

Journal of Human Resource and Leadership (JHRL)

EXAMINING THE IMPACT OF FLEXIBLE WORK ARRANGEMENTS ON PRODUCTIVITY IN AFRICA

Olayo Julius Ochieng PhD, CHRP-K* and Lewis Waithaka Kamau



EXAMINING THE IMPACT OF FLEXIBLE WORK ARRANGEMENTS ON PRODUCTIVITY IN AFRICA

Olayo Julius Ochieng PhD, CHRP-K*

A Certified Human Resource Professional and Lawyer

*Corresponding author email: jolayo2014@gmail.com

&

Lewis Waithaka Kamau

Governance Expert

Abstract

Purpose: This paper aimed at examining the impact of flexible working arrangement on productivity.

Methodology: The study adopted a desktop methodology. Desk research refers to secondary data or that which can be collected without fieldwork. Desk research is basically involved in collecting data from existing resources hence it is often considered a low cost technique as compared to field research, as the main cost is involved in executive's time, telephone charges and directories. Thus, the study relied on already published studies, reports and statistics. This secondary data was easily accessed through the online journals and library.

Results: The study showed that there is a higher level of productivity for workers who do their jobs on more flexible schedules than those with regular working hours. These results show that companies can benefit from flexibility under certain conditions.

Recommendation: The findings of this study show surprising results and can influence changes in organizational policies and strategies for collaborating between working from home and working from an office for employees. Further, the study recommends companies to adopt and invest in information and communication technology so that it can facilitate implementation of FWA policy.

Key Words: *Impact, Flexible work arrangement, Productivity.*

INTRODUCTION

Flexible work arrangement (FWA), also known as flextime, refer to a work environment and schedules that are not subject to the normal restrictions of traditional work.¹ These arrangement considers employees needs particularly in as far as balancing work and personal life. Productivity at work, mainly refers to the amount of work done in a given work environment over a period of time.² With the advancement in information and communication technology and development of software and applications, FWA has been enabled. There are now human resource software and applications that have become popular among organizations. The technology has enabled the human resource managers to easily manage and monitor FWA. Further, the technology has enabled the employees to record the total working hours, as the managers monitor.

The outbreak of Covid-19 in 2019 made the FWA more popular. As many governments made directives for people to stay at home, many organizations adopted FWA policies.³ The only exceptions was for organizations that provided crucial services. In developing countries like Kenya, many employers were caught unprepared with the stay-home orders.⁴ They had to make policies that accommodate and allow for FWA. This become more popular in most economies that still had the traditional working arrangement mentality.

However, as the vaccination campaign drive is taking shape globally and economies resuming to normality, employees are now in great numbers demanding for FWA. This is now seen as the new norm. Many employees are employees point to how FWA is beneficial and allows them to balance personal and work life.

In 2020, FlexJobs survey indicated that over eighty percent of employees in the United States of America had developed trust and loyalty to employers who allowed FWA.⁵ This study showed that the key factor considered by job seekers in America was its ability to accommodate FWA. Particularly, the survey showed that many employees were looking at the ability of the work to allow the balance between work and personal life. Thus, it can only be fair to add that organizations with FWA policy attract many people, and increase diversity and ethical behavior. This is based on the factor that the potential employees are likely to come from different background and the employer trusts them to work remotely.⁶ Also, such arrangement helps in inspiring loyalty to the organization.

Although the origin of FWA can be traced in Europe, Germany, prior to the outbreak of covid-19 the number of people working remotely was very low. According to Eurofound, about 40% of

¹C Avery and D Zabel, *The Flexible Workplace: A Sourcebook of Information and Research* (Quorum Books 2001).

²NR Council and others, *Organizational Linkages: Understanding the Productivity Paradox* (National Academies Press 1994).

³Dorothee Allain-Dupré and others, 'The Territorial Impact of COVID-19: Managing the Crisis across Levels of Government' [2020] OECD Tackling Coronavirus 2.

⁴Allen Kiconco, *The COVID-19 Pandemic and Racialised Risk Narratives in South Africa*.

⁵» How Flexible Work Benefits Companies and Employees' <<https://www.flexjobs.com/employer-blog/the-benefits-of-allowing-employees-a-flexible-schedule/>> accessed 15 September 2021.

⁶Alexandre Mas and Amanda Pallais, 'Valuing Alternative Work Arrangements' (2017) 107 *American Economic Review* 3722.

employees within the European Union started working remotely after the pandemic.⁷ This indicated an increase by over twenty five percent. According to a recent study by The Joint Research Centre of European commission it provides that about 25% of employees in Europe are in teleworkable sectors.

African countries were caught unaware with the development of FWA. According to The John Hopkins Centre for Health Security African countries were the least prepared for the health crisis.⁸ This is based on the fact that technology has not been fully adopted in workplaces. Thus, with the need for technology in FWA, the implementation of FWA policy became tough. The centre showed that many African organizations do not have capacity for information and communication technology infrastructure. The proportion of companies in Kenya that are adopting flexible working arrangements is low. However, the outbreak of Covid-19 saw the sudden rise on the implementation of FWA policy.

The outbreak of the health pandemic raised a red alert that saw the enhancement of workplace protocols and policies. The Constitution of Kenya 2010 provides that every worker has a right to a reasonable working condition.⁹ This has been legislated and captured in the Occupational Health and Safety Act, 2007 that requires every employer to ensure the safety, health and welfare of employees.¹⁰ Armed with these provisions of law, the government of Kenya issued the Occupational Safety and Health Advisory on Coronavirus. The advisory required all employers to apply safety measures at workplaces. Later on the advisory informed the codification into law and passing of the Public Health (COVID-19 Restriction of Movement of Persons and Related Measures) Rules 2020.¹¹ Thus, it is these rules that make employers to adopt FWA policy for the safety of its employees, particularly the most vulnerable like the elderly and persons with underlying medical conditions.

Further, the ministry of labour and social protection, central organization of Trade Unions and Federation of Kenya Employers in 20th April 2020 signed a Memorandum of Understanding.¹² They agreed to address all the emerging issues during the health crisis as far as the requirement that employers need to ensure safety measures. One of the safety measures taken by many employers is adoption of FWA policy.

In this regard, especially considering the possibility of a persistent or recurring COVID-19 outbreak, it is important to improve FWA productivity in order to mitigate the negative impact of the pandemic on the economy. However, the evidence on the productivity of flexible working arrangements is limited. This study aims at examining the impact of FWA on productivity in Africa.

⁷European Union, 'Telework in the EU before and after the COVID-19 : Where We Were , Where We Head To', vol 2009 (2020) <https://ec.europa.eu/jrc/sites/jrcsh/files/jrc120945_policy_brief_-_covid_and_telework_final.pdf>.

⁸John Hopskin Center for Health Security, *Building Collective Action and Accountability* (2019) <www.ghsindex.org>.

⁹The Constitution of Kenya 2010.

¹⁰Occupational Health and Safety Act, 2007.

¹¹Occupational Safety and Health Advisory on Coronavirus (Covid-19). 2020.

¹²MOU-BETWEEN-THE-TRIPARTITE-SOCIAL-PARTNERS-MLSP-COTU-AND-FKE.

Statement Problem

Since the outbreak of Covid-19, FWA has become an increasingly important segment in the labour market. In their duty to protect lives and livelihoods, governments gave directives for people to stay at home and work from home. This aimed at curbing the spread of the virus. In order to remain afloat, many business switched to FWA, particularly teleworking. However, implementation of FWA policy caught the African Labour market by surprise. This is because the African work culture has for many years been characterized by physical presences of employees in the organization office. Further, the working hours has been from eight o'clock in the morning to five o'clock in the evening. Research conducted on FWA arrangement has been done in developed countries. These countries have better information and communication technology that is crucial for the success of FWA. The findings of the studies have pointed to benefits of FWA to both employers and employees. However, there has been little work examining the impact of FWA on productivity in Africa Labour market.

METHODOLOGY

The study adopted a desktop methodology. Desk research refers to secondary data or that which can be collected without fieldwork.¹³ Thus, the study relied on already published studies, reports and statistics. This secondary data was easily accessed through the online journals and library.

Desk research is much more cost effective than primary research because it uses pre-existing data, as opposed to primary research where the data is collected directly from organizations or companies, or they can use third parties to collect data on their behalf.¹⁴

RESULTS

Impact of Flexible work arrangement on Productivity

The debate on how different types of workers opt for flexible workplaces is on the rise. According to studies conducted, there are all indications many employees, especially women, prefer organizations with FAW policy.¹⁵ This is prompted by the need to balance family matters and work.¹⁶ However, in some contexts, greater flexibility could result in significant hiring costs or lower incomes for workers who are sometimes taken on by companies. Therefore, providing flexible workplaces may impose restrictions on companies. Flexibility in working hours can add to operating costs, especially for activities that require a degree of coordination or supervision. It is important to determine how to offset these additional costs that companies incur by encouraging them to offer flexible working arrangements.

¹³SG Naoum, *Dissertation Research and Writing for Construction Students* (Routledge 2012).

¹⁴PN Hague, N Hague and CA Morgan, *Market Research in Practice: A Guide to the Basics* (Kogan Page 2004).

¹⁵ILO, 'Teleworking during the COVID-19 Pandemic and beyond: A Practical Guide' (2020) <www.ilo.org/publns>.

¹⁶Alison Booth and others, 'Job Satisfaction and Family Happiness: The Part-Time Work Puzzle' (2008) 118 *Economic Journal* 77.

In 2003, Eaton examined the connection between working from home and employee perception, and productivity using data from employee surveys of various United States companies.¹⁷ The study defines flexibility as the freedom of workers to apply flexibility policies in the companies. The study concludes that having access to guidelines to encourage flexibility makes employees more involved in the company and makes them feel more productive.

Austin-Egole et al while using Eaton definition, conducted a study that aimed to propose a theoretical and empirical model to test the effect of FWA on employees work.¹⁸ They used intrinsic motivation and employee reciprocity to determine the impact of FWA on productivity. They used the German Socio-economic model. They approximated the moral-hazard model and realized that workers with self-determined working hours did better than those who did not have. They found that this was based on a strong intrinsic motivation. The researchers used some labor productivity measures like the difference between the number of contractual and actual hours worked, absenteeism and hourly wages. However, the study does not observe the actual performance workers are doing for the company.

Bloom et al conducted a study in a call centre of a travel agency. He aimed to examine the effects of FWA on productivity.¹⁹ Among the questions asked on employees was whether they would consider working from home. The researcher found that many answered to the affirmative, and that working from home had a positive influence on the productivity. However, the study also found that within the nine months trial, fifty percent of those who worked from home chose to return to the company office, and only thirty five percent opted to remain working from home. The findings of this study points to the two sides of the situation i.e. some employees may prefer working from home while others in the office. Further, the study suggest that productivity in FWA varies and depends on the nature of the work. For instance, in those occupations that require physical contact such as doctors, nurses, hairdressers, among others will definitely be prohibited on adopting FWA. Thus, the application of FWA can only apply to the ordinary white-collar jobs. However, as much as these group of workers contribute a lot to economy especially in developed economies, there is inadequate data the productivity of their work when organizations apply FWA policies.

In 2012, Dutcher conducted a research on the impact of FWA on productivity.²⁰ However, in his studies he applies a comparative analysis of two kinds of jobs i.e. creative and boring jobs. He found that productivity gains thanks to remote work, but only for creative tasks. In the case of routine or boring activities, the opposite can be observed: In this work climate, companies can be harmed if they offer the option of remote work because the productivity of workers is reduced.

Challenges in Implementation of Flexible Work Arrangement Policies in Africa.

¹⁷Susan Eaton, 'If You Can Use Them: Flexibility Policies, Organizational Commitment, and Perceived Performance' (2003) 42 *Industrial Relations: A Journal of Economy and Society* 145.

¹⁸Ifeyinwa Austin-Egole, EBJ Iheriohanma and Nwokorie Chinedu, 'Flexible Working Arrangements and Organizational Performance: An Overview' (2020) 25 50.

¹⁹James Liang and others, 'DOES WORKING FROM HOME WORK? EVIDENCE FROM A CHINESE EXPERIMENT.' 165.

²⁰Glenn Dutcher, 'The Effects of Telecommuting on Productivity: An Experimental Examination. The Role of Dull and Creative Tasks' (2012) 84 *Journal of Economic Behavior & Organization* 355.

Many studies have been carried out on flexible working arrangements (FWA), but little research has been concentrated on the perception of FWAs by employees in African countries.²¹In 2010, a study by McGuire et al found that 80% of surveyed workers would prefer flexible work options as long as they do not have a negative impact on work and are supported by employers in the form of information technology accessibility.²²In addition to the above findings, the study found that 89% of white-collar workers and 43% of those who did not work from home on a regular basis preferred FWAs. Around 90% of teleworkers in the study found that teleworking enables them to better combine work and family. To that end, half of teleworkers, around 46%, said they would be more productive if they worked from home. Among the full-time employees, around 20% said they prefer to work part-time.

A study of FWAs in several countries found that national culture considerations play an important role in the implementation of FWAs.²³As a result, they found that cultural values exert a mediating influence on FWA use and organizational results in several of the countries examined. There is a lack of studies on the introduction of FWA by various organizations in African countries. A recent study found that FWAs are widely used by software development companies in South Africa due to the perceived benefits for workers and employers in the industry. Research on the introduction of FWA in developing countries in Africa is rare.

The reasons for the lack of acceptance of FWAs in many African countries could be due to a lack of Information Technology infrastructure and the African culture.²⁴However, employers and governments on the African continent have been pushed to adopt FWA due to the global spread of the coronavirus pandemic (COVID-19), which has taken the world by storm. COVID-19 is deadly as it spreads among groups of people, and so employers must design FWAs to limit the spread of COVID-19 through social distancing and insist on whether workers or workers work from home. Social distancing could be extended depending on the infection, death and recovery rates of infected members of society. Many of the company's operations have been disrupted by the COVID-19 pandemic and people's livelihoods have been severely affected.

Conclusion

While productivity at home is limited due to the risk of COVID-19 infection from long commutes and the significant chance of transmission in office environments due to the long incubation period, the expansion of flexible work arrangements will help lower costs for the economy and society.

The COVID-19 shock affects both the demand and supply sides of the economy. Preventive measures against the spread of infection, as well as the rapid development of effective therapeutics and vaccines, will work for both sides.

Aside from measures that directly reduce the magnitude of the shock itself, effective policies are valuable both to create demand and to improve productivity. In this context, subsidizing

²¹Sulaiman Atiku, Andrew Jeremiah and Frank Boateng, 'Perceptions of Flexible Work Arrangements in Selected African Countries during the Coronavirus Pandemic' (2020) 51 South African Journal of Business Management 10.

²²Jean Flatley McGuire, 'Flexible Work Arrangements : Selected Case Studies'.

²³Atiku, Jeremiah and Boateng (n 21).

²⁴ILO (n 15).

Information and Communication Technology (ICT) investments by companies or individuals, combined with flexible working arrangements, can be seen as a worthwhile expense. This immediately creates a demand for ICT equipment and software while improving productivity while working at home.

Bibliography.

‘» How Flexible Work Benefits Companies and Employees’
<<https://www.flexjobs.com/employer-blog/the-benefits-of-allowing-employees-a-flexible-schedule/>> accessed 15 September 2021

Allain-Dupré D and others, ‘The Territorial Impact of COVID-19 : Managing the Crisis across Levels of Government’ [2020] OECD Tackling Coronavirus 2

Atiku S, Jeremiah A and Boateng F, ‘Perceptions of Flexible Work Arrangements in Selected African Countries during the Coronavirus Pandemic’ (2020) 51 South African Journal of Business Management 10

Austin-Egole I, Iheriohanma EBJ and Chinedu N, ‘Flexible Working Arrangements and Organizational Performance: An Overview’ (2020) 25 50

Avery C and Zabel D, *The Flexible Workplace: A Sourcebook of Information and Research* (Quorum Books 2001)

Booth A and others, ‘Job Satisfaction and Family Happiness: The Part-Time Work Puzzle’ (2008) 118 Economic Journal 77

Council NR and others, *Organizational Linkages: Understanding the Productivity Paradox* (National Academies Press 1994)

Dutcher G, ‘The Effects of Telecommuting on Productivity: An Experimental Examination. The Role of Dull and Creative Tasks’ (2012) 84 Journal of Economic Behavior & Organization 355

Eaton S, ‘If You Can Use Them: Flexibility Policies, Organizational Commitment, and Perceived Performance’ (2003) 42 Industrial Relations: A Journal of Economy and Society 145

European Union, ‘Telework in the EU before and after the COVID-19 : Where We Were , Where We Head To’, vol 2009 (2020)
<https://ec.europa.eu/jrc/sites/jrcsh/files/jrc120945_policy_brief_-_covid_and_telework_final.pdf>

Hague PN, Hague N and Morgan CA, *Market Research in Practice: A Guide to the Basics* (Kogan Page 2004)

ILO, ‘Teleworking during the COVID-19 Pandemic and beyond: A Practical Guide’ (2020)
<www.ilo.org/publns>

John Hopskin Center for Health Security, *Building Collective Action and Accountability* (2019)
<www.ghsindex.org>

Kiconco A, *The COVID-19 Pandemic and Racialised Risk Narratives in South Africa*

Liang J and others, ‘DOES WORKING FROM HOME WORK ? EVIDENCE FROM A CHINESE EXPERIMENT.’ 165

Mas A and Pallais A, ‘Valuing Alternative Work Arrangements’ (2017) 107 American

Economic Review 3722

Mcguire JF, 'Flexible Work Arrangements : Selected Case Studies'

Naoum SG, *Dissertation Research and Writing for Construction Students* (Routledge 2012)

MOU-BETWEEN-THE-TRIPARTITE-SOCIAL-PARTNERS-MLSP-COTU-AND-FKE.

Occupational Health and Safety Act, 2007.

Occupational Safety and Health Advisory on Coronavirus (Covid-19). 2020

The Constitution of Kenya 2010.