https://ejournal.svgacademy.org/index.php/ijabmr/

OPEN ACCESS

WORK-LIFE HARMONY AND RETENTION OF EMPLOYEES: A REVIEW OF THE IMPACT OF FLEXIBLE WORK ARRANGEMENTS



Zhang Guoqiang*, Amiya Bhaumik

Original Article

Lincoln University College, 47301 Petaling Jaya, Selangor D. E., Malaysia *Corresponding Author's Email: zhangguoqiang009@outlook.com

Abstract

This article examines the impact of flexible work arrangements (FWAs) on work-life balance, job satisfaction, and employee retention. As workers increasingly want work schedules that align with personal and family obligations, companies are acknowledging the need of providing flexible work arrangements, including remote work, adaptable hours, and shortened workweeks. Research indicates that flexible work arrangements (FWAs) lead to reduced turnover rates, enhanced worker satisfaction, and increased organisational commitment. Flexible work schedules particularly benefit women, especially those with children, by facilitating a balance between professional and personal obligations, therefore enhancing employee engagement and alleviating stress. Nevertheless, issues such as poor execution and the stigma linked to flexible labour must be addressed. Ultimately, FWAs may function as a strategic asset, improving employee well-being and organisational performance.

Keywords: Employee Retention; Flexible Work Arrangements (FWA); Workforce Management; Work-life Balance; Workplace Flexibility

Introduction

Many workers use flexible working arrangements as a crucial element in striving for an improved equilibrium between professional and personal life. This has been a prominent topic of discussion since the modern era and is seen as an effective approach to improving people's working circumstances. The concept of flexible work arrangements may vary according to business policy and sector; nonetheless, it is generally understood as work hours that deviate from the conventional 8:00 a.m. to 5:00 p.m. schedule often observed by many Americans. The agreements also include a remote work option, half days, extra paid time off, and extended lunch breaks.

Employees have increasingly requested a more adaptable schedule that accommodates their personal obligations, including children, family, marriage, and other life activities. Moreover, work-life balance and flexibility have been subjects of discourse in recent decades due to the evolving nature of work, increased demands for success, and the environment of globalisation [1]. Employers, however, have seen this desirable timetable as a privilege or incentive rather than an entitlement. How can this concept be contextualised to ensure satisfaction for both parties and reduce turnover rates? The concept of achieving an improved work-life balance may enhance morale, increase employee engagement, and elevate overall performance.



The participation of women in the workforce has contributed to the development of flexible work arrangements. Since the 1960s, women's involvement in the workforce has significantly risen. Approximately 48.8% of all U.S. homes with a married couple are dual-income families, a statistic expected to rise further. Which facets of women's engagement in the labour market need an improved work-life equilibrium [2]? Is there any link whatsoever? Employees are seeking flexible work schedules for improved work-life balance. As time progresses, firms must choose whether to include flexible working arrangements and work-life balance when assessing turnover rates, employee happiness, and organisational culture.

This article analyses the present circumstances confronting organisations and the reasons workers are advocating for an enhanced work-life balance. A thorough examination has been conducted about the adverse impacts of labour demands on families and children. This research demonstrates that supporting work-life balance promotes employee engagement and retention while also cultivating a more favourable organisational culture. Ultimately, the study has concentrated on women, particularly inside the workforce. Upon scrutinising the rationale and foundational concepts of flexible work arrangements, work-life equilibrium, and female employment, a comprehensive debate and analysis has been conducted to investigate innovative ideas that might transform our contemporary society. Ultimately, the result of this investigation may provide a more illuminating overview on a topic [3]. The effects of flexible work arrangements (FWAs) on productivity, mental health, and employee retention. As an increasing number of organisations implement flexible work arrangements (FWAs), such as remote work, flexible hours, and reduced workweeks, it is crucial to comprehend their impact on workforce outcomes. This research seeks to assess the impact of flexible work arrangements on employee well-being, engagement, and overall organisational commitment. This paper analyses productivity levels, psychological affects, and retention rates to highlight the primary advantages and drawbacks of FWAs, providing insights for companies aiming to cultivate a supportive, successful, and responsive workplace culture.

Literature Review

Studies demonstrate that flexible work arrangements (FWAs) may enhance employee retention by reducing turnover rates in contrast to conventional work structures. Research by the Society for Human Resource Management (SHRM) indicates that organisations offering flexible work arrangements (FWAs) have an average turnover rate that is 25% lower than that of enterprises adhering exclusively to strict work schedules [4]. A further poll conducted by FlexJobs revealed that 80% of workers saw flexible work arrangements (FWAs) as a crucial element of job satisfaction and shown a reduced propensity to seek alternative employment when such choices were accessible [5].

The influence of flexible work arrangements on employee happiness is extensively recorded in contemporary literature. A Gallup study indicated that 70% of workers with flexible work arrangements had greater job satisfaction, in contrast to just 55% in conventional office environments. Moreover, research conducted by Harvard Business Review indicates that workers in organisations that use flexible work arrangements (FWAs) enjoy a 45% enhancement in work-life balance, hence markedly improving engagement and productivity levels [6]. The importance workers attribute to flexibility and illustrate how flexible work arrangements mitigate turnover. These studies together demonstrate that flexible work arrangements enhance employee happiness and provide a competitive advantage to organisations in retaining top talent [7]. Furthermore, the impact of flexible working arrangements on workers' health and lifestyles. Their research elucidates that, beyond only affecting morale and performance, an imbalance between work and personal life may also detrimentally influence individuals' psychological and physical well-being. Demonstrates the influence of emotional well-being and how parents are increasingly making fewer adjustments for their children in the absence of a satisfactory work-life balance. Flexible work hours on families used statistical analysis to get their conclusions. Their research included demographic controls, including sex, parental status of having a child under eighteen, and parental employment. The regression model used for the hypothesis operated at a significance level of 0.05 [8].



The impact of the workforce on women, particularly those with children

The impact that changes in workplaces might have on families. She used a more informative methodology in her study by elucidating the distinctions across work kinds and identifying those that are gaining popularity. She subsequently delineates the psychological and social impacts that these "odd hours" may have on children due to the diminished presence of parents. Furthermore, her study is predicated on the classification of families (low-income, medium, and high) and how this classification may influence the issues affecting children both now and in the future. The impact of flexible work hours on women with children [9]. She elaborates on several sectors employing many women and how their work pursuits may eventually disrupt their home lives. The data was gathered from a sample of thirty mothers with offspring. A set of open-ended questions were posed during interviews with each participant. The study elaborates on modifications that might enhance job satisfaction for women with children by improving their work-life balance.

This study summarised the relationship between WLBA and OP by a meta-analysis including 202 data points from 58 distinct investigations. The inquiry into OP was undertaken from six distinct perspectives: CA, EA, EC, ET, PR, and OC. A favourable correlation was identified between WLBA and OP. Moreover, the only factors significantly associated with WLBA were CM, EA, EC, and ET. The employee hierarchy was a significant mediator in the relationship between WLBA and OP, followed by gender and the industry of employment. These findings have enhanced our understanding of the degree to which WLBAs impact diverse perspectives on OP. The relationship between WLBA and OP may be affected by many third variables; thus, it is suggested that these variables function as moderators in the ongoing analysis of the correlation between WLBA and OP [10].

Multivariate regression analysis to investigate the correlation between flexible work arrangements, job satisfaction, and employee retention within a sample of 1,500 individuals from diverse sectors. The factors included flexible work arrangements (including telecommuting, reduced workweeks, and flextime), job satisfaction, work-life balance, and turnover intention. The research revealed a substantial positive correlation between flexible work arrangements and job satisfaction ($\beta = 0.45$, p < 0.01), suggesting that workers having access to such arrangements reported elevated levels of job satisfaction. The research indicated that job satisfaction mediated the association between flexible work arrangements (FWAs) and turnover intention, with a path coefficient of $\beta = -0.32$ (p < 0.01), implying that job happiness substantially reduces workers' desire to depart. [11].

Respondents indicate that flexible working options do not influence organisational commitment owing to the ambiguous structure and regulations governing their implementation. According to the respondents, Widhi said that there are no definitive parameters for its execution, despite the existence of flexible working arrangements. Organisations involved in the creative economy, particularly advertising agencies and other enterprises adopting flexible working arrangements, must establish appropriate systems and regulations to effectively execute these policies. Both facilities and infrastructure must be meticulously prepared to ensure effective deployment [12]. Social support positively impacts organisational commitment; therefore, companies must cultivate a mutually supportive work culture among employees, particularly through emotional support, including expressions of gratitude, encouragement, and reciprocal assistance between subordinates and superiors, thereby enhancing work-life balance and organisational commitment. The findings indicate that enhanced social support correlates with improved work-life balance. When an individual has social support from work and family, they may achieve a balanced existence characterised by genuine serenity and harmony. It also has an indirect influence on organisational dedication. [13].

Literature Gap

Although much research has examined the influence of flexible work arrangements (FWAs) on employee retention, a gap persists in comprehending the long-term consequences of FWAs across diverse employee demographics, especially across varying socio-economic groups. While research has shown positive correlations between flexible work arrangements (FWAs) and job satisfaction, it lacks longitudinal data on the long-term sustainability of these benefits, particularly in high-turnover sectors. Sustainability of these advantages over time, particularly in high-turnover sectors.



Moreover, studies show a clear correlation between flexible work arrangements (FWAs) and employee retention, but there is a lack of investigation into how these arrangements affect certain organizational cultures or industries. Creative industries may encounter unique hurdles relative to established sectors, thereby impacting the efficacy of FWAs in talent retention. Furthermore, future research must conduct a more thorough exploration of the psychological effects of flexible work arrangements on workers' families, particularly their influence on children.

Hypothesis

Flexible work arrangements (FWAs) significantly enhance employee retention by improving work-life balance, job satisfaction, and organisational commitment. Research demonstrates that organisations with flexible work arrangements (FWAs) encounter much lower turnover rates than those with inflexible schedules. Moreover, workers prioritise flexibility, with 80% indicating enhanced job satisfaction and a decreased propensity to seek other employment when flexible choices are accessible (. A favourable work-life balance, facilitated by flexible work arrangements (FWAs), is associated with increased engagement, productivity, and psychological well-being, while mitigating stress and health problems linked to conventional work frameworks.

Discussion

From an organisational standpoint, staff turnover incurs significant expenses. Recruitment, onboarding, and training of new staff need substantial time and resources. Flexible Work Arrangements (FWAs) are an efficient approach to alleviate these expenses by decreasing the frequency of voluntary employee departures. Research indicates that organisations providing telecommuting or remote work opportunities often have lower turnover rates than those that maintain conventional office-based work schedules [14]. Employees who achieve a balance between work and personal life exhibit elevated levels of satisfaction and drive, since flexibility enables them to fulfil personal obligations without undermining professional performance. Conversely, inflexible work arrangements often result in discontent and increased turnover, as workers may find it challenging to fulfil personal and professional obligations, eventually prompting them to seek more accommodating work settings [15].

Adaptable Work Structures and Workforce Retention

Besides retention, FWAs also considerably influence employee satisfaction and engagement. A Gallup poll reveals that 70% of workers with flexible work arrangements report higher job satisfaction, in contrast to 55% in conventional office environments. This rise in satisfaction underscores how flexibility addresses individual requirements, improving workers' emotional well-being and favourably affecting their engagement levels. Research conducted by Harvard Business Review reveals that flexible work arrangements improve work-life balance by 45%, leading to increased productivity and engagement). These data indicate that flexibility enhances work happiness and directly affects productivity by fostering an atmosphere favourable to optimal employee performance [16].

Subsequent research highlights the extensive influence of FWAs on employee well-being and lifestyles. Studies demonstrate that inflexible work schedules may adversely impact psychological and physical health by disturbing the balance between professional and personal life. Employees unable to reconcile these two facets encounter increased stress, perhaps resulting in health complications, diminished morale, and eventually, a decline in organisational commitment. Families are also impacted, as rigid work schedules diminish the time parents can provide to their children, possibly affecting familial ties and overall well-being. Research using demographic factors such as gender, parental status, and job type revealed that flexible work arrangements enhance family life quality by enabling people to balance time between family and work, hence improving mental health and family happiness [17].

Adaptable Employment Structures and Work-Life Equilibrium

Attaining an ideal work-life equilibrium has emerged as a significant concern for workers in contemporary organizations. Flexible work options effectively meet this need by allowing workers to optimise their time and energy between professional and personal domains. This is especially pertinent for women's employment participation, which



has significantly risen in recent decades. The increasing prevalence of dual-income homes, in which both couples contribute financially, has resulted in greater expectations for employment flexibility [18].

Research has repeatedly shown that workers with access to flexible work arrangements report increased job satisfaction and reduced stress levels. Telecommuting enables professionals to eradicate the time and stress linked to daily commuting, affording them more time to engage with their families or pursue personal hobbies. Compressed workweeks allow workers to spread their hours across fewer days, giving them longer weekends or more time off for personal pursuits.

The enhanced sensation of control over one's schedule has been shown to favourably influence both physical and mental health. A balance between professional and personal life reduces the probability of chronic stress, which may result in burnout, weariness, and diminished productivity. As a result, individuals who achieve a good work-life balance via flexible work arrangements are often more engaged and dedicated to their organisations, resulting in improved retention rates.

Obstacles to the Implementation of Flexible Work Arrangements

Notwithstanding the advantages, the execution of FWAs presents several problems. A prevalent challenge organisations encounter is the absence of a systematic method for incorporating flexibility into their work environments. Although several firms acknowledge the benefits of flexible work arrangements, they often neglect to implement explicit rules and standards to regulate their use. This ambiguity may generate misunderstandings among workers about the manner, timing, and scope of their authorisation to use FWAs [9].

Some organisations may provide flexible work alternatives theoretically; however, they apply restrictive rules that diminish their efficacy. Employees may consider that using flexible work arrangements (FWAs) might adversely affect their career advancement or be seen as a sign of insufficient dedication to the organization. This apprehension of stigmatisation inhibits workers from completely adopting flexible work arrangements, thereby diminishing the potential advantages [8].

A further problem pertains to the administration of distant teams. As an increasing number of workers operate remotely or outside conventional office environments, organisations must implement novel tactics for communication, collaboration, and performance assessment. Remote work necessitates increased dependence on digital tools and platforms, along with trust between workers and management. Inadequate infrastructure and support for FWAs may result in feelings of isolation, diminished cooperation, and challenges in maintaining work-life boundaries.

Moreover, flexible work arrangements may not be appropriate for all sectors or employment rolls. Some positions, particularly those requiring face-to-face engagement or access to specialised apparatus, may restrict the degree of flexibility available [11]. Consequently, organisations must meticulously evaluate the viability of FWAs in relation to the characteristics of their operations and the distinct requirements of their personnel.

The Significance of Organizational Culture in Facilitating Flexible Work Arrangements

The efficacy of flexible work arrangements is mostly contingent upon the organisational culture in which they are executed. Organisations that foster a supportive culture encouraging work-life balance are more likely to get favourable results from flexible work arrangements (FWAs). Social support significantly enhances the efficacy of flexible work arrangements [14]. Employees who have emotional support from their peers and superiors are more adept at managing the challenges of reconciling work and personal obligations.

A culture of reciprocal respect and comprehension mitigates the stigma linked to the use of flexible work arrangements. When managers actively promote the use of flexible work arrangements and exemplify their usage, workers are more inclined to feel at ease in using these options. Furthermore, organisations that provide training and tools to assist workers in efficiently managing their time might augment the advantages of FWAs.



Furthermore, organisations that emphasise work-life balance often cultivate elevated levels of employee engagement and organisational commitment. Employees who see their well-being as appreciated are more inclined to respond with heightened loyalty and productivity [15]. This establishes a positive feedback loop, whereby flexible work arrangements foster a supportive work atmosphere, which subsequently enhances the efficacy of such arrangements.

Gender and Family Welfare Associations

The influence of flexible employment arrangements on women, especially those with children, warrants specific consideration. As the female workforce expands, the need for flexibility becomes paramount in assisting them in balancing work and familial obligations [14]. Research indicates that women are more inclined to get advantages from flexible work arrangements owing to their conventional responsibilities as main careers. Flexible work hours enable women to effectively balance childcare obligations and sustain their professional careers.

Nonetheless, the mere provision of FWAs may be inadequate in tackling the distinct issues encountered by women in the workforce. Gender biases and cultural conventions often affect women's ability to fully use flexible employment arrangements. In some instances, women may encounter pressure to adhere to conventional work hours or face more severe scrutiny for using flexible work arrangements than their male colleagues [15]. Resolving these structural difficulties is crucial for guaranteeing that flexible work arrangements really benefit all workers, irrespective of gender.

These data together illustrate that FWAs serve not only as an advantage for individual workers but also as a strategic asset for organisations. Flexible Work Arrangements (FWAs) decrease turnover rates, augment job happiness, and foster work-life balance, hence allowing firms to retain a dedicated staff, strengthening organisational performance and employee loyalty. Organisations that acknowledge and use flexible work arrangements may cultivate supportive cultures that address contemporary worker needs, so establishing themselves as progressive employers and consequently recruiting and keeping elite talent in a highly competitive labour market.

Conclusion

In summary, flexible work arrangements (FWAs) have become an essential instrument for improving work-life balance, job satisfaction, and employee retention. As workers increasingly pursue schedules that align with personal and familial commitments, organisations are acknowledging the need of providing flexible work arrangements to maintain a competitive advantage in the labour market. Flexible Work Arrangements enhance employee well-being by alleviating stress and fostering a healthy work-life balance, while simultaneously increasing job satisfaction and engagement, hence improving retention rates. Research repeatedly indicates that organisations providing flexible work arrangements have reduced turnover rates and enhanced employee loyalty, as workers exhibit a less inclination to pursue alternative jobs when given the autonomy to manage their time more efficiently.

Furthermore, the importance of flexible work arrangements is especially evident for women, particularly those with children, since they provide a more effective balance between professional and familial obligations. Nonetheless, issues include uneven implementation, and the stigma associated with flexible work arrangements in certain industries persist as hurdles requiring attention. Organisations must cultivate supportive cultures and establish clear procedures to guarantee the effective integration of flexible work arrangements (FWAs).

Organisations that adopt flexible work arrangements are more effectively positioned to recruit and retain elite talent while fostering a happy, inclusive, and productive workplace. As the workforce evolves, flexible work arrangements will become more vital in designing organisational strategies to enhance employee happiness, engagement, and overall performance.

Recommendation

Organisations are advised to prioritise the implementation of Flexible Work Arrangements (FWAs) to enhance employee retention, work happiness, and general well-being. Organisations must establish explicit rules for flexible work



arrangements, including remote work, flexible hours, and shortened workweeks, to maintain uniformity and minimise ambiguity in their implementation. Moreover, organisations must cultivate an inclusive culture that fosters work-life balance, particularly for workers with caregiving obligations, such as women with children. Training for managers on properly overseeing remote teams and cultivating a trust-based atmosphere are essential components for the success of FWAs.

Moreover, to optimise the advantages of FWAs, organisations must consistently evaluate their effects on employee engagement and morale, using instruments such as surveys and performance indicators. Through the ongoing assessment and modification of flexible work arrangements, organisations may improve employee retention, increase productivity, mitigate stress-related challenges, and foster a more supportive and sustainable workplace culture.

Conflict of Interests

The authors state that they do not have any personal conflicts of interest.

Acknowledgement

The authors express their gratitude to the institutions for their support in the accomplishment of this study.

References

- Obinwanne CO, Kpaji OL. Effect of Work Life Balance in Organizational Productivity in Tourism Centers in Port Harcourt, Rivers State, Nigeria. International Journal of Hospitality & Tourism Studies (IJHTS). 2022 Jun 1;3(1). <u>https://doi.org/10.31559/IJHTS2022.3.1.4</u>
- 2. Tomlinson J, Baird M, Berg P, Cooper R. Flexible careers across the life course: Advancing theory, research and practice. Human Relations. 2018 Jan;71(1):4-22. <u>https://doi.org/10.1177/0018726717733313</u>
- Welman ME. Securing upward career mobility for professional women with caregiving responsibilities? A critique of the UK's right to request flexible working (Doctoral dissertation, University of Reading). https://doi.org/10.48683/1926.00106944
- 4. Eshete SK, Amentie C. Strategic Human Resource Management (SHRM) and Inclusion for promoting Workplace Creativity and Innovation: Systematic Review. <u>https://doi.org/10.21203/rs.3.rs-3850810/v1</u>
- Hajal GE. Teleworking and the jobs of tomorrow. Research in Hospitality Management. 2022 Jan 2;12(1):21-7. <u>https://doi.org/10.1080/22243534.2022.2080953</u>
- Engberg J, Maier CD. Multimodal Generic Trends of Harvard Business Review Knowledge Communication in and beyond Social Media Context: Exploiting Affordances, Neglecting Opportunities. Publications. 2022 Jan 17;10(1):4. <u>https://doi.org/10.3390/publications10010004</u>
- Junça Silva A, Coelho N. The moderating role of organizational culture on the relationship between workers' attitudes towards telework and happiness. Kybernetes. 2023 Nov 1;52(10):4357-74. <u>https://doi.org/10.1108/K-02-2022-0231</u>
- Han WJ, Fox LE. Parental Work Schedules and Children's Cognitive Trajectories. Journal of Marriage and Family. 2011 Sep 28;73(5):962–80. <u>https://doi.org/10.1111/j.1741-3737.2011.00862.x</u>



- Jakob Lauring, Jonasson C. What is hybrid work? Towards greater conceptual clarity of a common term and understanding its consequences. Human Resource Management Review. 2024 Aug 1;101044–4. https://doi.org/10.1016/j.hrmr.2024.101044
- Wong KP, S Chan AH, Teh PL. How Is Work–Life Balance Arrangement Associated with Organisational Performance? A Meta-Analysis. 2020. <u>https://doi.org/10.3390/ijerph17124446</u>
- 11. Wong K, Chan AH, Teh PL. How is work–life balance arrangement associated with organisational performance? A meta-analysis. International journal of environmental research and public health. 2020 Jun;17(12):4446. https://doi.org/10.3390/ijerph17124446
- 12. Kho A, Hadi Cahyadi, Yohana Meilani, Pramono R. Talent attraction through flexible work anytime from anywhere [Internet]. ResearchGate. EnPress Publisher; 2024. <u>https://doi.org/10.24294/jipd.v8i3.2998</u>
- 13. Choi S. Flexible Work Arrangements and Employee Retention: a Longitudinal Analysis of the Federal Workforces. Public Personnel Management. 2019 Nov 12;49(3):009102601988634. https://doi.org/10.1177/0091026019886340
- Nalini G. EMPLOYEE ENGAGEMENT IDEAS FOR REMOTE WORKING TEAM. International Journal of Advances in Business and Management Research (IJABMR). 2023 Sep 12;1(1):21–5. <u>https://doi.org/10.62674/ijabmr.2023.v1i01.003</u>
- Kumar S, Sarkar S, Chahar B. A systematic review of work-life integration and role of flexible work arrangements. International Journal of Organizational Analysis. 2021 Sep 23;31(3):710–36. <u>https://doi.org/10.1108/IJOA-07-2021-2855</u>
- Indradewa R, Prasetio AA. The influence of flexible working arrangements and work-life balance on job satisfaction: A double-layered moderated mediation model. Jurnal Ekonomi dan Bisnis. 2023 Nov 27;26(2):449–76. <u>http://dx.doi.org/10.24914/jeb.v26i2.9551</u>
- Shifrin NV, Michel JS. Flexible work arrangements and employee health: A meta-analytic review. Work & Stress. 2022 Jun 10;36(1):1–26. <u>https://doi.org/10.1080/02678373.2021.1936287</u>
- Bett F, Sang H, Chepkwony P. Flexible Work Arrangement and Employee Performance: An Evidence of Worklife Balance Practices. East African Journal of Business and Economics. 2022 Feb 21;5(1):80–9. <u>https://doi.org/10.37284/eajbe.5.1.557</u>

