



**THE EFFECT OF FLEXIBLE WORK ARRANGMENT PRACTICES ON  
EMPLOYEE JOB SATISFACTION: IN THE CASE OF CATHOLIC RELIEF  
SERVICE ETHIOPIA**

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**ADDIS ABABA UNIVERSITY  
SCHOOL OF COMMERCE  
MA IN BUSSINESS LEADEERSHIP**

**AUGUST 2022**

**AA, ETHIOPIA**



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**THE EFFECT OF FLEXIBLE WORK ARRANGMENT PRACTICES ON EMPLOYEE  
JOB SATISFACTION in CATHOLIC RELIEF SERVICE ETHIOPIA**

**BY : SHALOM DEGIFE**

**ADVISOR : SEIFU M. (PhD)**

**A Thesis Submitted to Addis Ababa University School of Commerce in Partial Fulfillment  
of the Requirements for the Degree of Masters of Art in Business Leadership**

**ADDIS ABABA UNIVERSITY**

**SCHOOL OF COMMERCE**

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## **Declaration**

I, **Shalom Degife**, hereby declare that this thesis titled “**The Effect of Flexible Work Arrangement Practices on Employee Job Satisfaction in Catholic Relief Service Ethiopia**” submitted by me for the award of **Degree of Masters of Art in business leadership** from Addis Ababa University School of Commerce, is my original work and it has never been presented in any university. All sources and materials used for this thesis have been duly acknowledged.

Name: *Shalom Degife*

Signature: \_\_\_\_\_

## **APROVAL SHEET**

### **THE EFFECT OF FLEXIBLE WORK ARRANGMENT PRACTICES ON EMPLOYEE JOB SATISACTION IN CATHOLIC RELIEF SERVICE ETHIOPIA**

**NAME**

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**Examiner 1**

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**Examiner 2**

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## **ABSTRACT**

*The study aims to evaluate the effect of flexible work arrangement practices on job satisfaction of Catholic Relief Service Ethiopia employees. The selected practices were flextime, compressed work week and telecommuting. The study used explanatory research design and quantitative approach. A total of 123 sample employees were selected and questionnaires were distributed. 101 of them were collected which is 82.11% and it is in the acceptable range. Descriptive statistics revealed that employee's have a good level of perception of flexible work arrangement practice and job satisfaction. Results of the correlation and regression analysis showed that all the three independent variables were correlated to job satisfaction and a positive predictor of job satisfaction. Among these practices of Flexible work arrangement compressed work week had the strongest relation with satisfaction of employees of Catholic Relief Services. As per this finding recommendation were made to widely apply employees flexibility in Catholic Relief Service work places.*

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# **CHAPTER ONE: INTRODUCTION**

The first chapter of this thesis deals with the introductory part of the study and it includes the following sections: background about the study, statement of the problem, research question and objectives, definition of terms, scope of the study, significance and organization of the study.

## **1.1 Background of the Study**

Job satisfaction is an employee's positive or negative attitude toward their job, or the amount of happiness associated with the job. It is a good and enjoyable feeling that comes from evaluating one's job or job experience (Davidescu, 2020). Capnary et al (2018), on the other hand, stated that job satisfaction is the result of the job's distinctive nature as well as other workers' feelings toward comparative jobs, comparative colleagues, work experiences, and competent levels. Organizational productivity and success are dependent on employees' effective and efficient performance, and better performance is dependent on employees' job satisfaction.

The working environment has a significant impact on employee satisfaction and performance. Better outcomes and increased productivity are expected as a result of a more positive workplace environment (Taheri et al., 2020). Employees who are physically and emotionally fit will be more motivated to work, and their performance outcomes will improve (Boles et al.2004). The African Union Extraordinary Summit on Employment and Poverty Alleviation in Africa (Ouagadougou, 2004) overwhelmingly endorsed the International Labour Organization's Decent Work Agenda, with a focus on the creation of quality jobs.

The characteristics of the global workforce have shifted in recent years. This shift also compelled human resource management to seek out novel methods of attracting and retaining talent, as well as motivating employees. One of the emerging innovative human resource management practices is the implementation of employee-friendly policies or Flexible Working Arrangements (Ansong & Boateng, 2017; Lakshmi et al., 2017). there has been significant expansion of flexible working arrangements (FWAs). This shift in mindset, in which people believe that work is no longer a place but rather what they do, incorporates Flexible Working Arrangements as a means of gaining an organizational competitive advantage (Allen et al., 2015).

Rigidity in systems disatisfy employees. The application of flexibility in work places by Human resource management can build a strong connection between employees and organizational goals. Firms are continually seeking for ways to develop a culture that facilitates and leads to a higher job satisfaction and maximized employee productivity. On the other hand, the outbreak of COVID pandemic escalated the application of flexible working arrangements in work places. Flexible working aranggements enhances organizational productivity and employee satisfaction (Mungania et al., 2016). Flexible Working Arrangements have now become the new normal working modality (SHRM, 2020; Kim et al., 2020).

Catholic Relief Service is an organization that has taken the lead in responding to natural and man-made disasters affecting Ethiopia's most vulnerable communities for nearly 60 years. CRS disaster mitigation and recovery projects in drought and flood-prone areas have rebuilt individual and community assets through non-food aid in the form of agriculture, livestock, health, nutrition, and water and sanitation assistance. CRS' humanitarian work in Ethiopia also assists farmers and entrepreneurs with their livelihoods, promotes gender equality, mobilizes for immunization, and reduces the impact of HIV. Following the outbreak of the COVID Pandemic, CRS began to implement flexible working arrangements throughout its organization for convenience and to bring employee satisfaction.

## **1.2 Statement of the Problem**

The change that come from the outbreak of COVID-19 changed the work environment across the globe (Chang et al., 2021). Immediately following the identification of COVID-19, most organizations began looking for transitional opportunities from physical to virtual work (working remotely/working from home) and other forms of flexible working arrangements. Many organizations in the public, private, and non-profit sectors have adopted and implemented various forms of Flexible Working Arrangements (Berber et al., 2022).

Since 1958, Catholic Relief Services has been working in Ethiopia. It implements programs in various regions that directly benefit needy Ethiopians regardless of religion or ethnicity. The Center is one of the organizations that recognized the value of incorporating Flexible Work Schedule practices as an innovative human resource management approach. Following the

spread of the pandemic COVID-19, the center implemented flexible working arrangements in a high scale.

Studies shows that, people who work remotely were found to be happier and more productive than those traditional workers (Nield, 2016). Consequently, many ideas have been solicited regarding working at home to be practical as it saves your time, money and effort of travelling on daily basis (Peeters, 2014). However, there is not much found a study that significantly correlates home working and Job Satisfaction. A survey conducted on Tiny Pulse found out that, remote workers are more satisfied, happy and more valued although their presence were not physically observed in the actual workplace (Peeters, 2014). Interestingly, about 91% of those remote workers stated that they were more productive if doing their jobs far from offices because they feel more comfortable and can independently work with the given tasks. Similarly, a study was also made in 2015 by researchers from Harvard University and results revealed that, the performance of remote workers improved significantly (Schermerhorn, 2008). However, there can be advantages and disadvantages that remote working brings.

Various studies have produced conflicting findings regarding the relationship between flexible working arrangements and employee satisfaction. Even though the general perception is that Flexible Work Arrangements (FWA) can satisfy all employees, it is assumed that these factors will significantly aid the numerous working women in striking a balance between their personal and professional lives. According to Rahman (2019), research women are more likely to benefit from FWA.

Other literature on the effect of telework or telecommuting on job satisfaction shows that telecommuting leads to higher job satisfaction, because employees gain increased autonomy, which improves work/life balance coordination (Jamal et al., (2021). Other studies, on the other hand, show that the benefits of telework can be offset by a decrease in social interaction and feelings of isolation, which can lead to dissatisfaction (Calhau, 2021). A research done by Abinet (2020) also found insignificant relationship between telecommuting and job satisfaction

In light of this, the primary research objective included determining the overall impact of flexible work arrangements and their selected elements (flextime schedule, compressed workweek, and telecommuting) on employee job satisfaction at Catholic Relief Services from the perspective of CRS Ethiopian employees and attempting to determine which element of Flexible Work

Arrangement (FWA) contribute most to employee satisfaction. Studies on the effects of new ways of doing a job on satisfaction of employees who work remotely or on a flexible schedule are lacking. This paper is expected to contribute both academically and practically to a better understanding of how Flexible work arrangement can affect employee job satisfaction in CSR Ethiopia and accordingly.

### **1.3 Objective of the Study**

#### **1.3.1 General Objective**

The general objective of this study is to assess the effect of flexible work arrangement practices on employee job satisfaction in Catholic Relief Service Ethiopia.

#### **1.3.2 Specific Objectives**

To see the effect of flextime schedule on job satisfaction of Catholic Relief Service employees

To see the effect of compressed workweek on job satisfaction of Catholic Relief Service employees

To see the effect of telecommuting on job satisfaction of Catholic Relief Service employees

To assess which element of Flexible Work Arrangement has strong impact on employee satisfaction

### **1.4 Research Question**

1. To what extent flextime schedule affects the job satisfaction of Catholic Relief Service?
2. How compressed work week affects job satisfaction of Catholic Relief Service employees?
3. What is the effect of telecommuting on job satisfaction of Catholic Relief Service employees?
4. Which of the three modalities increase job satisfaction of Catholic Relief Service in a higher degree?

## **1.5 Scope of the Study**

The study focused on employees at the CRS Ethiopia office. The target population did not consider field officers. The study is delimited to the impact of three selected flexible work arrangement elements (flextime schedule, compressed work week and telecommuting) on job satisfaction of CRS employees. The research approach that is applied in this research is quantitative research.

## **1.6 Significance /Contribution of the Study**

The research findings can be used by various departments within the organization, such as Human Resources, to increase job satisfaction. Using the study's findings, the organization and relevant departments can consider addressing areas of low job satisfaction and its relationship with the flexible work arrangement.

The study's findings are expected to help CRS leaders identify the variables that influence employees' job satisfaction positively or negatively. This could be used to improve the working conditions of the organization's employees. The findings of this study will be used as a resource for future research in this field. Furthermore, it will shed more light on the factors influencing employee satisfaction in terms of work flexibility.

## **1.7 Organization of the Paper**

The second chapter, Chapter two, discusses Flexible Work Arrangement and employee satisfaction theories. It reviewed related literature on the topic to demonstrate the gap and how the thesis supplements previous work on the subject. The theoretical review and empirical evidences will be discussed, and a conceptual framework based on the literature review will be developed.

The third chapter will cover the research design, research approach, sample and sampling techniques, data types and sources, and data analysis. Chapter four will present analysis and interpretation part. Finally, the main findings of the paper will be presented in chapter five, along with the researcher's recommendations.



## **1.8 Definition of Terms**

**Flextime Schedule:** A schedule in which employees exercise a decision to arrive before the core business time (normally 9 or 10 a.m. to 2 or 3 p.m) and leave after the core finish time.

**Compressed Workweek:** a schedule in which the workweek is compressed into four or lesser days by increasing the number of hours an employee is required to work per day. For example, employees are entitled to work 4 days and 40-hr workweek.

**Telecommuting:** it is a work away from a central workplace (ranging from a few hours per week to nearly full time) using technology to interact with co-workers as needed to conduct work tasks.

## **CHAPTER TWO: LITRATURE REVIEW**

The literature review part of this study discusses the theoretical and empirical findings proposed by prior researchers. Different concepts proposed by different scholars concerning FWA and the three selected dimentions with employee satisfaction will be reviewed.

### **2.1 Theoretical Framework**

#### **2.1.1 Flexible Working Arrangement**

In 1967, a German Aerospace Company introduced the concept of flexible working arrangements as a human resources management practice in order to reduce absenteeism (Opeyemi et al., 2019). According to Opeyemi et al., the introduction of FWAs from this period onwards has resulted in a complete turnaround in bringing more and more women into previously male-dominated workplaces as a result of the benefits of flexible arrangements. Working from home is now considered smart work. It is one of the approaches that drive greater efficiency and effectiveness in achieving organizational goals by introducing new practices that differ from the standard arrangement, such as flextime and telecommuting (Armstrong and Taylor, 2014).

Flexible Work Arrangement is a human resources management practice that enables an organization's employees to make informed decisions about when, where, and for how long they undertake work-related responsibilities. A flexible working arrangement is a type of alternative work arrangement that allows work to be completed outside of the traditional format of a standard workday (Opeyemi et al., 2019). It refers to work arrangements that are not limited by the physical confines of a traditional office location; rather, it is the scheduling of work hours and workweeks that are not limited by spatial boundaries. Employees in this work pattern are free to change their schedule and workplace. According to McGuire et al. (2010), FWAs are any of a variety of work structures that alter the time and/or location of work on a regular basis. A large body of research indicates that FWAs have several advantages (Omondi and K'Obonyo, 2018; Opeyemi et al., 2019; Pruchno & Rahman, 2019).

Flexible Work Arrangements have the potential to reduce absenteeism, improve commitment, increase employee retention, and increase employee satisfaction (Rahman, 2019). To keep up in

this fast-paced world, incorporating flexible working arrangements as a component of human resource management practice is now being viewed as a bridge in aligning individual and organizational goals (Rahman, 2019). As a result, adopting more flexible working options is thought to be a strategy for attracting and retaining competent human capital.

Designing a company-wide Flexible Work Arrangements and ensuring their effective and efficient use necessitate strong support from organizational leaders, as well as proper institutionalization. On the other hand, it should be noted that it is difficult to apply FWAs to all job types. As Rahman pointed out, FWAs can only be used effectively in certain jobs such as human resources, information management, counseling, and so on (Rahman, 2019).

### **2.1.1.1 Types of flexible Working Arrangements**

Schedule flexibility and location flexibility are the two broad categories of FWAs (SHRM, 2020). There are two types of FWAs: schedule flexibility and location flexibility. Organizations use various modalities of FWAs based on organizational and employee perspectives, as well as other factors such as the firm's view of FWAs, the type of jobs, and the country context (SHRM, 2015).

Flextime schedules, compressed workweeks, and telecommuting are the three most common types of FWAs currently used by many organizations, according to a number of other empirical studies (Opeyemi et al., 2019; Rahman, 2019) As a result, this study focuses solely on the three most common types of FWAs, which are discussed further below.

#### **a) Flextime Schedule**

Schedule flexibility practices are broadly classified as Flextime Schedule (SHRM, 2020). This arrangement allows an employee to choose their start and end time by meeting two prerequisites: working the required number of hours per day and being present at work during the day's core business hours (Rahman, 2019). Core business hours are the hours that employees must work every day. Flextime scheduling enables employers to operate outside of traditional working hours while also providing employees with some autonomy (Jackson and Fransman, 2018; Rahman, 2019).

Flextime Schedule gives employees some autonomy in choosing their start and end times as long as they work the required number of daily mandatory hours.

Overall, there is a strong case to be made that workplace flexibility improves employee job satisfaction and morale. According to Ronda et al. (2016) and a number of other empirical studies, there is a clear relationship between employers who can offer flextime arrangements and employees who are more satisfied with their jobs (Jackson and Fransman, 2018; Rahman, 2019; SHRM, 2020).

The disadvantage of this practice is that scheduling trainings and meetings can be difficult while using flextime in the organization, and there may be a lack of supervision for those who work outside of normal business hours (Rahman, 2019).. This can put managers under pressure to meet the competing needs of their organizations as well as their coworkers. It is important to note that simply having access to flextime may not result in the important outcomes that employers and employees value, such as productivity, job satisfaction, health and well-being..

#### **b) Compressed Workweek**

Another type of scheduling method is compressed workweek, which allows employees to work a standard workweek of 40 hours compressed into fewer than five days in one week (SHRM, 2020). The concept of compressed workweeks became popular in the 1970s, with companies claiming excellent results, and more businesses began to use them (Bird, 2010). The workweek is reduced in this scheduling by increasing the number of hours an employee is required to work each day. Employees in this mode work full-time in a few whereas longer days (Rahman, 2019). The most common type of compressed workweek is 4/40, in which employees work 10 hours per day for four days a week and have one day off, enabling employees to extend their weekend to 3 days (Baltes and Sirabian, 2017).

Prior considerations must be made before implementing a compressed workweek. It can only be reduced in accordance with any federal law that limits the number of working hours.

The compressed workweek modality is not mentioned in Ethiopian labor law; however, article 67(2) of the new Proclamation clearly states that the maximum overtime work is capped at 4 hours per day and a maximum of 12 hours per week (FDRE, 2019).

Furthermore, employees claim that compressed workweek arrangements are less desirable than other FWAs such as flextime and telecommuting (Rahman, 2019).

The key characteristics of a job, such as responsibility, autonomy, and job knowledge, that result from implementing a compressed workweek may be associated with more positive attitudes toward the job itself. Such positive changes would result in increased job satisfaction. When flextime schedule findings were compared to the findings of this empirical study, the extent of behavioral work-related criteria such as absenteeism and productivity were lower than attitudinal work-related criteria such as job satisfaction.

Employees can exercise some autonomy in managing their time, and it increases job responsibility and knowledge, both of which are positive indicators of employees' attitudes toward their jobs. Furthermore, positive organizational outcomes are linked to employee job satisfaction.

The impact of a compressed workweek on job satisfaction may be less than that of a flextime schedule. Nonetheless, a compressed workweek schedule improves employee job satisfaction.

Another type of scheduling practice is compressed workweek, which allows employees to work a standard working hour compressed into fewer than five days in one week by increasing the number of hours an employee is required to work each day (SHRM, 2020; Bird, 2020).

### **c) Telecommuting**

Telecommuting and telework are terms that are used interchangeably. It is best defined as a work practice in which members of an organization use technology to interact with others as needed to conduct work tasks during a portion of their typical work hours (ranging from a few hours per week to nearly full-time) away from a central workplace, typically from home (Lakshmi et al., 2017; Allen et al., 2015).

Telecommuting is the use of technology to perform tasks away from a central workplace. It allows for location flexibility. Telecommuting is the fastest growing type of Flexible Working Arrangements. Several empirical studies conducted in the developed world found that using these provisions improved job satisfaction and employee commitment, reduced operating costs, and addressed social issues (Ansong & Boating, 2017; Sitotaw, 2019).

Telecommuting focuses on providing location flexibility. Another important aspect of telecommuting, as identified by a number of literature and empirical studies, is the advancement of information and communication technologies, such as the spread of broadband services and mobile connections at ever-lower costs, which paved the way for telecommuting to become the fastest growing mode of flexible work environment (Ansong and Boateng, 2017). Since the concept of telecommuting was introduced in 1973, a large number of organizations, primarily in developed countries, have adopted it as a mainstream organizational strategy for accessing work other than a central place of work (Miller, 2016; Teh et al., 2017). Various studies interchangeably use the terms remote working, working remotely, working from home, teleworking, and telecommuting. The terms remote work and telecommuting are used in this study.

One disadvantage of remote working is the feeling of isolation caused by a lack of social interaction. Social interaction can improve employee harmony and collaboration in their efforts to be more productive and to exchange ideas. Isolation may reduce productivity and sense of belonging. Another disadvantage is the difficulty in achieving teamwork, despite the fact that communication and collaboration are critical to the successful completion of tasks and projects (Singh & Loncar, 2010). There will be no sense of teamwork if there are no physical meetings and communications. Employees may have difficulty distinguishing between work at home and work in formal settings. Because no one looks after remote workers, they may become lazy in completing their tasks.

### **2.1.2 Job Satisfaction**

Job satisfaction refers to how happy one is with his or her job. According to Alsharah (2014), job satisfaction is an external or internal circumstance factor that influences a person's satisfaction with their job. Job satisfaction is influenced by one's ability to complete required tasks, the level of communication within an organization, and how management treats employees. Job satisfaction improved employee performance and productivity in achieving organizational goals, which improved organizational productivity (Mandani, K. F. et al, 2016). It is critical for management to ensure that the work is stimulating and useful in order to motivate employees to work harder and do better. Job satisfaction has a significant impact on worker efficiency and productivity.

Job satisfaction is commonly defined as an employee's feelings toward their jobs, or an employee's attitudes toward various aspects of the job (Armstrong, 2003). Furthermore, Armstrong stated that job satisfaction occurs when employees have positive attitudes and feelings toward their job, whereas job dissatisfaction occurs when employees have negative attitudes and feelings toward their job. Smith et al. (1969) confirmed that job satisfaction is the result of the job's distinctive nature as well as other workers' feelings toward comparative jobs, comparative colleagues, work experiences, and competent levels.

Job satisfaction refers to an employee's overall positive attitude toward his or her job and work environment. Feelings can be measured using cognitive (evaluative), affective (emotional), or behavioral components. Numerous studies have been conducted in this field, and the satisfaction measures differ in the extent to which they measure feelings or cognitions about the job (Hulin, 2003). Job satisfaction also includes the context of an individual's work experience, their work-life quality, and the value that a job has to offer an employee. Job satisfaction is sometimes defined in relation to other important factors such as general well-being, work stress, control at work, homework interface, and working conditions (Tomaevi & J Seljak, 2014).

Job satisfaction is a relative concept because it refers to an individual's overall attitude toward their job and the environment in which they work. The environment is considered a factor influencing job satisfaction in this study, and there are four major factors: physical, psychological, financial, and technological. These factors are not contextually distinct, but they are distinct from traditional job satisfaction factors.

### **2.1.3. Job Satisfaction and Flexible Work Arrangements**

Employee job satisfaction is a well-studied and quantifiable concept in human resource management. It is now regarded as a universal factor in determining employee and organizational productivity for all types of organizations. According to academics, the concept of job satisfaction can be viewed in a variety of ways. Job satisfaction is defined as an individual's state of pleasurable emotions in the form of having a positive attitude or feeling about their career while performing at their workplaces (Rawashdeh et al., 2016). From a humanitarian standpoint, job satisfaction can be viewed as a demonstration of benefiting from healthy working

conditions as well as an indicator of employees' physical and psychological well-being (Addis et al., 2018).

FWAs, work climate or working conditions, and employees' ability to meet the demands of their family and personal lives are all sources of employee job satisfaction (Armstrong and Taylor, 2014). According to a large body of empirical research, FWAs can benefit both employers and employees by increasing commitment, lowering turnover, reducing work-family conflict, and increasing job satisfaction.

Flexitime, compressed workweeks, and telecommuting are examples of FWAs that make employees feel enriched (Rahman, 2019). According to studies, there is a positive relationship between FWAs and job satisfaction because employees maintain harmony between family demands and job responsibilities (Rahman, 2019). According to another study, proper implementation of FWAs can result in higher job satisfaction by providing employees with a certain level of autonomy in fulfilling both their personal and work lives (Rawashdeh et al., 2016).

Many researchers (Allen et al., 2015; Maxwell et al., 2017) discovered that flexitime, telecommuting, and a compressed workweek have a greater impact on job satisfaction and organizational productivity. Rawashdeh et al. (2016) and Rahman (2019) found a positive relationship between flexitime, telecommuting, and a compressed workweek and job satisfaction.

#### **2.1.4 Empirical review**

According to empirical studies in human resource management, FWAs are one of these strategic approaches that benefit both organizations and employees in dealing with these challenges (Miller, 2016). A large body of research indicates that FWAs have several advantages (Opeyemi et al., 2019; Pruchno et al., 2020).

FWAs, work climate or working conditions, and employees' ability to meet the demands of their family and personal lives are all sources of employee job satisfaction (Armstrong & Taylor, 2014). According to a large body of empirical research, FWAs can benefit both employers and employees by increasing commitment, lowering turnover, reducing work-family conflict, and increasing job satisfaction. Flexitime, compressed workweeks, and telecommuting are examples



of FWAs that make employees feel enriched (Rahman, 2019). These studies also revealed a positive relationship between FWAs and job satisfaction, as employees maintain balance between family demands and job responsibilities (Rahman, 2019).

A study by Rawashdeh, states that proper implementation of FWAs can result in higher job satisfaction due to employees' provision to a certain level of autonomy in fulfilling both their personal and work lives (Rawashdeh et al., 2016). In addition to this, Several empirical studies have identified a variety of benefits of flextime arrangements, including improved commuting, increased productivity, improved work-life balance, increased job satisfaction, reduced operating costs such as overtime payments, and more (Rawashdeh et al., 2016). According to Jackson and Fransman (2018), there is a strong link between flextime and job satisfaction.

Flextime was found to be one of the most commonly used FWAs across organizations, with a positive relationship between flextime arrangement as an independent variable and job satisfaction as a dependent variable (Omondi & K'Obonyo, 2018; Rahman, 2019). Overall, there is a strong case to be made that workplace flexibility improves employee job satisfaction and morale. According to Ronda et al., (2016) and a number of other empirical studies, there is a clear relationship between employers who can demonstrate trust and support for their employees (provision of flextime arrangements) and employees who are more satisfied with their jobs and work harder (Ronda et al., 2019; SHRM, 2020).

Several empirical studies have found that flextime scheduling as an independent variable has a significant effect when compared to Compressed Workweek and Telecommuting. This supports the claim that Flextime Schedules are the most commonly used FWAs in organizations, as well as their strong effect on increasing job satisfaction (Omondi & K'Obonyo, 2018; Rahman, 2019; Jackson & Fransman, 2018; SHRM, 2020). Prior research findings of Teh et al. (2017) and a number of other empirical studies suggest that telecommuting, as one of the commonly used approaches of FWAs, has a significant positive effect on employee job satisfaction (Allen et al., 2015; Ansong & Boateng, 2017).

The beneficial effect of workplace flexibility is dependent on a variety of factors, including the country context in determining the appropriate FWAs modality (SHRM, 2015). FWAs cannot be implemented uniformly across all cultures, according to these empirical studies. A variety of factors, including country context, must be considered when designing workplace flexibility. It is

also worth noting that, consistent with previous research, the effect of a compressed workweek on job satisfaction is lower than the effect of a flextime schedule on job satisfaction (Rahman, 2019; Rwashdeh et al., 2016).

Other findings revealed that flextime arrangements have a variety of benefits, including improved commuting, increased productivity, improved work-life balance, increased job satisfaction, lower operating costs such as overtime payments, and more (Rawashdeh et al., 2016). Flextime has been identified as one of the most commonly used FWAs across organizations, with a positive relationship found between flextime arrangement as an independent variable and job satisfaction as a dependent variable (Omondi and K'Obonyo, 2018; Rahman, 2019; Rawashdeh et al., 2016). Tellecommuting, according to other studies, is a key employee motivational factor that drives high organizational productivity as a result of its implementation (Ansong and Boateng, 2017; Teh et al., 2017).

Another important factor identified in various empirical studies is the advancement of information and communication technologies, such as the spread of broadband services and low-cost mobile connections, which paved the way for telecommuting to become the fastest growing mode of flexible work environment (Siddhartha & Malika, 2016; Ansong & Boateng, 2017). Furthermore, the shift from manufacturing to information economy is another factor that has contributed to the increase in jobs that allow for telecommuting (Allen et al., 2015). Empirical studies done on telecommuting showed the main benefits of telecommuting (Dissanayake, 2017; Ansong & Boateng, 2017). A number of empirical studies have identified key employee motivational factors that drive high organizational productivity as a result of the telecommuting scheme's implementation (Allen et al., 2015; Ansong & Boateng, 2017).

According to a Malaysian study, telecommuting employees cited job satisfaction, employee commitment, and cost savings as advantages of telecommuting (Ansong and Boateng, 2017; Teh et al., 2017). According to these studies, telecommuting is important for increasing employee satisfaction because it emphasizes the idea that work is no longer a location but rather what you do (Allen et al., 2015).

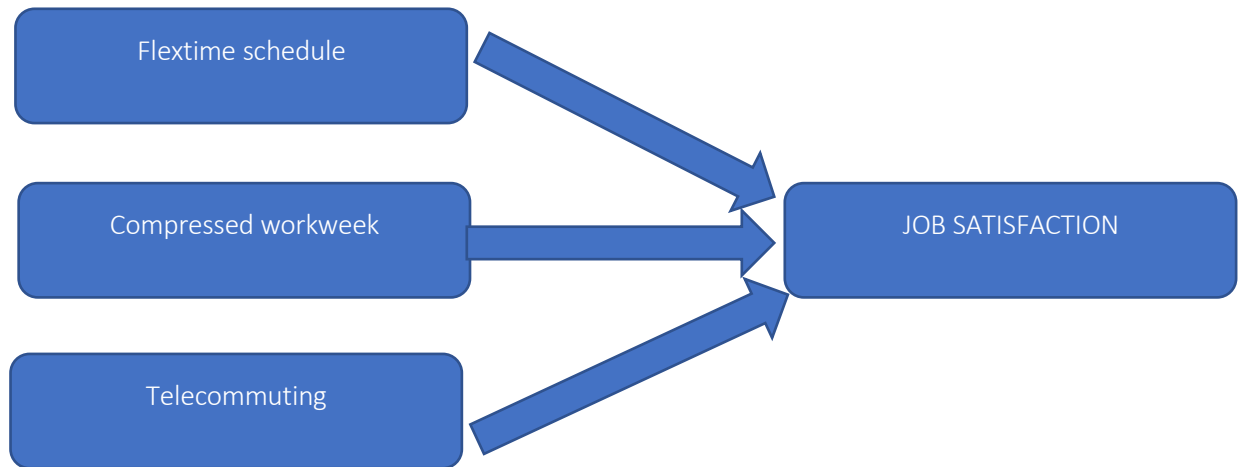
According to the findings of a SHRM (2015) survey, the positive impact of FWAs accounts for 80% of job satisfaction. Furthermore, the majority of employees (51%) had access to more than three types of flexible scheduling options, according to a recent study on the use of FWAs prior

to the coronavirus outbreak. Their study also discovered that perceived scheduling flexibility, supervisor and coworker support for flexibility, and support for healthy lifestyles are all positive predictors of high job satisfaction. Empirical studies show that greater workplace flexibility benefits both organizations and their employees (Omondi and K'Obonyo, 2018).

In the exploratory research which was done to identify the effects of FWAs, i.e., flextime schedule, compressed workweek, and telecommuting on job satisfaction from the perspective of the Ethiopian national employees of the United Nations Economic Commission for Africa (ECA) in Addis Ababa, the analysis showed that there is significant positive effect of flextime schedule and compressed workweek in enhancing job satisfaction for employees of the ECA in Addis Ababa. However, there was no significant relationship of telecommuting on job satisfaction. The researcher recommended further studies on the effect of telecommuting on job satisfaction from Ethiopian employees context (Bekele & Mohamed, 2020).

### 2.1.5 Conceptual Framework

This research proposal considers three key independent variables and one dependent variable job satisfaction.



*Fig. 3.1 Conceptual framework*

### **2.1.6 Hypothesis of the Study**

Based on the above literature review, the following three alternate research hypotheses were developed.

H1: Flextime has positive and significant effect on job satisfaction of Catholic Relief Service employees

H2: Compressed workweek has positive and significant effect on job satisfaction of Catholic Relief Service employees

H3: Telecommuting has positive and significant effect on job satisfaction of Catholic Relief Service employees

## **CHAPTER THREE: RESEARCH METHODOLOGY**

The previous chapter presented a review of related literature concerning flexible work arrangement practices and employee job satisfaction. This chapter describes the methodology that was used in this research, focusing on the research designs and why those designs are chosen; it also includes the data collection procedures and software that was used.

### **3.1 Research Design**

Creswell (2009) defines research design as entire framework for connecting conceptual research problems with attainable empirical research. It covers the procedures for collecting, analyzing, interpreting, and reporting data in research studies, as well as how all of this will contribute to answering the research question. The appropriate research design is determined by the research question, the objectives of the study, the available data sources, the cost of obtaining the data, and the availability of time (Omair, 2015; Saunders et al., 2009).

The goal of this thesis is to use quantitative data to assess the impact of flexible work arrangement practice on employee satisfaction among CRS employees. Because the researcher wanted to see if there is a relationship between the variables, an explanatory research design was used, which looks for causes and reasons and provides evidence to prove or disprove an explanation (Gray, 2014).

This thesis focuses on the current relationship that exists between flexible work arrangement practice and employee satisfaction of CRS employees. Therefore, a cross-sectional study that compares different populations at a single point in time was used in this research.

This study employed a descriptive design in addition to the explanatory design. The effect of flexible work arrangement practice on job satisfaction is described based on employees' perceptions on selected variables based on their work experience, opinions, attitudes, and behaviors.

### **3.2 Research Approach**

Quantitative, Qualitative, and Mixed approach are the three types of research approaches. Quantitative research typically entails the collection and conversion of data into numerical form in order to perform statistical calculations and draw conclusions. By quantifying attitudes, opinions, behaviors, and other defined variables, it generalizes results from a larger sample population. Measurable data is used in this type of research to form facts and uncover patterns.

Quantitative research is commonly associated with the positivist/post positivist paradigm. However, qualitative research is commonly associated with the social constructivist paradigm, which emphasizes reality's social construction. Quantitative data collection methods are much more structured than qualitative data collection methods, which allow for greater flexibility (Saunders et al, 2009). Because researchers rarely have access to all members of a particular group when conducting quantitative research, being able to draw conclusions about the larger group is expected. However, when selecting a sample, it must be representative of the larger population. The extent to which generalization is possible is determined by the number of people and their representativeness.

A mixed research study employs both a qualitative and quantitative approach. The combination of these two approaches has the advantage of allowing for data, investigator, theory, or methodological triangulation.

The researcher used quantitative research approach in this study. The final conclusion was drawn from the sample selected to the larger population. Questionnaires with a 5-point Likert scale were used to collect data (first-hand information). When designing the questionnaire, emphasis was placed on the arrangement so that it does not influence how people answer/respond to the subsequent question. Various studies and reports on Flexible Work Arrangement was also consulted.

The researcher collected data to assess whether Flexible Work Arrangement has effect on employee satisfaction of Catholic Relief Service by using self administered questionnaire.

The research method that was used is sample survey. Pretesting of the questionnaire was conducted before the questionnaire is distributed to the Respondents by selecting non sampled respondents. Then the questionnaires was distributed in person to the selected employees of

CSR. Proper awareness was given to the respondents about the aim of this paper to minimize the non-respondents, those who might not tell the truth or give incomplete responses/unanswered item.

### 3.3 Target Population and Sample Design

When conducting quantitative research, random samples are preferred to ensure that all participants have an equal chance of participating. The study's target population is Catholic Relief Service (CRS) - Ethiopia employees. CRS desk worker employees at head office excluding other admin staffs (security, sanitary, messengers) are 180. The researcher used simple random sampling method, probability sampling, to give equal opportunity to all CRS employees, excluding field officers. This will reduce sample determination bias. Yaman's sample size determination formula was used by the researcher to determine the sample size for the study (1967).

$$n = N/1 + N (e^2)$$

Where  $n$  = required sample size

$N$ = Total number of populations

$e$ = significant error ( $e=5\%$  or  $95\%$  confidences level)

$$\begin{aligned} n &= 180/1 + 180(0.05^2) \\ &= 180/1 + 180(0.0025) \\ &= 123 \end{aligned}$$

Therefore, the sample size of the study is 123 samples from 180 total populations of Catholic Relief Center employees. 123 takes up more than 68% of the total population. Because of time and cost the researcher used the sample than senses.

### 3.4 Data Analysis Method

The primary data collected from CRS employees was analyzed using the SPSS 25 software. The research centered on the impact of Flexible Work Arrangement elements on CSR employees' job

satisfaction. Additionally, various charts and tables were used to analyze the relationship. The population is described in descriptive statistics through tables and explanations. Presentation of mean, percentage, standard deviation, and so on were included. Under inferential (statistical) analysis, the relationship between Flexible Work Arrangement variables and Employee satisfaction and how independent variables explain dependent variables is discussed. The inferential statistics goes beyond the immediate data to make predictions about the population and reach conclusions (Kothar, 2004). To investigate the effect of independent variables on the dependent variable, an inferential analysis with multiple linear regressions is done.

The collected data was tested to see if it meets different assumptions before the regression analysis is done. In addition to this the presence of outliers (univariate or multivariate) was checked and proper measure was taken. In addition to the regression and descriptive statistics, Pearson product moment correlation was used to determine the correlation of the variables.

### **3.5 Regression Model**

The researcher used this regression model: -

$$Y = B_0 + B_1X_1 + B_2X_2 + B_3X_3 + e$$

Where: Y = CRS employees satisfaction

X1 = Flextime schedule

X2 = compressed work week

X3 = telecommuting

B0 = Constant

B1-B4 = Regression co-efficient and e = error term.

### **3.6 Reliability and Validity Test**

To establish the dependability and quality of the research data gathered, two major tests are considered important: validity and reliability tests. Validity of Major Constructs According to Wilson (2010), reliability alone is insufficient unless it is combined with validity. The degree to



which the instrument we chose measures what it should measure is referred to as validity. Researchers consider it to be the most important criterion. The differences in the measuring instrument reflect the actual differences between those being tested (Creswell 2009; Kothari 2004). To ensure the instruments' validity, the FWA and job satisfaction scales were adapted from Wheatley, D. (2017), as well as Masuda et al (2012). as well as McNall (2009). A pilot survey of 20 people was conducted to reduce the capacity of sampling error and increase questionnaire response rates. Furthermore, Cronbach's alpha coefficient was used to assess internal reliability.

<b>Reliability Statistics</b>		
	<b>Cronbach's Alpha</b>	<b>N of Items</b>
Flexitime	.77	5
Telecommuting	.82	4
Compressed work week	.60	4
Flexible work arrangement	.78	3
Job satisfaction	.72	6

**Table 3.1 Reliability Statistics**

### **3.7 Ethical Considerations**

The foundation of research studies is trust between the researcher and the participant. It is the responsibility of researchers to act in a trustworthy manner. The two overarching rules of not harming participants and obtaining informed consent from participants was strictly adhered to in this thesis. Confidentiality, which is important in ethical consideration, is maintained. Respondents were clearly informed of the research's purpose and that their responses will only be used for academic purposes. Identity and other personal information was not been written on the questionnaire, and the actual data collected from respondents were interpreted honestly.

## **CHAPTER FOUR : DATA PRESENTATION INTERPRETATION AND ANALYSIS**

### **4.1 Introduction**

The general objective of this study was to explore the effects of flexible working arrangements on job satisfaction of Catholic Relief Services Ethiopia employees. A questionnaire was developed and it has been sent by email and telegram to be filled-in.

In this chapter, the data analysis and findings are presented, where the data collected using google form was analyzed using SPSS. The chapter includes response rate of respondents; descriptive analysis of demographic characteristics of the respondents; descriptive analysis the variables of the study; correlation analysis; assumptions undertaken in order to conduct the regression analysis ; multiple regression analysis of the three independent variables of FWAs and Job Satisfaction ; and finally the study findings and the subsequent analyses of the findings are presented in this chapter.

### **4.2 Response Rate**

Catholic Relief Service has 180 employees. By using Yaman's formula a sample of 123 was calculated. Priorly tested close ended questionnaires were distributed to the CRS employees, 101 (82.11%) questionnaires were filled and returned. Since the percentage is in the acceptable range it was used for further analysis. SPSS version 25 was used to analyze the data collected from the target population.

### **4.3 Respondents Demographic Data**

frequency and percentage of participants gender, work experience and educational qualification is presented in the following table.

<b>SEX</b>		
	Frequency	Percent
Male	70	69.3
Female	31	30.7
Total	101	100.0
<b>AGE</b>		
	Frequency	Percent
Below 30	15	14.9
30-40	49	48.5
40-50	37	36.6
Above 50	0	0
Total	101	100.0
<b>EXPERIENCE</b>		
	Frequency	Percent
Below 3	8	7.9
3-6 yrs	61	60.4
7-10yrs	7	6.9
above 10 yrs	25	24.8
Total	101	100.0
<b>QUALIFICATION</b>		
	Frequency	Percent
Diploma	12	11.9
BA Degree	62	61.4
Masters	23	22.8
Total	101	100.0

**Table 4.1 Demographic Characteristics**

Table 4.1 above illustrates basic information of respondents, which shows that majority of the respondents are male (69.3%), implying that CRS staff is dominated by male. Most of the respondents surveyed fall under the age of 30-40 (48.5%) followed by those who are 40-50 (36.6). It has been found that 92.1% of the respondents have a work experience of above 3 years and above. Most of the respondents are degree holders and above. Approximately half of the employees are under 40 years showing a strong work force in CRS. Accordingly, the researcher believes that the educational background of respondents and the experience possessed by those employees will qualify them as ideal respondents for the questionnaire to see the effect of FWA on employee satisfaction in CRS.

#### 4.4 Descriptive Analysis of the Variables

The three components of Flexible Work Arrangements (Flexitime, Compressed work week and Telecommuting contain 14 questions that asked respondents to state their perception of each variable. Each of these independent variables, Flexitime Schedule, Compressed Workweek and Telecommuting has five, five and four items, respectively. The dependent variable (Job Satisfaction), has 6 items that measure the Satisfaction level of CSR employees.

<b>Descriptive Statistics</b>			Mean	SD
<b>Flexitime</b>			3.3010	.69433
1	My job does not have rigid start and end times.		3.2772	.99115
2	My job requires me to work for certain number of hours per day/week.		3.2475	.84150
3	My job gives me the flexibility to choose my start and end times by fulfilling the mandatory core hours.		3.2574	1.05502
4	My job allows me to leave an hour earlier if I can cover it up on another working day in that week.		3.2772	1.01113
5	My productivity at work is greater due to flexible working hours.		3.4455	.89972
<b>Telecommuting</b>			3.5693	.79931
1	I prefer telecommuting over traditional working arrangements.		3.6139	.97949
2	I get the opportunity to work from out of office with the aid of technology for a certain number of hours each week.		3.6040	.93893
3	It can be much convenient to integrate work and life due to telecommuting.		3.5347	1.02532
4	I do not think that telecommuting acts a barrier to career advancement anymore in the 21st century.		3.5248	1.02561
<b>Compressed work week</b>			3.4752	.59844
1	I have the option to work fewer than 5 working days.		3.6040	.78841
2	I have to work for 9 or more hours each day for availing an extra day off in the week unlike the traditional working hours.		3.9208	.87958
3	I have the option to take mini breaks during work when I work for such long hours.		3.3564	.88977
4	I have to be present during the core working days at office.		3.4851	.93396
5	I have been able to increase my engagement levels at work due to the opportunity of compressed workweek.		3.4554	.94366
<b>Job satisfaction</b>			3.4917	.58943
1	I am overall satisfied with my job.		3.4950	1.00622
2	I am happy and do not intend to switch from my current job any soon.		3.5149	.92319
3	I am happy with my co-workers as they are cooperative and help others to maintain a healthy work-life balance.		3.5743	.89829
4	I am satisfied with the management as it incorporates counseling services to personally understand an employee's concerns.		3.4851	.92319
5	I am satisfied as the employees demonstrating high performances are justly rewarded with bonus or other monetary benefits.		3.4851	.85573
6	I am determined to establish my career in my current organization.		3.3960	.84946
<b>Aggregate mean and SD</b>			3.4485	.58618

**Table 4.2 Data Presentation**

Respondents were asked if their job had a fixed start and end time, if it required them to work a certain number of hours, and if it allowed them to choose their start and end times by completing the mandatory core hours. Because of the flexible work hours, employees were asked about their productivity at work. Employee productivity due to flexible work hours had the highest mean value of 3.45 out of the five flexitime questions. Flexitime had an aggregate mean value of 3.30 and a standard deviation of 0.69. This demonstrates that the majority of employees are satisfied with their flexitime work arrangements and believe they are more productive as a result.

The compressed work week had a mean value of 3.47 and a standard deviation of 0.59. This demonstrates that employees can work fewer than 5 working days by working for more than 9 or more hours per day to earn an extra day off during the week. Furthermore, because of the possibility of a compressed workweek, employees have been able to increase their levels of engagement at work.

Telecommuting or teleworking is a concept that became popular following the-COVID pandemic in Ethiopia. Employees of CRS Ethiopia were asked if they prefer telecommuting to traditional working arrangements; if they have the opportunity to work from home using technology for a set number of hours each week; and if they believe telecommuting is a barrier to career advancement. The mean value for telecommuting is 3.57, the highest of the three independent variables.

The aggregate mean value of flexible work arrangement's three elements (flexitime, compressed work week and telecommuting) was observed to be 3.45 and standard deviation of 0.58. Which could be interpreted as above average. This shows that CRS employees had positive perception about the implementation of flexible work arrangement.

The mean value concerning employee satisfaction of CRS Ethiopia employees was assessed by using 6 items. The aggregate mean value of this variable was found to be 3.39 and SD of 0.85. Out of the 6 items of employee satisfaction, the overall satisfaction of employees had a mean value of 3.49 and SD of 1.01. this is said to be above average.

## 4.5 Correlation Analysis

The result of inferential statistics is displayed in this section. The correlation between the three independent variables (flextime, compressed work week and telecommuting) and employee satisfaction of CRS Ethiopia and the strength of the linear relationship between these dependent and independent variables was measured. Pearson's Product Moment Correlation Coefficient was used in this study to demonstrate the relationship.

The correlation coefficient range of Kothari et al., (2004) explains the strength of the researcher's relationship with the variables used. Pearson's Coefficient, is the most widely used method of measuring the degree of relationship between two variables. According to Kothari, Correlation coefficients less than 0.20 are considered very weak; 0.20 - 0.40 are considered moderate; 0.60 - 0.80 are considered strong; and greater than 0.80 are considered very strong. The table below shows the correlation coefficient between the variables

Correlations					
		FLEX	TELE	COMP	SAT
FLEX	Pearson Correlation	1			
	Sig. (2-tailed)				
TELE	Pearson Correlation	.569**	1		
	Sig. (2-tailed)	.000			
COMP	Pearson Correlation	.593**	.511**	1	
	Sig. (2-tailed)	.000	.000		
SAT	Pearson Correlation	.625**	.691**	.624**	1
	Sig. (2-tailed)	.000	.000	.000	
**. Correlation is significant at the 0.01 level (2-tailed).					
Correlations					
		IV	SAT		
IV	Pearson Correlation		1	.773**	
	Sig. (2-tailed)			.000	
	N		101	101	
SAT	Pearson Correlation		.773**	1	
	Sig. (2-tailed)		.000		
	N		101	101	
**. Correlation is significant at the 0.01 level (2-tailed).					

**Table 4.3 correlation analysis**

As shown in Table 4.3, the study's findings revealed a significant strong positive relationship ( $r = 0.625, 0.691 \text{ \& } 0.624$  and  $p$  value of  $p=0.000$ ) between flextime, telecommuting and compressed workweek, respectively with the dependent variable employee job satisfaction. The overall correlation of independent variables of flexible work arrangement with employee job satisfaction was 0.773, showing a highest correlation compared to the individual correlation of the elements. In comparison to the others, the relationship between telecommuting and employee job satisfaction had the highest correlation ( $r=0.69, p =0.000$ ).

As Pearson's correlation measure of the strength of a linear association between variables the above result implies that all the three independent variables have linear association with job satisfaction of CRS Ethiopia employees. As flextime, telecommuting and compressed workweek is implemented, it results in elevated premium job satisfaction and vice versa.

## **4.6 Diagnostics in Regression**

Before performing regression analysis, several assumptions must be met. The following assumptions were tested in this section: assessing outliers; Multicollinearity assumption, linearity assumption, Normality assumption, homoscedasticity and autocorrelation . To conclude about the analysis results' validity and reliability, the following tests were run to see if the data fit the assumptions of multiple linear regression.

### **4.6.1 Assessing Outliers**

Outliers, according to Tinsley and Brown (2000), are extreme values on one or more variables. This could be due to an incorrectly entered value, a recoding or transformation error, or the presence of an exceptional but valid data point. Outliers, as stated by Kline (2005), will have an impact on the analysis and possibly the understanding of empirical findings. Outlier findings are classified into two types. The first are outliers with unusual values for only one variable, known as univariate outliers, and the second are outliers with an unusual mix of values for more than one variable, known as multivariate outliers (Field, 2009; Pallant, 2010). The frequency distributions of z scores were used by the researcher to identify univariate outliers. According to Tinsley and Brown (2000), the presence of a univariate outlier is indicated by a Z score of absolute value greater than 3.29 and a p value less than 0.001. However, no univariate outlier

was found in this thesis based on the above value. The multivariate outliers analysis was performed using the Kline recommendation that the D2 (Mahalanobis distance) value be  $p < 0.005$ . (2010). Because there were no values less than 0.005 in the SPSS output, all of the data were used.

#### 4.6.2 Assessing Multicollinearity Assumption

The degree to which independent variables are correlated is referred to as multi-collinearity in multiple regression. It makes it difficult to assess the relative importance of each independent variable. A problem with multi-collinearity causes high correlations among independent variables. Ramadan and colleagues (2017).

The variance inflation factor (VIF) is the influence of correlations among independent variables on the precision of regression estimates, whereas tolerance denotes how much of the variability of the specified predictor variable is not explained by the model's other predictor variables. A tolerance value of less than 0.1 almost certainly indicates a serious Collinearity issue, whereas a VIF value greater than 10 indicates more severe Multi-collinearity. To test for multicollinearity in this thesis, the researchers used a common cut off value of 0.10 for tolerance statistics (t-stat), which is a reciprocal of VIF ( $1/VIF$ ), and a value of 10 for VIF, as recommended by Sekaran and Bougie (2013); it was found to be in the acceptable range, and no multicollinearity was observed in this model, as shown below.

Coefficients <sup>a</sup>			
Model		Collinearity Statistics	
		Tolerance	VIF
1	FLEX	.552	1.811
	TELE	.630	1.588
	COMP	.604	1.656
a. Dependent Variable: SAT			

**Table 4.4 Collinearity Statistics**



### 4.6.3 Autocorrelation

It is assumed that the residual values are independent of one another (or uncorrelated). The Durbin-Watson statistic was used to test the assumption that the residuals are independent. The number can range between 0 and 4. The Durbin-Watson statistic value should be close to 2 if no autocorrelation is assumed.

Model	R	Std. Error of the Estimate	Durbin-Watson
1	.777 <sup>a</sup>	.37682	1.712
a. Predictors: (Constant), COMP, TELE, FLEX			
b. Dependent Variable: SAT			

**Table 4.5 autocorrelation**

According to Table 4.5, the Durbin-Watson value is 1.72, which is close to 2. A value of two indicates that no autocorrelation exists. A value close to zero indicates positive autocorrelation. Negative autocorrelation is indicated by a value of four or less (Saunders et al., 2009). As a result, it is possible to conclude that this study does not have an Autocorrelation problem.

### 4.6.4 Assessing Normality Assumption

#### *a) Skewness and Kurtosis*

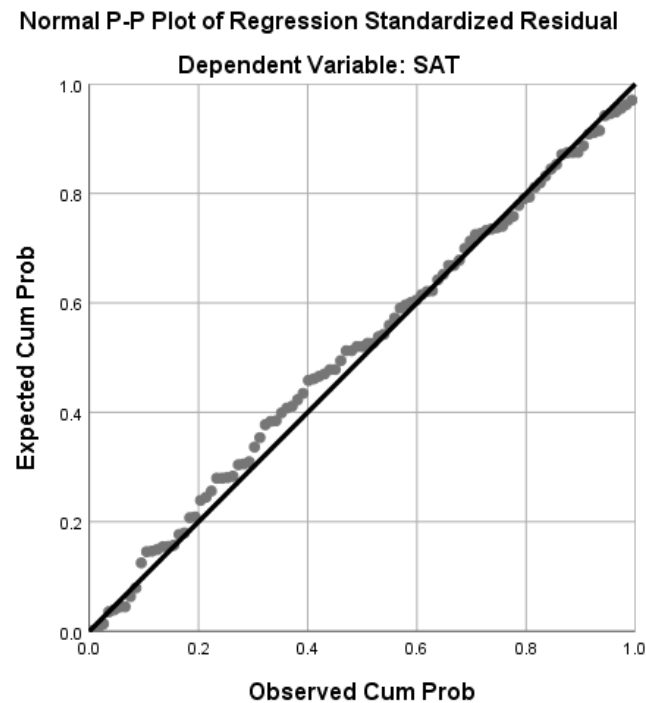
Before running the regression, the normality of the independent variables in the analysis was checked using Kurtosis, which measures whether the data is heavily tailed or lightly tailed to the normal distribution, and skewness, which is a measure of symmetry. As a rule of thumb, for the data to be considered normally distributed, the skewness and kurtosis should be between -2 and 2. As a result, the analysis for all variables is normally distributed (Hair et al, 2006).

Descriptive Statistics					
	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
FLEX	101	-.853	.240	-.352	.476
TELE	101	-.568	.240	-.126	.476
COMP	101	-.590	.240	-.260	.476
SAT	101	-.840	.240	-.030	.476

**Table 4.6 Skewness and Kurtosis**

### ***b) Normal Probability Plot***

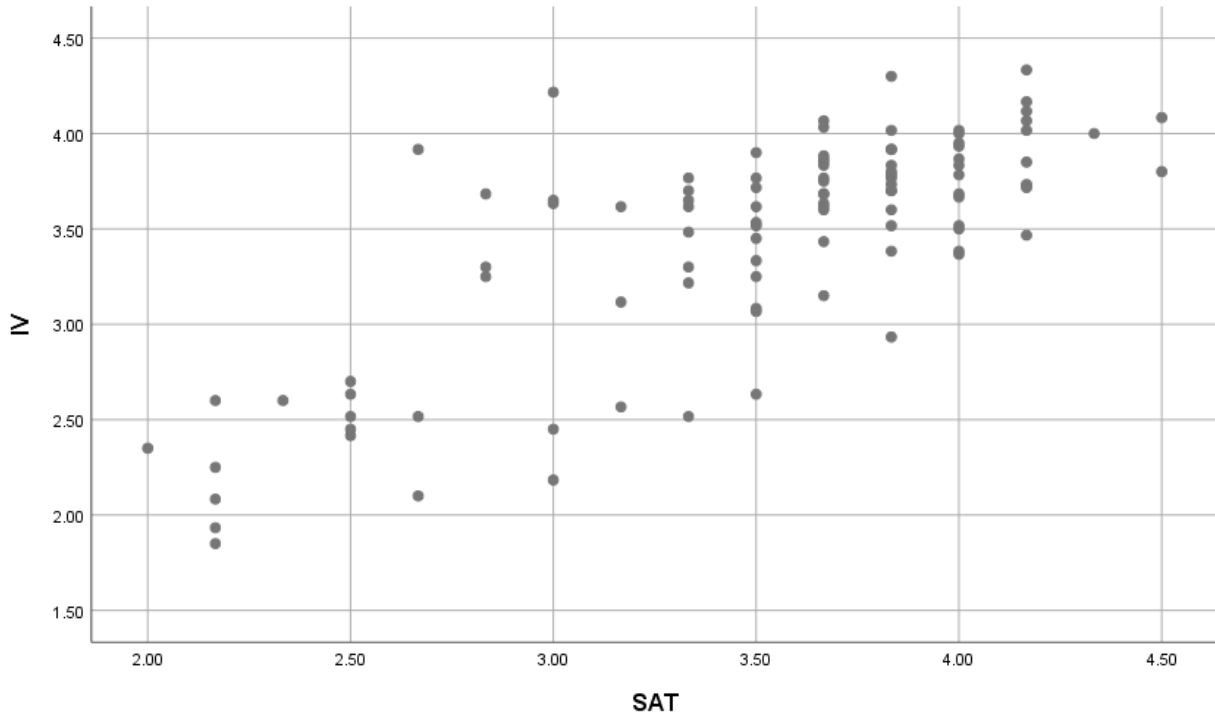
To test the normality of data, the normal probability plot (p-p plot) was used. It is a relatively simple graphical tool for studying the shape of a random variable's probability density function (PDF). It employs values of the variable of interest on the horizontal axis and the variable's expected value on the vertical axis. P-P plot points should lie in reasonably straight diagonal line from bottom left to top right. The dots are drawn closer to the diagonal line in this case, indicating that the assumption of normality is met.



**Figure 4.1 P-P plot**

### **4.6.5 Linearity Assumption**

The linearity test seeks to determine whether or not the relationship between the independent variables and the dependent variable is linear. Multiple regressions are based on the assumption that the independent and dependent variables have a linear relationship. Linearity is defined as a straight line relationship between the predictor variables in the regression and the outcome variable.

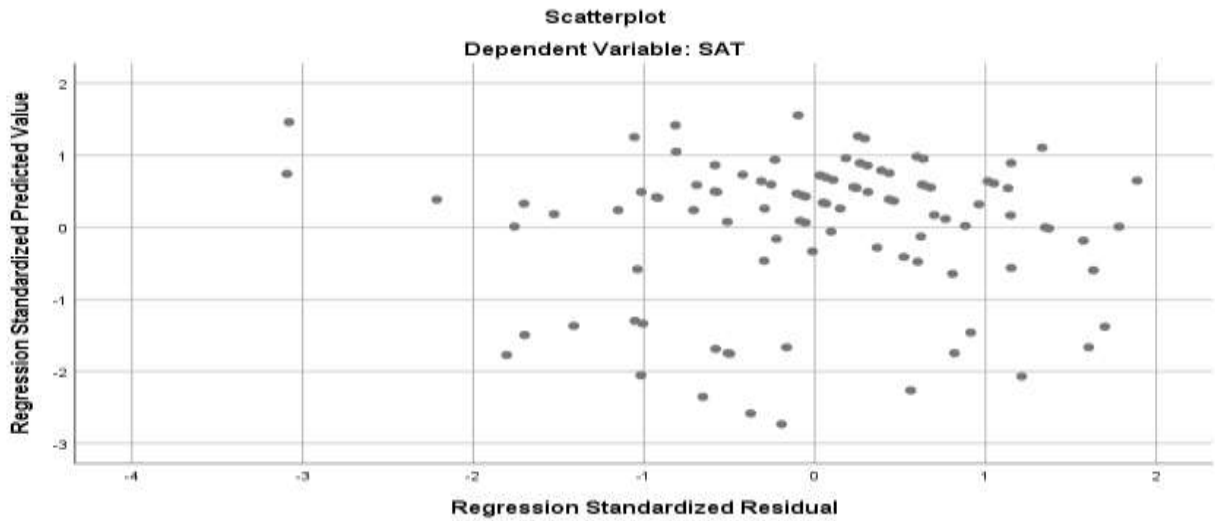


**Figure 4.2 Scatter Plot (a)**

When a diagonal line is drawn from the bottom left corner to the top right corner, the points that are aligned along the diagonal line demonstrate linearity between dependent and independent variables. Figure 4.3 shows that there is a linear relationship between flexible work arrangement and employee satisfaction, indicating that the regression test assumption is met.

#### **4.6.6 Homoscedasticity**

Homoscedasticity refers to the process of determining whether residuals are equally distributed or whether they tend to bunch together at some values and stretch far apart at others. There are points distributed equally above and below the x-axis, as well as to the left and right of zero on the y-axis. If the data represents a shotgun blast rather than a cone or fan shape, it is said to be homoscedastic. There is no discernible pattern.



**Fig 4.2 scatterplot (b)**

As shown above, the spread of randomly distributed residuals exhibits equality of variances or homogeneity of variances, indicating that it is constant across the linear model. This demonstrates that there is no violation of homoscedasticity.

## 4.7 Regression Analysis

The study's main goal was to investigate the effect of flexible work arrangement on job satisfaction of CRS Ethiopia employees. A series of regression analyses were used to achieve the study's goal, as explained below.

### 4.7.1 Model Fit

The value of R, the multiple correlation coefficient, can be thought of as one measure of the accuracy of the dependent variable prediction (employee job satisfaction).

<b>Model Summary<sup>b</sup></b>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.777 <sup>a</sup>	.604	.591	.37682
a. Predictors: (Constant), COMP, TELE, FLEX				
b. Dependent Variable: SAT				

**Table 4.7 model fit**

$R^2$  value is the proportion of variance in the outcome variable that can be explained by the explanatory variables, to determine how well the regression model fits the data. As shown in table 4.8, our independent variables (flextime, compressed work week and telecommuting) explain 60.4% of the variability of employee satisfaction(DV), while 39.6% is caused by factors other than the three predictors included in this model.

The small difference between R-squared and Adjusted R Square values indicates a good fit of the model. The standard error of the estimate in the above output, on the other hand, is 0.376. On average, our estimates of employee job satisfaction using this model will be wrong by 37.6%.

#### 4.8 Hypothesis Testing

In accordance with the objectives, three research hypotheses were developed. The purpose of this test is to determine the effect of the three explanatory variables (flextime, compressed work week and telecommuting) on outcome variable (employee satisfaction). The following table shows the test of the three hypothesis.

Coefficients <sup>a</sup>							
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Status
		B	Std. Error	Beta			
1	(Constant)	.811	.235		3.452	.001	
H1: Flextime has positive and significant effect on job satisfaction of CSR employees							
	FLEX	.185	.073	.219	2.540	.013	significant
H2: Telecommuting has positive and significant effect on job satisfaction of CSR employees							
	TELE	.313	.059	.425	5.274	.000	significant
H3: Compressed workweek has positive and significant effect on job satisfaction of CSR employees							
	COMP	.274	.081	.278	3.376	.001	significant
a. Dependent Variable: SAT							

**Table 4. 8 regression analysis**

Predictors are ranked using the standardized coefficient (independent variables). Telecommuting has the highest standardized beta coefficient of 0.425 of the three independent variables, as shown in table 4.9. Flextime, on the other hand, has the lowest beta coefficient. This means that for every unit increase in telecommuting, compressed work week, and flextime, employees' satisfaction increases by 0.425, 0.278, and 0.219 units, respectively. Table 4.8 shows that all three independent variables have a positive and significant effect on employee satisfaction in CRS Ethiopia.

## **CHAPTER 5: SUMMARY, CONCLUSION AND RECOMMENDATION**

The main findings of the study are summarized in this chapter, and conclusions on major findings are presented. Recommendations are made based on the research findings

### **5.1 Summary of the Thesis Findings**

This section summarized the key points and major findings from the survey questionnaire data analysis. The researcher investigated effects of flexible work arrangement on employee satisfaction of CRS employees. The study's specific goal was to investigate the effect of flextime, compressed workweek and telecommuting on CRS employees satisfaction. In addition to this the study identified the strength of effects of the independent variables.

Correlation and multiple linear regression models were used in the study. Questionnaires were used as data collection tools. In terms of sampling technique, random sampling was used. 123 questionnaires were distributed to randomly selected employees 101 (82.11%) of the questioners were collected and used in the data analysis. The constructs' reliability was determined using the Chronbach alpha coefficient. The alpha value for flextime, telecommuting compressed workweek, flexible work rangment and employee satisfaction was 0.77, 0.82, 0.60, 0.78 and 0.72 respectively. Each of the variables had a mean value of above average. One of the items of compressed work week was reduced inorder to increase the reliability of the variable and it was brought from 0.49 to 0.60. In addition to this, multiple linear regression was used to predict employees' satisfaction of CRS Ethiopia. The model predicted that three of the independent variables contributed significantly to the prediction.

***Ha1: Flextime has positive and significant effect on employee satisfaction.***

The correlation coefficient ( $r=0.625$ ;  $p(0.000)$ ) and regression value ( $B=0.219$  and  $p(0.013)$ ) show a strong correlation and a positive and significant relationship between flextime and employee satisfaction demonstrating that Flextime Schedule is a widely used FWA in organizations and has a significant impact on job satisfaction (Omondi & K'Obonyo, 2018; Rahman, 2019; SHRM, 2020).

***Ha2: Compressed workweek has positive and significant effect on job satisfaction of CSR employees***

The correlation coefficient ( $r=0.624$ :  $p(0.000)$ ) and regression coefficient ( $B=0.425$  and  $p(0.013)$ ) show a strong correlation between compressed work week and employee satisfaction. In various studies, the effect of a compressed workweek on job satisfaction is lower than the effect of a flextime schedule (Rahman, 2019; Rwashdeh, Almasarweh & Jaber, 2016). In this study, however, a positive significant and strongest relationship between compressed workweek and employee satisfaction is observed.

***Ha3: Telecommuting has positive and significant effect on job satisfaction of CSR employees***

The correlation coefficient ( $r=0.691$ :  $p(0.000)$ ) is the strongest among the three variables, and the regression value ( $B=0.278$  and  $p(0.001)$ ) shows a strong correlation and a positive and significant relationship between telecommuting and employee satisfaction. Previous research findings by Teh et al., 2017, Allen et al., 2015; Ansong & Boateng, 2017 and other empirical studies indicate that telecommuting, as one of the commonly used approaches of FWAs, has a significant positive effect on employee job satisfaction.

Furthermore, of the three modalities Telecommuting increase job satisfaction of Catholic Relief Service in a higher degree having a beta value of 0.313.

## **5.2 Conclusion**

The purpose of this study was to investigate the effects of flextime scheduling, compressed workweeks, and telecommuting on job satisfaction among CRS Ethiopia employees. In addition to this the research assessed which element of Flexible Work Arrangement has strong impact on employee satisfaction. Based on different literatures three alternate research hypotheses were developed.

H1: Flextime has positive and significant effect on job satisfaction of Catholic Relief Service employees

H2: Compressed workweek has positive and significant effect on job satisfaction of Catholic Relief Service employees



H3: Telecommuting has positive and significant effect on job satisfaction of Catholic Relief Service employees

Employee satisfaction was found to be positively correlated with flextime schedules ( $r=0.625$ ;  $p = 0.000$ ), compressed workweeks ( $r=0.624$ ;  $p (0.000)$ ), and telecommuting ( $r=0.691$ ;  $p (0.000)$ ). All three have a positive and significant impact on employee satisfaction at CRS Ethiopia. This means that increasing the use of flexible working arrangements (or any of the independent variables) can lead to an increase in CRS Ethiopia employee job satisfaction. The independent variables in this study's model explain 60.4% of the variation in employee satisfaction.

The researcher can conclude that the adoption and implementation of Flexible Work Arrangement as a human resource management practice contribute in terms of enhancing employee job satisfaction. However Notes need to be taken that the implementation of FWA might be culture and context sensitive and also other factors.

In this research significant relationship between telecommuting and job satisfaction from the perspective of CRS Ethiopia employees was observed. However since prior researches had contradicting results further study is needed.

The researcher accepted all the alternate Hypotheses raised in this thesis and concluded that Flexible Work arrangement needs to be implemented in order to bring employee job satisfaction in organizations.

### **5.3 Recommendations**

The adoption and implementation of FWAs as an innovative human resources management practice at the CRS has shown some promising results. All the three elements, flexible schedule Telecommuting and compressed workweek contributed in enhancing the job satisfaction of CRS. Therefore the of the study can serve as an input in doing further on identifying context relevant FWAs as one key provision towards maximizing employee job satisfaction. In addition to this, in order to bring a better result other reserchers are recommended to include mediators like Organizational policy and Employee type. Finally, organizations like, Catholic Relief Services, must effectively use flexible work arrangements as an alterantive for the conventional way of work.

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# **APPENDIX**

## **A) QUESTIONNAIRE**

**ADDIS ABABA UNIVERSITY**

**SCHOOL OF COMMERCE**

**Questionnaire for CRS employees**

Dear respondents,

This questionnaire is designed to collect data from employees of Catholic Relief Service Ethiopia : for the study of “**THE EFFECT OF FLEXIBLE WORK ARRANGMENT PRACTICES ON EMPLOYEE JOB SATISFACTION in CATHOLIC RELIEF SERVICE ETHIOPIA**”. The purpose of the study is for the partial fulfillment of the requirements of MA Degree in Business leadership from Addis Ababa University, school of Commerce. Your cooperation in providing genuine answers to the following questions is highly important for the success of this study. Your responses will be used only for academic purpose otherwise it will be kept confidential.

Thank you in advance for your cooperation!

**Part I: Demographic Questions**

• Put tick mark “√” for each question as required.

1. Sex

Male

Female

2. Age

Below 30

30 – 40

40 – 50

Above 50

3. How long you worked in CRS

< 3 years

3 – 6 years

7 – 10 years

> 10 years

4. Highest education level

Degree

Masters

PHD

Above

**Part II: Research Questions**

To which extent do you agree or disagree with the following five-point scale statement?

(1= strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, and 5 = strongly agree)

	<b>Flextime Schedule</b>					
1	My job does not have rigid start and end times.					
2	My job requires me to work for certain number of hours per day/week.					
3	My job gives me the flexibility to choose my start and end times by fulfilling the mandatory core hours.					
4	My job allows me to leave an hour earlier if I can cover it up on another working day in that week.					
5	My productivity at work is greater due to flexible working hours.					

<b>Compressed Workweek</b>						
1	I have the option to work fewer than 5 working days.					
2	I have to work for 9 or more hours each day for availing an extra day off in the week unlike the traditional working hours.					
3	I have the option to take mini breaks during work when I work for such long hours.					
4	I have to be present during the core working days at office.					
5	I have been able to increase my engagement levels at work due to the opportunity of compressed workweek.					
<b>Telecommuting</b>						
1	I prefer telecommuting over traditional working arrangements.					
2	I get the opportunity to work from out of office with the aid of technology for a certain number of hours each week.					
3	It can be much convenient to integrate work and life due to telecommuting.					
4	I do not think that telecommuting acts a barrier to career advancement anymore in the 21st century.					
<b>Job satisfaction</b>						
1	I am overall satisfied with my job.					
2	I am happy and do not intend to switch from my current					

	job any soon.					
3	I am happy with my co-workers as they are cooperative and help others to maintain a healthy work-life balance.					
4	I am satisfied with the management as it incorporates counseling services to personally understand an employee's concerns.					
5	I am satisfied as the employees demonstrating high performances are justly rewarded with bonus or other monetary benefits.					
6	I am determined to establish my career in my current organization.					