

**THE INFLUENCE OF FLEXIBLE WORKING ARRANGEMENTS ON  
TURNOVER INTENTION AND PRODUCTIVITY THROUGH JOB  
SATISFACTION ON THE MILLENNIAL GENERATION OF PRIVATE  
COMPANIES IN JAKARTA IN 2022****Rifqi Aziz\*, Parwoto, M. Ali Iqbal**

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**Abstract**

The COVID-19 pandemic has changed the pattern of human life, work, and significant changes for companies to survive. The most obvious change is in the situation where organizational activities begin to practice flexible working arrangements or flexible working arrangements. This study aims to analyze the effect of flexible working arrangements on productivity, job satisfaction, and turnover intention through a quantitative approach and the use of the Smart-PLS 3.2.9 application with 100 millennial generation employees in Jakarta. This study shows that flexible working arrangements significantly positively affect productivity and job satisfaction. Furthermore, job satisfaction has a positive effect on productivity. However, an anomaly was found in the effect of flexible working arrangements on turnover intention, which has a significant positive relationship. This is due to the company's lack of freedom in completing its work. Job satisfaction has no significant effect on turnover intention. In the indirect effect test, it is known that job satisfaction can mediate the effect of flexible working arrangements on productivity. Moreover, job satisfaction cannot mediate between flexible working arrangements and turnover intention.

**Keywords:** flexible working arrangement; turnover intention; job satisfaction; productivity; millennial generation

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**INTRODUCTION**

In 2019, the world community was shocked by the COVID-19 pandemic, which could infect almost all countries worldwide. This incident affects countries to lock down. This is useful so as not to spread the COVID-19 disease and start limiting people's activities and only working at home.

The trend of working from home is starting to stick and is almost used by many large companies. This phenomenon has become a civilizational shift towards office operations. Previously, employees were required to work in the office at a time determined by the company. A flexible working arrangement (FWA) is an option that

can be applied during the COVID-19 and post-COVID-19 pandemics.

Working Hours Survey recorded the responses from nearly 2,400 civil servants regarding their views on working hours and conditions and the impact of the COVID-19 pandemic on their work lives (FDA, 2021). The survey results show that 62% of employees choose to dress casually 1 day a week, 60% work remotely, 54% work flexibly. This shows that the trend to work flexibly is the most preferred choice besides casual clothes. This research also says that 83% of HR professionals predict that in the next five years, telecommuting will become commonplace for various organizations. As

many as 26% said that productivity increased by telecommuting. As much as 5% said there was an increase in employee attendance. This happened before the COVID-19 pandemic showed that telecommuting had become an option for employees.

Flexible work arrangements positively affected productivity because they were much more motivated because there was no direct attachment from their superiors (Pandiangan, 2018). Flexibility of working hours for female workers has a positive value on productivity, which means that if the company applies the flexibility of working hours, the productivity will be even better (Antiqka & Pradhanawati, 2017). Flexible work arrangements positively influence employee performance or productivity with high and dominating categories (Gunawan & Franksiska, 2020).

However, different from Boltz et al. (2020), flexibility does not always increase productivity. Part-time workers under a flexible schedule are statistically less productive than those with a regular full-time schedule. Rimadias (2019) suggests that work flexibility does not affect perceived productivity. Kattenbach et al. (2010) found that flexible work arrangements had a negative effect on employee performance. The application of Work From Home (WFH) faces challenges because apart from not all types of work can be done from home but also faced with obstacles such as work tools, coordination, disturbances from within the home such as housework taking care of children, problems network and so on (Waizenegger et al., 2020). Working in a shared space with other householders causes distraction and difficulty focusing on work tasks. These challenges pose a problem for some communities in dealing with these trends. It is also supported by the results of the Effect of Salary, Flexible Working Hours, and Work Stress on Employee Performance at Companies in Batam City. Flexible working hours significantly negatively affected employee performance (Fanda & Slamet, 2019). This means that the implementation of

flexible working hours provided by the company to employees does not provide good benefits for the company.

Fadhila and Wicaksana (2020) suggested that FWA, if applied in several cases, can be said to be effective with responses from employees who feel happy because they can freely manage work schedules. Several factors need special attention, namely, (1) gender factor, namely the workload of female and male employees, which is still considered burdensome to women; (2) factors for providing infrastructure and technology; (3) leadership factors with their relationship as a means of communication, coordination, and work patterns; (4) policy factors, where it is necessary to have applicable rules so that employees can achieve their performance; and (5) the factor of the type of work and position, where not all can apply FWA. On the other hand, there are obstacles to the application of FWA. Barriers that arise include (1) availability of workspace, technology infrastructure, and increased costs of using technology; (2) difficulty in determining the level of performance and productivity because there are still constraints in terms of real-time; (3) the emergence of a cultural shock to the use of technology, the responsibility to manage homework that can affect the stress level of employees, as well as the presence of interference from family members and can reduce concentration (4) the negative effect of FWA on the mental psychology of employees.

According to Wibisono (2017), the millennial generation is commonly referred to as generation Y, where this generation was born between 1980-2000 or aged between 19 years to 39 years (Wibisono, 2017). Hidayatullah in Meilinda, (2019) mentions the characteristics of the millennial generation, namely: 1) millennials trust user-generated content (UGC) more than unidirectional information, 2) they prefer smartphones over television, 3) they have social media, 4) they do not like reading

conventionally, 5) lack loyalty, but work effectively 6) conduct cashless transactions, 7) master or understand technology, 8) can take advantage of technology and information, 9) tend to be more lazy and consumptive. The following are the characteristics and values of work by the millennial generation according to [Sukoco et al. \(2020\)](#), namely: 1) wanting a varied job and there is an opportunity to develop. 2) want strong mentor support. 3) flexible work, adequate quality of work environment, and work-life balance. 4) have a sense of optimism, focus on achieving self-confidence, believe in moral and social values, respect diversity, work together, and be pragmatic in solving problems.

## METHOD

The research method used by the researcher is a quantitative method used to examine the population and sample through research instruments, as well as collect data and then analyze it statistically. The type of research used is experimental research to explain the causal relationship between one variable and another. Furthermore, the causal research design was chosen to test the hypothesis about the effect of one or several variables (independent variables) on other variables (dependent variables) ([Sugiyono, 2013](#)).

According to [Sugiyono \(2013\)](#), research variables are attributes, properties, or values of a person, object, or activity that have variations set by researchers to be studied and then drawn conclusions. There are four variables in this study, including:

### 1) Independent Variable (X)

This variable is often referred to as the independent variable that acts as a stimulus or predictor. The independent variable in the study is Flexible working arrangements [Carlson et al. \(2010\)](#) in [Wicaksono \(2019\)](#). Work flexibility is a formal policy set by resource management or informal arrangements related to flexibility in a company. Furthermore,

Carlson defines schedule flexibility as a flexible work arrangement which means choosing a place and time to work, formal or informal, to facilitate employee policy.

### 2) Intervening variable

This variable theoretically affects the relationship between the independent and dependent variables into an indirect relationship. This variable becomes an interrupting variable or is placed between the independent and dependent variables. The intervening variable in this study is job satisfaction. Robbins & Judge in ([Fadli & Oktariani, 2021](#)) 1) define job satisfaction as "Job satisfaction describes a positive feeling about a job, resulting from an evaluation of its characteristics." which is the result of the evaluation of its characteristics.

### 3) Dependent Variable (Y)

This variable is often referred to as the dependent variable influenced or the result of the independent variable. The dependent variables of this study are turnover intention and productivity.

a) According to [Elmi \(2018\)](#), the turnover intention is the exit of employees due to their desires. Turnover intention can be caused by several factors, including career opportunities, salary, supervision, geography, and personal or family reasons.

b) Productivity, according to [Panjaitan \(2017\)](#), describes the relationship between the number of goods that can be produced and the sources of labor, capital, and others used to produce these results. Productivity measures how productive a process is in producing a job.

The population in this study were all private and non-private employees and the millennial generation in Jakarta. This population is also based on the following characteristics:

**Table 1**  
**Population**

<b>Characteristics</b>	<b>Indicators</b>
Age	Less than 20 years
	20-25 years
	26-30 years
	31-35 years
	36-40 years
	More than 40 years
Sex	Male
	Female
Marital status	Single
	Married
Education background	Secondary School
	Diploma/ Bachelor
	Master/ doctoral
Work duration	Less than 1 year
	1-5 years
	6-10 years
	11-15 years
	16-20 years
	More than 20 years
Work policy implementation	Work from home (WFH)
	Work from office (WFO)
	WFH and WFO

The sample used in this study using purposive sampling was chosen because this technique determines the sample with certain considerations. In contrast, in this study, millennial generation employees in Jakarta are the considerations used as reference.

For the number of samples taken, because the current population is unknown, the researcher decided to determine the number of samples using the Lemeshow (2013) formula, which is as follows:

$$n = 0.9604/0.01$$

$$n = 96.04$$

Note:

n: Total Sample

z: Z score at 95% confidence = 1.96

p: maximum estimate = 0.5

d: alpha (0.10) or sampling error 10%

Based on this formula, it can be determined that the sample is 94 or rounded up to 100.

In the data collection method, researchers use several data sources. More details will be described as follows:

- 1) Primary data sources are obtained through questionnaires distributed to millennial employees in Jakarta.
- 2) Secondary data sources in this study were obtained indirectly through books, journals, and surveys conducted by official institutions whose discussions were directly related to the variables studied.

Data collection techniques were carried out through questionnaires distributed as primary data sources. In contrast, this study used literature and document review techniques as secondary data sources.

#### 1) Questionnaire

The questionnaire is a data collection technique that gives respondents a set of written statements to answer (Sugiyono, 2013). Questionnaires are used when there are large numbers of respondents and can reveal confidential matters. The scale used by researchers in preparing the questionnaire is a Likert. Sugiyono (2013) argues that the Likert measures attitudes, opinions, and perceptions of a person or group of people about social phenomena. The answer to each instrument item has a positive gradation. There are five weighting categories in the Likert as follows:

**Table 2**  
**Likert**

<b>Scale</b>	<b>Descriptions</b>	<b>Positive arguments</b>
1	Strongly agree	5
2	Agree	4
3	Uncertain	3
4	Disagree	2
5	Strongly disagree	1

Source: Sugiyono (2013)

#### 2) Documents

In this study, the collection of supporting data sources through documents related to research variables and matters related to research is carried out by reviewing literature books, journals, the internet, and articles that provide real

information regarding the development of Flexible working arrangements (FWA).

## Data Analysis Method

### 1) Descriptive Statistical Analysis

Descriptive statistical analysis is statistics used to analyze data by describing or describing data that has been collected as it is without intending to make conclusions that apply to the general public or generalizations (Sugiyono, 2013). The statistics used in this study are the mean, minimum, maximum, sum, standard deviation, and others. The variables of this study include flexible working arrangements, turnover intention, job satisfaction, and productivity.

### 2) Inferential Statistical Analysis

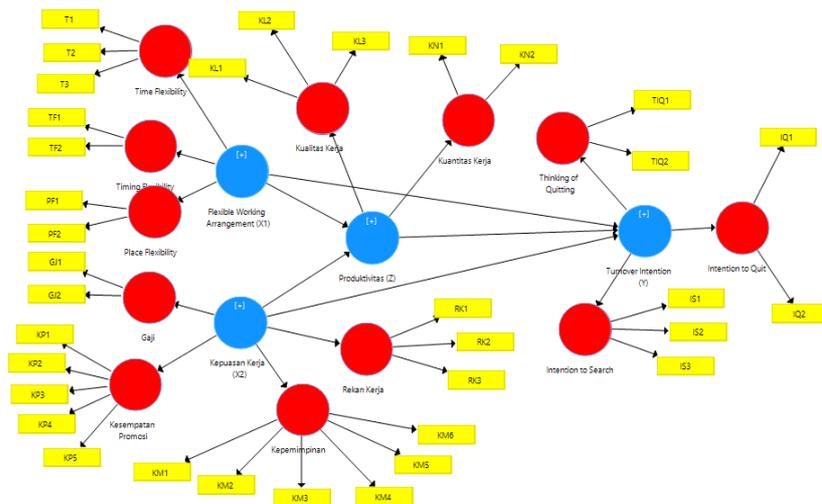
The data analysis technique used in this study is a structural equation model using the Smart-PLS program. This SEM-PLS method can carry out three activities simultaneously, namely checking the validity and reliability of the instrument (confirmatory factor analysis), testing the relationship model between variables (path analysis), and getting a suitable model for prediction (structural model and regression analysis) (Harahap, 2020). The use of PLS is because this program is better able to describe more complex relationships between variables.

#### a) Evaluation of the Measurement Model (outer model)

The outer model is a model that relates indicators to latent variables, which is also called a measurement

model (Harahap, 2020). Furthermore, the outer model with reflective indicators will be measured through convergent validity and discriminant validity, which will measure indicators for forming latent constructs and composite reliability and Cronbach alpha.

- 1) Convergent validity: Reflective indicators will be assessed based on the correlation between item-scored component scores and construct scores. Testing the validity of each indicator will be high if it correlates more than 0.70 with the construct to be measured (Ghazali & Latan, 2015). Even so, the validity of the numbers 0.5 to 0.6 can still be considered sufficient. However, if it is below 0.5, the indicator will be removed.
- 2) Discriminant validity: testing is done by looking at the cross-loading between indicators and constructs. Another way to be used is to compare the square root of the AVE (average variance extracted). The recommended AVE value is greater than 0.50.
- 3) Composite reliability: This reliability measurement can be done in two ways: Cronbach's Alpha and Composite Reliability. The construct is considered to have good or consistent reliability if all variables in the study have a reliability  $> 0.7$  and Cronbach's Alpha  $> 0.6$ .



**Figure 1. Outer Research Model**  
Source: Outer Model SMART-PLS (2021)

**b) Evaluation of Structural Model (inner model)**

A structural model test was conducted to analyze the relationship between exogenous and endogenous variables. This test consists of two stages: the determinant coefficient test R Square ( $R^2$ ) and hypothesis testing.

**1) Coefficient of Determination Test ( $R^2$ )**

According to Ghazali and Latan (2015), The  $R^2$  test a coefficient that explains how much the dependent variable can be explained by the independent variables together. The greater the value of  $R^2$  indicates, the better the model can explain the dependent variable. A value close to one means that the independent variables provide almost all the information needed to predict the variation of the dependent variable.

**2) Structural Model Validation with Goodness of Fit (GoF)**

This test was conducted to validate the combined performance of the measurement model and the structural model that had been

carried out previously. The GoF calculation is as follows:

$$i. \text{GoF} = \sqrt{\text{AVE} \times R^2}$$

The criteria for the value of the GoF calculation are 0.10 (GoF small), 0.25 (GoF medium), and 0.36 (GoF large).

In addition, there is a Q-Square predictive relevance to measure how well the value generated by the model is. Q-square value  $> 0$  indicates that the model has predictive relevance. In contrast, the value of Q-Square 0 indicates that the model lacks predictive relevance. The formula for calculating Q-square is:

$$ii. Q^2 = 1 - (1 - R1^2)(1 - R2^2) \dots (1 - Rp^2)$$

Where:  $R1^2, R2^2 \dots Rp^2$  is the R-square variable endogenous in the equation model. The magnitude of  $Q^2$  has a value with a range of  $0 < Q^2 < 1$ , which means the model is getting better if the value is getting closer to 1. The quantity of  $Q^2$  is equivalent to the coefficient of total determination in path analysis.

In addition, the coefficient of determination in each dependent variable is evaluated by looking at the percentage of variance that has been described. If the value of  $R^2$  is  $0.25 - 0.50$ , then the value of the coefficient of determination is weak,  $0.50 - 0.75$  means moderate, and  $0.75$  and above means substantial.

### 3) Hypothesis Testing

Hypothesis testing using SmartPLS can be seen from the Path Coefficient value, namely the t-statistic value of the relationship between variables in the study. The t-test using the formula or SmartPLS is seen from the comparison between the t-test value and the value in the t table.

If  $P\text{-Values} > 0.05$  or  $t \text{ count} < t \text{ table}$ ,  $H_0$  is accepted, and  $H_a$  is rejected. However, if  $P\text{-Values} < 0.05$  or  $t \text{ count} > t \text{ table}$ ,  $H_0$  is rejected, and  $H_a$  is accepted.

### 4) Direct Effect Test between Variables

Test the direct influence hypothesis can use the T-test. The t-test procedure used is bootstrapping.

Bootstrapping is used to see if there is a significant relationship between the observed variables. The criteria for accepting or rejecting the hypothesis are that  $H_a$  is accepted and  $H_0$  is rejected when the t-statistic shows  $> 1.96$ , and to reject or accept the hypothesis using a probability value, and then  $H_a$  will be accepted if the p-value  $< 0.05$ .

## RESULTS AND DISCUSSION

This study only focused on millennial employees who worked flexibly in Jakarta. The total number of respondents was 117 respondents. However, researchers will focus on millennial generation employees who have

worked flexibly and are domiciled in Jakarta. From 117 respondents, researchers got 100 respondents according to the desired criteria: having worked flexibly, domiciled in Jakarta, and in the millennial age range. Based on the results of distributing questionnaires, 12 percent have worked in a compressed workweek, have worked flexitime by 23 percent, have worked remotely (WFH, WFA), which is 45 percent, has worked part-time by 7 percent, the rest are 13 percent who work in combination. Percent. Based on the results of distributing questionnaires to 100 employee respondents who work flexibly, it can be seen that the description of the characteristics of respondents and researchers grouping based on age, gender, marital status, years of service, and last education of respondents is as follows:

**Table 3**  
Number of Respondents Based on Gender

Gender	Total	Percentage
Male	42	42%
Female	58	58%
<b>Total</b>	100	100%

Source: Primary Data by the researcher 2022

Based on table 3, it can be seen that the employees surveyed who have worked flexibly in Jakarta can be classified into 4 groups because the researcher only uses the population of the millennial generation, namely the range of years of birth from 1984 to 1991. The survey can be classified as the age of 20-30 years, which is 66%, 30-41 years old, as much as 30%, and 41-50 years old, as much as 4%. Here are the detailed data:

**Table 4**  
Number of Respondents by Age

Age of Respondents	Total	Percentage
20 - 30 years	66	66%
31 - 40 years	34	34%
<b>Total</b>	100	100%

Source: Primary Data by researchers 2022

Based on table 4, it can be seen that the surveyed employees who have worked flexibly in Jakarta can be classified into There are two marital statuses, namely single and married. The number of respondents whose status is single is 58%, and the number of respondents with married status is 42%.

**Table 5**  
**Number of Respondents Based on Marital Status**

Status	Total	Percentage
Single	58	58%
Married	42	42%
<b>Total</b>	<b>100</b>	<b>100%</b>

Source: Primary Data obtained by researchers 2022

Based on table 5, it can be seen that the surveyed employees who have worked flexibly in Jakarta can be classified into four. Namely, the number of Diploma respondents was 17%, undergraduate respondents were 53%, master respondents were 5%, and SMA or equivalent was 25%.

**Table 6**  
**Number of Respondents Based on Last**

Education background	Total	Percentage
Diploma	17	17%
Master	5	5%
Bachelor	53	53%

Education background	Total	Percentage
High School or equivalent	25	25%
<b>Total</b>	<b>100</b>	<b>100%</b>

Source: Primary Data obtained by researchers 2022

Based on table 6, it can be seen that respondents based on length of work can be divided into 4 classifications. Working less than 1 year as many as 16%, working 1-5 years as much as 61%, 6-10 years as much as 14% and more than 10 years as many as 9% of the total respondents.

**Table 7**  
**Length of work in the company**

Work duration	Total	Percentage
1 - 5 years	61	61%
6 - 10 years	14	14%
Less than 1 year	16	16%
more than 10 years	9	9%
<b>Total</b>	<b>100</b>	<b>100%</b>

Source: Primary Data by researchers 2022

Validity testing is carried out through two stages, namely testing, convergent validity, and discriminant validity.

### 1. Convergent Validity

The results of the validation test are shown in the following figures and tables:

**Table 8**  
**Loading Factor Value**

Variable	Dimension	Code Item	Outer Loading Value	Terms	Description
<b>Flexible Working Arrangement</b>	Time Flexibility (T)	T1	0.866	> 0.7	<b>Valid</b>
		T2	0.815	> 0.7	<b>Valid</b>
		T3	0.849	> 0.7	<b>Valid</b>
	Timing Flexibility (TF)	TF1	0.812	> 0.7	<b>Valid</b>
		TF2	0.806	> 0.7	<b>Valid</b>
		TF3	0.716	> 0.7	<b>Valid</b>
		PF1	0.901	> 0.7	<b>Valid</b>
	Place Flexibility (PF)	PF2	0.905	> 0.7	<b>Valid</b>
		<b>Job Satisfaction</b>	Salary	GJ1	0.919
GJ2	0.930			> 0.7	<b>Valid</b>
Promotion opportunity	KP1		0.866	> 0.7	<b>Valid</b>
	KP2		0.844	> 0.7	<b>Valid</b>

Variable	Dimension	Code Item	Outer Loading Value	Terms	Description	
	(KP)	KP3	0.831	> 0.7	Valid	
		KP4	0.878	> 0.7	Valid	
		KP5	0.838	> 0.7	Valid	
	Leadership (KM)	Leadership (KM)	KM1	0.771	> 0.7	Valid
			KM2	0.864	> 0.7	Valid
			KM3	0.874	> 0.7	Valid
			KM4	0.810	> 0.7	Valid
			KM5	0.798	> 0.7	Valid
			KM6	0.830	> 0.7	Valid
	Colleagues (RK)	Colleagues (RK)	RK1	0.924	> 0.7	Valid
			RK2	0.931	> 0.7	Valid
			RK3	0.900	> 0.7	Valid
Productivity	Job Quality (KL)	KL1	0.895	> 0.7	Valid	
		KL2	0.847	> 0.7	Valid	
		KL3	0.919	> 0.7	Valid	
	Work Quality (KN)	KN1	0.938	> 0.7	Valid	
		KN2	0.941	> 0.7	Valid	
Turnover Intention	Thinking of Quitting (TIQ)	TIQ1	0.872	> 0.7	Valid	
		TIQ2	0.856	> 0.7	Valid	
	Intention to Quit (IQ)	IQ1	0.905	> 0.7	Valid	
		IQ2	0.900	> 0.7	Valid	
	Intention to Search Alternatives (IS)	IS1	0.793	> 0.7	Valid	
		IS2	0.704	> 0.7	Valid	
		IS3	0.760	> 0.7	Valid	

Source: The results of the analysis using Smart-Pls 3.3.9

**Table 9**  
**AVE Value Research Model**

Variable	Dimension	AVE Value	AVE Value
Flexible Working Arrangement (X)	Time Flexibility (T)	0.712	0.507
	Timing Flexibility (TF)	0.607	
	Place Flexibility (PF)	0.815	
Turnover Intention (Y1)	Thinking of Quitting (TIQ)	0.746	0.555
	Intention to Quit (IQ)	0.814	
	Intention to Search Alternatives (IS)	0.568	
Job Satisfaction (Y2)	Salary (GJ)	0.854	0.575
	Leadership (KM)	0.681	
	Colleagues (RK)	0.844	
	Promotion Opportunity (KP)	0.725	
Productivity (Y3)	Quality (KL)	0.788	0.783
	Quantity (KN)	0.883	

Source: Results of analysis using Smart-Pls 3.3.9

**Table 10**  
**Value of Composite Reliability and Cronbach's Alpha**

Variable	Composite Reliability	Terms	Cronbach's Alpha	Terms	Description
Flexible Working Arrangement	0.891	> 0.7	0.859	> 0.6	Reliable
Turnover Intention	0.896	> 0.7	0.864	> 0.6	Reliable
Job Satisfaction	0.956	> 0.7	0.9950	> 0.6	Reliable

Variable	Composite Reliability	Terms	Cronbach's Alpha	Terms	Description
Productivity	0.948	> 0.7	0.931	> 0.6	Reliable

Source: Results of analysis using Smart-PLs 3.3.9

**Table 11**  
**Average Value of AVE**

	AVE	Description
Flexible Working Arrangement	0.507	Valid
Turnover Intention	0.555	Valid
Job Satisfaction	0.575	Valid
Productivity	0.783	Valid
Average AVE	0.605	

**Table 12**  
**Average R Square**

	R Square
Productivity	0.519
Job Satisfaction	0.184
Turnover Intention	0.128
Average R Square	0.277

Based on the table above, the GoF value can be calculated as follows:

$$GoF =$$

$$GoF =$$

$$GoF =$$

$$GoF = 0.40$$

As a result, based on the results of the GoF calculation above, it can be seen that the GoF value > 0.38, so it is included in the good category, namely 0.4.

testing Goodness of fit can also be done by calculating the predictive relevance value (Q2) with the formula:

$$Q^2 = 1 - (1 - R1^2) (1 - R2^2) \dots (1 - Rp^2)$$

$$= 1 - (1 - 0.519)(1 - 0.184)(1 - 0.128)$$

$$Q^2 = 1 - (0.481 \times 0.816 \times 0.872)$$

$$Q^2 = 1 - 0.342$$

$$Q^2 = 0.658$$

**Figure 2. Significance Test with SmartPLS 3.3.9**

**Table 13**  
**Path Coefficient, t-statistics, and P-values**

Relationship between construct	Original Sample (O)	T Statistic	P Values	Description
<b>Direct Influence</b>				
Flexible Working Arrangement > Productivity	0.584	6.609	0.000	Significantly positive influence
Flexible Working Arrangement > Job Satisfaction	0.435	4.223	0.000	Significantly positive influence
Flexible Working Arrangement > Turnover Intention	0.255	2.217	0.027	Significantly positive influence
Job Satisfaction > Turnover Intention	0.174	1.614	0.107	No significant positive influence
Job Satisfaction > Productivity	0.236	2.745	0.006	Significantly positive influence
<b>Indirect Influence</b>				
Flexible Working Arrangement > Job Satisfaction > Productivity	0.103	2.386	0.017	Significantly positive influence

Relationship between construct	Original Sample (O)	T Statistic	P Values	Description
Flexible Working Arrangement > Job Satisfaction > Turnover Intention	0.075	1.451	0.147	No significant positive influence

Source: The results of the analysis using Smart-PLS 3.3.9

Furthermore, a more detailed discussion of the hypothesis will be described in the narrative below:

1. Hypothesis 1: Flexible working arrangement has a significant positive effect on productivity.

Based on the hypothesis test results shown in table 13, it is known that the statistical t value of the flexible working arrangement has a significant positive effect on productivity is 6609, which is greater than the value of t table = 1.67. Likewise, the P-values of 0.000, which is smaller than = 0.05. The coefficient is positive 0.584, which means that the flexible working arrangement significantly positively affects the productivity variable of 58.4%. So it can be said that the hypothesis statement H1, which reads "flexible working arrangement has a significant positive effect on productivity," is accepted.

2. Hypothesis 2: Flexible working arrangements significantly positively affect job satisfaction.

Based on the hypothesis test results shown in table 13, it is known that the t-statistical value of the effect of flexible working arrangement on work is 4.223, which is greater than the value of t table = 1.67. Likewise, the P-values of 0.000, which is smaller than = 0.05. The coefficient is positive at 0.435, which means that the flexible working arrangement significantly positively affects the job satisfaction variable by 43.5%. So it can be said that the hypothesis statement H2, which reads "flexible working arrangement has a significant positive effect on job satisfaction," is accepted.

3. Hypothesis 3: Flexible working arrangement significantly negatively affects turnover intention.

Based on the hypothesis test results shown in table 13, it is known that the statistical t-value for the effect of flexible working arrangements on turnover intention is 2.217, which is greater than the t-table value = 1.67. Likewise, the P-values of 0.027, which is greater than = 0.05. The coefficient is positive at 0.255, which means that the flexible working arrangement significantly positively affects the turnover intention of 25.5%. So it can be said that the hypothesis statement H3, which reads "flexible working arrangement has a significant negative effect on turnover intention," is rejected.

4. Hypothesis 4: Job satisfaction has a significant positive effect on productivity.

Based on the results of the hypothesis test shown in table 13, it is known that the statistical t value on the effect of job satisfaction on productivity is 2,745, which is greater than the value of t table = 1.67. Likewise, P-values of 0.006, which is greater than = 0.05. The coefficient is positive at 0.236, which means that job satisfaction has a significant positive effect on the productivity variable of 23.6%. So it can be said that the hypothesis statement H4, which reads "Job satisfaction has a significant negative effect on productivity," is accepted.

5. Hypothesis 5: Job satisfaction has a significant negative effect on turnover intention.

Based on the results of the hypothesis test shown in table 13, it is known that the statistical t value on the

effect of job satisfaction on turnover intention is 1.614, which is smaller than the value of  $t_{table} = 1.67$ . Likewise, the P-values of 0.107, which is greater than  $= 0.05$ . The coefficient is positive at 0.174, which means that job satisfaction positively affects the turnover intention of 17.4%. So it can be said that the hypothesis statement H5, which reads "job satisfaction has a significant negative effect on turnover intention," is rejected.

6. Hypothesis 6: Flexible working arrangements significantly positively affect productivity through job satisfaction.

Based on the hypothesis test results shown in table 13, it is known that the statistical  $t$  value of the effect of flexible working arrangement on productivity through job satisfaction is 2,386, which is greater than the  $t_{table} = 1.67$ . Likewise, the P-values of 0.017 is smaller than  $= 0.05$ . The coefficient is positive at 0.103, which means that the flexible working arrangement significantly positively affects productivity through job satisfaction of 10.3%. So it can be said that the hypothesis statement H6, which reads "flexible working arrangement has a significant positive effect on productivity through job satisfaction," is accepted.

7. Hypothesis 7: Flexible working arrangement significantly negatively affects turnover intention through job satisfaction.

Based on the hypothesis test results shown in table 13, it is known that the statistical  $t$  value on the effect of job satisfaction on turnover intention through productivity is 1,451, which is smaller than the value of  $t_{table} = 1.67$ . Likewise, the P-values of 0.147, which is greater than  $= 0.05$ . The coefficient is positive at 0.075, which means that the flexible working arrangement positively affects turnover intention through job satisfaction of 7.5%. So it can be said that the hypothesis statement H7, which reads "flexible working arrangement has a significant

negative effect on turnover intention through job satisfaction," is rejected.

Based on the results of hypothesis testing that have been carried out, it can be explained as follows:

1. Effect of Flexible Working Arrangement on Productivity

Hypothesis 1 in this study states that flexible working arrangement (FWA) has a significant positive effect on productivity, and this hypothesis is accepted. The acceptance of this hypothesis is in line with the results of previous research conducted by In a journal (Pandiangan, 2018). It was found that a flexible work arrangement positively affected productivity because they were much more motivated. After all, there was no direct attachment from their superiors. Flexibility of working hours for female workers has a positive value on productivity, which means that if the company applies the flexibility of working hours, the productivity will be even better (Antiqka & Pradhanawati, 2017). According to (Gunawan & Franksiska, 2020), flexible work arrangements positively influence the performance of employees with high and dominating categories.

Furthermore, this study also states that having FWA can make employees work better because they can manage their working hours. In addition, the freer factor without superiors' orders makes employees free to increase their work productivity.

2. Effect of Flexible Working Arrangement on Job Satisfaction

Hypothesis 2 in this study states that flexible working arrangements significantly positively affect job satisfaction, and this hypothesis is accepted. The acceptance of this hypothesis is in line with the results of the journal (Aziz-Ur-Rehman & Siddiqui, 2019) that flexible work arrangements

significantly impact the work-life balance and job satisfaction of employees at Karachi State University Pakistan. Although flexible arrangements have been associated with other constructs such as productivity, organizational commitment, intention to leave work, or job involvement, it is shown that these effects are strong and have a positive relationship. Thus, work-life balance is a full mediator between flexible work arrangements and job satisfaction. The journal includes flexible work arrangements, work-life balance, job satisfaction, and employee loyalty (Stefanie et al., 2020). Flexible working hours affect job satisfaction because respondents have a result orientation and encourage communication with others and workload variations. Rimadias (2019) say that teleworking is a strategy to overcome excessive workloads and be free from fixed and temporal work schedules, which strengthens other flexible performance outcomes in the company. Work flexibility is the ability of employees to control the duration and time of work and the work location provided by the company (Shagvaliyeva & Yazdanifard, 2014).

Generation Y or millennials emphasize the benefits of FWA, such as increased work efficiency, stress reduction, positive health effects, and positive health impacts. Furthermore, in this study, the freedom factor without direct orders from superiors influences their job satisfaction. Nakrošienė et al. (2019) revealed that working from home can hone employees' time planning skills, helping them spend more time being close to their families. A study by Beauregard Mallett et al. (2020) shows that 75% of employees who implement Work From Home believe that their productivity is higher at home than in the office. A positive relationship between working hours at home and work and life satisfaction (Mallett et al., 2020). There is

a negative relationship between fatigue and stress. This fact explains that employees are likelier to feel happy if they implement a Work From Home work system. Besides being able to manage their time easily, it is also closely related to work productivity compared to working in an office. So it can be said that, overall, for those who work from home, the results are mostly positive, with employees and employers alike finding more or less equal productivity than if work was completed in a more traditional setting (Beck & Hensher, 2020).

### 3. Effect of Flexible Working Arrangement on Turnover Intention

Hypothesis 3 in the study states that flexible working arrangement (FWA) has a significant positive effect on turnover intention, and this hypothesis is rejected. The rejection of this hypothesis is not in line with the results of previous studies conducted by research Abednego et al. (2015) which showed that schedule flexibility had a significant negative effect on turnover intention. Is applied schedule flexibility, the higher the employee satisfaction and the lower the level of turnover intention. The journal proves that flexible working arrangements applied to an organization can reduce the level of turnover intention. According to Almer and Kaplan (2002), participants with flexible working hours will have a stronger desire to stay in the company than participants who work standard working hours, and the conflict experienced is also lower. However, in this study, an anomaly occurred in previous studies. This is due to the place flexibility factor.

The most dominant factor is that employees feel free because there is no direct order from their superiors. This does not satisfy employees because the weakest factor is the lack of freedom in choosing where to complete their work. This means that the company provides freedom of time and duration of work to

employees in completing their work. However, the company does not provide freedom in various places to complete their work. This is because, in this study, many employees were already working in the office. After all, the pandemic had subsided. Millennial generation employees carry out turnover intention because they feel that their needs cannot be met at work, compensation that is not following expectations, bad environment, and unsatisfactory any assistance needed to complete the work (Ria et al., 2021).

#### 4. The Effect of Job Satisfaction on Productivity

Hypothesis 4 in this study states that job satisfaction has a significant positive effect on productivity, and this hypothesis is accepted. The acceptance of this hypothesis is in line with previous research Narpati et al. (2020) from the discussion in his journal that job satisfaction has a significant positive effect on work productivity. If there is an increase in job satisfaction, there will be an increase in work productivity. Pratiwi and Widiyanto (2018) explains that a person's high income or wages will make the workforce more productive because the workforce is not disappointed with the efforts made to get the appropriate results. Robbins and Judge (2015) explain that "job satisfaction is a positive feeling about work, resulting from an evaluation of its characteristics." This means that someone with high job satisfaction has positive feelings about work.

In contrast, someone with a low level has negative feelings. A person with job satisfaction or a happier worker is more likely to be productive (Robbins & Judge, 2015). Robbins' statement is also supported by the results of research conducted by (Adiwinata, 2014), showing that job satisfaction significantly affects employee productivity.

Furthermore, the highest factor is that superiors provide clear directions so

that employees given tasks by their superiors can complete tasks according to the quantity and quality determined by the organization.

#### 5. The Effect of Job Satisfaction on Turnover Intention

Hypothesis 5 in this study states that job satisfaction has a positive effect on turnover intention, and this hypothesis is rejected. The rejection of this hypothesis is not in line with the results of previous research. Evaluation of various alternative jobs will ultimately result in turnover because individuals who choose to leave the organization will expect more satisfactory results elsewhere (Yuda & Ardana, 2017). Job satisfaction has an insignificant negative effect on turnover intention (Witasari, 2009). These results prove that there are still many millennial employees in Jakarta who are not satisfied with their work but are not yet willing to leave their jobs. These satisfied employees never rule out the possibility of leaving work and looking for work elsewhere. On the other hand, employees dissatisfied with their current job do not immediately have the intention or desire to leave their jobs.

Furthermore, this study shows that the two variables between job satisfaction and turnover intention cannot explain the relationship between variables. The results of this study support research findings (Ramoo et al., 2013; Tarigan & Ariani, 2015), which state that job satisfaction does not affect the intention to leave. This can be seen from the data that some employees claim their job satisfaction has been fulfilled. Some other employees feel quite comfortable and get enough results to work in the company but still have the desire to move from the company. In addition, according to Amin and Rahmiati (2018) in (Gayatri & Muttaqiyathun, 2020) that the millennial generation seeking job satisfaction can be obtained not only in one company, but personal satisfaction

that can be obtained from several companies dynamically continues to change so that can accelerate their personal and career growth rapidly, where they are always looking for opportunities to excel and are very concerned about professional development.

#### 6. Effect of Flexible Working Arrangement on Productivity through Job Satisfaction

Hypothesis 6 in this study states that flexible working arrangements significantly positively affect productivity through job satisfaction, and this hypothesis is accepted. This study proves that FWA can partially mediate job satisfaction to productivity. The acceptance of the hypothesis is in line with the journal (Nugroho & Hasanah, 2022). The results of the analysis and discussion in the journal result that job satisfaction has a positive and significant impact on employee work productivity when working from home. Job satisfaction felt by employees can increase their work productivity. The more satisfied employees are, the more productive employees will be. Furthermore, in this study, the freedom felt by employees when working anywhere makes them more satisfied at work and increases employee productivity.

#### 7. Effect of Flexible Working Arrangement on Turnover Intention through Job Satisfaction

Hypothesis 7 states that flexible working arrangement has a positive effect on turnover intention through job satisfaction, and this hypothesis is rejected. This hypothesis is rejected because there is no evidence of the significance of job satisfaction in mediating the effect of flexible working arrangements on turnover intention. This is possible because the data collected cannot explain the mediating role of job satisfaction.

This is possible because the respondents chosen by the researchers are millennials in Jakarta, where they feel that

their needs at work cannot be fulfilled. There is no help needed in completing their work. This is supported by Schaefer's research (2017) in (Putro et al., 2020) which reveals that millennial generation employees carry out turnover intention because they feel that their needs at work cannot be fulfilled, compensation that is not in line with expectations, and bad environment, and the absence of assistance.

### CONCLUSION

A flexible working arrangement (FWA) positively affects the employee productivity of millennials in Jakarta. The factor without direct orders from superiors is the most dominant in productivity. Employees feel free because they can express their current job. Thus, it can bring up ideas, innovations, and ideas that can increase productivity.

A flexible working arrangement (FWA) significantly positively affects job satisfaction. The most important factor of this influence is where the freedom factor in responding to job satisfaction is the most decisive: working flexibly can have an effect. Freedom without direct orders from superiors is the most dominant factor. Employees feel satisfaction because there is no strict supervision by their superiors.

A flexible working arrangement positively influences the turnover intention of the millennial generation in Jakarta. FWA does not specify employees, reducing them not to leave their current job. The most decisive factor is the freedom to choose the place of work. However, employees are given the freedom to work. However, employees are already thinking of looking for another job despite the office's policy of giving them the freedom to work flexibly.

Job satisfaction has a positive effect on productivity. If there is an increase in job satisfaction, there will be an increase in work productivity. It seems that job satisfaction can have a positive effect on productivity. Employee happiness will result in productivity,

and work quality and quantity can be increased.

Job satisfaction does not affect turnover intention. Evaluation of various alternative jobs will ultimately result in turnover because individuals who choose to leave the organization will expect more satisfactory results elsewhere. Job satisfaction can reduce the level of turnover intention in a company. However, it is possible that employees who feel job satisfaction to leave work and look for work elsewhere if they get a better job at this time. On the other hand, employees dissatisfied with their current job do not immediately have the intention or desire to leave their jobs. The co-worker factor is the main thing for the dissatisfaction that occurs. Although other satisfactions have been met, co-workers are a synergy in determining job satisfaction faced by employees.

A flexible working arrangement (FWA) significantly positively affects productivity through job satisfaction. FWA, through job satisfaction, can lead to higher productivity. The freedom expected by millennials in Jakarta is to have freedom without direct orders from superiors. This is an important factor so that there is no distraction when employees are focused on doing a job. Job satisfaction will also be increasingly influential in increasing productivity. The main factor is leadership, where the leader can receive suggestions from subordinates to achieve what employees want for their work.

Job satisfaction cannot mediate the effect of a Flexible working arrangement on turnover intention. Researchers feel that millennial generation employees in Jakarta cannot fulfill their needs at work.

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