EFFECT OF FLEXIBLE WORKING ARRANGEMENT ON EMPLOYEE PERFORMANCE: MEDIATING ROLE OF WORK ENGAGEMENT AND SUPERVISOR SUPPORT IN INDONESIA DIGITAL STARTUP

Hana Angelia Pradipta*, Fanny Martdianty**

*Department of Management, Faculty of Economics and Business, University of Indonesia
Jl. Salemba Raya No.4, RW.5, Jakarta 10430, Indonesia

Abstract: To cope with unprecedented change, remote work provides organizations with an option for a flexible work arrangement (FWA) environment to maintain performance during turbulent situations; recent research has reported that the practice has gained popularity among employees. It is essential to deepen our knowledge about the performance of employees in the context of FWA because the results of previous studies need to be more consistent. This study examines the mediating role of work engagement and supervisor support on the relationship between FWA and team member performance. The data were collected from 316 employees working in digital startup companies in Indonesia. The research is analyzed using structural equation modeling (SEM). The results show that work engagement and supervisor support as mediating roles affect the relationship between FWA and employee performance. The results found work engagement as a mediating relationship between supervisor support and employee performance. Supervisory support in the form of support for employees makes them feel more valued, and it affects job performance. High work involvement improves employee performance while practicing flexible work arrangements.

Keywords: employee performance, digital startup, flexible, supervisor support, work arrangement, work engagement

Riwayat artikel:
Diterima
9 December 2022
Revisi
19 January 2023
Disetujui
13 March 2023
Tersedia online
31 May 2023

This is an open access article under the CC BY license (https://creativecommons.org/licenses/by/4.0/)


Kata kunci: digital startup, employee performance, flexible supervisor support, work arrangement, work engagement

*Corresponding author:
Email: hana.angelia@ui.ac.id

Copyright © 2023, ISSN: 2528-5149/EISSN: 2460-7819
INTRODUCTION

The development in information and communication technology, the widespread adoption of the internet, and changes in work design have made it possible for workers to perform outside of the traditional physical work location (Abendroth & Reimann, 2018). Some finance and technology companies have introduced a work-from-home (WFH) culture (Chatterjee et al. 2022). Along with technological developments and changing market conditions, black swan events such as the COVID-19 pandemic require organizations to be more efficient. The provision of flexible work arrangements (FWA) amid COVID-19 has forced organizations to switch to remote availability or provide flexible work schedules (Chatterjee et al. 2022). The Accenture Report (2021) has shown that after the COVID-19 pandemic, 77% of executives predict that the remote work trend will continue. In response to these trends and needs, many employers try giving employees more freedom and flexibility without compromising the organization’s interests (Conradie & de Klerk, 2019). Especially employees increasingly can complete work without being physically present in the office and doing work from anywhere and anytime.

In this study, the term work from home, telework, and flexible work arrangements are referred to as working outside of a conventional workplace or in a location far from their office or facilities where workers can communicate with other members and organizations using new technologies, rather than having a physical interaction with others (Bontrager et al. 2021). Despite the devastating impact of the pandemic, digital startups are growing faster than ever, driven by increased consumer demand. Currently, the trend of Indonesian startups is to implement a remote or remote work system. According to the Indonesian Creative Digital Association (Aditif) (Fauzan, 2020), startups are the type of company that is most ready to implement a remote work system because, naturally, most work can be done remotely. Moreover, the remote and flexible working system can help companies save operational cost. As a result, how people work has changed since the high use of FWA in various fields. Based on employee reviews through the Glassdoor and Jobstreet platforms, many said that the company that implemented WFH was one of the factors that determined their satisfaction at work (RevoU, 2021).

Several studies have found that telework increases productivity because it makes it possible to work away from the office, thereby avoiding distractions from co-workers (Thulun et al. 2019), increasing concentration (Campo et al. 2021), thereby increasing job performance and the possibility to divide time between responsibilities at home and work are more productive and satisfying. Working conditions were an important component of job satisfaction and employee performance (Mishra et al. 2020). Mishra et al. (2020) draw on the situational context (eg, support from superiors) as a cause of satisfaction and argues that high-performing work practices, and thus a positive work climate, promote employee satisfaction. Employees also need support and understanding (empathy) in all aspects of life, even at work (Muttaqin et al. 2020). Interpersonal relationships are critical to organizational functioning and effectiveness (Choi, 2020).

Previous Eisenberger et al. (2002) research has shown the importance of the interpersonal relationship between employees and their supervisors. Similarly, Nahum-Shaniet al. (2014) suggest the relationship as a valuable source of guidance, assistance, and feedback to subordinates when they complete tasks in their workplace. Supervisor behavior has been recognized as a key factor to improve employee performance (De Carlo et al. 2020). Based on the social exchange theory, research has found that line manager behavior positively impacts individual performance (Giauque et al. 2022). Ng (2017) found that supervisors can encourage employees to improve their performance by increasing their enthusiasm, competence, absorption, and dedication to work. Therefore, this approach suggests that the relationship between positive supervisory behavior and employee performance can be mediated by positive work feelings, such as fulfilling one’s needs or work engagement (Schaufeli et al. 2006). In the same findings, Heyns et al. (2021) prove that job resources, including supervisor support, are positively related to engagement.

This study set out to improve our understanding of the use of FWA and its results within the country and cultural contexts to help organizations have a valid basis for considering the application of FWA (Conradie & de Klerk, 2019). Existing research has found empirical evidence regarding the impact of implementing flexible work arrangements on employee performance has arguments for both negative and positive directions. The negative impact of FWA on
employee performance according to a Deloitte survey shows that 46% of employees experience a decrease in performance due to FWA (Chi et al. 2021). Increased stress, inadequate infrastructure, difficult work/co-work environment, unrealistic performance expectations, disrupted manager-employee relationships, and difficulty building trust with co-workers are negative sides of a virtual work environment (Narayanamurthy & Tortorella, 2021), which can have a negative impact on employee performance.

On the other hand, remote work increases flexibility (Hensher et al. 2022), remote work increases productivity as travel time and distractions from co-workers are reduced allowing them to achieve good levels of job performance and improves concentration (Campo et al. 2021), thereby improving job performance amidst technological advancement. Several studies have revealed the relationship between remote work and job performance, but have produced contradictory findings (Campo et al. 2021). However, such studies on FWA whether it has a positive or negative effect on employee performance (EP) by mediating supervisor support (SS) and work engagement (WE) are limited. Thus far, this study wanted to examine and review literature from the results gaps found in previous studies. This research was conducted to analyze and discuss the effect of FWA to improve EP in the digital startup employee with the use of the mediating role of supervisor support and work engagement.

METHODS

The number of participants consisted of 332 who accessed the survey through a link that was posted on social media sites. The purposive sampling method was applied to collect primary data and the electronic survey tool Google Forms was used. Sample selection by random approach with three main selection criteria. First, respondents should be working in a digital startup companies in Indonesia and have at least 1 year tenure working at its company. All respondents should perform flexible working arrangement (i.e. work from home, remote working or work from anywhere) in the last 12 months or up until now. Further, respondents have to use flexible working arrangement minimum once in a week. Data collection was carried out from August to October 2022. From the 316 participants, 60% of them were women, 40% were men. Respondents’ employment status consists of 63% permanent employees, 37% contract employees, 86% have positions at the staff level, while the other 14% are in managerial positions.

Research measurement tools on the FWA, EP, WE, and SS scales are used to capture the responses of the respondents. Responds were measured with a Likert type scale, ranging from 1 (Strongly Disagree) to 7 (Strongly Agree). Kossek and Lautsch (2018) defined flexible work arrangement as work scheduling designed to give employees greater control over work/life whenever, wherever, for how long, and how work can be done. The FWA measurement uses a 4-item scale from Crowley and Kolenikov (2014). The questionnaire asked respondents’ control over four measures: scheduling working hours, schedule predictions, number of hours worked and where one works. According to Mishra et al. (2020), EP is the way employees behave at work and how well they carry out the tasks assigned to them. The measurement scale consists of 12 items with the dimensions of task output, interpersonal relationships, and dedication developed by Hochwarter et al. (2004).

Furthermore, Eisenberger et al. (2002) defined supervisor support as the extent to which supervisors care about work and employee well-being. Positive outcomes of supervisor support have been supported in the literature and include greater job satisfaction and commitment, better relationships with co-workers, willingness to take on additional responsibilities, and lower work-family conflict (Rhoades & Eisenberger, 2002). The SS variable is measured using the Eisenberger et al. (2002) scale with 8 items regarding the form of superior support. Work engagement as a work-related state is positively associated with other beneficial outcomes, such as increased organizational commitment, employee well-being, and reduced stress (Bakker & Schaufeli, 2008). Utrecht Work Engagement Scale (UWES) (Schaufeli et al. 2006) are grouped into three subscales that reflect the dimensions of engagement: vigor, dedication, and absorption.

The research model that is hypothesized between variables is tested through Structural Equation Modeling (SEM). SEM data analysis technique was used to determine the effect of FWA on EP with WE and SS as mediating variables. All analyses were carried out using LISREL 8.8 software to perform measurement model measurements and structural models. To evaluate the model, Goodness of Fit (GoF) were used to determine the fit of the model through the
Root Mean Square Error of Approximation (RMSEA), Comparative Fit Index (CFI), and Goodness of Fit Index (GFI). For a reasonable fit, must be supported by CFI and GFI indices greater than or equal to 0.9 and RMSEA smaller than 0.08 (Hair Jr et al. 2014).

The validity of the SEM measurement model can be seen through finding evidence of construct validity. Construct validity is the extent to which the value of a variable represents the latent theoretical construct you want to measure. According to Hair Jr et al. (2014) a construct is declared to achieve construct validity if it meets recommended benchmark values of standardized factor loading (SFL). SFL score must meet ≥ 0.50. To assess convergence and discriminant validity within the proposed framework, average variance extracted (AVE), composite reliability (CR) values and interconstruct correlation scores were calculated. AVE and CR values should be greater than or equal to 0.50 and 0.70, to establish convergent validity.

This study examines how the use of FWA impacts EP through mediating variables (SS and WE). This study consequently leads to an assessment of the total and direct effects of constructs using FWA on the dependent variable (EP) and indirect effects via mediators (SS and WE). To test mediation hypothesis, the guidelines for conducting mediation analysis suggested by Zhao et al. (2010). According to Zhao et al. (2010), testing the indirect effects a × b provides the researcher with information for testing the mediation, the “a” is the path between the independent variable and the mediating variable, and “b” represents the path between the mediating variable and the dependent variable. The path between the independent variable and the dependent variable is represented by the “c” path to see the direct effect.

The research model can be seen in Figure 1 shows the effect of the relationship between flexible work arrangement and employee performance with supervisor support and work engagement mediating variables. The work engagement mediation variable can mediate the relationship between supervisor support and employee performance. This paper hypothesis attempts to show the effect of FWA on EP with SS and WE mediation for digital startup company workers in Indonesia as follows:

H1: Flexible work arrangement positively affect employee performance
H2: Flexible work arrangement positively affect supervisor support
H3: Flexible work arrangement positively affect work engagement
H4: Supervisor support positively affect employee performance
H5: Supervisor support positively affect work engagement
H6: Work engagement positively affect employee performance
H7: Flexible work arrangement positively affect employee performance with the mediating role of supervisor support
H8: Flexible work arrangement positively affect employee performance with the mediating role of work engagement

![Figure 1. Research model of the effect of flexible work arrangements on employee performance by mediating supervisory support and work involvement](image)
H9: Supervisor support positively affect employee performance with the mediating role of work engagement

RESULTS

In this study, respondents have different characteristics as can be seen in Table 1. The characteristics of the respondents are workers who carry out FWA in digital startup companies with a company age of 1 to 10 years. To measure worker engagement with their workplace, respondents must also have worked at the company for at least 1 year. These characteristics are in accordance with the research focus to determine the effect of FWA on EP mediated by SS and WE variables. The respondent characteristics table can be seen in Table 1.

The overall factor loading values (Table 2) were found to be valid with SFL ≥ 0.50 found in FWA items there were indicators from FWA4 that were invalid and SS items from SS7 and SS8 indicators with SFL values ≤ 0.50. The indicators SS7 and SS8 are reverse-coded items which are also found not to meet the standard values which make these items are not included for the next analysis. The result presented in Table 2 indicates all items have a significant factor loading. Regarding the discriminant validity, shows that the indicator CR ≥ 0.70 and AVE ≥ 0.50 is fully met (Hair Jr et al, 2014). In sum, these results indicate that a high level of confidence in the items used in testing the research model. The results of construct reliability and validity were measured using confirmatory factor analysis (CFA). CFA analysis on the model with the four proposed variables obtained a good fit (Chi-square=230.07, degree of freedom=81, P=0.000,

As the significance of the influence of variables in accordance with the research hypothesis. The benchmark for the significance of the relationship between variables is shown by the t-value which is equal to 1.645. The t-value is declared insignificant if -1.645 ≤ t-value ≤ 1.645. As presented in Table 3, the direct effect of FWA and EP (t=1.44, λ=0.09) is found not significantly correlated, thus Hypothesis 1 is rejected. The remaining results of the rest direct impact between other variables show a significantly correlated (t-value ≥ 1.645) that can conclude H2, H3, H4, H5, and H6 are accepted.

The results of the coefficient of determination (R^2) test were found that the R^2 value of SS was 0.16. This explains that the FWA variable can explain the SS variable by 16% and there are remaining variable variations explained by other variables not included in this study. The R^2 value of the WE variable is 0.33. This explains that the SS and FWA variables can explain the WE variable by 33%. In addition, the R^2 value of EP is 0.53. This means that the variables SS, WE, and FWA can explain the EP variable by 53%.

<table>
<thead>
<tr>
<th>Table 1. Respondents Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item</td>
</tr>
<tr>
<td>--------------------------------------</td>
</tr>
<tr>
<td>Employment Status</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Company’s Age</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Years of Work</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>FWA Frequency</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
Table 2. Reliability and validity of the measurement model

<table>
<thead>
<tr>
<th>Construct</th>
<th>Item</th>
<th>Loadings</th>
<th>CR (Composite Reliability)</th>
<th>AVE (Average Variance Extracted)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexible Work Arrangement (FWA)</td>
<td>FWA1</td>
<td>0.88</td>
<td>0.85</td>
<td>0.65</td>
</tr>
<tr>
<td></td>
<td>FWA2</td>
<td>0.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>FWA3</td>
<td>0.76</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supervisor Support (SS)</td>
<td>SS1</td>
<td>0.67</td>
<td>0.91</td>
<td>0.63</td>
</tr>
<tr>
<td></td>
<td>SS2</td>
<td>0.82</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SS3</td>
<td>0.80</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SS4</td>
<td>0.75</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SS5</td>
<td>0.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SS6</td>
<td>0.87</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work Engagement (WE)</td>
<td>Vigor</td>
<td>0.90</td>
<td>0.97</td>
<td>0.91</td>
</tr>
<tr>
<td></td>
<td>Dedication</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Performance (EP)</td>
<td>Absorption</td>
<td></td>
<td>0.99</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Task Output</td>
<td></td>
<td>0.81</td>
<td>0.84</td>
</tr>
<tr>
<td></td>
<td>Interpersonal Relationships</td>
<td></td>
<td>0.80</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dedication</td>
<td></td>
<td></td>
<td>0.79</td>
</tr>
</tbody>
</table>

Table 3. Table of direct and indirect effect

<table>
<thead>
<tr>
<th>Direct Effect</th>
<th>Standardized Factor Loading (SFL)</th>
<th>T-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexible Work Arrangement (FWA) → Employee Performance (EP)</td>
<td>0.09</td>
<td>1.44</td>
</tr>
<tr>
<td>Flexible Work Arrangement (FWA) → Supervisor Support (SS)</td>
<td>0.24</td>
<td>6.40</td>
</tr>
<tr>
<td>Flexible Work Arrangement (FWA) → Work Engagement (WE)</td>
<td>0.40</td>
<td>4.07</td>
</tr>
<tr>
<td>Supervisor Support (SS) → Employee Performance (EP)</td>
<td>2.69</td>
<td>2.69</td>
</tr>
<tr>
<td>Supervisor Support (SS) → Work Engagement (WE)</td>
<td>6.91</td>
<td>6.91</td>
</tr>
<tr>
<td>Work Engagement (WE) → Employee Performance (EP)</td>
<td>9.52</td>
<td>9.52</td>
</tr>
</tbody>
</table>

Indirect Effect

<table>
<thead>
<tr>
<th>Indirect Effect</th>
<th>Standardized Factor Loading (SFL)</th>
<th>T-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexible Work Arrangement (FWA) → Work Engagement (WE) → Employee Performance (EP)</td>
<td>0.14</td>
<td></td>
</tr>
<tr>
<td>Flexible Work Arrangement (FWA) → Supervisor Support (SS) → Employee Performance (EP)</td>
<td>0.07</td>
<td></td>
</tr>
<tr>
<td>Supervisor Support (SS) → Work Engagement (WE) → Employee Performance (EP)</td>
<td>0.26</td>
<td></td>
</tr>
</tbody>
</table>

Note: Model fit indices: RMSEA 0.079, CFI 0.98, GFI 0.91.

Findings from the indirect effect through the mediation demonstrated significant results. Table 3 provides evidence that the indirect effect of using FWA on EP and the mediation role (SS and WE). The data indicating SS (λ=0.07) and WE (λ=0.14) fully mediate the impact of FWA and EP. Given the results, FWA will have an indirect effect on EP through SS and WE. Hypotheses 7 and 8 are supported. The results of other indirect effects indicate that WE (λ=0.26) partially mediated SS on EP which makes Hypothesis 9 accepted.

Hypothesis 1 was formulated to see the positive and significant effect on FWA with EP. The findings of this study are in contrast to previous studies (Sekhar & Patwardhan (2021); Ipsen et al. 2021) which showed a significant and positive effect of FWA on EP. The results showed that FWA have no significant effect on EP. Given the findings of this study, we can conclude that the use of flexible work or FWA does not automatically function as job resources as defined by (Bakker et al. 2012) in the job demands-resources (JD-R) framework which is generally assumed to produce positive job outcomes. This study examines the relationship between FWA and EP mediated by SS experienced by workers in Indonesian digital startups (Figure 2). The same relationship has been reported in Yu et al. (2019) found direct supervisor support can improve results while implementing FWA. De Menezes and Kelliher
to demonstrate good performance at work. This finding seems to be consistent with other research which showed FWA contributes to EP to increase engagement and performance (De Menezes & Kelliher, 2017), and work engagement as a mediator is positively associated with performance (Kuswady & Hendarsjah, 2022). These results also provide support for hypotheses 3 and 6 regarding the positive relationship of FWA on WE and WE with EP.

Furthermore, hypothesis 9 proposes a significant positive relationship between SS and EP with the mediation role of WE. Supervisors provide adequate support regarding FWA, and engaging employees can improve workplace performance. The support that a worker has from their superiors is potentially desired to motivate employees to further improve their work performance (Sekhar et al. 2018). These findings support evidence from earlier observations (Kossek et al. 2006; Hochwarter et al. 2004). According to Ng (2017) who found employee performance can contribute through improvement in moral support, competency development, and dedication to work. Supervisors who lend a hand could make employees aware of how they can make a difference in their environment if they think about what is needed; in this environment, employers can show employees how to improve their well-being, work-life balance, and performance.

(2017) observed that FWA affects attitudes, health, employee performance, employee welfare, and job satisfaction or performance.

These results are in agreement with Sekhar and Pathwardan (2021) findings which showed the relationship between FWA affecting EP mediated by SS. FWA can help organizations to meet various needs in a dynamic environment through the employee management system that elicits desired employee behavior such as increased performance. Supervisors also act as agents of continuous transformation in shaping employee behavior, communicating with employees, and developing an FWA culture while dealing with organizational change. Hypothesis 7 supported the mediation role of SS between FWA and EP. These results also provide support for hypotheses 2 and 4 regarding the significant relationship of FWA on SS and SS with EP.

Next, hypothesis 8 can be accepted from the results indicating the use of FWA for employees has potential benefits and digital startup companies that implement higher engaged workers make employees feel cared for, valued, involved in the workplace, and show good performance in their work (Bailey et al. 2015; Conradie & de Klerk, 2019; Salanova & Schaufeli, 2008). The result of this study found a significance for using FWA to enable employees to become more engaged and consequently provide more opportunities

![Figure 2. Structural Model Results](image-url)
In line with the arguments mentioned above, previous studies by De Carlo et al. (2020) argue that supervisor support positively influences performance or performance indirectly through partial mediation of work engagement. De Carlo et al. (2020) found that supervisors’ integrity and ability to manage emotions were found to be very important for increasing work engagement, thus leading to increased employee performance. Comparison of the findings with those of other studies on startup employees (Prasetyaningtyas et al. 2021) that giving employees the opportunity to voice their opinions, and encouraging them to discuss solutions to existing problems with their supervisor was found to help the employee to finish their tasks accurately. Hypothesis 9 supported the mediation role of WE between SS and EP. These results also provide support for hypotheses 4 and 5 regarding the positive relationship of FWA on SS and SS with EP.

The study has identified the mediating role of supervisor support, and work engagement helps explain the increase in employee performance for workers who do flexible work arrangements. The obvious finding to emerge from this study shows that the indirect effect results show that there is a more significant influence on flexible work arrangements with employee performance if it is mediated through work engagement compared to supervisor support. Startup employees who work flexibly get positive effects from job resources, such as autonomy, and social support from colleagues, have a sense of enthusiasm and an effective relationship with work, are more competent and effective in improving performance. In addition, Figure 2 shows that work engagement can be a mediating role in the relationship between supervisor support and the improvement of employee performance. Therefore, work engagement is an important link explaining the relationship between flexible work arrangements, supervisor support, and employee performance.

Managerial Implications

The findings of this study suggest management to pay attention on the level of time flexibility. Establish a precise working hour by creating a framework for when they can communicate and interact with each other. Make sure team members understand that workers are not expected to be on standby all the time, including during non-agreed working hours. Each individual should have an understanding of the different working hours between employees. Working time management is also important for each employee to manage because the employees themselves can be assisted in monitoring how much time and schedule to carry out tasks.

Therefore, employee engagement is shown by doing work that allows workers to fully concentrate and enjoy completing their tasks. In order to improve work engagement to achieve excellent work results, employers can provide tasks that align with the fields and abilities of workers and have added value to how they contribute to the company’s mission and strategic goals. The choice to do various tasks and use various skills can lead to less than optimal work results. Employers can provide training to develop appropriate skills and abilities for workers to carry out their duties. This can help workers to find solutions when they encounter problems in their work. Employees themselves must also take part in employee engagement activities held by the company. By actively participating in activities or facilities carried out by the company, it helps employees to feel connected to the work environment even though they are separated by distance.

The findings of this research provide insights into supervisory support contributions to employee performance through two-way communication from superiors and members regarding opinions or input regarding work. The discussion would also include managers’ role in providing assistance regarding work constraints. Ensuring that their supervisors are always open for virtual communication with their team members. Good communication between employees and supervisors can be a place for employees to ask questions, express opinions, or complain. Supervisors can be trusted by their team members for listening and providing actionable input when they face difficulties.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The following conclusions can be drawn from the present study among workers of digital startup companies in Indonesia. This study has found a mediating role of supervisor support is proven to help explain the increase in employee performance in workers who use flexible working arrangements. Just as well, work engagement is found to mediate employee performance. Work engagement is also a mediating variable for supervisor support relationships to improve employee
performance in digital startup employees in Indonesia. The results of the study prove the importance of work engagement and supervisor support as the mediating role to increase the relationship between flexible work arrangements and employee performance in workers at digital startup companies in Indonesia.

Recommendations

This study also has some limitations and suggests to be developed in further research. The current study used a cross-sectional research design with a limited number of samples therefore it was not possible to see a causal relationship between the research variables. The scope of this study was limited in terms of the collection of data samples that only comes from industrial technology, as a result, it can limit generalization results to workers in other sectors. Thirdly, the study does not distinguish between different use of other types of flexible work arrangements. The use of flex time and flex place respectively is not measured in different measurements but measured together. Therefore, the results may not be applicable to specific FWA or workplace flexibility. This reduces the ability to distinguish between the use and effects of different types of flexible work arrangements.

This study can be enhanced by specifying the use of other types of FWA. The use of flextime and flexplace are not separated in measurement, but are measured together. Therefore, the results may not necessarily apply to other types of FWA or workplace flexibility. This reduces the ability to distinguish between the use and effects of the two types of FWA. To improve further research it is recommended to use a longitudinal research design and to do it on a larger sample. Further research might explore different types of FWA, in other industries, types of employees, and other aspects of workplace flexibility. It is important for researchers to understand the type of workplace environment that facilitates the employee engagement. Furthermore, Nguyen and Dang (2014) recommend examining more than three factors to measure employee performance. Considerably deeper research can be done on organizational culture that shapes the relationship between environment and employee performance cultural factors for a better understanding of the relationship to individual work outcomes (Diamantidis & Chatzoglou, 2019) the phenomenon of increased competition between firms and their need to respond effectively to rapidly changing operational conditions, as well as to personnel requirements, has escalated the necessity to identify those factors that affect employee performance (EP).

REFERENCES


Chi OH, Saldamlı A, Gursoy D. 2021. Impact of the


no12.1027