



Flexible Working Arrangements for Young Employees in Jakarta's Manufacturing and Hospitality

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Abstract

Flexible working arrangements (FWA) have gained considerable attention in employment relations, yet most studies are built around office-based assumptions and say little about sectors where physical presence, shift coordination, and continuous operations are non-negotiable. This matters in manufacturing and hospitality, two of Jakarta's largest employment sectors, where designing flexibility is harder and may widen access gaps across job types. The question is also pressing for Millennial and Gen Z employees, who expect flexibility as part of a reasonable work proposition. Using a qualitative exploratory design, this study collected data through semi-structured in-depth interviews with the HR Director of manufacture and hospitality company. The interviews covered organizational context, job nature, feasible FWA forms, and their relevance for younger workers, and were analyzed thematically. The findings show that FWA does not work as a uniform model. In manufacturing, flexibility was most feasible for office-based functions through hybrid work and flexible hours, while plant roles needed fairer shift design and schedule-swapping mechanisms. In hospitality, the main expression of flexibility was adaptive scheduling, shift management, and limited hybrid work for selected back-office positions. Across both sectors, FWA mattered most as part of a broader employment proposition that included career development and supportive leadership, not as a standalone policy. Sector-based flexibility is more realistic than universal models and should shape both organizational practice and employment policy.

Keywords: *Employment relation, Flexible working arrangements, Hospitality sector, Manufacturing sector, Young employees*

INTRODUCTION

Flexible working arrangements (FWA) have become one of the most visible changes in post-pandemic employment relations. Recent studies show that FWA can support perceived productivity and employee experience when autonomy, managerial clarity, and work design are aligned [1]. Meta-analytic evidence also suggests that FWA is associated with better physical health outcomes and lower absenteeism, although its effects vary by context and design [2].

In Indonesia, however, the discussion of FWA is still dominated by office-based sectors and public administration settings. Regulatory and conceptual discussions mainly explain flexibility as nonconventional arrangements of time and place [3], while empirical studies



in Indonesia have focused strongly on public-sector implementation and hybrid arrangements that are easier to digitize and monitor [4], [5]. This leaves limited evidence on sectors where physical presence and operational continuity remain central.

Manufacturing and hospitality are worth examining specifically because of their scale and operational structure. Statistics Indonesia reported that between August 2024 and August 2025, employment rose by about 0.42 million in accommodation and food services and by about 0.30 million in manufacturing, placing both sectors among the largest contributors to employment growth [6]. Yet production lines, shift systems, and 24/7 service requirements mean that a blanket work-from-anywhere policy is not feasible.

The workforce in both sectors is also increasingly made up of younger employees. Indonesian professionals already view FWA as an attractive option, though adoption depends heavily on organizational readiness [7]. Generation Z employees in Indonesia connect work arrangements to work-life balance preferences [8], and broader studies in DKI Jakarta link work-life balance and motivation to job satisfaction [9]. Evidence from Gen Z employees in Jakarta and surrounding areas also finds associations between FWA, job satisfaction, and organizational commitment [10].

FWA, however, is not automatically beneficial. Systematic review evidence shows that the effects of new ways of working depend on how flexibility is embedded in work systems and management practice [11]. For labor-intensive sectors, unequal access across job groups can make fairness, workload, and supervision more pressing concerns than flexibility itself. In hospitality, work-life balance is a persistent problem precisely because long hours and irregular schedules are built into the service model [12].

This study explores how sectoral context and job characteristics shape the forms, purposes, and relevance of FWA for Millennial and Gen Z employees in manufacturing and hospitality in Jakarta. The paper moves the FWA discussion beyond office-centric assumptions, showing that flexibility in labor-intensive sectors needs to be designed around sector and job realities rather than applied as a uniform policy.

METHOD

This study employed a qualitative exploratory approach to understand how FWA is interpreted, designed, and implemented in two labor-intensive sectors: manufacturing and hospitality. The study focused on these sectors because both are large employment absorbers in Indonesia, yet both face operational constraints that make designing flexibility more complex than in office-based settings.

Data were collected through semi-structured in-depth interviews with two key informants selected purposively. The first informant was the HR Director, representing a multinational manufacturing company in the fast-moving consumer goods industry. The second informant was the HR Director, representing a five-star hotel operating within an international hospitality network. Both informants were selected because they hold strategic responsibility for employment policies and possess broad knowledge of workforce composition, organizational needs, and talent management practices.

The interviews lasted approximately 60–90 minutes and were conducted either face-to-face or online depending on informant availability. The interview guide covered organizational context, sector characteristics, job nature, forms and patterns of FWA, the



rationale for implementation, perceived effects on employees and business performance, younger workers' expectations from a managerial perspective, and implementation challenges. All interviews were recorded with consent and transcribed verbatim.

Data were analyzed thematically through repeated reading, initial coding, category development, and cross-case comparison. The analysis identified recurring themes within each sector and then compared how manufacturing and hospitality differed in their interpretation of feasible flexibility, fairness, and workforce implications. The resulting themes were used to describe current practice and to develop an empirical basis for a future quantitative study on FWA, fairness, work-life balance, engagement, and retention among younger employees.

RESULTS AND DISCUSSION

1. Sector characteristics and organizational context

Both organizations operate under high business pressure, but the logic of their operations differs sharply. In manufacturing, the company combines 24/7 plant operations with corporate functions that are more analytical, collaborative, and digitally supported. Production, logistics, and on-site quality control remain strongly tied to machines, safety requirements, and food-supply regulations, while HR, finance, marketing, sustainability, and digital functions are more compatible with flexible work.

In hospitality, the hotel operates through premium service standards that rely on continuous customer-facing activities. Front office, housekeeping, food and beverage service, banquet, and security depend on physical presence, while only selected back-office roles such as revenue management, digital marketing, HR, finance, and IT have greater potential for hybrid work. In both sectors, the tension is the same: business continuity requires physical operations in real time, but the workforce increasingly expects some form of flexibility.

2. Job nature and the space for flexibility

The interviews show that both organizations start from job analysis rather than uniform policy. At the manufacture company, jobs are broadly divided into plant operations, field-based commercial roles, and office-based support functions. Plant work offers almost no location flexibility because it is tied to production systems and safety standards. The most relevant forms of flexibility are fairer shifts, reduced excessive overtime, and transparent schedule swapping. Support functions, by contrast, have more room for hybrid work, flextime, and output-based management.

At the hotel, a similar distinction exists between front-of-house and back-of-house functions. Frontline hospitality work requires employees to be physically present to maintain guest experience, so flexibility is mainly possible through scheduling options such as split shifts, short shifts, fairer day-off rotations, and structured shift exchanges. Selected back-office roles can adopt limited hybrid work when performance indicators are clear and tasks are digitally manageable.

These findings are consistent with arguments in the Indonesian FWA literature that flexibility should be understood as job-specific arrangements of time and place rather than a simple remote-work permission [3]. They also align with broader review evidence



showing that new ways of working work best when they are matched to task structure, monitoring systems, and organizational support [11].

3. Forms and patterns of FWA

In the manufacturing case, FWA is a portfolio of practices rather than a single policy. For office-based functions, hybrid work and flexible hours are combined with trust-based and output-based performance management. Some employees may work from anywhere for one day a week as long as targets are achieved and key meetings are attended. For plant and logistics workers, flexibility is reflected more realistically through transparent shift allocation, schedule-swapping mechanisms, and workload planning that reduces excessive overtime.

In the hospitality case, the most relevant form of FWA is adaptive scheduling. This includes roster arrangements that consider employee preferences, more structured shift exchanges, and part-time opportunities in several functions. For some back-office roles, limited hybrid work is possible. The hotel also uses compensatory time arrangements: extra hours accumulated during high-demand days can be converted into future rest time, while shorter workdays during low-demand periods can offset previously longer shifts.

This comparison suggests that flexibility in labor-intensive sectors is often temporal before it becomes locational. Such a pattern is compatible with the conclusion of Kirana and Hendriani's review that workers tend to value both time and location flexibility, but actual implementation in Asia remains strongly conditioned by sector and job characteristics [14].

4. Strategic reasons for implementation

The interview data indicate that FWA has moved beyond a purely pandemic-driven response. In manufacture, FWA is used to sustain productivity and operational continuity while also making the company more attractive to younger talent. In hotel, the emphasis is more closely linked to reducing fatigue and burnout caused by long hours and irregular shifts while maintaining service quality through a more stable and motivated workforce. Across both sectors, FWA is treated as a strategic lever connected to talent management and business competitiveness, not only as an extra benefit. This interpretation is consistent with Indonesian evidence showing that professionals view FWA as an attractive post-pandemic employment option, while implementation depends on organizational readiness and support [7]. It is also in line with findings that positive employee experiences under FWA are associated with better perceived productivity [1].

5. Effects on employees and business performance

Both organizations reported positive but differentiated effects. In manufacture company, FWA supports retention in functions where digital, marketing, and data talent are actively targeted by the labor market. Young applicants increasingly ask about flexibility during recruitment, and managers observe that employees who are trusted to manage time and location often display stronger initiative and engagement. However, success depends heavily on managerial capability in leading hybrid teams.

In hotel, the business impact is less visible in direct productivity metrics and more visible in team stability, lower fatigue-related errors, and more consistent service quality. Flexible scheduling helps reduce turnover pressures in roles such as housekeeping and



food and beverage, where entry and exit are traditionally high. This interpretation is compatible with the Job Demands–Resources perspective, in which work design can function as a job resource when it reduces unnecessary strain and is supported by managerial clarity [1], [15]. This is also consistent with hospitality evidence that work-life balance remains a central concern under long and irregular service schedules [12].

6. Millennials, Gen Z, and the meaning of flexibility

One of the study’s clearer findings is that younger workers’ preferences cannot be read in isolation from sector and job realities. The manufacture company HR leadership emphasized that Gen Z values room for self-expression and flexibility, but not as unlimited freedom. Flexibility is considered meaningful only when it remains aligned with organizational rules and business objectives. In practice, this means that for jobs requiring physical presence, younger workers may value schedule flexibility and fairer shifts more than full remote work.

The hotel company tells a similar story. The workforce is dominated by Millennials and Gen Z, yet younger employees were not described as less disciplined or less productive. Instead, they performed well when three conditions were present: clarity of purpose, a respectful and family-like environment, and adequate basic support such as rest areas, facilities, and accessible supervisors. In this setting, flexibility for younger workers is not defined only by where they work, but also by whether schedules, recovery time, and employee voice are managed in humane ways.

This result should be read cautiously. Existing studies on Gen Z in Indonesia do not show that flexibility alone determines work preferences or employment outcomes. Rather, the literature suggests that work arrangements interact with broader issues such as work-life balance [8], [13], job satisfaction [9], and organizational commitment [10].

7. Implementation challenges and good practices

The main challenge in manufacturing is perceived fairness between employees who can access hybrid work and those who cannot. Another challenge is whether managers are capable of supervising performance by results rather than by physical visibility. In hospitality, the central challenge is integrating flexibility with uninterrupted 24/7 service delivery without creating understaffed shifts or internal resentment.

Both organizations have also developed practices worth noting. The manufacture company links FWA explicitly to HR policy, clear eligibility criteria, and output-based performance assessment. The hotel involves supervisors and employees in scheduling decisions, combines flexibility with service standardization, and connects flexibility with retention and employer-brand strategy. Together, these practices support a narrower but more defensible conclusion: in labor-intensive sectors, fairness does not mean identical flexibility, but the provision of the most relevant form of flexibility for each job cluster while maintaining operational continuity.

Table 1. Sectoral Mapping of Flexible Working Arrangements

Sector	Main job cluster	Feasible FWA	Main rationale
Manufacturing	Corporate and support functions	Hybrid work; flexible hours; output-based work	Analytical and collaborative work can be performed digitally



Manufacturing	Plant and logistics roles	Fairer shifts; schedule swapping; overtime control	Physical presence, safety standards, and machine dependence limit location flexibility
Hospitality	Front-of-house service roles	Adaptive scheduling; split shifts; fairer day-off rotation	Continuous guest service requires on-site presence
Hospitality	Back-office roles	Limited hybrid work; flexible scheduling	Administrative and analytical tasks can be partly digitized

Source: Author's analysis.

The findings confirm that sector-based flexibility is more practical than a single universal model. In labor-intensive settings, the practical meaning of flexibility often comes down to scheduling fairness, recovery time, and transparent work allocation rather than remote work options alone.

The study also adds to employment relations scholarship by showing that younger workers' expectations cannot be understood apart from sectoral realities. Millennials and Gen Z may value flexibility strongly, but their retention and engagement are also shaped by career development, supportive leadership, respect, and organizational purpose. FWA, in other words, works best as part of a broader employment proposition.

CONCLUSION

This study concludes that FWA in manufacturing and hospitality is strongly shaped by sectoral context and job nature. In manufacturing, FWA is most feasible for office-based functions through hybrid work and flexible hours, whereas plant-based roles benefit more from fairer shifts, workload planning, and schedule-swapping options. In hospitality, flexibility is primarily expressed through scheduling practices, shift management, and selected forms of limited hybrid work for back-office roles. Effective FWA therefore depends on a fit-for-purpose design rather than a single universal model.

The findings also show that Millennials and Gen Z place high value on flexibility, but FWA is not the sole determinant of their retention. Younger workers remain productive and engaged when flexibility is combined with career opportunities, supportive supervision, respectful workplace culture, and adequate recovery conditions. Organizations should design flexible work according to sectoral demands and job characteristics, while policymakers should avoid treating FWA as a uniform concept across industries. Future research should bring in employees' own voices and test these relationships through broader quantitative methods.

DECLARATION OF GENERATIVE AI (IF ANY)

During the preparation of this manuscript, generative AI was used for language refinement, structural editing, and template alignment. Following the use of this tool, the author carefully reviewed, revised, and validated the content to ensure its accuracy, coherence, and academic integrity. The author assumes full responsibility for the final content of this publication.

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