Can perceptions of flexible work arrangements boost engagement and desirable employee behaviour?

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Introduction

The recent global recession has contributed to many workers feeling increasingly under pressure to "work harder and longer with no additional reward" (Thomas et al., 2013, p.3). In efforts to maintain engagement and performance during the recession, many organisations increased their usage of flexible work arrangements (FWAs), such as flexitime and working from home (CIPD, 2012). Although the availability and use of such arrangements have been found to promote positive work attitudes (McNall, Nicklin, & Masuda, 2010), little is known about how employees generally perceive flexible work arrangements, and whether these perceptions lead to specific forms of behaviour. The present study seeks to address this gap in by testing the relationship between perceptions of FWAs and citizenship behaviors via employee engagement, and examining the potential moderating role of employment security given the effects of the recession on employment (van Wanrooy et al., 2013). In doing so, this paper will have a practical benefit as practitioners currently focus time and resources into providing flexible work arrangements (CIPD, 2012), and assessing engagement with the organisation rather than with the job (Fletcher & Robinson, 2014; Truss, 2014).

Theoretical background and hypotheses

The relationship between perceptions of FWAs, employee engagement, and organisational citizenship behaviour

According to social exchange theory (Blau, 1964), employees are continually participating in a give and take relationship with their employer whereby one party gives socio-emotional resources that are desired by the other in exchange for others that they desire. This exchange

relationship is maintained through principles of mutual reciprocity/gains, i.e. if you scratch my back, I will scratch yours, and of trust and respect. Flexible work arrangements are organisational resources that allow employees to adapt how and when they work, and as such are desirable to the individual as they enable them to manage their work and non-work lives (Lambert, Marler, & Guental, 2000). When the employee holds positive perceptions of these arrangements, they will feel that the organisation cares about their needs, which signifies to the employee that they participating in a social exchange relationship (Bauregard & Henry, 2009). Therefore, they will feel obliged to 'repay' the organisation in kind by engaging themselves fully in their roles (Saks, 2006). Given that workers typically perform their work role as well as their role as an organisational member (Pratt & Ashforth, 2003), it follows that employee engagement will consist of two distinct, yet related types: job engagement and organisation engagement. Job engagement is the extent to which an individual is 'psychologically present' in their job role, such as feeling enthusiastic, focused and energised when performing one's job, whereas organisation engagement is the extent to which an individual is 'psychologically present' in their role as a member of the organisation, such as feeling exhilarated by and involved in the daily activities of the organisation (Saks, 2006).

Hypothesis 1: Perceptions of FWA are positively related to both job and
organisation engagement

Engaged employees will be motivated to behave in desirable ways that enables high quality performance because engagement directs an individual's efforts towards the completion of work tasks and activities (Parker & Griffin, 2011) and enables the investment of an individual's energies into the full expression of one's role (Rich, LePine, & Crawford, 2010). Individual performance can be expressed in various objective and subjective ways, and can include a wide range of behavioural indicators. Organisational citizenship behaviour (OCB) is one particular set of behaviours that refer to those "that, although not critical to the task or

job, serve to facilitate organizational functioning" (Lee & Allen, 2002, p.132). OCB can be differentiated into two categories: OCB-I and OCB-O; with the former representing interpersonal-related behaviours, such as assisting co-workers with their duties and helping co-workers to resolve problems, and the latter representing organisational-orientated behaviours, such as defending the organisation against criticism and offering ideas to help improve the organisation. Based on this distinction, job engagement will more likely predict levels of OCB-I rather than OCB-O whereas organisation engagement will more likely predict levels of OCB-O rather than OCB-I. This is because job engagement focuses energies on work activities and elicits behaviours that encourage active, full job performance (Parker & Griffin, 2011; Rich et al., 2010) whereas organisation engagement prompts behaviours that maintain and enhance one's sense of belonging and identity with the organisation (Saks, 2006; Tajfel & Turner, 1979). Thus, it is hypothesised that job engagement will predict OCB-I whereas organisation engagement will predict OCB-O.

Hypothesis 2a: Job engagement will positively predict OCB-I

Hypothesis 2b: Organisation engagement will positively predict OCB-O

Recently, researchers have been interested in understanding the psychological processes that translate perceptions of HR practices into employee outcomes. According to theorising on the HRM-performance link (Guest, 2002), such perceptions elicit attitudinal responses, which in turn trigger or constrain behavioural action. Employee engagement, in the form of job and organisation engagement, represent important attitudinal responses to perceptions of FWAs, which in turn promotes desirable performance behaviour. This is because employee engagement is argued to be a key psychological experience that connects perceptions of the wider work context with the full performance of one's work role (Rich et al., 2010). Based on the previous rationale that job engagement is likely to predict OCB-I due to its focus on the work role whereas organisation engagement is likely to predict OCB-O due to its focus on

one's membership of the organisation, it also follows that job engagement will most likely mediate the relationship between perceptions of FWAs and OCB-I and organisation engagement will most likely mediate the relationship between perceptions of FWAs and OCB-O.

Hypothesis 3a: Job engagement will mediate the relationship between perceptions of FWA and OCB-I

Hypothesis 3b: Organisation engagement will mediate the relationship between perceptions of FWA and OCB-O

Perceived employment security as a moderating factor

Perceived employment security refers to the employee feeling that they will be able to remain in their positions or with their organisations for the foreseeable future (Sverke, Hellgren, & Naswall, 2002). Perceived employment security has received limited attention by engagement researchers (Crawford et al., 2014), however given the effects of the recession on employment security it is a relevant and salient contextual factor to examine. As argued by Fried et al (2003) feeling secure in one's employment will intensify the positive effects of motivational work characteristics because it enables the employee to maximise the motivational potential created by those factors. Based on this rationale, it could be when employment security is perceived as high, rather than low, then the individual will feel better able to take advantage of the psychological benefits provided by flexible work arrangements. Thus, perceived employment security could strengthen the positive effects of perceptions of flexible work arrangements on employee engagement.

Hypothesis 4a: Perceived employment security will strengthen the relationship between perceived FWA and job engagement

Hypothesis 4b: Perceived employment security will strengthen the relationship between perceived FWA and organisation engagement

In sum, Figure 1 illustrates the full hypothesised model. It shows that perceptions of FWA will be positively related to organisational citizenship behaviour via job and organisation engagement. Moreover, the relationships between perceptions of FWA and job/organisation engagement will be strengthened by perceived employment security.
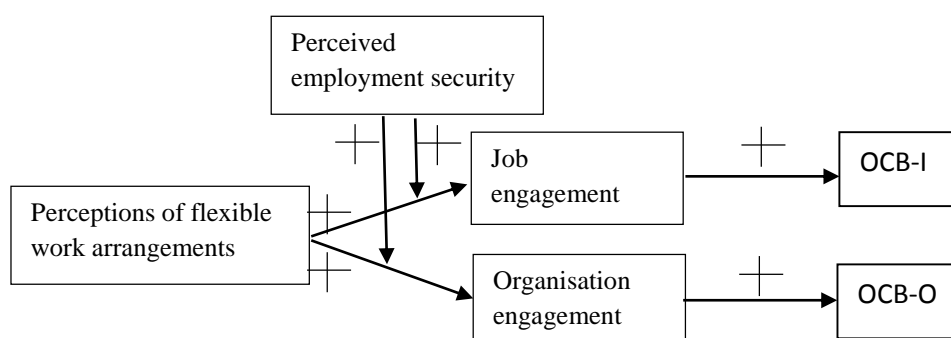

Figure 1. Hypothesised relationships between perceptions of flexible work arrangements, perceived employment security, job/organisation engagement, and citizenship behaviour (OCB-I and OCB-O).

Method

Participants and Procedure

Employed adult workers, resident in the UK, were asked to participate in the study via a market research company in February 2015. The sample was generated by the market research company from a database of enrolled members of the public who receive credit points for completing surveys sent by the company. These points can be exchanged for monetary vouchers once enough have been gained. A total of 313 participants completed the first online questionnaire (assessing perceptions of FWAs, perceived employment security, and job/organisation engagement), of which 152 (48.6% of total sample) also completed the follow-up online questionnaire one month later (assessing organisational citizenship behaviours). Half of the 152 UK workers were male, a third had managerial responsibility, and a quarter were part-time or temporary workers (the rest were full-time). They represented

a range of occupational and industrial sectors with the most from professional/associated professional (27%), administration/secretarial (23%), and skilled trades/manual (17%).

Measures

All measures used a 7-pt Likert scale (1-strongly disagree to 7-strongly agree). Confirmatory factor analyses verified that each of the following constructs were distinct from one another, and inter-item reliability for each measure was high.

Perceptions of flexible work arrangements. Four items captured perceptions of flexible work arrangements: *'This organisation actively promotes flexible work arrangements for its employees, e.g. homeworking, compressed hours, part-time hours'*, *'This organisation is a 'family-friendly' employer'*, and *'Requests to change work patterns and schedules are received positively here'*, and *'There are policies and practices in place that help me to manage my work-life balance'*.

Perceived employment security. Two items captured perceived employment security: *'I am confident that I will be able to work for my organisation for as long as I wish'*, and *'My job is not a secure one'* (reverse scored).

Job and organisation engagement. Saks's (2006) five-item job engagement scale and six-item organisation engagement scale were used. An example item of job engagement is *'I really "throw" myself into my job'* and an example item of organisation engagement is *'Being a member of this organisation is exhilarating for me'*.

Organisational citizenship behavior. Organisational citizenship behavior directed to the individual (OCB-I) and organisation (OCB-O) was each measured by four-items from Saks (2006). An example item from the OCB-I scale is *'I give up time to help others who have work or non-work problems'* and an example item from the OCB-O scale is *'I attend functions that are not required but that help the organisational image'*.

Control variables. As a range of workers were surveyed from various organisations in the UK, it was deemed appropriate to control for the following characteristics: gender, age, tenure, and management responsibility.

Results

Multiple regression analyses found that perceptions of FWA positively predicted both forms of engagement, and that each type of engagement predicted a different form of OCB: job engagement positively predicted levels of OCB-I whereas organisation engagement positively predicted levels of OCBO. In addition, perceptions of FWA were positively and strongly related to both OCB-I and OCB-O. Further statistical testing revealed that job engagement mediated the relationship between perceptions of FWA and OCB-I, and organisation engagement mediated the relationship between perceptions of FWA and OCB-O. Moreover, perceptions of FWA interacted with perceived employment security to predict organisation engagement, but not job engagement. Figure 2 plots this interaction, and shows that perceived employment security strengthens the relationship between perceptions of FWA and organisation engagement.
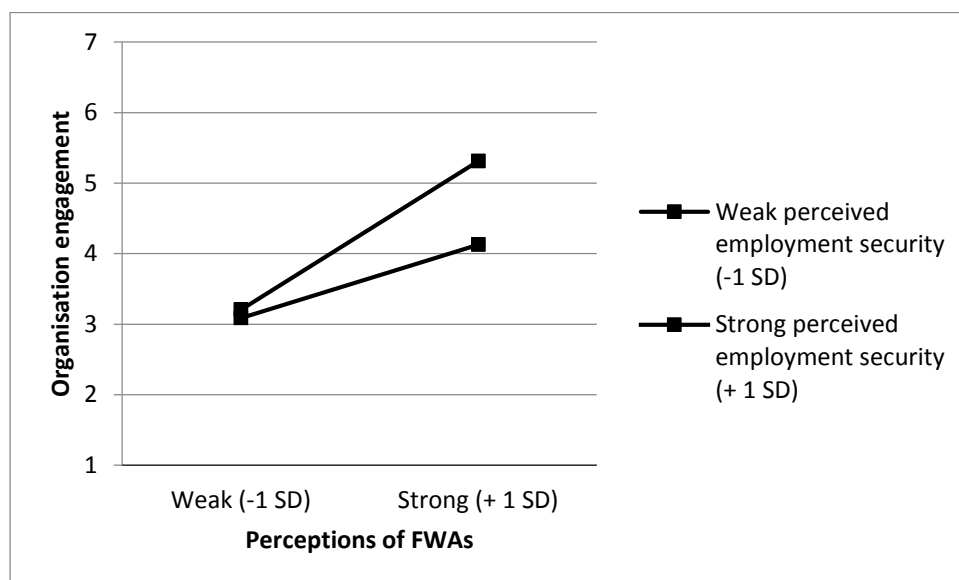
Discussion

First, the study found evidence that employee perceptions of flexible work arrangements are important for their engagement at work. Therefore, it supports the premise, based on social exchange theory (Blau, 1964), that flexible work arrangements are important organisational resources that are provided by the organisation in exchange for higher levels of engagement by employees. Second, the findings showed that both job and organisation engagement had important mediating roles in translating perceptions of flexible work arrangements into positive performance behaviours. Thus, the study affirms the importance of both job and organisation engagement, as indicated by Saks (2006), as important psychological processes with each having a specific effect on behaviour. In this case, job engagement may elicit behaviours that are more interpersonal in nature whereas organisation engagement may elicit behaviours that are more organisationally orientated in nature. Finally, it was found that perceived employment security strengthened the mediated relationship between perceptions of flexible work arrangements, organisation engagement, and OCB-O. This suggests that employment security is an important contextual factor to consider when studying how to facilitate employee engagement, particularly when it may be under strain from broaden economic and industry factors. It also extends Fried et al's (2003) argument that such perceptions enable employees to take advantage of motivational features in the work environment by illustrating that the positive effects of an organisational practice, i.e. flexible work arrangements, can be enhanced when one feels secure in one's employment.

Practical implications

This study shows that flexible work arrangements can lead to desired employee behaviour, but only when employees perceive them in a positive light - simply making flexible work arrangements available may not be good enough. Moreover, the study highlights the benefit to organisations of assessing, through employee surveys, how employees experience engagement, both with the job and the organisation. However, most practitioners seem to

only consider organisation engagement; and only focus on 'doing' engagement rather than on exploring how employees 'experience' engagement (Truss, 2014). There is also the danger that engagement scores are monitored statically and uncritically via annual staff surveys (Fletcher & Robinson, 2014). Thus, practitioners should use employee engagement surveys thoughtfully and strategically, to not only evaluate the 'soft' success of initiatives, but also in ways that can uncover the specific features of flexible working that enhance job and organisation engagement. Lastly, organisations who utilise many forms of flexible work arrangements may want to consider making the employment situation more secure for those employees who regularly take up flexible work arrangements in order to further increase engagement and performance.

Limitations and areas for future research

The findings of this study should be interpreted with the following limitations in mind. First, all variables were assessed using self-report Likert scales. Future research should attempt to measure performance behaviours more objectively, such as through appraisal/observational/supervisory ratings. Second, despite basing the measure of perceptions of FWAs on existing literature, there is a need to further validate this construct. Third, the study was conducted with a small sample of UK workers and therefore the wider generalisability and validity of the findings may be limited. Fourth, further studies that explore the dynamics between availability, use, and perceptions of flexible work arrangements as well as of other social exchange constructs, such as perceived organisational support, are needed as these may reveal important differences and nuances. Lastly, future research that investigates the effects of other potential moderating variables, such as emotional demands, on the relationship between perceptions of FWA and job engagement would be welcome.

Conclusion

To conclude, this study indicates that how employees perceive flexible work arrangements are important for employee engagement and desirable employee behaviour. Furthermore, it suggests that making jobs more secure can help to enhance some of the positive effects of flexible work arrangements. However, there is still a need for researchers to explore perceptions of flexible work arrangements in much more depth, particularly how the effects of these arrangements are influenced by other personal and organisational factors.

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