GOVERNMENT INCENTIVES: THE ROLE OF HUMAN RESOURCE IN DELIVERING FLEXIBLE ORGANIZATIONAL WORKING STRATEGIES IN SINGAPORE

Sharifah Rahama Amirul\textsuperscript{a,b}, Charmine E. J. Härtel\textsuperscript{c}, Stephen Jones\textsuperscript{d}, Rasid Mail\textsuperscript{a,e} and Sharifah Milda Amirul\textsuperscript{a,f}

\textsuperscript{a}Faculty of Business, Economics and Accountancy, Universiti Malaysia Sabah, Kota Kinabalu 88400, Malaysia (Email: b\textsuperscript{sra@ums.edu.my}, e\textsuperscript{rmail@ums.edu.my}, f\textsuperscript{sma@ums.edu.my})

\textsuperscript{c}Department of Management, Monash University, Victoria VIC 3800 Australia. (Email: charmine.hartel@monash.edu)

\textsuperscript{d}UQ Business School, The University of Queensland, Brisbane QLD 4072, Australia. (Email: s.jones@business.uq.edu.au)

ABSTRACT

Rapidly changing and turbulent business environments due to the socio-economic changes, the increased technology use and the Covid-19 pandemic crisis have forced governments to fast-track development of flexible working arrangements (FWAs). The recent initiatives have seen government FWA incentives to support FWA adoption in the workplace. Singapore is a leader among developing Asian countries regarding adopting FWA incentive-based approaches, which also emphasize human resource (HR) roles in delivering the FWA program. This paper investigates the nexus between government incentives and HR roles in managing FWAs. Additionally, during times of pandemic crisis, most businesses have no option but to implement FWAs in sustaining business continuity or ensuring survival. Therefore, strategic FWAs are critically needed. This paper has two aims; first we investigate how HR translates government FWA incentives into strategies and practices, and then we critically analyze these findings to improve the current FWA strategies by developing a conceptual framework for strategic FWAs. Twenty case studies from Singapore were used as a data set. As results, we identified ten themes representing the role HR plays in delivering organizational flexibility through their strategies and practices. We then propose a conceptual model for advancing FWA
practices from policy formalization to flexibility strategy and agility working practices.

JEL Classification: M1

Keywords: FWAs, Government incentive, HR strategy and practices

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1. INTRODUCTION

Prior to the Covid-19 pandemic crisis, the increasing interest in flexible working arrangements (FWAs) studies has long been witnessed owing to the dramatic transformation in the work design, social and demographic changes and extensive technology use (Amirul, Amirul, and Mail, 2020; Cannon and Elford, 2017; Broughton, 2015; Kossek and Michel, 2010). In the wake of Covid-19, many organizations have been jolted, creating a complex and challenging environment for managers and human resource management (HRM) practitioners, who must devise innovative solutions to ensure survival and to assist employees in coping with this unprecedented crisis (Hamouche, 2021). The pressing demands of having FWA is accelerating. Many businesses have no option but to implement FWAs in sustaining business continuity. FWA is defined as a control level given to an employee to work outside the standard of normal working hours and outside of the normal work environment where possible (i.e., from home) (Masuda et al., 2012; Lambert, Marler and Gueutal, 2008; Maxwell et al., 2007). The need for FWA is often associated with the issue of a work-life balance and employee well-being (e.g., Downes and Koekemoer, 2011; Hayman, 2009; Clake, 2005). For organizational sustainability, organizations must promote employee well-being in order to enhance performance (Currie, 2001). Not only must businesses make efforts to remain operational during pandemics, but employee well-being must also be considered for the sake of the organizational sustainability as a whole.

Babtiste (2008) asserted that employee well-being is not only important for organizations but have also attracted government attention to ensure well-being of the people in maintaining sustainable economic growth. One of the leading countries in Asia that provides government incentive to encourage and strengthen FWA adoption is Singapore. Through the Work-Life Grant, which is
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part of the WorkPro scheme, the Singapore government offers FWA incentives to the private sector which seeks to foster progressive workplaces, augment local manpower and strengthen the Singaporean core workforce (Singapore Work-Life Grant Booklet, 2014). The WorkPro scheme consists of two facets: a development grant (up to SGD40,000 for the initial FWA implementation) and an FWA incentive (up to SGD120,000 for FWA enhancement/sustainability). These incentives are meant to harmonize employee work–life balance, attract and retain talent, improve productivity, and foster a progressive workforce and workplace (Singapore Work-Life Grant Booklet, 2014; Tripartite Advisory on FWAs, 2014). In 2020, Singapore extended and enhanced its incentive to support organizations to sustain work-from-home and staggered hours arrangements during and beyond the Covid-19 pandemic.

The Singaporean government recognizes the growing importance of work-life harmony and that take-up of FWAs can also benefit employers in the form of higher employee attraction and retention, improved employee engagement, and increased productivity (Tripartite Advisory on FWAs, 2014). Under the Singaporean government FWA incentive, the government sees HR as an important factor in FWA implementation. To be granted benefits of this incentive, recipient organizations are required to formalize FWAs into their HR policy and communicate the policies to employees. Government incentives alone are not the only factor needed for successful FWAs. This inspired the study to investigate the HR role in delivering organizational flexibility strategies in Singaporean private companies that have taken the government’s FWA incentive. HR plays a vital role in FWA implementation, working top-down to ensure business and employee needs are integrated and aligned with government stipulations. HR expertise will be needed in all the ways FWA can be leveraged and implemented, including any relevant technologies and education of line managers and organizational leaders regarding managing flexibility (Society of Human Resource Management, 2016).

Despite HR’s key role in managing FWAs, it appears that no study to date has investigated the extent to which government FWA incentives are tied to HR, and no reliable evidence has indicated how these incentives can be used effectively and efficiently by the implementing organizations. Therefore, this paper investigates how HR translates the government’s FWA incentives into HR strategies and practices. HR translation process of government FWA incentives
refers to the roles of HR in delivering organizational flexibility strategies. The empirical setting of Singapore, and the nature of the incentives provided frame the contributions of this paper. To the best knowledge of the authors, no study has as yet explored the HR role in the context of translating government FWA incentives into HR strategies and practices. This paper makes two contributions to improve the current knowledge on this topic. First, we advance the investigation of government incentives in FWA studies and the important roles of HR in the government incentive program. Second, we propose a conceptual model that can be useful for advancing FWA practices from policy formalization to flexibility strategy and to the level of agility working practices.

2. LITERATURE REVIEW

2.1 FWA AS A GLOBAL TRENDS

Flexible working arrangement (FWA) is becoming a global trend in the world’s fastest economically driven countries (Sinclair, 2016). The changing context of work (seen through innovations such as advanced technologies, new societal values, changing demographics, and rapid globalization) have manifested with the need for more flexible ways of working (Goga-Cooke, 2012). These pressures have made FWAs increasingly common within modern economies (Galea, Houkes and De Rijk, 2014). Although FWA is not widely practiced in developing countries, it is gaining momentum in Asia (Chiu, 2019; Tricor, 2019; Subramaniam, Overton and Maniam, 2015). FWA is defined as a non-standard working time when the employees are allowed to work outside or differ than the normal working hours which generally are from 8am to 5pm or 9am to 6pm; employees may also be given control over where the work is carried out (Masuda et al., 2012; Lambert et al., 2008; Maxwell et al., 2007). It should be noted that work flexibility offers convenience in planning, not reducing the working time (Shagvaliyeva and Yazdanifard, 2014). FWAs have also been classified as a family friendly policy for employees with caring responsibilities (De Menezes and Kelliher, 2011; Eby et al., 2005). FWAs, however, are now no longer limited to employees with caring responsibilities but are seen as equally important for all employees to help them juggles work and personal life.

FWA has received great attention because of its importance for organizations to adapt to a 24/7 global economy (Cannon and
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Elford, 2017; Kossek and Michel, 2010). This global economy, by its very nature, demands that organizations adopt flexible shift working to ensure they are always open for business and meeting global customer needs (Cannon and Elford, 2017). Rapidly changing and turbulent business environments due to the socio-economic changes and increased technology use as well as the huge impact of Covid-19 pandemic crisis have forced governments to fast-track FWA practice development. Globally, the total number of Covid-19 cases had exceeded 216.6 million by end August 2021, with more than 4.5 million deaths reported. Obrenovic et al. (2020) stated that organizations are increasingly adopting a flexible hierarchy of control during a pandemic, by delegating power to employees and dealing with interruptions at work caused by the Covid-19 pandemic. FWAs can significantly improve business continuity and customer coverage, reduce business travel and enhance effective virtual teams because flexible working supports a more significant shift towards untethered work, meeting customer needs and expectation by enhancing business continuity and customer coverage and reducing business travel (Googa-Cooke, 2012).

From the perspective of society as a whole, Burgmann (2012) stated that increased workplace flexibility may contribute to equal opportunities and may expand the potential workforce, leading to increased national productivity. This evidence highlights the importance of FWA which has prompted governments to implement and enhance FWA use. This is also supported by several studies (e.g. Burgmann, 2012; Golden, 2011; Pedersen et al., 2009) which have found that FWAs can boost productivity levels, making them important to both government and business. In addition, the same studies (Burgmann, 2012; Golden, 2011; Pedersen et al., 2008) also found that FWAs were a highly effective way to improve employee well-being by putting employees in control of their own work and personal lives. Despite all the positive effects brought by FWA, some disadvantages exist that must be given serious consideration by any implementing organizations. As reported by Ayman et al. (2015), FWAs have some drawbacks particularly in managing coordination problems and inflicting negative morale among employees who are prevented from using FWAs. In this light, organizations must compare the total costs and the total benefits before applying such methods in order to make a relevant decision on organizational work flexibility level (Ayman et al., 2015).
2.2 BEYOND FLEXIBILITY

The growth of flexible working does not merely symbolize a change in the employer-employee relationship; the changes run deeper than simple flexibility in working. FWAs enable the participating organizations to become more adaptable, nimble, and agile (traits which are becoming valuable assets in today’s volatile and uncertain business world) (Cannon and Elford, 2017). Recent literature (Cannon and Elford, 2017; CIPD, 2014) suggests advancing the FWA context to include greater flexibility such as agile working. CIPD (2014) uses the term ‘agility’ in the business context to refer to workforce agility (flexibility in matching workforce fluctuations to demand), and operational agility (responsiveness and adaptiveness of processes and structures). Organizations with a more agile approach are more likely to work from a bottom-up perspective where solutions are generated at the base level and then communicated broadly within the organisational structure. Brower (2020) further adds that agile enables rapid change and establishes a work rhythm that is particularly useful to predictable patterns to advance work. Agile is particularly well-suited when companies need to make rapid modifications to priorities.

Traditional and hierarchical organizations may tend to set prescriptive approaches which limit their ability to adapt quickly (Australian Government: Workplace Gender Equality Agency, 2014). More agile organizations consider big strategic changes: for example, a shift in planning philosophy, a change, in operating model, or a new employee value proposition. The top traits of an agile business include a high-performance culture, flexibility of management practices and resources, and organizational structures that support collaboration, rapid decision-making, and execution (Economist Intelligence Unit 2009). In order to move towards an agile culture, Cannon and Elford (2017) emphasized two main elements for consideration: organizational readiness and organizational balance. For readiness, organizations must identify and explore the range of possibilities and risks within their environments and, at the same time, seek to improve their internal processes and systems. For organizational balance, they must look at agility and volatility (liability to change) within the organization and how they can manage tension between agility and volatility to turn it into a business opportunity with a competitive advantage.
2.3 HR STRATEGIES AND PRACTICES

Chartered Institute of Personnel and Development (2014) asserted that the growing interest to improve organizational responsiveness to change and employees’ demand towards flexible work gives the HR function the opportunity to use people management practices to find mutually beneficial solutions for both employees and organizations; and improve organizational responsiveness to change through talent planning, training and development, job and organization design, and cultural transformation. HR’s role in any organization revolves around managing employees, a crucial factor for FWAs (Society Human Resource Management, 2016; Clake, 2015; CIPD, 2014; Lewis and Roper, 2008; Armstrong, 2006; Daft and Marcic, 2006; Mayne, Tregaskis, and Brewster, 1996). Hartel and Fujimoto (2014) note that human resource management (HRM) implements the activities required to support organizational decisions. For effectiveness, these HRM activities must be aligned with the organization’s strategic direction. Strategic human resource management (SHRM) achieves this by integrating HRM into the organizational strategic decision-making process. Thus, the main focus of SHRM is strategy, whereas the main focus of HRM is practice (p. 7).

Several common HR strategies have been highlighted by scholars in HRM literature. For example, Thompson (2008) stressed that FWAs must have a clear objective aligned to corporate strategic goals, a planned process, properly resourced implementation, and a sound communications plan to train managers leading flexible workforces. Talent management strategy is another means for FWA implementation. Mathis and Jackson (2011) state that to manage talent, an organization should emphasize stability in employment and develop talent internally to create agility as an organization, thereby only buying talent as needed. Therefore, the nature of the business and its operating environment, to some extent, defines the appropriate talent management strategies. Armstrong (2006) emphasized that talent management leads to attraction and retention policies and programs for internal resourcing (identifying talent within the organization and developing/promoting it), as well as career management which consists of career planning and management succession.

HR strategies on employees’ careers when using FWAs are important, due to issues that arise when using the FWAs. Leslie et al. (2012) reported that FWAs produced two contradict results: it either
facilitates employee’s performance that leads to career success, but at the same time potentially lead to career stagnancy or career penalties. Employee’s career is at risk because employees are seen as less committed to their work and less likely to be promoted, meaning FWAs may have a negative impact on their career development (De Menezes and Kelliher, 2011; Kelliher and Anderson, 2008; Rogier and Padgett, 2004). Almer, Cohen and Single (2003) emphasized that career considerations and the perceived supportiveness of organizational culture influence employee decision to adopt FWAs. HR awareness is very vital in generating a well-conceived career plan for employees when implementing FWAs.

Another important component in managing FWA is training. As organizations compete and change to increase performance, training employees and managers becomes even more critical than before; employees who must adapt to the many changes facing organizations must be trained continually to maintain and update their capabilities. Managers must also be trained to develop their managerial and leadership skills and abilities (Robert and John, 2008). CIPD (2014) further explained that not merely the training, but also lack of performance management arrangements potentially leads to operational pressures and barriers to FWA.

2.4 GOVERNMENT FWA INCENTIVES IN SINGAPORE

Recognizing the importance of FWAs, Singapore has taken significant measures to support FWA implementation and enhancement by offering government incentives to the private sector through the Work-Life Grant under the WorkPro scheme. The WorkPro scheme consists of two facets: a development grant (up to SGD40,000 for initial FWA implementation) and an FWA incentive (up to SGD120,000 for FWAs enhancement/sustainability). These incentives are meant to harmonize the work-life balance of employees, attract and retain talent, improve productivity, and foster a progressive workforce and workplace (Singapore Work-Life Grant Booklet, 2014; Tripartite Advisory on FWAs, 2014). Singapore has strategically emphasized the importance of HR that has become one of the catalysts for Singapore success in promoting changes in business practices. Singaporean FWAs incentive strictly stipulated that employers must formalize FWAs practices into HR policy and communicate the policy with employees if they were to qualify for the incentive (Singapore Work-Life Grant Booklet, 2014). The most recent Singaporean government incentive in favoring FWA adoption
is the enhance of work life grant (WLG), which comprises of two components: FWAs incentive (up to SGD 70,000 per company for over two years); job sharing incentive (up to SGD 35,000 per company for over two years)

The Robert Half Salary guide (2018) in Singapore reveals that the desire for work-life balance has become a more prominent motivation for many Singaporean professionals than a higher salary. Companies looking to attract and retain top performers need to consider other non-financial incentives, such as workplace flexibility and the option to work from home, especially if they are not in a position to award pay increases or above-average salary rates. Sustaining work-life balance is critical for almost every employee in Singapore and the government is encouraging employers to cultivate and promote a good work-life balance by launching specialised FWAs funds under the work-life grant, in which the local companies can tap into as ways to encourage companies to have a positive workplace with work-life strategies (3E Accounting, 2018). In addition, FWAs are now becoming a choice of employees to harmonize their work-life balance. The recent survey by Ranstad Work Monitor (2018) found that 85 percent of the respondents in Singapore claimed that FWAs help them to maintain a more balanced lifestyle. Another aspect that accelerates FWA demand in Singapore is to reduce office space. Singapore is a fastest economy small island-city, where 5.6 million residences are squeezed into tiny country’s 277 square miles of land mass. This is now becoming another concern why remote or flexible working is preferable in Singapore, it is to reduce office spacing. According to Tay Huey Ying, head of research and consultancy for Singapore at JLL, the rising rents and shrinking leasing opportunities in Singapore are driving a growing number of occupiers to explore the option of maintaining a small presence in the CBD while locating the rest of their operations outside (The Business Times, 2018).

3. RESEARCH METHOD

A qualitative multiple case study approach was adopted in this paper. Qualitative research methods provide strategies for exploring experiences, practices, and phenomena in sociocultural worlds, which can be used to discover and examine how interconnected people encounter, perceive, understand, and bring into being processes, practices, and phenomena (Moen and Middleton, 2015). Ministry of Manpower (MoM) is the government body that manages
the government FWA incentives in Singapore. We made initial contact with the MoM through email. The Division of Workplace Policy and Strategy of the MoM responded to the study and provided a full range of information online, including access to government archives related to FWA incentives in Singapore. From this information, we were able to retrieve 20 case studies online involved in the work–life strategies initiated by the MoM. These case studies were prepared by the organizations, which include information about the reasons for implementing or enhancing FWAs, who and what processes are involved in the FWA implementation and flexibility strategy, and how the incentive benefits employers and employees. We reviewed the collection of 20 case studies and then analyzed these data using thematic analysis, which is defined as the process of identifying patterns or themes within qualitative data (Braun and Clarke, 2006; Maguire and Delahunt, 2017). Thematic analyses move beyond counting explicit words or phrases and focus on identifying and describing both implicit and explicit ideas or themes within the data. Codes are then typically developed to represent the identified themes and applied or linked to raw data as summary markers for later analysis (Guest, MacQueen, and Namey, 2012). In this paper, the six phases of thematic analysis as recommended by Braun and Clarke (2006) were used, as they provide clear steps on how appropriate thematic analysis should be conducted. Table 1 describes the analytic steps conducted in this paper.

**Table 1**

<table>
<thead>
<tr>
<th>Analytic steps recommended by Braun and Clarke (2006)</th>
<th>Analytic steps of this study</th>
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<tbody>
<tr>
<td>Familiarising with the data</td>
<td>All cases were thoroughly read to ensure they have been fully understood.</td>
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<tr>
<td>Generating initial codes</td>
<td>We used line-by-line coding text and developed the codes throughout the process. Then, we identified common features across the data and collated the relevant data for each code.</td>
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TABLE 1 (continued)

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<tr>
<th>Analytic steps recommended by Braun and Clarke (2006)</th>
<th>Analytic steps of this study</th>
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<tbody>
<tr>
<td>Searching for themes</td>
<td>In this step, the codes were collated into potential themes, which related back to the research questions. In the process of identifying potential themes, there was considerable overlap between the coding step and this step.</td>
</tr>
<tr>
<td>Reviewing themes</td>
<td>This step is important to ensure that the themes were coherent and distinct from one another as well as step worked in relation to the extracts (first phase) and the entire data set (second phase). At this point, some themes were combined and became sub-themes, and then main themes were generated to represent these sub-themes.</td>
</tr>
<tr>
<td>Defining and naming themes</td>
<td>Each theme was refined, and an overall story of the analysis was constructed so that clear definitions and names for each theme were generated.</td>
</tr>
<tr>
<td>Producing the report</td>
<td>This analysis was related back to the literature and the research questions of the study.</td>
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4. CASE ANALYSIS FINDINGS

4.1 HOW HR TRANSLATES GOVERNMENT FWA INCENTIVES INTO HR STRATEGY AND PRACTICES

Twenty companies, representing five different industries, were analyzed in this case study. The results found very few differences among the industries in terms of FWA strategies and implementation. Ten research themes were generated from the case study analysis, and they demonstrated the roles of HR in translating the government FWA incentives into HR strategies and practices. Figure 2 illustrates the ten main research themes and their sub-themes.
Three main research themes were identified, HR policies, communication strategy, and work-life strategy, all of which were applied by all 20 cases in the study. All 20 companies had HR policies and communication strategies in place, satisfying the conditions of the government’s FWA incentives. To formalize the HR policies, three sub-themes were identified. HR policy must be clear and transparent, and in line with corporate value (appropriate to the operating philosophy or organization principles). HR also considers analyzing the existing policy and redesigning, if necessary, to support FWAs. Government’s FWA incentive recipients are required to communicate the formalization of FWAs into HR policy within their organizations. Therefore, it is not surprising that each of the case studies contained a communication strategy. HR highlights that communication must be clear, open and consistent. Work-life strategy (WLS) is not part of the incentive condition for the government’s FWAs. Nevertheless, since the main intention of the government’s incentive is to harmonize the time spent between work and life, it is indirectly exerting pressure on the incentive recipients or organizations to provide worklife balance practices; indeed, this issue was the primary concern of the organizations in all the studied cases. The study’s findings highlighted three important elements of
WLS: needs assessment to address the gaps between current and desired condition; incorporate people and business needs; creating supportive work culture to support work-life balance.

Case study analysis also found that almost all cases emphasized talent management strategies (19 cases), organizational leadership strategies (18 cases), and job design (17 cases). For talent management strategies, only one case did not focus on this strategy; the case instead emphasized employee fitness, health, and well-being. Attraction, retention, and career management are explicated under the dimension of talent management strategies, as clustered in Armstrong’s (2006) HRM handbook. Attraction is also well defined as a recruitment strategy; retention is another element that has been found in the case studies and is defined as an effort to ensure that people remain committed members of the organization and maintain the talent pool (Armstrong, 2006). Lastly, career management shapes the individual progression within an organization to meet future business needs (Armstrong, 2006). Talent management strategy can be related back to the pillars of HR planning to ensure optimal fit between employees and jobs while preventing manpower shortages or surpluses. The HR function must be properly aligned to successfully implement strategic FWA plans. Martocchio (2019) asserted that a proper balance of HR planning must be developed to support strategy implementation.

Organizational leadership strategy has two sub-themes: management buy-in and trust culture. The management buy-in means that management (upper to lower level) support and encourage employees to use FWAs. Such encouragement includes showing that FWAs would not harm employees’ career. HR also considers that trust culture is needed, where the management teams trust employees to deliver their work responsibly. Most of the companies studied (17 cases) reviewed the existing jobs, which needed to be redesigned once the FWAs were implemented or upgraded. The study found two reliable sub-themes under job design; first, the need for HR to review the existing jobs slated to be redesigned, and second, the need for FWAs to be accessible for employees. The flexibility level given to employees was not consistent among the case studies. Some cases provided employees with greater flexibility and autonomy, whereas others empowered management to determine flexibility; moreover, some cases instituted a more balanced method of mutual agreement.

Fourteen cases indicated that HR alignment and performance management were integral strategies and practices to manage FWAs. For HR alignment, the education industry had two
cases (the fewest out of any industry studied) showing an arrangement between HR and line management roles in managing FWAs. The findings of this study indicate that HR alignment involves two important processes: collaboration and devolution. HR and Team management collaborate to align their synergy to run FWA programs by jointly coordinating activities for employees. Devolution is an empowerment strategy; it enables line management to make HR decisions that affect their subordinates or employees. When implementing FWAs, 14 out of 20 organizations stressed the importance of effective performance management. From the five industries represented, the hospitality and manufacturing industries were the least focused on performance management when implementing FWAs. The study found that performance management is critical to establishing a clear understanding of how FWAs work within organizations. Three main elements of performance management strategies were highlighted by HR when implementing or upgrading FWAs in their organizations: goal and action plans, measurable performance indicators, and proactive feedback.

The last two research themes were strategic training (11 cases) and technology for mobility (10 cases). Strategic training involved educating and upgrading skills among line management, supervisors, and their associates. These companies believed that their line management and supervisors needed training to manage FWAs and use the FWAs in practice. The hospitality and finance and insurance service industries placed the least emphasis on strategic training, and there was only one organization focusing on strategic training in each industry studied. Government FWA incentives create opportunities for organizations to exploit the advantages of today’s technological advances and system applications for effective HR FWA management. As expected, all of the organizations in the ICT industry have used technological aids and strategies in their FWA programs. The basic principle behind these aids is connectivity. To conclude, all 10 research themes are crucial to maintaining effective FWA implementation as part of HR strategies and practices.

4.2 HOW CAN THESE FINDINGS BE USED TO IMPROVE CURRENT FWA STRATEGIES?

Based on the findings of this study, we have proposed an analytical framework that demonstrates how to advance the flexibility strategy,
as illustrated in the following Figure 3 that indicates a model for an organization that has instilled FWAs into the workplace policy.

FIGURE 3
Flexibility Policy for Flexibility Strategy and Agile Working Model

The first stage is the flexibility policy, in which FWAs have been formalized into the HR policies. If the organization has not implemented FWAs or has implemented minimal FWAs without a policy, this model will provide a guideline for them to begin to
formalize FWAs into the HR policy. At this stage, the organization has identified what kind of FWA they will offer to their employees and who has the ability to request/authorize the FWAs. As FWAs involve people management, formalizing FWAs into HR policies is crucial. Itika (2011) iterates that the best arguments for establishing HR policies are to ensure that people management is aligned with corporate values; that HRM decisions are made consistently, as this builds confidence and trust between managers and staff; and that the HR policies facilitate decentralization, delegation, and local empowerment. HR policy documents become a source of power and authority for those entrusted with executing duties affecting employee work and welfare, and they must minimize inequality in treating employees. When creating HR policies for FWAs, it is important to ensure policies are clear, transparent, and aligned with corporate values, and that the terms contain no conflicts that might hinder FWA implementation or enhancement.

The second stage of this model is the flexibility strategy. If the organization has formalized FWAs into HR policies, but does not have a clear flexibility strategy, this model offers comprehensive HR strategies and practices that may be built upon or adopted as necessary. As a foundation to the flexibility strategy, organizations should have a clear, strategic FWA mission that maintains the core organizational philosophy. The flexibility strategy must also be centered on a people-to-business approach. Nine HR strategies and practices are recommended for FWAs, as demonstrated in Figure 2. The first is a work-life strategy, which starts with an assessment to gain a broad indication of the need for a work-life balance and then incorporates the people and business needs. It is HR's responsibility to ensure that employee work-life balance is maintained without undermining organisational interests (Armstrong, 2006; Kearns, 2005). Another dimension in the work-life strategy involves having a supportive culture when implementing FWAs, which is often expressed in terms of managerial attitudes and behaviors (Healy, 2004). A supportive culture can be delivered by reinforcing the value of FWAs by showing concern and consideration of employee needs. Indeed, employees feel more comfortable using such arrangements if this attitude is enforced by organisational culture (Dikkers et al., 2004). Although written policies are important, employee morale and fidelity to the organization are reduced unless backed by a supportive work culture (Armstrong, 2006).

People management and FWA implementation cannot be left solely to HR; instead, the responsibility to run these policies must be
shared by leaders at all levels (top, middle, and lower management leaders) in order to cultivate a flexible working culture, support FWA implementation and enhancement, and realize the HR policies and practices. Leadership organizational strategy is essential in flexibility strategy, since management resistance and a lack of leadership support can hinder successful FWA adoption. Cannon and Elford (2017) argued that organizational leaders, with the support of HR, should lead the development of agility practices, beginning with developing a clear idea of the organization and workforce needs. Elements to consider in the organizational leadership strategy include fostering a culture of trust and management buy-in. Trust pertains to leaders’ ability to define and shape the workplace culture and is characterized by shared values that respect each employee, empower each employee, and encourage mutual trust (Carnevale, 1995). Through management buy-in, and by personally using FWAs, leaders can show that FWA use will not hamper or obstruct an employee’s career.

Communication is another crucial strategy in FWA implementation and enhancement. Mathis and Jackson (2011) emphasized that HR communication focusses on the receipt and dissemination of HR data and information throughout an organization. Downward communication flows from the top management to the rest of the organization, informing employees about the current and upcoming changes or events in the organization, as well as top management expectations and goals. Upward communication enables managers to learn about employee ideas, concerns, and informational needs. Strong two-way communication must be maintained clearly, openly, and consistently among all parties. This is vital for fostering a solid understanding between employees and avoiding conflict or miscommunication in FWA implementation. It is critical to develop, communicate, and update the HR policies and procedures so that managers and employees alike know what is expected of them at all levels (Mathis and Jackson, 2011).

HR alignment involves collaboration and devolution of HR roles with other line management in an organization. Both HR and line management play critical roles in ensuring effectiveness of FWAs through building constructive relationships and enhancing the standard of strategic decisions. Mathis and Jackson (2011) emphasized that coordination is necessary between HR and operating managers for effective HR policies, procedures, and rules. This strategic partnership between HR and line management is also
important for shaping a strong talent management strategy. Line managers have a more direct impact on their subordinates through close working relations, as compared to the HR department (Gilbert, De Winne, and Sels, 2011). A further factor affecting the line manager role is the ability to complete the HR assigned tasks. People-centered activities, such as defining roles (job design), interviewing, reviewing performance, providing feedback, coaching, and identifying learning and development needs, require special skills (Armstrong and Taylor, 2014). This operational role requires HR professionals to cooperate with various departmental and operating managers and supervisors to identify and implement the required programs and policies in an organization (Mathis and Jackson, 2011). Both HR and line management play critical roles in ensuring FWA effectiveness through constructive relationships and enhancing the standard of strategic decisions, including talent management strategy. HR and line management need to collaborate when acquiring and retaining a high-quality talent pool in an organization.

Another crucial HR alignment that can be highlighted is HR and management accounting integration (Amirul et al, 2021; Kouhy and Innes, 2001). HR and MA have overlapping responsibilities, which adds value to the successful and efficient FWA implementation and advancement. In order to assure FWA effectiveness, HR requires MA information including budgeting, return on investment, variance analysis, and cost monitoring of FWA implementation and enhancement (Amirul, 2020). HR and MA must carefully manage any new compensation and benefits associated with FWA implementation.

As illustrated in Figure 3, performance management is one of the HR strategies and practices in this model. Armstrong (2006) defined performance management as a systematic process for improving organizational performance by developing the individual and team performance. This is a means of achieving better results through understanding and managing performance within an agreed-upon framework of planned goals, standards, and competency requirements. In this study, the performance management context is guided by three important aspects: goals and action plans, measurable performance targets, and proactive feedback. All these methods are expected to establish a shared understanding about what is to be achieved and are expected to manage and develop people in ways that support achievement of both the short and long term goals. Thus, a set of clear goals enables people to focus on doing the right
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thing and allows line management to oversee and drive them (Armstrong, 2006). It is important to include performance management in FWA implementation and enhancement as it enables rigorous objectives and target setting, regular performance reviews that identify areas for improvement and reveal problem areas and encourage informed policy decisions by demonstrating impact of different choices (Itika, 2011).

Job design specifies the contents of jobs to satisfy work requirements and to meet job holder personal needs, thus increasing employee engagement levels (Armstrong and Taylor, 2014). Redesigning existing jobs may be necessary when implementing or enhancing FWAs; however, the actual method of redesigning is still ambiguous, as can be seen from the case studies. Therefore, in this model, we recommend that work control and work complexity be considered when designing FWA work structures (Frese, Garst, and Fay, 2007; Hackman and Oldham, 1980). Work control influences the sequence, time frame, and content of one’s work goals on one’s work strategies and feedback and one’s working conditions. On the other hand, complexity has been defined by the number of elements that the work provides and the many decision-making options available (Frese et al., 2007). Another aspect to consider in work design is technology use. With the government incentives, organizations can improve the FWA function effectiveness and ease. Scholars (Gibbs, 2017; Holland and Bardoel, 2016) have confirmed that technology can influence job design: incorporating technology into job design enables employees to work effectively and helps HR and line managers to redesign the work with relevant technology, such as mobile computing devices, telecommunication, cloud-based applications, and even social networking, thereby enabling remote work (Armstrong, 2006; Burgman, 2012). Based on this study’s findings, technology use can take two forms: software and hardware. A few case studies reported that they had upgraded their HR system to track their FWA employees using a social network application. Some case studies also reported buying new computer hardware and devices to assist FWA employees in working from home or in other environments where the standard equipment employees used did not meet the revised job requirements.

The final strategy identified by this study is strategic training. Based on our findings, strategic training was aimed more at management than employees in order to equip the management with FWA knowledge and skills to manage their FWA employees effectively and then train their subordinates. Armstrong (2006)
argued that it is necessary to ensure that managers and team leaders define their roles within the performance management framework, taking into account job design principles (Armstrong and Taylor, 2014). Performance management includes regularly updated performance agreements that show the agreed-upon outcomes (key result areas) and competency requirements; it also allows parties to understand and agree to their role development and the implications thereof. As illustrated in Figure 3, there is a fine line between flexibility strategy and flexibility policy, which indicates that, when implementing FWAs, the existing flexibility policies may need to be reviewed to accommodate changes in flexibility strategy.

A final stage in the model involves advancing the flexibility strategy to agile working practices. According to CIPD (2014), the term agility in the business context can refer to workforce agility (flexibility in matching the workforce fluctuations to demand) and operational agility (responsiveness and adaptiveness of the processes and structures). At this stage, organizations need to consider major strategic changes for a more valuable impact upon businesses, employees, and customers. Disruptive technologies are rapidly changing the playing field by lowering barriers to entry. More mature organizations are prone to becoming internally complex and potentially slow to innovate, eventually lagging behind in delivering new solutions to customers. These organizations find themselves competing with smaller business and startups that rapidly produce products to fit customer needs. This speed of change will continue to drive large organizations to adopt agile mindsets in order to remain competitive and maintain existing market share (Project Management Institute, 2017). Increasing flexibility is important to keep pace with a challenging and competitive environment, and companies need to be agile to seize new opportunities (Lake, 2013). This can be done by harnessing technology, transforming to activity-based working, and improving the quality of virtual collaboration and property alignment.

Nevertheless, before deciding to move on from flexibility strategy to agile working practices, organizations should consider two aspects. As depicted in Figure 3, the first concern is organizational readiness. Organizations must identify and explore the full range of possibilities and risks within their environment and, at the same time, seek to improve internal processes and systems. A balance must be maintained between these two outlooks. If an organization focusses too much on external factors, it may try to seize opportunities before its operating systems and processes have
caught up with its ambitions (Cannon and Elford, 2017, 55). The second consideration is organizational balance. Before taking steps to create agile working practices, it is vital to assess organizational agility and volatility levels. To assess agility, the organization should analyze its workplace attitudes toward openness and greater flexibility. For volatility, the organization must measure its liability to change and how it will cope with disruption and vulnerability in the interim. For organizational balance, the organization must consider agility and volatility (liability to change) and understand how the tension between the two can be managed to create competitive advantage. At this level, there is also a fine line between flexibility policy and agile working practice: if an organization decides to pursue agile working practices, it must review the existing policy in case any changes are needed.

5. CONCLUSIONS, LIMITATIONS, AND FUTURE RESEARCH DIRECTIONS

To conclude, this study does not solely focus on how organizational HR is translating government FWA incentives into HR strategy and practices; it also fills a research gap in FWA research. The outcomes of this study contribute to the knowledge of flexibility strategy, which has the potential to maximize FWA opportunities and benefits. The 10 research themes generated by the case analysis have answered the research question of how organizational HR can translate government FWA incentives into HR strategies and practices. This study has practical implications through the proposed flexibility model in the analytical framework for strategic FWA implementation, that will also be useful for improving flexibility strategy, besides creating more agile work practices.

In terms of industrial relation implications, unions have long been fighting for employee work-life balance and the right to request flexible work. Employers may face challenges in balancing increased flexibility with organizational needs. Strategic flexible working can be a win-win solution for both workers and employers. The best way to manage this is to consult with trade unions on any changes to and monitoring of flexible work. Trade unions can play a key role in ensuring that flexible workers do not experience worse terms and conditions or negative impacts on their health and well-being (Trade Union Congress, 2021). The limitation of this study is that it is based the documents (case studies), retrieved from the MoM’s government
archive and may present insufficient data required by this study, as direct access to the companies is difficult. In future, this study may be extended for further research by, for example, focussing on the impact of FWA job design on organizational or employee performance. Since this study is qualitative in nature, future research may consider a quantitative research method.

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