

# **HUMAN RESOURCE FLEXIBILITY AND PERFORMANCE OF SELECTED DEPOSIT MONEY BANKS IN NIGERIA**

**MGBEMENA IJEAMAKA CHARITY**

Nnamdi Azikiwe University, Awka  
ic.mgbemena@unizik.edu.ng

**YUSUF -HABEEB MUNIRAT**

University of Abuja, F.C.T.  
muniratyusufhabeeb@gmail.com

**OJUKWU HENRY SONNA**

Nnamdi Azikiwe University, Awka  
hs.ojukwu@unizik.edu.ng

**NWANKWO NKECHI CATHERINE**

Nnamdi Azikiwe University, Awka  
cn.nwankwo@unizik.edu.ng

## **Abstract**

Emerging challenges and opportunities from business environments keep organizations embedded in volatility and unpredictability. Acknowledging the increasing need for organization flexibility, this study examined the influence of human resource flexibility on the performance of selected deposit money banks in Nigeria. To achieve this objective, the variables were operationalized, and models specified. The study adopted a descriptive survey research design. Data were gathered from primary sources, and study hypotheses were tested using the Multiple Regression Technique. The findings showed that all the factors used to proxy functional flexibility, except relational flexibility, had a significant effect on customer loyalty; and that functional flexibility significantly affects customer loyalty. The study also found numerical flexibility to influence service innovation positively and significantly in the selected Banks. Based on these findings, the study recommended that in order to achieve a higher level of flexibility in these banks, managers should put in place coordination mechanisms towards generating new forms of collective human capital through the combination of individual capabilities of employees, in addition to maintaining other aspects of their employees' functional flexibility; and that managers should minimize the application of fixed-term contract employments and focus more on contracting external specialists who will introduce fresh ideas.

**Keywords:** Flexibility, Human Resources, Capability, and Performance.

**JEL Classification:** M10, M12

## 1. INTRODUCTION

Technological advances characterize the prevalent business environment, informed customers with unlimited global choices, information overload and increasingly complex social and political issues, such as compliance with varying government regulations. These offer challenges and opportunities from the business environment and keep organizations embedded in unpredictable environments. In competitive environments, competitors act boldly and aggressively to disrupt the status quo, as there are severe penalties for firms failing to respond appropriately (Weerd, 2009). To survive in such turbulent environments where competitive advantages can be nullified rapidly, firms may need to deploy various kinds of capabilities that result in adaptive changes to the organization to deal with demand volatility and enable fast reconfiguration of the resource base (Helfat et al., 2007; Eisenhardt & Martin, 2000). To gain a competitive advantage in today's business environment, organizations must respond to the challenges and opportunities brought about by the uncertainty in business environments. The ability to quickly change operations to respond to these changes in the business environment becomes imperative. Adamik and Nowicki (2012) indicate that flexibility is a capability that enables firms to exploit potentials in the environment to gain competitive advantage through the ability to exploit changing external conditions promptly, the capability to satisfy various expectations of clients, the ability to introduce more modern methods of operations, and the ability to build immunity to external threats. Organizations strive for higher flexibility in all aspects because this characteristic helps them align and adjust their strategies to match the dynamic environments in which they operate.

Several studies have emphasized the importance of flexibility as a natural source to obtain competitive advantage and as a management instrument for addressing rapid change situations that emerge from the organization's environment (Alpkan et al., 2007). *Human resource flexibility* is the extent to which human resources provide an organization with the ability to accommodate changing circumstances through the number of staff and employees' abilities to do different functions. Human resources flexibility allows an organization to adjust capacity swiftly to rapidly adapt to changing requirements and exploit emerging market opportunities, especially when dealing with turbulent environments. It is critical to address customer needs in today's highly competitive market scenarios. It helps to find ways to do more with less and maximize speed, quality, and cost. Flexibility is responsible for organizations' sustainable success, especially in a fast-changing environment (Johnson et al., 2006). To effectively adapt to today's business environment, organizations must recognize new human resources practices and approaches with multiple competencies as sine qua non to reach strategic objectives and to launch the organization on the trajectory of economic efficiency. An organization operating flexibly is characterized by its ability to be up-to-date with changes in the environment and to develop faster than competitors, by an efficient system of getting feedback from customers and by quick reactions to their

expectations, as well as by short decision-making processes taking place in a flat organization structure with high empowerment of personnel accustomed to changes (Brilman, 2002).

With the current challenging state of the economy in Nigeria, banks are facing pressures to cut costs with consequent impact on the service levels customers have become accustomed to in recent years (KPMG, 2016). Flexibility is a requirement for the survival of the money deposit banks in Nigeria, which operate in an industry characterized by intense technological innovation, influential customers with diverse requirements, and continuously changing regulatory policies, amongst other factors. For banks to survive, there is a need to adapt to the environment to achieve better customer service delivery. As service organizations, customer satisfaction is the prime concern of any bank. In today's business environment, the traditionally passive role of the customer in market transactions has shifted towards a more active stance because of information availability, globalization, and the ability to network (Prahalad & Ramaswamy, 2004). Using the internet, customers can easily access, select, and compare information regarding the available offers of products and services. More than that, they have become shrewder in buying, less loyal to a particular financial institution, and more demanding of products and services that fit their needs and time schedules. Therefore, prompt and efficient service delivery is essential for banks to attract new customers and retain existing ones (Adewoye, 2013).

## **2. STATEMENT OF THE PROBLEM**

Deposit money banks are today experiencing increasing pressures due to rapidly changing business environments, shorter product life cycles, increasingly demanding and less loyal customers with rapidly evolving preferences, and fiercer competition. An increasingly global economy drives these trends, deregulation in many industries, and fast developments in information technologies that enable new business models and novel forms of collaboration and competition. This is especially the case for the deposit money banks operating in the Nigerian banking industry, characterized by lower switching costs, increasing regulations, and ever-growing customer sophistication (demand for speedy, efficient and accurate service delivery). An inherent risk is declining loyalty, particularly for banks which have yet to differentiate themselves based on excellent customer experience. Already, an increasing percentage of customers are willing to switch their banks for reasons such as poor handling of requests. With three in ten customers having more than one active bank account, switching primary banking relationships becomes easier when service levels are impacted in one bank (KPMG, 2016). In today's market, creating and maintaining customer loyalty is becoming more complex than it used to be in the past years. This is because of technological breakthroughs and the widespread of the internet. In recent years, excellent customer service trumped financial stability as the primary reason for maintaining banking relationships for retail and corporate customers (KPMG, 2014)

Employers are looking for a workforce that can respond quickly, easily and cheaply to changes in technology, products and processes which are yet unknown. The turbulent environment has made the banking industry dynamic but also complex and unpredictable. The deployment of necessary assets and capabilities to formulate and implement strategies capable of arresting and absorbing the effect of these changes to gain competitive advantage is necessary for banks to excel. Flexibility thus becomes a prerequisite for banks as it reflects the capability to survive and prosper by reacting quickly and efficiently in a continuously changing business environment. Given the rapid change in the industry, flexibility is a competitive advantage as it provides the capabilities that enable banks to react effectively to threats and opportunities in an insecure future and an unstable environment. A flexible organization is a fast-moving, adaptable and robust organization capable of rapid adaptation in response to unexpected and unpredicted changes and events, market opportunities, and customer requirements. While banks have over the years automated their operations to survive and enhance their performance in the changing marketplace, as the competitive terrain becomes more challenging and the struggle to enhance performance intensifies, technology adoption, although useful, is no longer sufficient for understanding fully the variability present in today's complex environment. It is, therefore, pertinent to examine the influence of human resource flexibility on organizational performance.

### **3. OBJECTIVES OF THE STUDY**

This study evaluated the influence of human resource flexibility on the performance of selected deposit money banks as the broad objective, while it specifically sought to:

1. Ascertain how functional flexibility affects customer loyalty in the selected deposit money banks.
2. Determine the influence of numerical flexibility on service innovation in the selected deposit money banks.

### **4. STATEMENTS OF HYPOTHESES**

1. Ho: Functional flexibility does not significantly affect customer loyalty in the selected deposit money banks.
2. Ho: Numerical flexibility has no significant influence on service innovation in the selected deposit money banks

## **5. REVIEW OF RELATED LITERATURE**

### **5.1. ORGANIZATIONAL FLEXIBILITY**

Business environments are always changing, and the survival of organizations depends highly on their ability to identify potential threats and opportunities and then produce ways of dealing with them. Organizations must be responsive to external demands and expectations in order to survive. Flexibility is a

moderate strategic option in stable environments to achieve competitive advantage. A stable environment with infrequent and predictable change increases the likelihood that critical variables can be identified and allows strategic plans to be developed. However, in highly turbulent environments where change is frequent and radical, organizations choosing the strategic planning option may quickly go adrift. A better alternative to survive and gain competitive advantage is the flexibility option, which requires high responsiveness of the organization (Bernardes & Hanna, 2009; Phillips & Wright, 2009). Therefore, flexibility has become a central theme of modern businesses operating in turbulent environments resulting from rapidly changing technologies, shortened product cycles, more demanding customers, and many other factors that increase uncertainty (Galunic & Eisenhardt, 2001). Flexibility aims to facilitate the match between market opportunities and organizational capabilities and, in so doing, ensure survival and growth.

Traditionally, the concept of flexibility focused on the ability of firms to adjust their manufacturing volumes to varying market demand. Recently, flexibility represents a complex and multidimensional concept. Flexibility was cited in the context of work-life balance (Van Dyne et al., 2007), career change and personal identity (Grote & Raeder, 2009), employment contracts (Ebbers & Wijnberg, 2009; Kulkarni & Ramamoorthy, 2005) and the ease with which employers can adjust employment numbers and conditions (Kelliher & Anderson, 2010; Lambert, 2008). Flexibility is characterized by a vast array of definitions and frameworks because of its breadth of application. MacKinnon, Grant, and Cray (2008) define strategic flexibility as the firm's deliberately crafted ability to recognize, assess, and act to mitigate threats and exploit opportunities in a dynamically competitive environment. Wang (2004) defines flexibility as organizational capability that allows for rapid adaptation to change at a lower cost and shorter time when facing the challenge of environmental uncertainty. The research of Lee, Pak and Lee (2013) suggests the conceptual definition of flexible capability as a firm's capability that adapts to market demands and creates a lower cost with fast delivery in response to customer demands without compromising product quality while ensuring profitability. *Flexibility* is the ability to respond effectively and efficiently to changing circumstances (Schmenner & Tatikonda, 2005). It is a strategically important attribute for a firm competing in a marketplace with given variation types.

Stavrou (2005) defines *flexibility* as the capacity to adapt across two dimensions: range (time and cost) and response. Johnson provided an extensive overview of existing definitions et al. (2006), with strategic flexibility being predominantly conceptualized as an ability or set of abilities of a firm to react or respond proactively to changes or opportunities in the environment. Most definitions of flexibility gravitate around the idea that an organization can respond and react to change. Change can be approached in two manners: as initiation and as reaction (proactive flexibility and reactive flexibility). Proactive flexibility reflects an organization's capacity to anticipate changes in the future environment. In contrast,

reactive flexibility indicates a capacity to respond to changes quickly and efficiently in the present environment as soon as they become evident.

## 5.2. FLEXIBILITY IN HUMAN RESOURCES

While studies have explored flexibility in aspects such as competitive strategies, production methods, organizational structures, and human resource management, this study conceptualizes flexibility to be an organizational system having the ability and willingness to positively manipulate the application of human resource practices and processes for accomplishing work, towards continuously aligning its human resources to the business environment. Human resource flexibility is the extent to which human resources provide an organization with the ability to accommodate changing circumstances through the number of staff and employees' abilities to do different functions (Peiró et al., 2002). Many researchers have shown the importance of human resource flexibility (Akingbola, 2013; Bal & De Lang, 2015; Zhang et al., 2015). Evolving technologies and dynamic environments require workers to operate effectively and be versatile in many different situations. Human resources are essential because they have inexhaustible creative and development potential to respond rapidly and deal flexibly with unanticipated environmental changes (Liebowitz, 2008).

## 5.3. FUNCTIONAL FLEXIBILITY

Functional flexibility reflects the multiple competencies of workers, such as multi-skilling, multi-tasking, cooperation, and the involvement of workers in decision-making (Arvanitis, 2005). Martínez-Sánchez, Maria, Manuela and Pilar (2008) define *functional flexibility* as a process through which organizations adjust to changes in the demand for their output by an internal re-organization of workplaces based on multi-skilling, teamwork and the involvement of employees in job design and the organization of work. Functional flexibility is frequently associated with teamwork, autonomous workgroups and flat hierarchies. Functional flexibility describes how a firm can use its employees for different tasks. It may be increased through continued training of employees so that multi-skilled workers apply to different fields of work.

Some authors have emphasized that organizations need to implement practices specifically designed to increase human resource flexibility (Bhattacharya et al., 2005; García-Tenorio et al., 2011; Michie & Sheehan, 2001; Pérez-López et al., 2006) such as innovative selection systems, training programs, job rotation, temporary assignments, evaluation and reward systems, and motivation of employees to participate in strategic decision-making in response to changes in the environment. Beltrán-Martín, Roca-Puig, Escrig-Tena and Bou-Lluser (2009) suggest that three sub-dimensions can explain human resource flexibility: intrinsic, modification, and relational flexibility. Intrinsic flexibility is the organization's ability to use human resources in various tasks or jobs. Workers are versatile in skills, abilities and functions, enabling the organization to use them in different situations (Van den Berg & Van der Velde, 2005). Bhattacharya et al. (2005) indicate that firms



could foster skills flexibility through human resource practices, job rotation, multifunctional teams and project-based work systems. Modification flexibility represents firms' capability to transform human resources efficiently. Ketkar and Sett (2009) identified practices that allow the organization to expand, modify and transform their human capital. They highlighted recruitment and selection, development-focused training programmes, performance evaluation and incentives/rewards systems, career development, job rotation and empowerment, and participation practices. Relational flexibility represents the combination of the capabilities of the different employees. It focuses on coordination mechanisms to generate new forms of collective human capital. Beltrán-Martín et al. (2009) explain how the links between resources can be altered to build higher combinations without changing the nature of individual human capital. Practices fostering relational flexibility must be aware that not all employees contribute the same to organizational goals.

#### 5.4. NUMERICAL FLEXIBILITY

This describes the ability of firms to adjust the number of workers, or the level of work hours, in line with changes in the level of demand for them (Atkinson, 1987). Goodwin (2002) defines numerical flexibility as the capability of organizations and employers to adjust the number of employees to their needs. Herzog-Stein and Zapf (2014) describe numerical flexibility as external and internal numerical flexibility. *External numerical flexibility* is defined as adjusting an establishment's use of labor through hiring and firing, subcontracting, temporary employment or fixed-term contracts. Internal numerical flexibility refers to the ability of an organization to adjust the quantity of human resources by changing the hours that the existing workforce works. Working overtime, part-time and flexible working hours all fall within this category. There are opposing theoretical arguments about external numerical flexibility. Zhou, Dekker, and Kleinknecht (2011) propose that shorter job durations may undermine the training investments of a company because of the migration of a firm's trained labor. Also, more frequent job changes may reduce employees' loyalty and commitment. In addition, employees are only willing to take the risks of innovation when they get a sense of security in their employment. However, arguments also suggest a positive effect of numerical flexibility on innovation capabilities. For example, numerically flexible enterprises can obtain new competencies faster by contracting external specialists, leading to acquiring new knowledge and fresh ideas in a company (Caroli, 2003).

Moreover, rapid renewal of personnel may be a good thing for firms that introduce radical innovations because a tenured employee may be attached to outdated products or work processes and resist change. Furthermore, Atkinson (1989) introduced the core-periphery model, which suggested a break-up of the workforce into core and peripheral groups based on how critical workers' jobs are to the organization's business. While the core employees (full-time permanent career employees) are offered job security, the peripheral workers are not, providing the firm with the numerical flexibility needed in a volatile market. This will save costs

for organizations since peripheral workers usually earn less compensation and benefits than their core counterparts. In addition, externalizing peripheral jobs allows organizations to concentrate on developing their core competencies, while non-core activities should be externalized.

### 5.5. ORGANISATIONAL PERFORMANCE

*Organizational performance* is the measure that reveals the position of an organization as compared to goals and objectives. It is defined as utilizing human, physical, and capital resources efficiently and effectively towards accomplishing the organization's shared goals and satisfying its stakeholders (Carton & Hofer, 2006; Jones & George, 2009). *Organizational performance* is the actual output measured against the intended output (Richard et al., 2009). Performance is measured by financial and non-financial indicators that offer information on the degree of achievement of objectives and results (Lebans & Euske, 2006). Organizational performance is made up of three specific areas of firm outcomes: financial performance (profit, return on assets, and return on investment), product market performance (product innovation, product quality, sales, market share), and shareholder return (Pierre et al., n.d.). Performance is usually evaluated by analyzing the values of qualitative and quantitative performance indicators. Effectiveness and efficiency are considered essential terms in the assessment of the performance of organizations (Mouzas, 2006). They can be measured using financial indicators such as profit, rate of returns, and costs, and non-financial indicators such as market share, innovation, product quality, and service delivery. Organizational performance in this study refers to the firm's performance in terms of innovation of product offerings.

An organization's business performance can be measured by its innovation capability and investment (Francis et al., 2012). According to KPMG (2018), more than half of the customers who switch banks in Nigeria will do so because of service quality issues. Innovation contributes to higher business performance and strengthens the firm's competitive advantage in several industries and sectors in the marketplace. It allows a firm to adapt to competition and succeed in the marketplace (Sanz-Valle & Jimenez-Jimenez, 2011; Talke et al., 2011). Today's changing and competitive business environments inspire organizations to rely on innovations to stay ahead of competitors, create customer value, and accelerate business performance. Innovation is a fundamental success factor of organizations. It can be an invention which may be considered entirely new or an improvement of an existing product or system. Innovation is a fundamental factor in creating new ventures, and it allows existing firms to survive in competitive markets (Khajeheian & Tadayoni, 2016). The more innovative a product is, the more complexity and the less risk of imitation by rivals there will be (Emami & Dimov, 2016). In recent years, excellent customer service trumped financial stability as the primary reason for maintaining banking relationships for retail and corporate customers (KPMG, 2018)

Mc. Mullan and Gilmore (2008) assert that the customer's loyalty is his bias to brand and behavioral response when a person prefers a unique brand over other



brands and decides about it through a psychological commitment. Building loyalty requires the company to focus on the value of its products and services and show that it is interested in fulfilling the desire or building a relationship with customers, as loyalty is more profitable (Thomas & Tobe, 2013). The cost of gaining a new customer is much more than retaining an existing one. Customer loyalty is constructed through sourcing and design decisions. Designing for customer loyalty requires customer-centered approaches that recognize the wants and interests of service receivers. Customer loyalty is built over time across multiple transactions. Sustaining customer relationships is equally important in building customer loyalty, and this requires the company to work in a broader context that extends beyond itself (McDonald & Keen, 2000). Customer loyalty is viewed as the strength of the relationship between an individual's relative attitude and repeat patronage. Although customer satisfaction is a crucial part of business, satisfaction alone cannot take a business to the top level. According to Segoro (2013), customer loyalty is explained in three categories- first, the loyalty shown through the customer's behavior with repetitive purchasing; second, the loyalty shown through the customer's attitude towards the company (this factor includes preference and commitment to the brand and advising it to the others) and third, a composition of the customer's behavior and his attitude about the company. In other words, along with the repetitive purchases, the customers positively evaluate the company's brand and share this with others. The quality of customer experience will continue to be the key competitive battleground for Nigerian banks (KPMG, 2014)

## **5.6. HUMAN RESOURCE FLEXIBILITY AND ORGANISATIONAL PERFORMANCE**

Several empirical studies have been carried out to establish a link between flexibility and organizational performance (Kara et al., 2002; Van Dam, 2004; Stavrou, 2005; Johnson et al., 2006; Chirico & Salvato, 2008). The results of these studies indicated that most organizations that have undertaken different aspects of flexibility achieved different benefits, including human resource cost reduction, increased employee output, product quality, customer satisfaction, service delivery, efficiency, and reduced product cost. Human resource flexibility has been seen as critical in the drive for competitiveness and firm performance (Hang-Yue & Raymond, 2008). Employees in a functionally flexible organization are better aware of the necessity to innovate and be able to supply their specific knowledge on consumer demands. Empirical studies have found functionally flexible firms to be both more productive (Black & Lynch, 2004; Zwick, 2004) and more innovative, as the idea of functional flexibility is to make employees identify closely with the aims of the firm, cooperate to generate ideas for improving products and processes and to exert varying activities within the firm. Bhattacharya *et al.* (2005) observed that two main components of functional flexibility (skill and behavior flexibility) were positively related to return on sales, operating profit per employee, and sales per employee. They also observed that skill flexibility was significantly related to cost efficiency. Michie and Sheehan (2001) detected that increased functional flexibility

was significantly positively correlated with organizational innovation and perceived financial performance in service-sector organizations. Lepak, Takeguchi and Snell (2003) agreed with this idea, observing that functional flexibility positively correlates with performance in firms high in technological intensity and firms pursuing a quality or innovation strategy. Its combination with high-performance work systems also improves financial performance and innovation. The introduction of external numerical flexibility can “reduce or even destroy the positive correlation between investment in human resource and corporate performance” (Michie & Sheehan, 2005). Internal numerical flexibility seems to be positively related to performance (Rimbau-Gilabert, 2008). Kauffeld *et al.* (2004) found that flexible work schedules positively affected employee productivity, job satisfaction and absenteeism. Michie and Sheehan (2005), Fernandez-Rios *et al.* (2005), and Ko (2003) reported “a negative correlation between pursuing an innovator/quality approach and the use of externally flexible labour”. Lepak *et al.* (2003) reported that return on equity was higher for firms that used both functional flexibility and external flexibility than for firms that used only one or neither of these employment flexibilities.

## 5.7. THEORETICAL FRAMEWORK

This study is anchored on the dynamic capabilities’ theory introduced by David Teece and Gary Pisano in 1994. Dynamic capabilities have lent value to the RBV arguments as they transform a static view into one that can encompass competitive advantage in a dynamic context (Barney, 2001a, b). The DCT expands on two fundamental Issues that were not discussed in the Resource Based View- the firm’s ability to renew competencies to adapt to changes in the business environment and the ability of strategic management to use these competencies to match the requirements of the environment (Teece *et al.*, 1997). The relevance of Dynamic Capability theory to this study lies in its emphasis on the need for business firms to extend, alter, modify, or constantly renew their competencies to match changing environments, which will allow them to achieve long-term superior performance. While a firm must have and adequately manage its firm-specific internal resources, which are rare, non-substitutable, and inimitable towards ensuring that it achieves competitive advantage, this competitive advantage will only be sustained when the organization can adapt its firm-specific resources to match changes in the dynamic environment. Organizations in dynamic environments need to anticipate changes and be prepared to react to them. It has been argued that firms must develop capabilities in vital functional areas to maintain competitive advantage. For example, Zollo and Singh (1998), in their study of post-acquisition integration processes in the banking sector, provide evidence that acquirers who invested more effort in codifying their integration processes achieve superior profitability performance compared to competitors (Protogerou *et al.*, 2007). Firms, therefore, must develop capabilities to redefine their resource base to overcome the trap laid by their existing competencies and create new sources of competitive advantage (Protogerou *et al.*, 2007).

## 5.8. EMPIRICAL REVIEW

Various researchers have conducted several studies on flexibility and the performance of organizations. Some of these are reviewed below:

Scafuto, Ahrens, and Cha (2017) evaluated the influence of Human Resource flexibility on organizational learning, mediated by individual and group learning in São Paulo, Brazil. For this purpose, a quantitative research approach was used, and a questionnaire was distributed with two validated scales: Dimensions of the Learning Organization and HR Flexibility. The data were treated using Structural Equation Modeling in Smart PLS (Partial Least Squares) software. The results showed that HR Flexibility has a positive influence on Organizational Learning, and this influence is mediated by individual learning and group learning.

Esfahani, Rezaii, Koochmeshki and Parsa (2017) investigated the main characteristics of a sustainable HRM in innovative organizations in Columbia. The aim was to identify the relationship between psychological capital, HR flexibility and sustainable HRM in innovative organizations. Three main variables of HR flexibility, HR sustainability and psychological capital formed the theoretical model of this study, and four hypotheses were developed based on this model. Findings showed that psychological capital and HR flexibility have a positive and meaningful effect on sustainable HRM, psychological capital has a positive and meaningful effect on sustainable HRM, and flexibility has a moderate role in the relationship between psychological capital and sustainable HRM.

Tatjana and Marko (2015) analyzed the correlation between the different types of flexibility and security in work and organizational efficiency in randomly selected organizations in Slovenia. A descriptive survey design was adopted. It was found that there is a low positive correlation between different types of flexibility and security in the context of work and between different types of flexibility in work and organizational efficiency. The correlation between different types of security in work and organizational efficiency was found to be positive.

Ling (2013) examined the various mixture models of human resource flexibility and how they affect firm performance in China. They formed four model mixtures from the two dimensions of human resource flexibility. They are the HH model (high functional flexibility and high numerical flexibility), LL model (low functional flexibility and low numerical flexibility), LH model (low functional flexibility and high numerical flexibility) and HL model (high functional flexibility and low numerical flexibility). Principal Component Analysis determined which model contributes much more to firm performance. It was found that the High functional flexibility and low numerical flexibility model is more effective for firm performance than other models.

Carvalho and Cardoso (2008) examined how functional and numerical flexibility can be successfully combined without workforce segmentation or flexible employment contracts by implementing a highly integrated human resource

management system. Using a grounded theory approach, six case studies were conducted in Portuguese affiliates of multinational management consulting firms. Findings from the case studies showed that some of these companies could explore both functional and numerical flexibility in a combined and interdependent way by operating a tightly run and highly coordinated set of HRM practices geared towards developing internal labor.

Bhattacharya et al. (2005) examined the flexibility of employee skills, employee behaviors, and HR practices as critical sub-dimensions of HR flexibility and how they relate to superior firm performance in the USA's Industrial Machinery and Equipment Industry. A descriptive survey design was employed. Hierarchical regression analysis was applied. It was found that whereas skill, behavior, and HR practice flexibility are significantly associated with an index of firm financial performance, only skill flexibility contributes to cost-efficiency.

Wu (2011) examined the impact of environmental uncertainty on different dimensions of HR flexibility. A survey research was conducted using a sample of publicly traded Taiwan firms. Correlation and regression analysis were used to test the hypotheses. The analysis results supported the argument that environmental effect uncertainty was positively associated with skill and market-oriented flexibility. The findings showed that firms unable to predict the effect of a future state of the environment on the organization developed their employees with more skills and higher levels of customer responsiveness.

Adeleye (2011) explored the diffusion of employment flexibility in the Nigerian banking industry, analyzing whether employment in the three locally-owned case study organizations is becoming more or less flexible, why and how. The results from this study indicate that there are different levels of diffusion of employment flexibility across the banks, with different patterns as well in the types of jobs with atypical employment contracts. Differences in the strategic priorities of each firm can explain these variations. The findings suggest that the key drivers of adopting flexible employment practices varied across the banks, from cost reduction business process re-engineering to focus on core competencies, as firms struggled to improve efficiency in an increasingly competitive terrain.

Robert (2013) employed a survey method to determine the differential effects of workforce flexibility on incremental and significant new product development using a sample of 284 Dutch firms across various manufacturing goods and business services industries. A regression analysis of the data obtained was used to test the hypotheses. The results suggest that functional flexibility positively influences incremental new product development, internal numerical flexibility negatively influences incremental new product development, and external numerical flexibility positively influences significant new product development. Thus, differences between primary and incremental new product development are grounded in the human resource flexibility of the firm.

Magero *et al.* (2014) assessed the influence of functional flexibility on employee turnover in SMEs in Kenya. The study focused on 4,560 SMEs in Nairobi and its selected environs. Data were obtained through questionnaires with closed and open-ended questions. A multiple regression model was used to analyze the data. The study found that functional flexibility significantly influences employee turnover in Small and Medium-sized Enterprises in Kenya (SMEs) in Kenya.

Aregbeyen (2011) studied process improvement and Organizational Performance in Nigeria: A study of First Bank Nigeria PLC. He used the paired data samples method between 1986 and 2008. The study aimed to evaluate the impact of the change in operational processes on the bank's performance. To test this hypothesis, he measured the bank's operational performance through three significant indicators: growth, profitability and the extent of financial intermediation. Results showed that the process improvement project significantly improved the bank's performance.

Sidikat and Ayanda (2008) conducted a study on the Impact Assessment of Business Process Redesigning on Organizational Performance in First Bank Nigeria. They used the case study method, and data was analyzed through simple percentage and regression analysis. The results revealed that business process redesign, service quality, and innovative strategic change are positively (directly) related to the organization's success. Business Process improvement will only be successful if the activities on which the processes are based are causally related to the needs and objectives of the business.

## **6. METHODS**

### **6.1. RESEARCH DESIGN**

This study employed a descriptive survey design for the purpose of collecting detailed and factual information that describes the existing phenomenon under study.

### **6.2. POPULATION OF THE STUDY**

The population of the study comprised the operational staff and customers of Zenith bank, Access bank, Guarantee Trust bank, Standard Chartered bank, First City Monument bank, and Stanbic IBTC bank, with staff strengths of 31, 27, 29, 22, 18, and 19 respectively, giving a total population size of 146. Since the selected deposit money banks are subsets of a whole, and branches do not adopt major strategies on their own, but rather adopt a centralized strategy where common yardsticks are employed, the bank branches used for this study will be a reflection of activities in the selected banks as a whole. The customer strength for each bank was treated as infinite.

### 6.3. SAMPLE SIZE AND TECHNIQUE

Complete enumeration was done by the use of total population of the selected banks staff. Sample size for bank customers was done using Cochran's formula for infinite population is as shown below:

$$n_0 = \frac{z^2 \cdot p \cdot (1 - p)}{e^2}$$

where: n= Sample size

z = Critical value of the selected confidence level

e = Error term

p = Estimated proportion of an attribute that is present in the population (50%)

In application, we have:

$$n = \frac{(1.96)^2(0.5)(0.5)}{(0.05)^2}$$

$$n = 384$$

Sample size as calculated is 384. Allocation was done amongst the banks' customers on equal basis. Sixty-four copies were therefore allocated to sixty-four customers of each bank.

### 6.4. METHOD OF DATA COLLECTION

The data were generated through the use of two structured questionnaires aimed at eliciting required information. The two questionnaires were structured to place the participants on objective response for each statement on a five point Likert scale. The response scoring weights were assigned as 5 for strongly agree, 4 for agree, 3 for neutral, 2 for disagree, and 1 for strongly disagree.

### 6.5. VARIABLES OF THE STUDY

Variables used for the first objective are Customer loyalty (Y) as the dependent variable and functional flexibility(X) as the independent variable captured by intrinsic flexibility(X<sub>1</sub>), skill flexibility(X<sub>2</sub>), behavioral flexibility(X<sub>3</sub>), and relational flexibility(X<sub>4</sub>). Variables used for the second objective were Service Innovation(Y) as the dependent variable and numerical flexibility(X) as the independent variable captured by Flexible employment(X<sub>1</sub>), Fixed-term contract Employment(X<sub>2</sub>), and Outsourcing (X<sub>3</sub>)

### 6.6. MODEL SPECIFICATION

#### 6.6.1. FUNCTIONAL FLEXIBILITY EQUATION

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + U$$

Where:

$\beta_0$  = the intercept



$\beta_1 - \beta_4$	= the coefficient of independent variables
Y	= Customer Loyalty
X <sub>1</sub>	= Intrinsic Flexibility
X <sub>2</sub>	= Skills Flexibility
X <sub>3</sub>	= Behavioral Flexibility
X <sub>4</sub>	= Relational Flexibility
$\mu$	= the error term.

### 6.6.2. NUMERICAL FLEXIBILITY EQUATION

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + U$$

Where:

$\beta_0$	= the intercept
$\beta_1 - \beta_3$	= the coefficient of independent variables
Y	= Service Innovation
X <sub>1</sub>	= Flexible Employment
X <sub>2</sub>	= Outsourcing
X <sub>3</sub>	= Fixed-term Contracts
$\mu$	= the error term.

### 6.6.3. VALIDITY OF THE INSTRUMENT

To test the validity of the instrument, Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy and Bartlett tests of sphericity were done. The KMO measure of sampling adequacy were 0.627, 0.727, 0.727, 0.574, and 0.500 (for factors of functional flexibility) and 0.847, 0.591, 0.678, and 0.580 (for factors of numerical flexibility); and Bartlett tests of sphericity which indicates sufficient correlation amongst the variables of each factor were significant ( $p=0.000$ ). The factor loadings for the items ranged from 0.501 to 0.929. The results are within acceptable range.

### 6.6.4. RELIABILITY OF THE INSTRUMENT

The study adopted Cronbach's Alpha coefficient for reliability test of the instrument. Cronbach's alpha coefficients were .751, .740, .626, .773, .707, .730, .720, .765, and .701 for service innovation, employment flexibility, outsourcing, fixed-term contracts, customer loyalty, intrinsic flexibility, skills flexibility, behavioral flexibility, and relational flexibility respectfully.

## 7. DATA PRESENTATION AND ANALYSIS

### 7.1. DATA PRESENTATION

**Table 1:** Schedule of Questionnaire Administered and Returned

Number of Questionnaire Administered		Number of valid questionnaires returned	
Banks Staff	146 (100%)	Banks Staff	137 (94%)
Banks Customers	384 (100%)	Banks Customers	273 (72%)

Source: Field Survey, 2020

## 7.2. TEST OF HYPOTHESES

### Decision Rule:

Reject the null and accept the alternate hypothesis if  $p\text{-value} < 0.05$ ; if otherwise, accept the null.

### Functional Flexibility Equation

Dependent Variable: Customer Loyalty

Method: Ordinary Least Square

**Table 2:** Result of Functional Flexibility Equation

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.001E-013	.058	.000	1.000
Skills Flexibility	.080	.065	1.229	.020
Behavioral Flexibility	.295	.061	4.805	.000
Intrinsic Flexibility	.116	.063	1.855	.048
Relational Flexibility	-.051	.058	-.875	.382

*Sources: Extract from SPSS Ver. 21*

Durbin-Watson = 2.638

Adjusted  $R^2 = 0.627$

F-Statistic = 8.560, Prob (F-Statistic) = 0.000

### Result Summary

Multiple regression analysis was done to assess the extent to which functional flexibility factors affect customer loyalty. The independent variable was found to have significant effect on the dependent variable with adjusted R-squared ( $R^2$ ) value of 0.627 and p-value of 0.000 percent. This indicates that 62.7% change in the dependent variable is explained by the independent variables. We therefore accept the alternate hypothesis that functional flexibility significantly affects customer loyalty in the selected Banks.

### Numerical flexibility equation

Dependent Variable: Service Innovation

Method: Ordinary Least Square

**Table 3:** Numerical Flexibility Equation

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-1.005E-013	.055	.000	1.000
Outsourcing	.404	.055	7.354	.000
Employment Flexibility	.192	.059	3.249	.001
Fixed- term Contracts	-.217	.056	-3.849	.000

*Sources: Extract from SPSS Ver. 21*

Durbin-Watson = 1.876

Adjusted  $R^2 = 0.675$

F-Statistic = 18.895, Prob (F-Statistic) = 0.000

### **Result summary**

Multiple regression analysis was done to assess the influence of numerical flexibility factors on service innovation. The independent variable was found to have significant influence on the dependent variable with adjusted R-squared ( $R^2$ ) value of 0.675 and p-value of 0.000 percent. This shows that 68% change in the dependent variable is explained by the independent variables. We therefore accept the alternate hypothesis that numerical flexibility has positive and significant influence on service innovation in the selected Banks.

### **7.3. FINDINGS/MANAGEMENT IMPLICATIONS**

The findings, which reveal that human resource flexibility has a far-reaching effect on the performance of deposit money banks in Nigeria, have some management implications. Findings suggest that the management of any strategic organization must focus on learning new procedures and updating their skills, being able to change their work behaviors in response to changes in customer or job requirements, and improving the level of interaction amongst its employees within a department or across several departments in order to ensure that employees possess a wide range of repertoire of behavioral scripts that can be exhibited appropriately in different situations towards serving organizational needs. This will help to attract new and keep existing customers (Wu, 2011; Bhattacharya et al., 2005). The findings further suggest that shorter job durations may undermine the training investments of an organization and reduce employee commitment while contracting external specialists may help the organization to acquire new competencies and fresh ideas (Caroli, 2003; Zhou et al., 2011).

## **8. CONCLUSION**

Following the findings, the study concludes that deposit money banks need to maximize their flexible capacity to maintain their competitive positions and effectively address environmental changes when they do not integrate the components that make up human resource management practices. Hence, designing an appropriate human resource flexibility strategy necessary to ensure adequate response to the requirements of the dynamic environment demands identifying, deploying, and adapting efficient human resource management practices.

## **9. RECOMMENDATIONS**

1. To achieve a higher level of flexibility in these banks, managers should put in place coordination mechanisms towards generating new forms of collective human capital through the combination of the capabilities of the different employees to build higher capabilities in addition to maintaining other aspects of their employees' functional flexibility.

2. Managers should minimize the application of fixed-term contract employment and focus more on contracting external specialists who occasionally bring in fresh ideas.

## REFERENCES

- Adamik A., Nowicki M. (2012), Budowa konkurencyjności małych i średnich przedsiębiorstw, in: M. Matejun (ed.), Zarządzanie małą i średnią firmą w teorii i w ćwiczeniach, Difin, Warszawa.
- Adeleye, I. (2011). The Diffusion of Employment Flexibility in Nigeria's Banking Industry: Its Nature, Extent, and Causes. *International Journal of Business and Management* 6(4)
- Adewoye, J.O. (2013). The Impact of Automatic Teller Machines on the Cost Efficiency of Nigeria. *The Journal of Internet Banking and Commerce*, 18, 1-21.
- Akingbola, K. (2013). Contingency, fit and flexibility of HRM in nonprofit organizations *Employee Relations*, 35(5), 479-494.
- Alphan, L., Yilmaz, C., & Kaya, N. (2007). Market Orientation and Planning Flexibility in SMEs. *International Small Business Journal*, 25(2), 152-172.
- Aregbeyen, O. (2011). Business Reengineering and Organisational Performance in Nigeria. *Medwell. Journals of International Business Management*, 5(3), 151-158
- Arvanitis, S. (2005). Modes of Labor Flexibility at Firm Level: Are There Any Implications for Performance and Innovation? Evidence for the Swiss economy, *Industrial and Corporate Change*, 14, 993-1016.
- Atkinson, J. (1984). Manpower strategies for flexible organisations. *Personnel Management*, 16(8), 28-31.
- Atkinson, J. (1987). Flexibility or fragmentation? The United Kingdom labour market in the eighties. *Labour and Society*, 12(1), 87 - 105.
- Atkinson, J. (1989). *Flexibility, Uncertainty and Manpower Management*. The institute for employment studies, Report 89. Brighton: University of Sussex.
- Bal, P., & De Lange, A. (2015). From flexibility human resource management to employee engagement and perceived job performance across the lifespan: A multi-sample study. *Journal of Occupational and Organizational Psychology*, 88(1), 126-154.
- Barney, J. (2001). Is the Resource-Based 'View' A Useful Perspective for Strategic Management Research? Yes. *Academy of Management Review*. 26. 41-56.
- Barney, J.B. (2001) Resource-Based Theories of Competitive Advantage: A Ten Year Retrospective on the Resource-Based View. *Journal of Management*, 27, 643-650.

- Beltrán-Martín, I., Roca-Puig, V., Escrig-Tena, A., & Bou-Llusar, J. (2009). Internal labour flexibility from a resource-based view approach: definition and proposal of a measurement scale. *The International Journal of human Resource Management*, 20(7), 1576-1598.
- Bernardes, S., & Hanna, D. (2009). A theoretical review of flexibility, agility and responsiveness in the operations management literature: Toward a conceptual definition of customer responsiveness. *International Journal of Operations & Production Management*, 29(1), 30–53.
- Beske, P., Land, A., & Seuring, S. (2014). Sustainable supply chain management practices and dynamic capabilities in the food industry: A critical analysis of the literature. *International Journal of Production Economics*, 152, 131-143.
- Bhattacharya, M., Gibson, E., & Doty, H. (2005). The effects of flexibility in employee skills, employee behaviors, and HR practices on firm performance. *Journal of Management*, 31(4), 622-640.
- Black, S., & Lynch, L. (2004). What's driving the New Economy? *Economic Journal*, 114, 97-116.
- Brilman, J. (2002) Nowoczesne koncepcje i metody zarządzania. PWE, Warszawa.
- Caroli, E. (2003). *Internal versus External Labour Flexibility: The Role of Knowledge Codification*, LEA Working Paper 0310, Paris.
- Carvalho, A., & Carlos, C. (2008). Flexibility through HRM in management consulting firms. *Personnel Review* 37(3), 332-49.
- Chirico, F., & Salvato, C. (2008). Knowledge integration and dynamic organizational adaptation in family firms. *Family Business Review*, 21(2), 169-181.
- Ebbers, J., & Wijnberg, N. (2017). Betwixt and between: Role conflict, role ambiguity and role definition in project-based dual-leadership structures. *Human Relations*, 70(11), 1342–1365.
- Eisenhardt, K. and Martin, J. (2000) Dynamic Capabilities: What Are They? *Strategic Management Journal*, 21, 1105-1121.
- Emami, A., & Dimov, D. Degree of innovation and the entrepreneurs' intention to create value: a Comparative study of experienced and novice entrepreneurs. *Eurasian Business Review*, 1-22.
- Esfahani, S., Rezaii, H., Koochmeshki, N., and Parsa, S (2017) Sustainable And Flexible Human Resource Management For Innovative Organizations. *Ad-Minister* 30, 195 - 215
- Fernandez – Roiz, M., Rico, R., Martin, R., Dela Corte (2005). Spanish firms' flexibility. *Pskothema*, 17(4), 620-626.
- Francis, B., Hasan, I., Huang, Y., & Sharma, Z. (2012). Do banks value innovation? Evidence from US firms. *Financial Management*, 41(1), 159-185.
- Galunic, D. and Eisenhardt, K. (2001). Architectural innovation and modular corporate forms. *Academy of Management Journal*, 44(6), 1229-1249.

- García-Tenorio, J., Sánchez, I., & Holgado, R. (2011). Flexibilidad y desarrollo de los recursos humanos en un contexto de innovación: análisis empírico en el sector biotecnológico. *Revista europea de Dirección Y economía de la Empresa*, 20(1), 17-40.
- Gizawi, N. (2014). The Dynamic capabilities theory: Assessment and evaluation as a contributing theory for supply chain management. 3<sup>rd</sup> IBA Conference, the Netherlands.
- Goodwin, A. (2002). *EMU Market Dynamics: Labour Market Flexibility in Europe*. CBI Organisation, Great Britain.
- Grote, G., & Raeder, S. (2009). Careers and identity in flexible working: Do flexible identities fare better? *Human Relations*, 62(2), 219–244.
- Hang-Yue, N., & Raymond, L. (2008). Human resource flexibility, organizational culture and firm performance. *The International Journal of Human Resource Management*, 19, 1654—1659.
- Helfat, E., Finkelstein, S., Mitchell, W., Peteraf, M., Singh, H., Teece, D., & Winter, S. (2007). *Dynamic Capabilities: Understanding Strategic Change in Organizations*. London: Blackwell.
- Herzog-Stein, A., & Zapf, I., (2014). Navigating the great recession: The impact of working-time accounts in Germany. *Industrial & Labor Relations Review*, 67(3), 891– 925,
- Johnson, G., Scholes, K., & Whittington, R. (2006). *Exploring Corporate Strategy*. Part two, chapter 3. Harlow: FT Prentice Hall.
- Kara, S., Kayis, B. & O'Kane, S. (2002). The role of human factors in flexibility management: A survey. *Human Factors and Ergonomics in Manufacturing*, 12(1), 75-119.
- Kauffeld, S., Jonas, E., & Frey, D. (2004). Effects of a flexible work-time design on employee and company-related aims. *European Journal of Work and Organizational Psychology*, 13, 79-100.
- Kelliher, C., & Anderson, D. (2010). Doing More with Less? Flexible Working Practices and the Intensification of Work. *Human Relations*, 63, 83-106. <https://doi.org/10.1177/0018726709349199>
- Ketkar, S., & Sett, P. (2009). HR flexibility and firm performance: analysis of a multi-level causal model. *The International Journal of Human Resource Management*, 20(5), 1009–1038.
- Khajeheian, D. and Tadayoni, R. (2016) ‘User innovation in public service broadcasts: creating public value by media entrepreneurship’, *Int. J. Technology Transfer and Commercialisation*, 14, (2), 117–131.
- Ko, J. (2003) Contingent and internal employment systems: substitutes or complements? *Journal of Labour Research* 24(3), 473-490.
- KPMG (2013- 2018). Banking Industry Customer Satisfaction Survey.



- Kulkarni, Subodh & Ramamoorthy, Nagarajan. (2005). Commitment, flexibility and the choice of employment contracts. *Human Relations - HUM RELAT*, 58, 741-761.
- Lambert, Susan, "A Conceptual Framework for Business Model Research" (2008). *BLED 2008 Proceedings*. 24. <https://aisel.aisnet.org/bled2008/24>
- Lebans, M. &Euske, K. (2006). *A conceptual and operational delineation of performance. Business performance measurement*, Cambridge university press.
- Lee S., Pak, B. & Lee, H. (2013). Business value of B2B electronic commerce: the critical role of inter-firm collaboration. *Electronic Commerce Research and Applications*, 2(4), 350-361.
- Lepak, D., Takeguchi, R. & Snell, S. (2003). Employment flexibility and firm performance: examining the interaction effects of employment mode, environmental dynamism, and technological intensity. *Journal of Management* 29(5), 681 – 703.
- Liebowitz, J. (2008). Think of others in knowledge management: making culture work for you. *Knowledge Management Research & Practice*, 6(1), 47–51.
- Ling, X (2013). Mixture models of Human Resource Management Flexibility and Firm Performance. *International Conference on Education Technology and Management Science*. Atlantis Press.
- Mackinnon, W. & Grant, G. & Cray, D. (2008). Enterprise Information Systems and Strategic Flexibility. *Proceedings of the Annual Hawaii International Conference on System Sciences*. 402. 10.1109/HICSS.2008.149.
- Magero, P., Odiamho, R., and Guyo, W. (2014). The Influence of Functional Flexibility on Employee Turnover in Small and Medium Enterprises in Kenya. *International Journal of Social Sciences and Entrepreneurship* 1(9), 648-656
- McDonald, M. & Keen, P. (2000). *The eProcess Edge: Creating customer value & business in the internet era*. New York City: The McGraw-Hill Companies.
- Martínez-Sánchez, A., María, V., Manuela, P., & Pilar D. (2008). Workplace flexibility and innovation: The moderator effect of inter-organizational cooperation. *Personnel Review*, 37 (6), 647-65.
- McDonald, M. & Keen, P. (2000). *The eProcess Edge: Creating customer value & business in the internet era*. United States of America: The McGraw-Hill Companies.
- McMullan R, & Gilmore A. (2008) Customer loyalty: An empirical study. *European Journal of Marketing*, 42(10), 1084-94.
- Michie, J., & Sheehan, M. (2001). Labour Market Flexibility, Human Resource Management and Corporate Performance. *British Journal of Management*, 12, 287-306.
- Michie, J., & Sheehan, M. (2005). Business strategy, human resources, labour market flexibility and competitive advantage. *International Journal of Human Resource management*, 16, 445-464.

- Mitchie, J., & Sheehan-Quinn, M. (2001). Labour market flexibility, human resource management and corporate performance. *British Journal of Management*, 12, 287-306.
- Muozas S. (2006). Efficiency versus effectiveness in Business Network. *Journal of Business Research* 59(10), 1124-1132.
- Peiró, J., García-Montalvo, J., & Gracia, F. (2002). How do young people cope with job flexibility?: Demographic and psychological antecedents of the resistance to accept a job with non-preferred flexibility features. *Applied Psychology: An International Review*, 51(1), 43–66.
- Pérez López, S., Montes Peón, M., & VázquezOrdás, J. (2006). Human resource management as a determining factor in organizational learning. *Management Learning*, 37(2), 215-239.
- Phillips, A., & Wright, C. (2009). E-business's impact on organizational flexibility. *Journal of Business Research*, 62, 1071-1080.
- Pierre, J., Timothy, M., Gorge, S., & Johnson (n.d). Measuring Organisational Performance as a dependable variable: Towards methodological best Practice
- Prahalad, C. & Ramswamy, V. (2004). Co-creation experience: the next practice in value creation. *Journal of Interactive Marketing*, 18(3), 5-14.
- Protogerou, A., Caloghirou, Y., & Lioukas, S. (2012). Dynamic capabilities and their indirect impact on firm performance. *Industrial and Corporate Change*, 21, 615-647.
- Richard, P., Devinney, T., Yip, G., & Johnson, G. (2009). Measuring organizational performance: Towards methodological best practice. *Journal of Management*, (35), 718-804.
- Rimbau- Gilabert, E. (2008). Exploring the link between flexible work and organizational performance. *Encyclopedia of Human Resource information systems: Challenges in e-HRM*. IGI Global.
- Robert, K. (2013). Differentiating Major and Incremental New Product Development: The Effect of Functional and Numerical Workforce Flexibility. *Journal of Product Innovation and Management*
- Roca-Puig, V., Beltrán-Martín, I., Escrig-Tena, B., & Bou-Llugar, C. (2005). Strategic flexibility as a moderator of the relationship between commitment to employees and performance in service firms. *International Journal of Human Resource Management*, 16, 2075-2093.
- Sanz-Valle, R., & Jimenez-Jimenez, D. (2011). Innovation, organizational learning, and performance. *Journal of Business Research*, 64(4) pp.408-417.
- Scafuto, I., Ahrens, V., & Cha. P. (2017). The Influence of Human Resource Flexibility on Organizational Learning. *Anais do VI SINGEP*. 13
- Schmenner, R. & Tatikonda, M. (2005), Manufacturing Process Flexibility Revisited, *International Journal of Operations & Production Management*, 25 (12), 1183-1189.

- Segoro W. (2013) The influence of perceived service quality, mooring factor, and relationship quality on customer satisfaction and loyalty. *Social and Behavioral Services*, 81, 306-310
- Sidikat, A. and Ayanda, A. (2008). Impact assessment of Business Redesign on Organisational Performance. *European Journal of Social Sciences*. 7(1), 115-125
- Slack, N., Chambers, S., & Johnson, R. (2007). *Operation management*. 5<sup>th</sup> ed. Prentice Hall, UK.
- Stavrou, E. (2005). Flexible Work bundles and organizational competitiveness: a cross-national study of the European work context. *Journal of Organizational Behavior*, 26, 923-947.
- Talke, K., Salomo, S., & Kock, A. (2011). Top management team diversity and strategic innovation orientation: The relationship and consequences for innovativeness and performance. *Journal of product Innovation Management*, 28(6), 819-832.
- Tatjana, K. and Marko, F. (2015). Organisational flexibility, Employee Security, and Organisational Efficiency. *Organizacija*, 48(1)
- Teece, J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, 18, 509-533.
- Teece, J., & Pisano, G. (1994). The dynamic capabilities of the firm: an introduction. *Industrial and Corporate Change*, 3(3), 537-556.
- Thomas, B. & Tobe, J. (2013). Anticipate: Knowing What Customers Need Before They Do. Available at: <http://site.ebrary.com/lib/samk/home.action>. Accessed 27 October, 2018
- Van Dam, K. (2004). Antecedents and consequences of employability orientation. *European Journal of Work and Organizational Psychology*, 13(1) pp. 29-51.
- Van Den Berg, T., & Van der Velde, G. (2005). Relationships of functional flexibility with individual and work factors. *Journal of Business and Psychology*, 20(1), 111-129.
- Van-Dyne, L. & Kossek, E., & Lobel, S. (2007). Less Need to Be There: Cross-Level Effects of Work Practices that Support Work-Life Flexibility and Enhance Group Processes and Group-Level OCB. *Human Relations*, 60, 1123-1154.
- Wang, Y. (2004) Research on Capital Flow in China since 1994. *International Financial Research*, 6, 67-73.
- Weerdt, N. (2009). Organizational Flexibility for Hypercompetitive Markets: Empirical Evidence of the Composition and Context Specificity of Dynamic Capabilities and Organization Design Parameters, *ERIM Series in Research in Management*, 1(7).
- Wu, S. (2011). Impact of Environmental Uncertainty on Human Resource Flexibility. *International Conference on Business and Economics Research*, 1, 277-281.

- Zhang, M., Bartram, T., McNeil, N., & Dowling, P. (2015). Towards a Research Agenda on the Sustainable and Socially Responsible Management of Agency Workers through a Flexicurity Model of HRM. *Journal of Business Ethics*, 127(3), 513-523.
- Zhou, H., Dekker, R., & Kleinknecht, A. (2011). Flexible labor and innovation performance: evidence from longitudinal firm-level data. *Industrial and Corporate Change Advance Access*, 1-28
- Zollo, M. & Singh, H. (1998). The Impact of Knowledge Codification, Experience Trajectories and Integration Strategies on the Performance of Corporate Acquisitions, Center for Financial Institutions Working Papers 98-24, Wharton School Center for Financial Institutions, University of Pennsylvania.
- Zwick, T. (2004). Employee Participation and Productivity. *Labour Economics*, 11(6), 715-740.