working arrangements (FWA) have become an important aspect in Human Resource Management policy for organization to attract and retain talented employees in the organization. FWA should be considered and implemented in Asia Pacific region as it can solve the talent shortage and talent mismatch of women graduates (Manpower Inc., 2010).

The importance of FWA:

- i. Is a way that empower workers to make choices in selecting when, where, and how long they engage in work-related tasks (Hill et. al, 2008)
- ii. These policies are creating greater ‘flexibility’ in scheduling and work location arrangement while not decreasing average work hours per week (James, 2013)
- iii. Globalization and new technologies has continuously re-engineered the business procedures and nature of work to be conducted 24 hours daily for seven days a week (Chandra, 2012).
- iv. New way of working creates virtual organisation and virtual team that aid or replace the traditional method of working from 9am to 5pm (Cascio, 2013).
- v. FWA helps to improve the image of the organization and maintains a substantial relationship with employees (Dulk, Peters and Poutsma, 2012).
- vi. Flexible working arrangement increase quality of work as such arrangement reduces the need of office space and it increases productivity and employee morale (Ahmad, 2013).

The low female participation in labour workforce has motivated this study to be conducted.

1.1 Objectives

It aimed to provide insight to the employers on female employees' special needs and their readiness to embrace flexible working arrangements if the resources were made available to them.

2.0 Literature Review

Although the process of empowering women in increasing, women still face discrimination, marginalization and exclusion to be treated equally in the universal international perception (Hawk et. al, 2011).

The research has shown that women have expanded their role from household managers to members of the workforce. The increasing participation of women in labour force has changed the traditional gender role of women (Zaimah et. al, 2013).

2.1 Definition

“Readiness” to embrace flexible working arrangement was not previously studied in the flexible working arrangements field, hence a considerable amount of attention has been paid to construct the theoretical framework. Oxford defines ‘readiness’ as the psychologically and behaviourally state of being fully prepared for something and willingness to do something (“Readiness”, 2012). Readiness also refers to description of existing means, practice while mindset is the attitudes and opinion towards an organisation practice (Aydin et. Al, 2010).

Proper process, participation, belief, environment, fairness and commitment found to be relevant to employee readiness (Shah, 2011). Readiness can be observed in individual, group, unit, department or organization. Readiness can also be theorized, examined and studied at any of the mentioned levels of analysis (Weiner, 2009).

The conceptual framework of ‘readiness’ at the individual level can be remedy for individual to embrace FWA.

2.2 Variables

1. Family responsibility: strong influence of Islamic culture in Malaysia has always emphasized on the role of women as wives, mothers and home makers (Jerome, 2013).

Hence women are expected to comply to their husband and only be allowed to work outside with the blessings from their husband (Hijjas, 2013).

2. Benefits: FWA may create mutually benefits for both employee and employers if it was carefully planned. The main benefits to practice FWA are staffs retention, improved employee relations, better recruitment and higher motivation (Maxwell et. al, 2007)
3. Career Advancement: previous research has also shown that women advance more slowly than men in career due to childcare responsibility (Ibarra et, al. 2010). Insufficient support of women's multiple roles is a barrier towards women career advancement (Kiaye and Singh, 2013).
4. Company policy: Literature review presents variety workplace flexibility as independent, mediating and moderating variables (Hill et. al, 2008). FWA is used as a family-friendly policy to increase emotional attachment and loyalty of employees to an organization (Stavrou and Ierodiakonou, 2013).
5. Supportive workplace: informal workplace support has become an important issue to generate a positive work-family climate (Kossek et. al, 2013). Kossek and Lee (2008) found that formal FWA practice is important to create a flexibility-friendly culture in an organisation.

2.3 Theoretical Framework

Thus, this study postulates into three microsystems that are family (family responsibility, perceived benefits), work (career advancement, company policy), and community (supportive workplace) in PE fit theory that creates demands and resources (readiness on flexible working arrangements).

The integrated approach has explained how the independent variables family responsibility, perceived benefits, career advancement, company policy impact on the readiness on flexible working arrangements and the mediating role of supportive workplace.

3.0 Methodology

An instrument is developed based on a critical review of Person-Environment (PE) fit theory that is able to explain the readiness of female employees depending on the situation surroundings them. The unit analysis of this study is female employees in Penang. Penang was chosen as the background to as it was ranked 8th the most liveable city in Asia (ECA

International, 2012). Besides, there was 57.5 percent of female participating in Penang's labour market which was higher than the average of 47.9 percent of female participant in Malaysia's labour market (Department of Statistics Malaysia, 2011). Participants were identified through purposive sampling using a referral or snowball strategy (Arieli, 2011). As a result, the populations are made to consist employees who come from manufacturing, construction, wholesale and retail, hotel and restaurants and other economic sectors. Besides, the advantage of using snowball technique is highly effective for marginalized populations as the respondents are introduced to answer the study through a trusted social network without the fear to the conflict environment (Cohen and Ariell, 2011).

3.1 Data collection

The present study also developed two versions of questionnaires which are paper and web-based version. The later version was created due to the demand from the pre-test's respondents. There were 140 set of questionnaires and 118 emails were sent out. Only 78 papers were collected back fully answered while 52 were collected online. Hence, the response rate for the self-administer questionnaire are 55.74% while the online response rate is 37.2%.

4.0 Findings

The results shown that hypothesised relationships were partially supported, that is family responsibility and perceived benefits was positively related to readiness to embrace flexible working arrangements. Besides, supportive workplace mediated the relationship between perceived benefits and company policy in relation to readiness to embrace flexible working arrangements. These findings have also demonstrated that women with different experience have different demands in flexible working arrangements. Findings have shown that 60 percent of the respondents were ready to embrace flexible working arrangements except for part time work options. Besides, this study has found that respondents with no children favoured in compressed work schedule as the statistical result recorded at $p < 0.05$.

4.1 Measurement model assessment

Reliability, convergent validity and discriminant validity were carried out to test the research instrument. Construct validity has been previously tested with respective loadings and cross loading presented in Table 1.

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Model Construct	Items	Loadings	AVE	Composite Reliability	Cronbach Alpha
Family Responsibility	FR2	0.859	0.746	0.922	0.894
	FR3	0.881			
	FR4	0.879			
	FR5	0.835			
Supportive Workplace	SW1	0.660	0.516	0.895	0.865
	SW2	0.725			
	SW3	0.719			
	SW4	0.821			
	SW5	0.728			
	SW6	0.738			
	SW7	0.725			
	SW8	0.613			
Benefits	B1	0.779	0.595	0.879	0.831
	B2	0.664			
	B3	0.852			
	B4	0.733			
	B5	0.815			
Career advancement	CA1	0.702	0.497	0.798	0.674
	CA2	0.692			
	CA3	0.745			
	CA6	0.680			
Company Policy	CP1	0.833	0.517	0.894	0.863
	CP2	0.734			
	CP3	0.666			
	CP4	0.833			
	CP5	0.577			
	CP6	0.680			
	CP7	0.695			
	CP8	0.709			
Readiness	R2	0.714	0.504	0.876	0.836
	R3	0.709			
	R5	0.764			
	R6	0.751			
	R7	0.710			
	R8	0.678			
	R9	0.639			

Table 1: Results of measurement model

The average variance extracted (AVE) obtained were 0.497 to 0.746. Although one of the construct AVE career advancement (0.497) was below 0.5 for the convergent validity criteria.

4.2 Discriminant validity

Table 2 illustrates that the each construct's AVE was larger than its correlations with other constructs. The highest square root of the AVE is recorded 0.91 in career advancement (CA) while the lowest square root of the AVE is 0.71 which was the readiness. Thus, there was strong evident of convergent and discriminant validity were found as the square root of the average variance was greater than 0.7.

	B	CA	CP	FR	R	SW
B	0.771					
CA	0.501	0.913				
CP	0.404	0.254	0.719			
FR	0.445	0.234	0.350	0.864		
R	0.586	0.363	0.273	0.413	0.71	
SW	0.496	0.345	0.732	0.320	0.467	0.719

Table 2: Discriminant validity of constructs

Note: Diagonal (**in bold**) represent the average variance extract (AVE) while the other entries represent the squared correlations.

4.3 Hypotheses testing

Figure 1 illustrates the path analysis of direct model and the degree of readiness on FWA was explained by the independent variables. The five constructs explain 43.2 percent of the variance of the endogenous latent construct readiness ($R^2=0.43$) with the effect size of 0.76. The R^2 was 0.432 suggesting that 43.2% of variance in extent of female employees is ready on flexible working arrangements and 46.8% due to unexplainable variance. In this case, the R^2 value of 0.432 was considered as moderate.

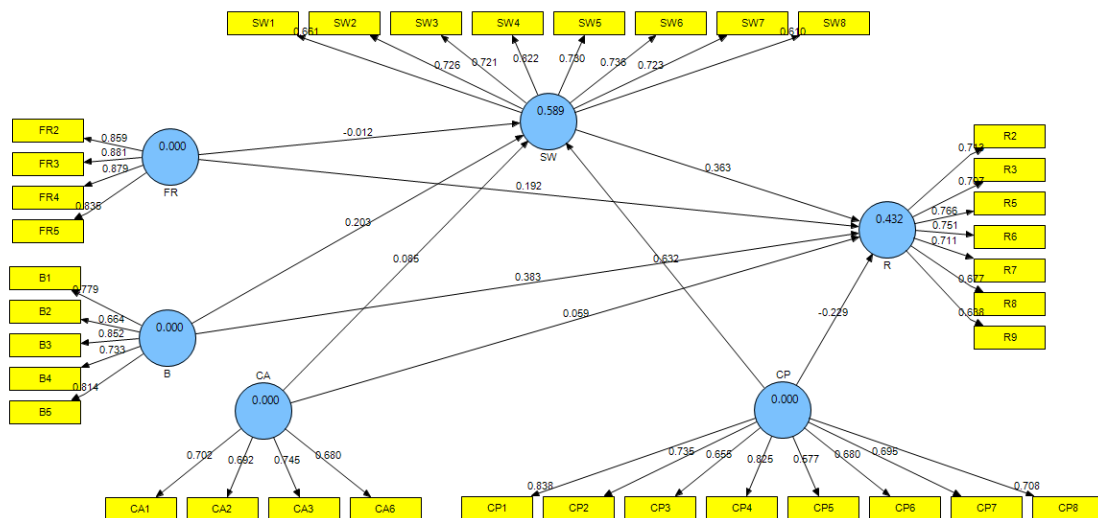


Figure 1: Results of the path analysis

The path analysis test presented in table 5 below included 5 hypotheses from H1 to H5. The R^2 was 58.9% of the variance in extent of supportive workplace can be explained by variance of family responsibility, benefits, and supporting workplace. A closer look presents at the table shows that family responsibility was positively related ($\beta=0.15$, $p<0.01$) to supportive workplace and so was benefits ($\beta=0.35$, $p<0.01$). Career advancement and company policy is not a significant predictor of the readiness on FWAs. Thus, H1 and H2 were supported whereas H3 and H4 were rejected. H4 was also supported as the R^2 of 0.43 explained the variance in readiness on FWA can be explained by the extent of supportive workplace and there was a positive relationship ($\beta=0.47$, $p<0.01$). The result shows that H7 and H9 were supported while H6 and H8 were rejected in Table 6. Perceived benefits showed a partial mediation effect as the value is greater than 20 percent. As for company policy, the mediation effect is full as the VAF is greater than 100 percent. Although the other two variables which were perceived benefits and career advancements have shown a partial mediating effect.

5.0 Conclusion

This study examined the relationships between family (family responsibility), work (career advancement, company policy), and community (supportive workplace) that creates demands and resources (readiness on FWA). Readiness on FWAs depended on the person-environment (PE) fit theory as different individual would choose different approaches of FWAs to suit their needs. The small microsystem started from a family. Meanwhile, the family responsibility

creates a demand on FWAs which is responsibility to work. Thus, demand on FWAs led to the readiness on FWAs. The finding of this study shows that a single women prefers compressed work schedule that allow them to work in four days with long working hours. On the other hand, care for elder parents did not show any significant result with readiness on FWAs. The possible explanation of this attitude maybe the respondents have both parents that no need much attention. As for work, the perceived benefits would lead to greater readiness on FWAs as female employees were able to juggle between the demand of work and the other responsibility if FWAs are made ready for them. The ability to balance between work and family would also be able to minimise the labour shortage. In addition to this, FWA can attract more women to stay in the workforce although they are married with young kids.

To sum, company policy does not show any significant result to the readiness on FWAs. In contrast, supportive workplace has strong mediation effect of company policy and readiness on FWAs. Thus, these relationships have show that the importance of FWAs in Malaysia as it acted as a reciprocal exchange between employers and employees to sustain an equitable and favourable working environment for women. Importantly the study shows that Malaysian female workers are ready for FWA, given adequate support and intervention from the employers. Consequently, corporate companies would be able to attract more female employees in the business, resulting in higher productivity. Working women in Malaysia would have better welfare should flexible working arrangements be well supported by employers.

6.0 Significance of the study

The output of this study would be able to benefit policy makers, organizations and practitioners to establish flexible working arrangements in Malaysia.

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