The Impact of Flexible Working Arrangements on Turnover Intentions as mediated by Job Control among Selected IT-BPM Employees in Cebu

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ABSTRACT

Employee turnover is a persistent challenge in the Information Technology–Business Process Management (IT-BPM) sector, particularly in the Philippines where attrition rates remain among the highest in Asia. Although flexible working arrangements (FWAs) are increasingly used to improve retention, previous studies offer inconsistent findings and provide limited evidence on the mediating role of job control. This study examined the effect of FWAs on turnover intention, with job control as a mediating variable, among 589 IT-BPM employees in Cebu City. A quantitative, correlational, and cross-sectional design was employed, and data were analyzed using Partial Least Squares Structural Equation Modelling (PLS-SEM) in SmartPLS 4.0. The measurement model demonstrated strong reliability and validity, while the structural model showed acceptable fit and predictive relevance. The findings indicated that FWAs significantly increased job control but unexpectedly showed a positive direct effect on turnover intention, suggesting that flexibility may heighten intentions to leave when not paired with adequate support or clear work–life boundaries. Job control exhibited a significant negative effect on turnover intention, confirming its role as a protective factor against attrition. Mediation analysis revealed a competitive mediation effect in which the autonomy generated by FWAs offset, but did not fully eliminate, their positive direct influence on turnover intention. The study contributes to Social Exchange Theory by clarifying that the benefits of FWAs depend on employees' perceptions of fairness, autonomy, and organizational support. Practically, the results suggest that IT-BPM firms must strengthen job control mechanisms to ensure that FWAs translate into meaningful autonomy. Future research may integrate additional psychological, organizational, and contextual variables using longitudinal and comparative designs.

Keywords - Flexible Working Arrangements, Job Control, Turnover Intentions, IT-BPM Industry

INTRODUCTION

High employee turnover is a common problem in the IT-BPM industry across many developing countries. In India, for example, turnover rates of about 14–15% continue to challenge companies that rely on stable and skilled workers (Salunkhe et al. 2024; Patil 2025). Similar issues appear in Pakistan, Sri Lanka, Malaysia, and Bangladesh, where employees often leave because of weak management support, low or uncompetitive pay, poor work–life balance, and limited career growth opportunities (Farooq et al. 2022; Kanchana & Jayathilaka 2023; Seneviratna et al. 2024; Sidike & Zulkifly 2025; Rahman et al. 2023). In the Philippines, the situation is even more serious. Turnover in the IT-BPM sector has reached as high as 38% in previous years and, although it has dropped to about 19%, it is still higher than many neighboring countries (Repaso et al. 2022; Kurata et al. 2023; Bernardo et al. 2023). By comparison, turnover rates in India and other Asian IT-BPM hubs generally fall between 15–20%, suggesting that the Philippines faces greater difficulty in keeping its employees (Presbitero et al. 2021; Patil 2025; Sethar et al. 2022). These patterns show that while high turnover is a shared regional concern, the challenge is especially pronounced in the Philippine IT-BPM industry.

There is a clear research gap in understanding how flexible working arrangements (FWAs) affect employees' turnover intentions when job control is the main factor that explains this relationship, especially in the IT-BPM

industry. Most existing studies show that FWAs help reduce turnover, but they usually explain this through other factors such as job satisfaction, organizational commitment, or employee engagement (Haines et al. 2024; Yang et al. 2024; Berber et al. 2022). A few studies discuss job control and suggest that FWAs can increase employees' autonomy, which may lead to lower turnover. However, these studies often look at job control together with other variables and do not focus on its unique mediating role, particularly in IT-BPM settings (Haines et al. 2024; Tsen et al. 2021). Recent reviews also highlight the need to understand how FWAs work differently across industries and cultural contexts, including IT-BPM (Yang et al. 2024). Very few studies directly test job control as the only mediator between FWAs and turnover intentions among IT-BPM employees. Most research comes from general service or high-tech industries, leaving limited evidence specific to IT-BPM firms, especially in developing countries. Scholars also call for more context-specific studies to understand how job control shapes the effects of FWAs across different job roles, cultures, and organizational systems (Yang et al. 2024; Tsen et al. 2021). These gaps show the need for more focused research on the role of job control in the FWA–turnover relationship in the IT-BPM sector. Based on the foregoing, the study examined the impact of flexible working arrangements on turnover intentions as mediated by job control among selected IT-BPM employees in Cebu.

Specifically, the study answered the following questions:

1. What is the profile of the respondents in terms of age, sex, parental status and job level?
2. What are the variable levels of the flexible working arrangement, job control and turnover intention?
3. Do flexible working arrangements and job control impact turnover intention?
4. Does flexible working arrangements impact job control?
5. Does job control mediate the impact of flexible working arrangements on turnover intention?
6. What are the implications of the findings to the theory, practice and future research direction?

The study provides practical insights for IT-BPM firms by showing how flexible work arrangements and job control influence turnover intentions. The findings can guide organizations in refining workforce policies, strengthening retention efforts, and implementing flexibility practices that support productivity without increasing attrition. For employees, the results highlight the value of autonomy and supportive management in reducing turnover intention. For researchers, the study offers updated evidence from the Philippine IT-BPM sector, clarifies the mediating role of job control, and presents a validated model for future research on flexible work and employee outcomes.

REVIEW OF LITERATURE

Turnover intention refers to an employee's conscious and deliberate willingness or preparedness to leave their current organization within a certain period, even if they have not yet taken concrete steps to resign (Lazzari et al. 2022; Narwaria et al. 2024; Budin 2024; Bernardo et al. 2023). It is widely recognized as the strongest predictor of actual employee turnover, especially in industries like IT-BPM where direct quit data may be unavailable or difficult to track (Lazzari et al. 2022; Narwaria et al. 2024; Budin 2024; Bernardo et al. 2023).

Turnover intention is typically measured through employee self-reports, such as survey questions asking whether they are considering or planning to leave their job, or if they are actively seeking alternative employment (Lazzari et al. 2022; Park et al. 2024). High turnover intention is a chronic challenge in the IT-BPM sector, leading to disruptions in project timelines, increased recruitment and training costs, and loss of organizational knowledge (Narwaria et al. 2024; Bernardo et al. 2023; Özkan 2021). Factors influencing turnover intention among IT-BPM employees include job satisfaction, compensation, career growth opportunities, work-life balance, organizational culture, and management support (Farooq et al. 2022; Narwaria et al. 2024; Kanchana and Jayathilaka 2023; Budin 2024; Bernardo et al. 2023; Özkan 2021).

Turnover intention is used as a proxy for actual turnover in research and HR practice, as it allows organizations to identify at-risk employees and intervene before they actually leave (Lazzari et al. 2022,; Narwaria et al. 2024; Budin 2024; Hur 2024).

Flexible Working Arrangements

In general, flexible working arrangements (FWAs) are employer-provided benefits that give employees some level of control over when and where they work, outside the standard workday. In the IT-BPM industry, FWAs typically include flex time, flex place and combined flexibility Flextime pertains to flexibility in work schedules (choosing start/end times). Moreover, flexplace refers to flexibility in work location (remote work, telecommuting, hybrid models) and Combined Flexibility pertains to both schedule and location flexibility, sometimes negotiated individually (i-deals) (Harrop et al. 2025; Soga et al. 2022). FWAs are designed to allow employees autonomy to complete their work outside the traditional temporal (time) and spatial (place) boundaries of standard office jobs (Harrop et al. 2025; Soga et al. 2022).

Multiple studies and reviews find that FWAs such as flextime, telecommuting, and hybrid schedules—are associated with lower turnover intentions in IT and high-tech industries, including IT-BPM. This effect is largely attributed to increased job satisfaction, organizational commitment, autonomy, and improved work-life balance (Yang et al. 2024; Hemavathi and T. 2023; Berber et al. 2022; Murti and Martdianty 2021; Gašić and Berber 2023; Permatasari and Setiyawan 2024; Rosita et al. 2024). Some studies note that the impact of FWAs can vary. For instance, the benefits are strongest when employees have high job independence or when FWAs are well-aligned with job roles. In some cases, if FWAs increase work-family conflict (e.g., poorly managed telecommuting), they may not reduce turnover intentions or could even increase them (Haines et al. 2024; Tsen et al. 2021; Tsen et al. 2021). Nevertheless, the study hypothesized that:

H1: flexible working arrangements negatively and significantly impact turnover intentions.

Job Control

Job control refers to the degree of autonomy and discretion employees have over how, when, and where they perform their work. Research shows that FWAs are strongly associated with greater job autonomy and job control**,** as they allow employees to tailor their work schedules and locations to fit their needs (Harrop et al. 2025; Haines et al. 2024). The positive impact on job control is a key mechanism by which FWAs improve job satisfaction, organizational commitment, and work-life balance (Harrop et al. 2025; Haines et al. 2024) The benefits are most pronounced when both flextime and flexplace are available, and when employees have genuine discretion in using these arrangements (Harrop et al. 2025). With this, the study hypothesized that:

H2: Flexible working arrangements positively and significantly impact job control.

Research in the IT-BPM industry suggests that job control generally has a negative impact on turnover intentions**,** meaning higher job control tends to reduce employees' intentions to leave. Job control enhances employees' sense of autonomy and empowerment, which fosters organizational commitment and job satisfaction, thereby lowering turnover intentions (Chu et al. 2022; Chen et al. 2023). For example, job control can substitute for leadership influence by increasing employees' felt obligation for constructive change, which reduces turnover intention (Chu et al. 2022). Overall, Social Exchange Theory supports that when employees perceive job control as a valuable resource provided by the organization, they reciprocate with lower turnover intentions due to perceived fairness and support. Thus, in IT-BPM, enhancing job control is an effective strategy to reduce turnover intentions by strengthening employees' psychological attachment to their work and organization (Chu et al. 2022; Chen et al. 2023). With this, the study hypothesized that:

H3: Job control has a negative and significant impact on turnover intention

Flexible working arrangements (FWAs) in the IT-BPM sector reduce turnover intentions primarily through increasing job control, which acts as a key mediating mechanism consistent with Social Exchange Theory. FWAs enhance employees' perceived job control and work engagement, which in turn lower turnover intentions by

fostering a sense of autonomy and reciprocity toward the organization (Haines et al. 2024). With this, the study hypothesized that

H4: Job control mediate the negative impact of flexible working arrangements on turnover intention.

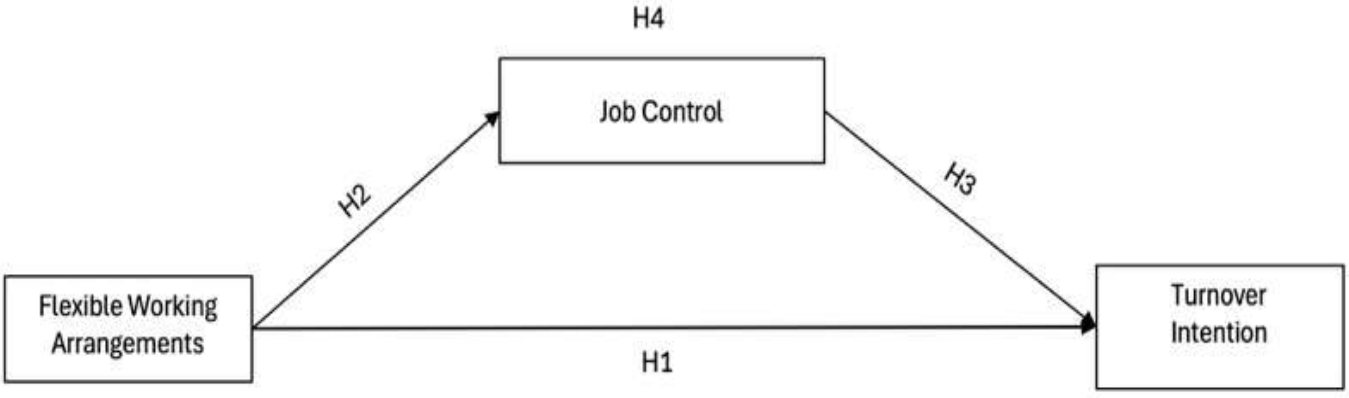
Theoretical Framework

The study was anchored on the Social Exchange Theory which explains that negative impacts of flexible working arrangements and job control on turnover intentions in IT-BPM arise when employees perceive an imbalance in the exchange relationship.

Social Exchange Theory posits that when organizations offer positive practices—like flexible working arrangements (FWAs) and job control—employees feel valued and reciprocate with loyalty and reduced turnover intentions. However, if FWAs or job control are poorly implemented, leading to increased work-family conflict, role ambiguity, or lack of support, employees may perceive the exchange as unfair or burdensome, increasing their intention to leave (Berber et al. 2022; Yang et al. 2024; Tsen et al. 2021). FWAs and job control can enhance organizational commitment and job satisfaction, which mediate the reduction in turnover intentions. If these arrangements fail to deliver perceived benefits or create new stressors, the expected positive reciprocity is undermined, and turnover intentions may rise (Berber et al. 2022; Yang et al. 2024; George and Poluru 2024). When flexible arrangements blur work-life boundaries or create isolation, employees may feel the costs outweigh the benefits, disrupting the social exchange. This can result in higher turnover intentions, especially if employees do not feel adequately supported or if job control leads to increased responsibility without corresponding resources (Tsen et al. 2021; Yang et al. 2024). As it is, Social Exchange Theory explains that the effectiveness of flexible working arrangements and job control in reducing turnover intentions depends on employees' perceptions of fairness and support. When these practices are seen as genuine organizational investments, they foster loyalty and when perceived as burdensome or inequitable, they can backfire and increase turnover intentions.

Conceptual Framework

Figure 1. Research Model



Note. Anchored on the Social Exchange Theory, the study identified Flexible working arrangement as independent variable, job control as mediating variable and turnover intention as dependent variable.

METHODS

The study employed a quantitative, correlational, and cross-sectional research design to examine the effect of flexible working arrangements on turnover intentions, with job control as a mediating variable. Data were collected from October 17 to November 4, 2025, using an online survey administered to employees of IT–BPM firms in Cebu City. A total of 589 respondents were selected through systematic sampling based on an unknown population, exceeding the minimum required sample of 385. All constructs were measured using a 7-point Likert scale ranging from 1 (Strongly Disagree) to 7 (Strongly Agree), and formal permissions were secured for the

adaptation of scale items to ensure ethical compliance. Structural Equation Modelling was conducted using SmartPLS 4.0.

Table 1. Mean Range, Interpretation and Verbal Descriptions

Scale	Range	Interpretation	Verbale Description
7	6.50 – 7.00	Very High	Respondents expressed *very high agreement*, indicating a highly favorable and strongly positive perception of the variable measured.
6	5.50 – 6.49	High	Respondents generally agreed, reflecting a clearly positive perception or condition related to the variable.
5	4.50 – 5.49	Moderately High	Respondents *slightly to moderately agreed*, suggesting a favorable perception, although not very strong.
4	3.50 – 4.49	Neutral	Respondents showed *neither agreement nor disagreement*, indicating neutrality toward the variable.
3	2.50 – 3.49	Moderately Low	Respondents *slightly disagreed*, signifying a moderately unfavorable perception or limited support.
2	1.50 – 2.49	Low	Respondents *generally disagreed*, reflecting a negative perception or dissatisfaction with the variable.
1	1.00 – 1.49	Very Low	Respondents *strongly disagreed*, indicating a very low level of agreement and a highly unfavorable perception of the variable.

Prior to estimating structural relationships, the measurement model was assessed to establish indicator reliability and construct validity. Following current guidelines by Hair et al. (2021–2024), the evaluation included internal consistency reliability using Cronbach's alpha and composite reliability (acceptable ≥0.70), convergent validity via the Average Variance Extracted (≥0.50), and discriminant validity using the HTMT criterion (<0.85, and up to 0.90 for closely related constructs). After confirming that all constructs met the required standards, the structural model was examined to determine the significance and predictive relevance of the hypothesized relationships. This assessment involved testing for multicollinearity through VIF values (all within acceptable ≤3.0 to ≤5.0 thresholds), estimating path coefficients and their significance using bootstrapping, and evaluating predictive accuracy using the coefficient of determination (R^2 and adjusted R^2). Effect size (f^2) was assessed using the benchmarks of 0.02 (small), 0.15 (medium), and 0.35 (large). Model fit was evaluated using the Standardized Root Mean Square Residual (SRMR), with results indicating an acceptable fit for both the saturated model (0.066, ≤0.08) and estimated model (0.081, ≤0.10). Collectively, these procedures ensured that the model demonstrated adequate measurement quality and empirical support for the theorized structural relationships.

RESULTS AND DISCUSSION

This section presents the empirical results of the study based on the data collected from employees in the IT-BPM sector. The analyses include descriptive statistics, assessment of the measurement model, and evaluation of the structural model to test the hypothesized relationships among flexible working arrangements, job control, and turnover intention. Descriptive statistics summarize the respondents' demographic characteristics and provide an overview of the central tendencies of the study variables. The measurement model results establish the reliability, validity, and measurement quality of the constructs, ensuring that the indicators appropriately capture the theoretical dimensions they represent. The structural model then examines the direct, indirect, and mediating effects specified in the research framework. Collectively, these findings provide a comprehensive

understanding of how flexible work practices and job control influence turnover intention among IT-BPM employees.

Table 2. Demographics of the Respondents

Demographic	Category	*n*	%
Sex	Male	274	47%
	Female	315	53%
Parental Status	No Children	403	68%
	With Children	186	32%
Job Level	Manager	88	15%
	Non-Managers	501	85%

The demographic profile shows that the sample consists of slightly more female (53%) than male (47%) respondents, indicating a relatively balanced gender distribution. Most participants (68%) reported having no children, while 32% had at least one child, suggesting that a majority of the workforce is either single or without parental responsibilities. In terms of job level, the sample is predominantly composed of non-managerial employees (85%), with only 15% occupying managerial roles. This distribution reflects the structure of typical IT-BPM organizations, where operational and technical roles make up the largest portion of the workforce. Overall, the demographic characteristics provide a representative overview of employees in the IT-BPM sector, with implications for understanding differences in flexibility needs, job control, and turnover intentions across employee groups.

Table 3. Level of Variables

Construct	Mean	Standard Deviation	Interpretation
Flexible Working Arrangements	4.05	2.13	Neutral
Job Control	4.94	1.76	Moderately High
Turnover Intention	3.50	1.86	Neutral

The respondents reported neutral perceptions toward both flexible work arrangements (FWA) and turnover intention (TI). The mean score for FWA (M = 4.05) indicates that employees neither agreed nor disagreed about the availability or effectiveness of flexible work practices, suggesting that FWAs may be present but are not strongly perceived or consistently implemented within the organization. Similarly, turnover intention (M = 3.50) also falls within the neutral range, reflecting that employees are not actively planning to leave but are also not strongly committed to staying, indicating a state of uncertainty regarding their future with the organization. In contrast, job control (JC) received a moderately high mean score (M = 4.94), showing that employees generally feel a favorable level of autonomy and discretion in how they perform their work. This suggests that while job control is perceived positively, the neutral perceptions of both FWAs and turnover intention may indicate opportunities for organizations to further strengthen flexibility practices to enhance employee retention and overall work experience. Having established the overall levels of the study variables, the analysis proceeds to the measurement model assessment to evaluate the reliability and validity of the constructs before testing the structural relationships.

Measurement Model Assessment

Before estimating the structural relationships, the measurement model was rigorously assessed to ensure that the constructs were represented with adequate reliability and validity. Establishing measurement quality is a necessary prerequisite in PLS-SEM, as the accuracy of the structural paths depends on the soundness of the underlying indicators. In this study, all indicators were specified as reflective, implying that they function as observable manifestations of their respective latent variables. The assessment followed the standard PLS-SEM procedure, which is appropriate for predictive, complex models and datasets that do not conform to normality assumptions. The evaluation focused on internal consistency reliability, convergent validity, and discriminant validity to confirm that the measurement model met accepted psychometric standards prior to proceeding with hypothesis testing.

Table 2. Internal Consistency and Validity

Variables	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
FWA	0.936	0.938	0.951	0.796
JC	0.902	0.921	0.928	0.723
TI	0.897	0.928	0.922	0.704

All constructs showed high internal consistency, with Cronbach's alpha, Dijkstra–Henseler's rho (ρ_a), and composite reliability (ρc) values exceeding the recommended threshold of 0.70. Specifically, the reliability coefficients for Flexible Working Arrangements (FWA), Job Control (JC), and Turnover Intentions (TI) ranged from 0.897 to 0.951, indicating strong internal consistency across all indicators. Convergent validity was also established, as all constructs reported Average Variance Extracted (AVE) values above 0.70, demonstrating that the items adequately captured their respective latent constructs.

Table 3. Outer Loading Relevance Testing

Indicators	FWA	JC	TI
FWA1	0.888		
FWA2	0.885		
FWA3	0.908		
FWA4	0.910		
FWA5	0.869		
JC1		0.688	
JC2		0.801	
JC4		0.923	
JC5		0.904	
JC3		0.912	
T1			0.811
T2			0.863

Indicators	FWA	JC	TI
T3			0.859
T4			0.811
T5			0.849

Most indicators demonstrated satisfactory outer loadings, with values above the recommended 0.70 threshold. All FWA items (0.869 to 0.910) and all TI items (0.811 to 0.863) exhibited strong loadings. For JC, four indicators (JC2, JC3, JC4, JC5) showed high loadings above 0.80, while JC1 presented a marginally lower loading at 0.688, slightly below the preferred benchmark. Although this value does not necessitate removal, it suggests comparatively weaker contribution and may be considered for refinement in future research. Overall, the indicators support adequate construct representation.

Table 4. Discriminant Validity

Variables	FWA	JC	TI
Heterotrait-monotrait ratio (HTMT) – Matrix			
JC	0.576		
TI	0.123	0.161	
Fornell Locker Criterion			
FWA	0.892		
JC	0.543	0.850	
TI	0.116	-0.148	0.839

Discriminant validity was examined using the Heterotrait–Monotrait Ratio (HTMT) and the Fornell–Larcker criterion. HTMT values were substantially below the conservative threshold of 0.85, with construct pairs ranging from 0.123 to 0.576. These results indicate that the constructs are empirically distinct. The Fornell–Larcker criterion further confirmed discriminant validity, as the square roots of the AVE values for FWA (0.892), JC (0.850), and TI (0.839) exceeded the correlations with other constructs. Together, these tests confirm that each construct measures a unique conceptual domain within the model.

Structural Model Assessment

After establishing the reliability and validity of the measurement model, the next step in PLS-SEM involves evaluating the structural model to determine the strength, significance, and relevance of the hypothesized relationships among the latent constructs. Structural model assessment in SmartPLS 4.0 follows the updated guidelines of Hair et al. (2021, 2022, 2024), focusing on key criteria such as collinearity diagnostics, path coefficients, coefficient of determination (R^2), effect sizes (f^2) and the significance of direct, indirect, and moderating effects through bootstrapping. This evaluation allows researchers to determine how well the model explains the variance in the dependent variables and whether the theoretical assumptions are empirically supported.

Table 5. Collinearity Diagnostics

Indicators	VIF
FWA1	3.264

FWA2	3.282
FWA3	3.892
FWA4	3.687
FWA5	2.650
JC1	1.566
JC2	1.866
JC3	4.761
JC4	5.431
JC5	3.660
T1	2.313
T2	2.171
T3	2.476
T4	2.157
T5	2.224

Variance Inflation Factor (VIF) values were used to assess collinearity among indicators. All FWA and TI indicators exhibited VIF values between 2.157 and 3.892, falling well within acceptable thresholds. For JC, three indicators (JC1, JC2, JC5) reported low VIF values, while JC3 (4.761) and JC4 (5.431) showed comparatively higher values, with JC4 slightly exceeding the recommended upper limit of 5. Despite this, the collinearity levels remain within a range that does not compromise the validity of the measurement model. Overall, multicollinearity does not pose a substantive concern.

Figure 2. Structural Model

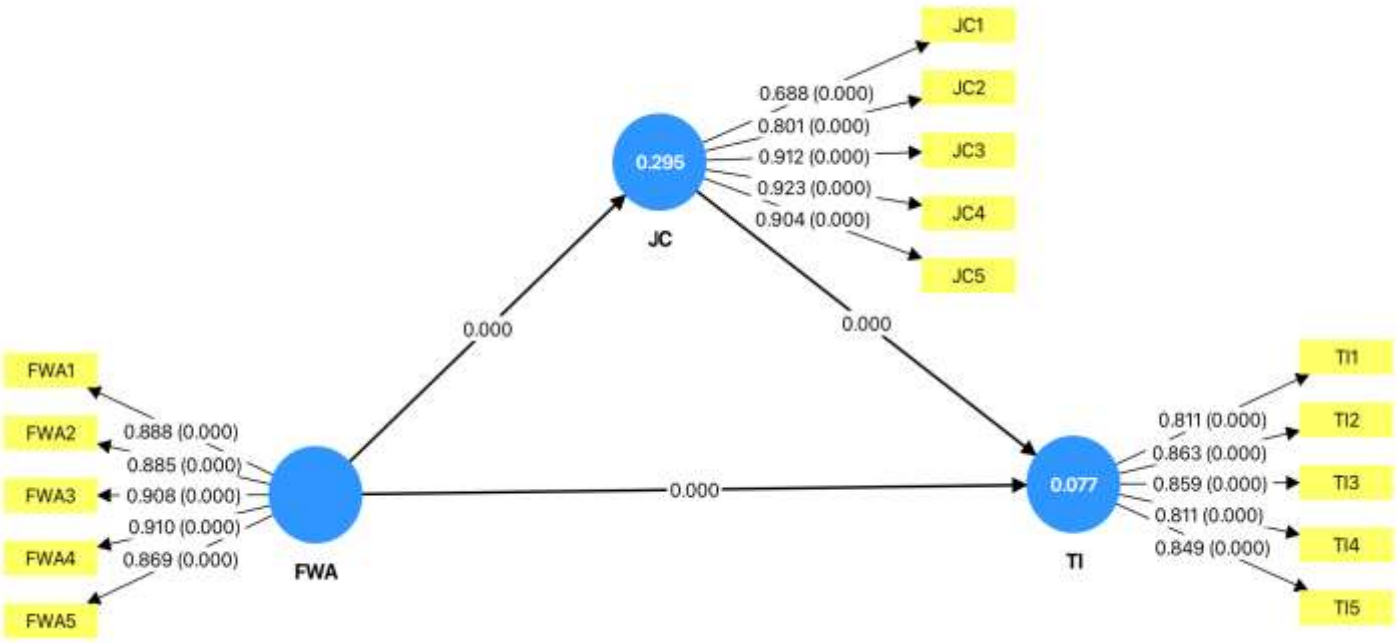


Table 6. Explanatory Power

Indicators	R-square	R-square adjusted
JC	0.295	0.293
TI	0.077	0.074

The explanatory power of the model varies across the endogenous constructs. Job Control (JC) obtained an R^2 value of 0.295 (adjusted $R^2 = 0.293$), which meets the weak-to-moderate threshold in PLS-SEM, where values of 0.25, 0.50, and 0.75 respectively indicate weak, moderate, and substantial explanatory power (Hair et al., 2019). This suggests that approximately 29.5% of the variance in JC is explained by its predictors, representing a meaningful level of explanatory strength.

Turnover Intention (TI) recorded an R^2 value of 0.077 (adjusted $R^2 = 0.074$), which falls below the 0.10 level typically considered weak in PLS-SEM. However, when interpreting R^2 values in the turnover intention literature, prior studies commonly report R^2 values ranging from 0.10 to 0.32, and these levels are still considered theoretically meaningful and empirically acceptable. For instance, Alawi (2017) found that transformational leadership explained 17% of turnover intention ($R^2 = 0.17$), while Kusuma et al. (2023) reported an R^2 of 0.126 for a model including leadership, talent management, and motivation—both of which were deemed valuable contributions in understanding turnover intention. Additionally, several studies in similar fields report R^2 values between 0.27 and 0.33 (Ntseke et al., 2022; Utami, 2025), demonstrating that modest explanatory power is common in behavioral and organizational models predicting turnover intentions. Given this context, the current study's R^2 value for TI, although lower, remains consistent with the broader empirical pattern indicating that turnover intention is influenced by multiple unobserved or external factors. As such, the model still offers important explanatory insights, and future research may incorporate additional predictors to further strengthen the model's explanatory capacity.

Table 7 . Predictive Power

Indicators	JC	TI
FWA	0.418	0.059
JC		0.069

The predictive relevance of the model was assessed using cross-validated redundancy values. For Job Control (JC), the model yields a Q^2 value of 0.418, which exceeds the recommended threshold of 0.25 for medium predictive power and falls well above the 0.50 benchmark for large predictive relevance in behavioral research contexts. This indicates that the predictors in the model provide strong predictive accuracy for JC. For Turnover Intentions (TI), the Q^2 values associated with its predictors are lower, with FWA showing 0.059 and JC showing 0.069. These values fall just above the minimum acceptable level of $Q^2 > 0$, which indicates small but meaningful predictive relevance. Although modest, such levels are consistent with prior turnover intention research, where prediction is typically influenced by multiple external or unobserved variables. Overall, the model demonstrates strong predictive power for JC and small yet meaningful predictive relevance for TI, aligning with patterns commonly reported in employee turnover studies.

Table 8. Model Fit Assessment

Criteria	Saturated model	Estimated model
SRMR	0.053	0.053

d_ULS	0.333	0.333
d_G	0.143	0.143
Chi-square	506.975	506.975
NFI	0.925	0.925

The model fit indices indicate that the structural model meets the recommended thresholds for acceptable model fit in PLS-SEM. The Standardized Root Mean Square Residual (SRMR) value of 0.053 for both the saturated and estimated models is below the recommended cutoff of **0**.08**,** indicating a good fit between the model-implied and observed correlations. Similarly, the discrepancy measures d_ULS (0.333) and d_G (0.143) fall within acceptable ranges, suggesting that the empirical data align well with the model's predictions The Chi-square value (χ^2 = 506.975) is reported for completeness but is not typically emphasized in PLS-SEM due to its sensitivity to sample size. The Normed Fit Index (NFI) value of 0.925 exceeds the 0.90 threshold, indicating strong incremental model fit. Collectively, these indices confirm that the proposed model demonstrates an acceptable and robust fit to the data

Table 9. Direct Effects

Hypothesis	Mean	STDEV	P values	Interpretation	Decision
H1: FWA -> TI	0.279	0.045	0.000	Significant	Not supported
H2: FWA-> JC	0.543	0.033	0.000	Significant	Supported
H3: JC -> TI	-0.299	0.045	0.000	Significant	Supported

The results show that flexible working arrangements (FWA) have a significant effect on turnover intention (TI), but in the opposite direction of what was hypothesized. Although the relationship is statistically significant, the positive coefficient indicates that FWAs do not directly reduce turnover intention in this sample, leading to the rejection of H1. This finding aligns with recent literature suggesting that FWAs may not always lower turnover intentions and can sometimes increase role ambiguity, work–life conflict, or feelings of isolation if not well supported (Haines et al., 2024; Tsen et al., 2021). Studies in IT-BPM and high-tech environments similarly note that FWAs only reduce turnover when implemented effectively and accompanied by managerial support and clear boundaries (Harrop et al., 2025; Soga et al., 2022). In contrast, the significant positive relationship between FWA and job control (JC) supports H2, confirming that FWAs enhance employees' discretion over how, when, and where they work. This is consistent with extensive evidence showing that FWAs are strong drivers of perceived autonomy and job control (Harrop et al., 2025; Haines et al., 2024). In the IT-BPM industry, where work tasks are highly structured but often asynchronous, FWAs expand employees' sense of control over their work routines and scheduling, reinforcing findings from earlier research that flexibility enhances autonomy and work–life fit (Berber et al., 2022; Yang et al., 2024).

Finally, the significant negative effect of job control on turnover intention supports H3. This means that higher job control reduces employees' intention to leave, which aligns with prior research showing that autonomy, discretion, and control over work processes enhance engagement, job satisfaction, and organizational commitment (Chu et al., 2022; Chen et al., 2023). Job control has been shown to buffer stress, improve well-being, and strengthen employees' psychological attachment to their organization—key mechanisms consistently associated with lower turnover intentions in IT-BPM and related knowledge-based industries (Narwaria et al., 2024; Bernardo et al., 2023).Overall, the findings suggest that FWAs influence turnover intention indirectly rather than directly**,** working primarily through enhanced job control. This pattern reflects broader evidence in the literature indicating that the success of FWAs in reducing turnover depends on employees' perceptions of autonomy, fairness, and managerial support (Berber et al., 2022; Yang et al., 2024). When FWAs improve job

control, turnover intention decreases; when they create ambiguity or are poorly implemented, they may fail to reduce turnover or even heighten employees' intention to leave.

Table 10. Mediation Analysis

Hypothesis	Direct		Indirect		Total		Interpretation	Decision
	β	p	β	p	β	p		
H4: FWA -> TI	0.279	0.000	-0.163	0.000	2.597	0.009	Competitive	Supported

The mediation analysis shows a competitive mediation effect for H4, indicating that flexible working arrangements (FWA) exert both a positive direct effect and a negative indirect effect (via job control) on turnover intention (TI). The direct path from FWA to TI is positive and significant (β = 0.279, p = 0.000), suggesting that FWAs, on their own, may increase turnover intention. This aligns with studies showing that poorly supported or inconsistently implemented FWAs can create work–life boundary conflicts, role ambiguity, or social isolation, which may heighten employees' intention to leave (Haines et al., 2024; Tsen et al., 2021). However, the indirect path from FWA → JC → TI is negative and significant (β = –0.163, p = 0.000), confirming that FWAs reduce turnover intention when they effectively increase job control.

This supports extensive literature showing that job autonomy and discretion are central mechanisms through which FWAs improve well-being, organizational commitment, and retention in IT-BPM and knowledge-intensive environments (Harrop et al., 2025; Chu et al., 2022; Chen et al., 2023). When employees perceive that FWAs genuinely enhance their autonomy and control over work timing and location, turnover intention tends to decline. The presence of competitive mediation means that the direct and indirect effects operate in opposite directions**.** As observed in recent studies, FWAs can have mixed outcomes: they may increase autonomy and reduce burnout for some employees, yet create stressors or unmet expectations for others (Yang et al., 2024; Berber et al., 2022; George & Poluru, 2024). In this study, the total effect remains statistically significant, indicating that job control plays a meaningful role in counterbalancing the potential negative consequences of FWAs. Overall, the findings support H4 and reinforce Social Exchange Theory, which posits that employees respond positively when FWAs translate into genuine autonomy and support—but may react negatively if the flexibility increases workload pressures or lacks organizational support. Thus, FWAs reduce turnover intention only when paired with sufficient job control, making job control a critical pathway through which FWAs influence employee retention.

CONCLUSION

The study examined the impact of flexible working arrangements (FWAs) on turnover intention in the Philippine IT-BPM sector, with job control as a mediating mechanism grounded in Social Exchange Theory. Using data from 589 employees and a structural equation model, the findings reveal a complex and nuanced relationship between workplace flexibility, autonomy, and employees' intention to stay or leave. Although FWAs significantly increased job control, and job control significantly reduced turnover intention, FWAs alone did not directly lower turnover intention. Instead, FWAs demonstrated a positive direct association with turnover intention, indicating that flexibility—when poorly supported or inconsistently implemented—may inadvertently heighten employees' inclination to leave. The significant negative indirect effect of FWAs on turnover intention via job control confirms that job control is a crucial pathway through which flexibility becomes beneficial. Thus, job control operates as a competitive mediator, counteracting the potentially adverse direct effects of FWAs on employee retention.

These results contribute to theory by clarifying the conditional nature of the FWA–turnover link and reinforcing Social Exchange Theory's emphasis on employee perceptions of fairness, support, and reciprocal value. FWAs do not uniformly generate positive outcomes; their success depends on whether they translate into genuine autonomy rather than additional burden, ambiguity, or work–life boundary conflict. Empirically, the study

advances IT-BPM–specific evidence from a developing country context—an area where scholarship remains limited—by demonstrating that job control is a key explanatory mechanism underlying employees' reactions to flexible work practices.

From a practical perspective, the findings underscore that flexibility initiatives must be paired with supportive managerial systems, clear implementation guidelines, and mechanisms that protect employee autonomy. Merely offering FWAs is insufficient; organizations must ensure consistent application, communication clarity, and adequate resources so that flexibility enhances rather than undermines employee well-being. Strengthening job control—through participatory decision-making, autonomy in scheduling, and empowerment practices—can substantially reduce turnover intention and improve retention outcomes in IT-BPM firms.

Future research may expand the model by incorporating additional psychological and organizational variables such as work engagement, organizational support, job embeddedness, or perceived job independence, which prior studies identify as salient predictors of turnover. Longitudinal designs may also clarify how employees' perceptions of FWAs and job control evolve over time. Overall, this study highlights that FWAs are most effective in reducing turnover intention when embedded within a broader system that reinforces autonomy, fairness, and supportive work conditions, thereby offering actionable guidance for IT-BPM organizations seeking to enhance employee retention in increasingly flexible work environments

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