Trust-based working time: a victory or loss for employee and employer?

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About me

• Focusing on workplace dynamics and organizational structures
• Working for “Gesellschaft für Arbeitsmedizin GmbH” (occupational health)

Main tasks:
- Psychological risk assessment
- Seminars:
  - Stress/ work-life balance/ managerial practices/ resilience/ addiction and dependence

Interests:
- Flexible work time schedules/ leadership behavior
What do you think?

Former New York Mayor Michael Bloomberg:

“I always made sure that I was the first one to arrive in the morning and the last one to leave in the afternoon”

→ emphasizing hours over results?
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Changing world of work

Demographic, economical and social changes like:
• Competition of global economy
• Technological innovations
• Decline in manufacturing
• Increasing number of working women (and working mothers)
• Dual-earner families
• Demographic shift
• Labor shortage as baby boomers retire
• Flexibility abounds (digital work)
• 24/7 World (Globalization)

→ more flexibility necessary!
If Time Does Not Matter:

Flextine and Trust-Based Working Time and their Relation to Job Satisfaction, Affective Organizational Commitment, Work-Home Interference and Job Autonomy
Aim of this study:
- Analyze possible different effects of flexible work time schedule arrangements on the employee

More specifically:
- Flextime and trust-based working time and their possible different relations to the employees’ affective organizational commitment, job satisfaction and work-life interference are researched, under consideration of their perceived autonomy
Definitions

Regular employment:
- No uniform definition
- Durably conceived relationship which is carried out fulltime (Süß & Kleiner, 2010)
- Weekly working base of 35-42 hours
- Regular employment usually excludes shift work and flextime

Flextime
- Variability in starting and ending times
- Core times
- Banking
- 65 % of German organizations
Effects of Flextime

positive effects of flextime e.g.:
• Greater loyalty, fewer reported symptoms of stress, reduced costs due to reductions in days late for work (Halpern 2005)
• Increase in employee job satisfaction, organizational commitment, decreased absenteeism, turnover (Rogier & Padgett, 2004)
• Decreased work family conflict (Hammer, 1997)
• Increase in productivity (Baltes, 1999)

Negative effects:
• Flextime and work intensification (Kelliher & Anderson, 2010)
Trust-based working time

- No consistent definition
- Trust as a key concept of the post-bureaucratic organization
- Trust applied to flexible work time scheduling
- Managerial renouncement of (time-) control / abandonment of time registration
- Employees’ responsibility to organize working time according to their tasks and workload
- A shift from time- to a result-driven organization
- 50% of German organizations (mostly higher management)
Effects of TBWT

Almost no empirical based research
• Literature is often published by governmental or management institutions
• Positive effects often based on the economic performance (such as reduction in administrative costs of work time recording and decrease in overtime costs)
• Increased autonomy to balance work and non-work requirements
• Reduced turnover, positive effects on motivation, more job satisfaction (Hoff, 2002)
• Fair performance appraisal (Weidinger 2002)

Possible negative consequences:
• “Arbeit ohne Ende” – open end working time
• More difficulties to dissociate themselves from work
Researched Variables

- Flextime and trust-based working time and their possible different relations to:
  - Employees’ commitment
  - Job satisfaction
  - Work-life interference
  - Perceived job autonomy
Method

- Survey paper questionnaire
- Employees of a German organization specialized in information technology and travel industry (n=80)
- 55 usable surveys (24 male / 31 female)
- 40% younger than 35; 60% older than 35
- Flextime = 38
- Trust based working time = 17
Sample items

- Sample items job satisfaction: “Being able to do something worthwhile (i.e. achievement)”, “The chance to make as much money as my friends (i.e. compensation)”, “The chance to develop close friendships with my co-workers (i.e. co-workers)”
- Sample items for affective commitment: “I am emotional attached to the organization” and “This organization means a lot to me”
- Work-home interference: „You find it difficult to fulfill your domestic obligations because you are constantly thinking about your work (i.e. negative work-home spillover)?”, “The situation at home makes you so irritable that you take your frustrations out on your colleagues (i.e. negative home-work spillover)?
- Job autonomy: “I decide how hard I work” and “I make my own decisions at work”
Hypothesis

Employees working under trust-based working time conditions

1. are on average more satisfied with their job ...
2. are on average more affectively committed to the organization
3. experience on average more positive work-home spillover
4. more positive home-work spillover
5. experience on average less negative work-home spillover
6. less negative home-work spillover
7. perceive on average more job autonomy

than employees working under flextime conditions
Results:
job satisfaction and affective commitment

Employees working under trust-based working time conditions
1...are on average more satisfied with their job

→ supported

2...are on average more affectively committed to the organization

→ supported
Results:

work home interference

Employees working under trust-based working time conditions

3...experience on average more positive work-home spillover
4............................................more positive home-work spillover
5...experience on average less negative work-home spillover
6............................................less negative home-work spillover

→ rejected

Employees working under trust-based working time conditions reported more negative work-home spillover!!!
Why are employees working under trust-based working time conditions on average more satisfied and more affective committed to the organization than employees working under flextime conditions?
Job autonomy

- Job control / employee control
- Experienced meaningfulness of work
- Time-autonomy
- Task-autonomy
- Responsibility
- Active job/ more learning possibilities

Job Demand-Control Model (Karasek, 1979)
Results autonomy

- Employees under trust-based working time conditions indeed perceived more job autonomy than employees working under flextime conditions.
  - Moreover, job autonomy played a mediating role in both the relationship between the flexible worktime schedule (flextime or trust-based) and job satisfaction, as well as affective commitment.

**Evidence for importance of job autonomy at work**

- Perceived job autonomy
  - Work schedule arrangement (TBWT/flextime)

- Job satisfaction
- Affective organizational commitment
- Positive/negative work-home spillover
- Positive/negative home-work spillover
Conclusion

• Employees working under TBWT conditions perceive more job autonomy than employees working under flextime conditions
• Therefore they experience more job satisfaction and are more affectively committed to the organization

→ If an organization wants to improve job satisfaction and affective commitment, the focus has to be directed to the employee’s job autonomy (...by implementing trust-based working time)
Benefits for organizations

• Strong correlation between:
  Job dissatisfaction and ‘burnout’
  Job dissatisfaction and absenteeism
  → Absenteeism, turnover = largest costs
• No costs for time recording
• Lower degree of absenteeism
• Higher work quality
• No overtime
• Productivity increases
• having time with their families and getting enough sleep= refreshed, happier to come to work.
Benefits for Employee

• Perceived employee control leads to more job satisfaction
• Increased freedom of action/decision-making
• More affective organizational commitment
• Increased motivation and personal responsibility
• Experience confidence and trust of employers
• Experience an organizational culture of trust
Possible risks

• Employees working under TBWT reported more negative work-home spillover
• Blurring of employees’ professional and private lives
• Discrepancy between hours contractually agreed on and hours actually worked
• May lead to excessive overtime
• Work is integrated much more into private life than vice versa (Janke et al, 2014)
Practical implications

- offer trainings for employees evaluate if the job in question offers enough autonomy and if not, how to redesign the job
- The findings of this study suggest that managers should focus on providing job autonomy and flexibility to their employees
- managers should communicate expectations and goals but let the employees decide how to meet these goals
- management should encourage employees to keep track of their work time administration to prevent overtime hours
- It is recommended to offer a wide variety of work family policies
But...

- Sample used in this study from only one organization → decrease of external validity,
- Rather small sample size (n=55),
- Cross-sectional design → no conclusion regarding causality

**Future research needed, for instance:**

- Findings are based on the average ratings of employees
- Future research should focus on a more individual approach and consider the employee type in their study
- Employees with more need for structure and guidance do not gain advantages under flexible work time schedules and more job autonomy
Outlook

• Importance of job autonomy
• Time autonomy as organizational response to the new economy
• Maximum of flexibility
• Principles of personal responsibility and personal control applied to working environment

➤ A shift from a time- to a result-driven organization
Flexible work in Estonia?

Does your organization offer flextime to some degree?
Thank you for your attention!

Read on?