

# Systematic Review of Flexible Work Arrangements Impact on Employee Performance

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## Abstract

This systematic literature review (SLR) examined the impact of flexible work arrangements on employee performance in Malaysia. The purpose was to evaluate existing evidence and provide a comprehensive and evidence-based understanding of the impact of flexible work arrangements on employee performance in Malaysia. The data was obtained using a variety of search techniques, including a thorough search of the three most important journal databases, Scopus, Web of Science, and Google Scholar. After obtaining the data, it was analyzed using the Systematic Searching Strategies (SSS) Process to obtain precise and accurate material. The obtained materials were screened in three steps: identification, screening, and eligibility. 36 materials were successfully identified and summarized. The analysis focused on (1) publication trends, (2) year of publication, (3) country of study, and (4) type of flexible work arrangement used in the past five years. The SLR revealed no specific studies on the impact of flexible work arrangements on employee performance in Malaysia. However, a review of international studies showed that the impact of flexible work arrangements on employee performance varies depending on the context and can have both positive and negative outcomes. When implementing flexible work arrangements, organizations should carefully consider the needs of employees, as well as monitor their impact on employee performance over time.

**Keywords:** Systematic literature review; Flexible Work Arrangements, Employee Performance, HRD, Malaysia

## Introduction

Employee performance is a group of persons who play a vital part in assuring the organization's ongoing performance of responsibilities, work effectiveness, quality, and

efficiency of activities, while also contributing to national productivity. According to Goddey et al., (2022), flexible work arrangements are also known as flexible time, which refers to working hours with no constraints and a work environment. Chen and Fulmer (2018) also pointed out that employees can decide when and where they work by having flexible work options, allowing them to balance their work and personal obligations. Work design and processes such as flexible time, telecommunications or teleworking, work sharing, and various temporary work contract arrangements can make flexible work arrangements relevant.

In the 1960s, Christel Kammerer proposed the concept of flexible working arrangements to solve problems related to family obligations and working hours (Arthur et al., 2019). It was found that employee performance can be improved by flexi time as it can boost productivity by balancing work and family responsibilities (Alqasa & Alsulami, 2022). According to Cannon and Elford (2017) globalization studies in FWAs focus on global trends that lead to a higher demand for flexible work arrangements, such as socio-demographic changes, technological advances and global business operations.

When looking for a job, 92 per cent of Millennials priorities flexibility, while 80 per cent of women and 52 per cent of men want flexibility in their future careers (Amirul & Shaari, 2021). Hussain (2022) observed that many organizations have started to accept Malaysia's new work system as it starts to become endemic today. Moreover, among the other issues are ensuring that FWA's policy is for all employees and that the system is fair (Star Media Group, 2022).

Shaari and Amirul (2020), stated that Malaysia is still in the early stages of implementing and improving flexible work arrangements, hence the number of local studies on FWAs is low and limited. In Malaysia, most research on flexible work arrangements focuses on human resources, industrial organization, psychology, and management, but there is little research on flexible work arrangements rules and policies. Subramaniam et al., (2015) also found that very few Malaysian organizations have introduced flexible working arrangements (FWAs), although many multinationals are quite happy to emphasize this workplace reform. Teleworking, flexitime, permanent part-time, working from home, and career breaks are the most frequent types of flexible work arrangements in Malaysia.

According to (Nordin et al., 2016) there seem to be difficulties in establishing flexible working arrangements (FWAs) in Malaysia. This is because flexible work arrangements implemented by Malaysian employers are found to be lower when compared to other developed countries around the world. This could be due to employers' lack of research and consideration of the effectiveness of flexible work arrangements (Ramakrishnan & Arokiasamy, 2019). According to Subramaniam et al., (2015), nearly half of Malaysian employees, particularly women, struggle to strike a balance between work and family life. Employees who struggle with work-life balance appear to be more stressed than those who manage their responsibilities in a balanced manner.

Previous local research Shaari and Amirul (2020) has found that implementing flexible working arrangements (FWAs) regulations in the workplace may be the solution to keep graduates and skilled employees from quitting the labour field owing to housework and family obligations. It is a major issue that competent workers cannot be maintained in the labour market due to restrictive working conditions and a non-family-friendly workplace policy. Syahirah et al., (2015) argued that the policy should include teleworking, flexitime, team time work, decreased work hours and part-time work, as proposed by the government in its initiative (Shaari & Amirul, 2020). However, the growing demand for flexible work