UNIVERSITI TEKNOLOGI MARA

THE IMPACT OF FLEXIBLE WORKING ARRANGEMENTS ON MENTAL HEALTH, WELL-BEING AND PRODUCTIVITY OF MILLENNIALS IN MALAYSIA

NUR ZAFIRA AKMA BINTI ROZLAN

MSc

July 2021

AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research

Name of Student : Nur Zafira Akma Binti Rozlan

Student I.D. No. : 2019816688

Programme : Master of Science (Business and Management) – BA750

Faculty : Business and Management

Thesis Title : The Impact of Flexible Working Arrangements on Mental

Health, Well-Being and Productivity of Millennials in

Malaysia.

Signature of Student

Date : July 2021

ABSTRACT

In Malaysia, millennials make up about half of the workforce in 2020 and the number is expected to increase tremendously in the coming years. However, millennials in Malaysia are struggling with reduced well-being and mental health issues like anxiety and depression, which eventually mount to the heavy cost of lost productivity and may burden the national economy in the long run. In the context of work, majority of the millennials are encumbered with rigid working arrangements and low job control at the workplace, which contribute towards poor mental health, reduced well-being and low productivity. The implementation of flexible working arrangements (FWAs) provides a degree of control to the employees to decide their working arrangements in terms of time, place and method of working, hence increasing the autonomy of the employees. The main objective of this study is to examine the impact of flexible working arrangements (FWAs) on millennials mental health, well-being and productivity. A quantitative approach was conducted using a self-administered questionnaire that was distributed via Google Form to Malaysian employees, who were born in between 1981 and 1996 (25 to 40 years old in 2021), and work in the services sector. A usable sample of 394 was analysed using the Partial Least Square-Structural Equation Modelling (PLS-SEM) technique and Statistical Package for Social Science (SPSS). Based on the research questions, three core findings have been derived as follows: 1) gender, marital status and caring duties have an effect on mental health of millennials in Malaysia; 2) FWAs positively influence mental health, well-being and productivity of millennials in Malaysia; 3) autonomy mediates the relationship between FWAs, mental health, well-being and productivity. This study has contributed towards the enrichment of Self-Determination Theory at the Workplace. Since the implementation of FWAs in Malaysia is a matter of 'when' rather than 'if', this study will be able to guide the organizations and government in developing the FWAs policy, especially in the age of post COVID-19, where flexibility is considered a necessity rather than a luxury.

Keywords: Flexible Working Arrangements (FWAs), millennials, mental health, well-being, productivity, autonomy

ACKNOWLEDGEMENT

All praise to Him. This research commenced back in October 2019, right before COVID-19 hit the world. To the very least, every progress of this thesis was carried out against time, as uncertainty of the future slowly burdening the global community including me. If this thesis was a person, it has witnessed the unfolding of one of the greatest pandemic in the history of mankind.

Putting the fear aside, I took baby steps with continuous guidelines from my supervisor, Professor Dr Geetha Subramaniam. She has been with me since day one, and always believed in me and pushed me out of my comfort zone. Looking back, I could never believed I completed a research, wrote a thesis, presented papers and published articles as well as a book chapter, in the middle of a pandemic! I could have never done these without her.

And of course, I could have never been here in the first place, without the love and support that I have from my dearest parents (Ibu, Ayah, Mama and Baba), who firstly introduced me to this opportunity, and who pushed me to do my work to make sure I kept to my timeline.

One of the biggest hurdle in my research was to find enough respondents, so my family (Family Tok Hassan, Family Atuk Sulaiman, Anak Cucu Mek) and friends (especially my best friends, Norhashimah and Noor Afifa) went beyond their way to make sure I got enough respondents in such a short span of time. I was totally grateful.

Those sleepless nights, thinking about the research were never really lonely nights, because I have my little buddy, Nik Nuha, who always accompanied me. I hope she will find this work an inspiration for her to pursue her dream.

Finally, heartfelt appreciation and love goes to the man who has always been with me through thick and thin, who has always been listening to my endless challenges and who did everything in his capacity to make sure I had the space and time to do my work. My husband, Nik Amirul Hakim, was the reason I am still here, and has been the main source of my motivation leading to the completion of this exciting journey successfully.

Alhamdulillah.

TABLE OF CONTENTS

	Page
CONFIRMATION BY PANEL OF EXAMINERS	ii
AUTHOR'S DECLARATION	iii
ABSTRACT	iv
ACKNOWLEDGEMENT	\mathbf{v}
TABLE OF CONTENTS	vi
LIST OF TABLES	vii
LIST OF FIGURES	viii
LIST OF ABBREVIATIONS	xi
CHAPTER ONE: INTRODUCTION	1
1.1 Introduction	1
1.2 Background of the Study	1
1.3 Problem Statement	12
1.4 Research Questions	14
1.5 Research Objectives	14
1.6 Scope of the Study	15
1.7 Significance of the Study	15
1.8 Definition of the Terms	16
1.9 Organization of Thesis	19
1.10 Summary of the Chapter	20
CHAPTER TWO: LITERATURE REVIEW	21
2.1 Introduction	21
2.2 Theories	21
2.3 PERMA model	26
2.4 Flexible Working Arrangements	27
2.4.1 Definition of Flexible Working Arrangements	27
2.4.2 Types of Flexible Working Arrangements	28
2.4.3 FWAs and Demographic Factors	29
2.5 Demographic Factors and Mental Health	33