

CHAPTER TWO

REVIEW OF LITERATURE

2.1 CONCEPTS AND THEORIES ABOUT FLEXIBLE WORKING HOURS

Wade (1973) states that the idea of Flexible Working Hours was conceived by personnel managers of the German aerospace company Messerschitt-Bolkow-Blohm(MBB), a the company headquarters at Ottobrunn on the outskirts of Munich that had the problem of traffic congestion because the public transport system was inadequate and three-quarter of employees had their own transportation. Each day there was a long queue at the main gate. The variable time system was experimented with in MBB. Herr Hillert, MBB's personal manager, was impressed by the personal freedom of varying working time that employees can arrive between 7AM to 8AM and can leave any time between 4PM to 6PM. However, Hillert believed Flexitime can only be applied to a limited group.

Ronen (1981) defines Flexible Working Hours (also called Flexitime or Flexitime) as a type of flexible work arrangement that allows employees to vary their work schedules, within certain ranges and dimensions, according to their differing needs. Jewell (1998) describes Flexitime as a range of variations in the distribution of work time. All are characterized by some range of core time when employees must be at work but they can vary their starting and stopping times on either side of this core. Below are examples of Flexitime programs in two companies.

2.1.1 Central Retail Corporation has also applied the concept of Flexible Working Hours in 2005, divided into two programs, as in the following table

Table 1. FAST CRC Flexible Time Program

Program	Flexible Time
1.	Monday –Friday 8 AM- 6 PM
2	Monday – Friday 8.30 AM- 6.30 PM

2.1.2 Seagate Technology, Thailand, has also applied the concept of Flexible Working Hours in 2005, divided into four programs, as in the following table

Table2. Seagate Flexible Time Program

Program	Flexible Time
1.	Monday –Friday 8 AM- 5 PM
2	Monday – Friday 7 AM- 4 PM
3	Monday – Friday 9 AM- 6 PM
4.	Monday 9 AM- 6 PM Friday 7AM -4 PM Tuesday-Thursday 8AM – 5 PM

Flexitime allows employees to start their work day early and end it early, starting late and ending late. Flexitime provides options for employees to work extra hours on one day to make up for shortened hours on another day. Jewell(1998) states that it has been around for more than 60 years. The Federal Government began to experiment with staggered work hours in the 1930s in the District of Columbia. The reason to experiment was because of the increase in traffic more than road building, with lateness and absenteeism from work rampant.

2.2 CONCEPTS AND THEORIES ABOUT ATTITUDES

2.2.1 The Concept of Attitude in Social Psychology

The definition of attitude was introduced in the early 19th century. Allport (1935) defined an attitude as a mental and neural state of readiness, organized through experience, exerting a directive or dynamic influence upon the individual's response to all objects and situations with which it was related. However there is another definition: Krech and Crutchfield (1948) defined attitude as an “enduring organization of motivational, emotional, perceptual and cognitive processes with respect to some aspect of the individual's world”. Krech and Crutchfield view attitude in a wider perspective--attitudes are acquired behavioral dispositions that contain “residues of experience of such a nature as to guide, bias or otherwise influence behavior” Campbell and Stanley (1963) defined attitude as a motor concept, or the physical expression of an emotion. For early psychologists, "attitude" was an emotion or thought with a motoric (behavioral) component. In some cases, the motoric

component was subvocal speech; in other cases, gross behavior, such as postural change, was of interest.

2.2.2 Attitude Measurement Scales

A Likert scale will be applied for this research to measure attitudes of employees towards Flextime. Oscamp (1991) described Likert's method: the respondents will respond to a large number of opinion statements on a given topic on a five points rating scales. Below is the rating scale for this research.

Level	Score Value
Strongly agree	5
Agree	4
Uncertain	3
Disagree	2
Strongly disagree	1

2.2.3 The Concept of Motivation

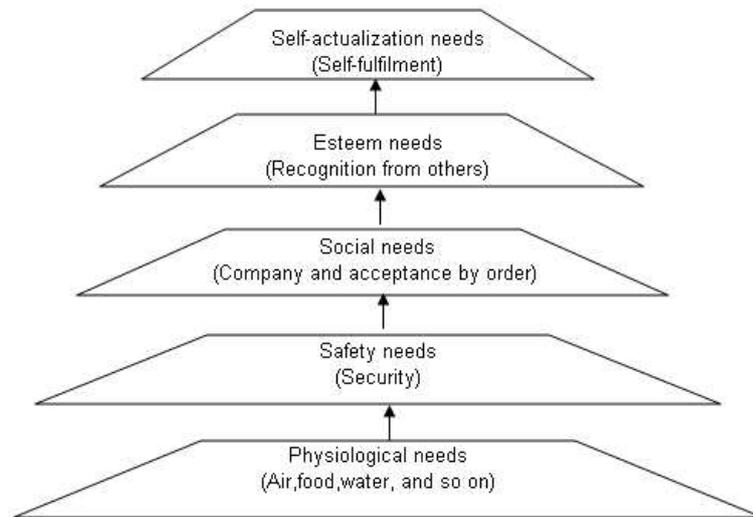
2.2.3.1 Motivation

Jewell (1998) states that the various forces that produce, direct, and maintain effort expended in behavior are known as Motivation. Those forces might be observed from behavioral results. The person who works hard and performs his job well is said to have high work motivation.

2.2.3.2 Maslow's Need Hierarchy

Jewell (1998) describes Maslow as a clinical psychologist who postulated that people have five common needs that can be arranged in a hierarchy of importance, as shown in Figure 1. It covers physiological needs, safety needs, social needs, esteem needs and self-actualization needs. Each need must be satisfied before going to the next level from lower to upper needs. Flextime, in opinion of the researcher, is one program to fulfill social needs.

Figure1. Maslow's hierarchy of needs.



- **Herzberg's Two-Factor Theory**

Herzberg (1966) describes this theory as being based on a division of Maslow's hierarchy into upper and lower needs. The working conditions that allow people to meet those needs are called motivators. The factors identified by Herzberg are achievement, recognition, responsibility, opportunity to advance and interesting work. Hackman and Oldham (1976) identified five core job dimensions that relate to employee behavior and attitudes, those are:

1. Skill variety. A job with a variety of skills is more meaningful than a one skill job.
2. Task identity. To participate in the whole of the job is more meaningful than being only one part of the job.
3. Task significance. More important jobs are more meaningful.
4. Autonomy. Jobs that offer employees independence and freedom are more meaningful.
5. Job feedback. Providing employee performance feed back make the job more meaningful.

Flexible Working Hours applies to one of these five dimensions: the autonomy dimension. The employees have freedom to design their own working times which can balance time between work and family.

2.2.3 The Concept of Job Satisfaction

Jewell (1998) defines job satisfaction as an attitude which cannot be seen or touched but can be associated with certain behavior patterns. Job satisfaction has been investigated at least 60. Job satisfaction is defined by the way it is measured. There are three categories to be reviewed, and job satisfaction is measured by means of self-report questionnaires.

2.2.3.1 A global concept: The questionnaire is conducted based on total satisfaction. For example, are you satisfied in your work? This question may miss the details or aspects of work.

2.2.3.2 A faceted concept: The questionnaire is conducted based on different aspects of job satisfaction. For example, are you satisfied security, compensation, working schedules in you current job?

2.2.3.3 A function of fulfilled needs: The questionnaire is conducted based on people's needs or perceptions of their jobs. For example, how long do you have to work per day? How long should it be? How is it important to you? It is quite difficult to score, so it has largely disappeared from psychological literature for some years.

2.3 CONCEPT OF EMPLOYEE

The definition of employee in the fifth edition of the Oxford dictionary is “a person who works for somebody or for a company in return for wages, which includes full time and part time employees.”

2.4 RELEVANT RESEARCH

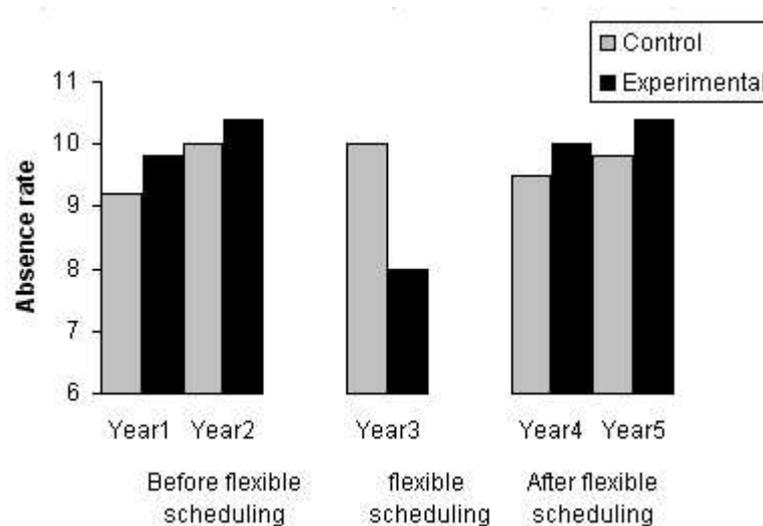
2.4.1 Flexitime and Job Satisfaction

In an experiment carried out by Narayanan and Nath (1982), they studied a large multinational cooperation. The experimental group was Flexitime employees and the control group was standard work time employees. The control variables were age, tenure, education, salary and absenteeism history. They did not find significant differences in job satisfaction, however they found that experimental subjects were better in work group relationships and has better supervisor-subordinate relations and less absenteeism. Their research was supported by research by Ralston

and Flangan in 1985 which found that absenteeism and turnover went down and stayed down one year after the introduction of Flextime. Ralston (1989) found that Flextime does seem to be associated with job satisfaction as well as with decreased absenteeism for employees who participate in the Flextime program.

The study of “The Impact of Flexible Scheduling on Employees” by Dalton and Mesch (1990) studied on 274 subjects in hourly non-technical jobs at a large public utility company; 134 subjects were in experimental group and 140 subjects were in control group. The experiment groups took the Flextime option and the control group still worked under the core time program which is 9:30AM-6:30 PM. The dependent variable is absenteeism. The result of the study showed that absenteeism in the experimental group dropped dramatically after implementation of Flextime and after one year, when this program was dropped, absenteeism were returned to pre-experimental levels, as shown in Figure2.

Figure2. The result of “The Impact of Flexible scheduling on Employee” Study.



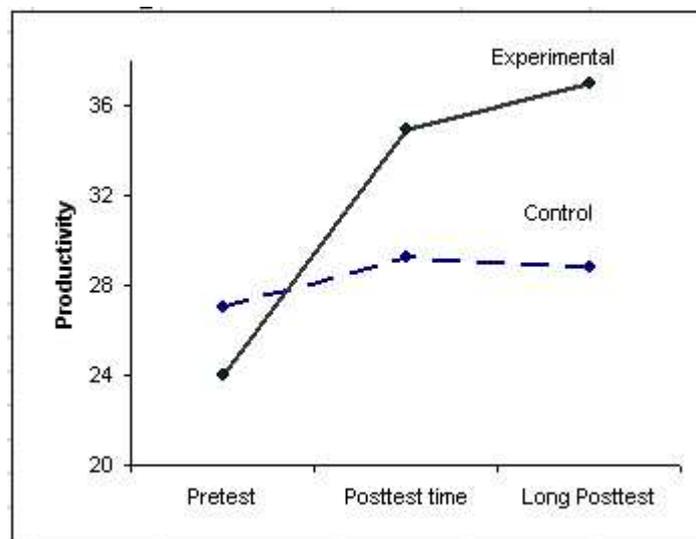
2.4.2 Job satisfaction and Absenteeism

Kohler and Mathieu (1993) define absenteeism as the frequency of total days or some hours were lost or frequency of absence occurrences. Most research studies showed a negative correlation between absenteeism and job satisfaction. Popp and Belohlav (1982) used 19 predictor variables in their study of absenteeism. They found job satisfaction, marital status, and perceived supervisory attitude toward absenteeism were significantly correlated with absence frequency.

2.4.3 Flextime and Job Productivity

There was another study by Ralston (1989) to compare the productivity of computer programmers in a large state agency. The data was collected at 3 times: 0-6 months before Flextime implementation, and 0-6 months after Flextime and 12-18 months after Flextime. There were used to do pre-test, post-test and long post-test respectively. He found that computer programmers had productivity gains of almost 25% (see Figure3). However, when he studied the same factors among the entry clerks he did not find any increase of productivity. Jewell (1998) showed that the difference was that the computer programmers have to share equipment.

Figure3. Flextime and productivity among computer programmers.



2.4.4 Flextime and Employees' Attitude

Wade (1973) states that in 1969, the Messerschmitt-Bolko-Blohm (abbreviated MBB) personal department conducted a survey in their company. Flextime had been implemented in 1967. Among salaried staff, married, and single employees, 65 percent felt that working condition were much better as a result of Flexible Working Hours. The advantage that employees observed were easier traveling (23.5 percent); better work balance (30.6 percent); better fit with work rhythm (21.3 percent); more freedom (12.3 percent); better fit of work to individual performance (5.7 percent). However, one important point was found from this survey: 79 persons saw disadvantages in reduced time available for communication during Flextime.