AN ANALYSIS OF FLEXIBLE WORKING ARRANGEMENTS IN SRI LANKAN IT ORGANIZATIONS

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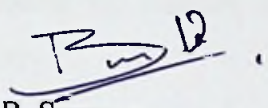
DECLARATION

I confirm that, except where indicated through the proper use of citations and references, this is my own original work. I confirm that, subject to final approval by the Board of Examinations of the University of Moratuwa, a copy of this Dissertation may be placed upon the shelves of the library of the University of Moratuwa and may be circulated as required.



27/02/2013

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To the best of my knowledge the above particulars are correct.

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ABSTRACT

Productivity is an important factor for an organizations survival. Organizations do a lot of things to improve employee productivity in order to gain maximum profits. This is no different in Software Development organizations. Software organizations differ from other organizations because they are totally dependent on the mental ability of software engineers. Therefore common productivity improvements such as increasing the number of units created per hour are not feasible for the software industry

However, currently there is a growing trend towards offering flexible working arrangements to employees around the world. Flexible working arrangement (FWA) simply means flexibility to choose how an employee chooses to work and when to work. Research done in western countries shows that FWA has an impact on employee productivity. But there are very few studies that can be found which focused on Asian organizations.

There are many flexible working arrangements in existence throughout the world, but this research is focused only on four practices which are commonly used in Sri Lankan organizations. These were determined using a pre-survey. The main focus of this research was to investigate the relationship between flexible working arrangements and employee productivity and thereby determine how a company could align their business strategy to gain maximum productivity while providing their employees a family friendly working environment. There are very few studies done on this subject and this research is intended to fill the gap.

The research model is based on an extension of the general productivity model by Seppo Sari (2006) and Service Productivity model by Jonas R (2006). Using this framework it is easy to map software engineers' productivity as a combination of quantity, quality and how it can be related to flexible working arrangements in the Sri Lankan context.

There are four main flexible working practices used in this research. Namely Flextime, Telecommuting, Part-time Work, and Compressed Work-week. These are tested against two productivity measurements, 1) Quantity, which can be determined by Source lines of code, number of bugs fixed, and CR functionality completed. 2) Quality, which can be determined by number of bugs introduced, comments and documentation, and reusability of the software code.

According to the analysis results, the most commonly used flexible working arrangements are Flextime and Telecommuting. The popularity of Compressed Work Week and Part-time are below average with a usage percentage of around 40.

The result of this research show that Flextime and Telecommuting increase the quantity of the software delivered. It also reveals that the flexible working arrangements such as Part-time and Compressed Work Week improve the quality of the software delivery.

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