



МЕНЕДЖМЕНТ

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## **The Impact of Agile Management Methods on Employee Engagement and Productivity**

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**Abstract:** *In today's rapidly changing and increasingly demanding business environment, organizations are constantly seeking ways to enhance employee engagement and productivity. Traditional management methods do not always meet these dynamic requirements, leading to the growing adoption of flexible management approaches. These methods, which include flexible practices, remote work, and flexible scheduling, have been highly praised for their potential to create a more adaptive, resilient, and motivated workforce. However, there is still a need for comprehensive analysis to understand the extent of their impact on employee engagement and productivity in various organizational contexts.*

**The purpose** of this study is to examine the impact of flexible management methods on employee engagement and productivity.

**Methods:** analysis of scientific literature, synthesis, abstraction, generalization, systematization.

**The research results** indicate a positive correlation between the implementation of flexible management methods and increased levels of employee engagement and productivity. Employees who experience greater autonomy and flexibility in their work environment report higher job satisfaction and stronger commitment to organizational goals. The study also highlights that flexible management practices lead to more innovative and effective problem-solving processes, as employees feel empowered to take initiative and share their unique experiences. However, the research also identifies potential challenges, such as the need for clear communication and the risk of disrupting work-life balance, which organizations must address to fully realize the benefits of flexibility.

**Conclusions.** The study concludes that flexible management methods play a crucial role in enhancing employee engagement and productivity. By utilizing these approaches, organizations can build a more motivated and committed workforce, leading to improved overall performance. However, to maximize the benefits, organizations must carefully implement these practices, considering the specific needs and dynamics of their workforce.



**Keywords:** *flexible practices, adaptive management, leadership strategies, organizational effectiveness, employee satisfaction, productivity.*

**Анотація:** *У сучасному бізнес-середовищі, що відрізняється швидкими змінами та зростаючими запитами, організації перебувають у постійному пошуку шляхів підвищення залученості та продуктивності співробітників. Традиційні методи управління не завжди відповідають цим динамічним вимогам, що призводить до все більшого впровадження гнучких підходів до управління. Ці методи, які включають гнучкі практики, віддалену роботу та гнучкий графік, були високо оцінені за їхній потенціал у створенні більш адаптивної, стійкої та мотивованої робочої сили. Однак все ще існує потреба в усебічному аналізі, щоб зрозуміти ступінь їхнього впливу на залученість та продуктивність працівників у різних організаційних контекстах.*

**Метою** цього дослідження є вивчення впливу гнучких методів управління на залученість та продуктивність співробітників.

**Методи:** *аналізу наукової літератури, синтезу, абстрагування, узагальнення, систематизації.*

**Результати** дослідження свідчать про позитивну кореляцію між впровадженням гнучких методів управління та підвищенням рівня залученості й продуктивності працівників. Працівники, які відчують більшу автономію та гнучкість у своєму робочому середовищі, повідомляють про вищий рівень задоволеності роботою та сильнішу відданість цілям організації. Дослідження також підкреслює, що гнучкі управлінські практики призводять до більш інноваційних та ефективних процесів розв'язання проблем, оскільки співробітники відчують, що можуть проявляти ініціативу та ділитися власним унікальним досвідом. Однак дослідження також визначає потенційні виклики, такі як необхідність чіткої комунікації та ризик порушення балансу між роботою та особистим життям, на які організації повинні звернути увагу, щоб повністю реалізувати переваги гнучкості.



**Висновки.** У дослідженні зроблено висновок, що гнучкі методи управління відіграють важливу роль у підвищенні залученості та продуктивності працівників. Використовуючи ці підходи, організації можуть сформулювати більш мотивовану та віддану робочу силу, що призведе до покращення загальної продуктивності. Однак, щоб отримати максимальну вигоду, організаціям необхідно виважено впроваджувати ці практики, враховуючи конкретні потреби та динаміку розвитку персоналу.

**Ключові слова:** гнучкі практики, адаптивне управління, стратегії лідерства, організаційна ефективність, задоволеність співробітників, продуктивність.

**Problem statement.** In today's business environment, companies are subject to constant change, which requires them to be adaptable and innovative in their management. Traditional hierarchical structures and rigid management methods do not always meet modern requirements and the ever-changing needs of staff. As a result, flexible management methods, such as Agile, have gained popularity due to their potential to increase employee engagement and productivity. The problem is the need to determine how such flexible methods affect the organisation's performance, in particular, the motivation and efficiency of its employees [1, p. 20].

Despite the growing popularity of these methods, there is still a lack of empirical evidence and theoretical research on how they affect various aspects of employee behaviour and organisational outcomes. This article examines the impact of agile management practices on employee motivation and productivity and provides insights into the effectiveness of these approaches in the modern workplace. The relevance of this research is that it can help companies develop practical strategies for building an engaged and productive workforce, which will ultimately lead to improved overall performance and market competitiveness.

**Analysis of recent research and publications.** The growing interest in flexible management methods, especially in the context of employee motivation and productivity, has attracted considerable research interest in recent years. The



transition to adaptive, employee-oriented management methods is a response to today's dynamic working conditions, in which traditional hierarchical structures do not always meet the rapidly changing market requirements [2–3].

One of the significant contributions to the study of flexible management methods is the work of M. Morozov [4, p. 49] and K. Horchakov. [5, p. 726], whose research focuses on aligning employee and organisational goals through flexible working hours. Their studies, especially those related to the impact of remote work and flexible working, show that such methods can significantly increase staff motivation by providing employees with greater autonomy and control over their work-life balance. Their research emphasises the importance of flexibility as a driver of job satisfaction and, consequently, productivity.

The studies by I. Boryshkevych, V. Yakubiv [6], and S. Obikhod [7, p. 6] also expanded the understanding of how flexible management practices can contribute to the formation of a more engaged workforce. Their work examines the relationship between flexibility and employee motivation, especially in knowledge-intensive industries. They argue that agile management, when implemented effectively, can lead to an innovative and engaged workforce, fostering a culture of trust and collaboration.

In the context of team interaction, special attention should be paid to the studies conducted by Y. Sytnyk, S. Pryharnyi [8], Ye. Zhernova [9, p. 217], D. Yaniieva [10, p. 188]. The concept of “team building” proposed by them considers how flexible cross-functional teams can increase productivity through rapid learning and adaptation. Their work emphasises the role of psychological safety, a key element of agile management that allows staff to take risks and express ideas without fear of retaliation. This approach increases both individual and collective productivity, especially in complex, rapidly changing work environments.

#### **Identification of previously unresolved parts of the overall problem.**

Despite significant developments in the study of the benefits of flexible management methods, there are still unresolved aspects of this issue. The long-term impact of these methods on the organisation's performance, in particular in terms of



continuous innovation and staff retention, remains insufficiently studied. In addition, the potential of flexible working arrangements, which can lead to increased work-life balance problems and contribute to employee burnout, is not yet fully understood. Furthermore, the different impacts of flexible management practices on different demographic groups, especially in terms of gender equality and inclusion, need to be further explored.

**Objective.** The purpose of the study is to determine how flexible management methods affect employee motivation and productivity, as well as to identify the benefits and challenges associated with their implementation.

In accordance with the goal, we set and solved the following tasks: to assess the impact of flexible management methods on employee motivation and productivity, analyse the specific benefits and challenges posed by these methods, and provide recommendations for their effective implementation.

**Summary of the main research material.** In today's business environment, the use of flexible management methods is becoming increasingly relevant due to their significant impact on employee engagement. These methods, which include practices such as flexible working hours, job autonomy and adaptive work environments, play an important role in increasing employee engagement, motivation and overall satisfaction. By examining the various factors that contribute to such engagement, the role of autonomy and flexible working, and their impact on motivation and satisfaction, a comprehensive view of how flexible management practices can contribute to organisational success can be gained [11].

One of the main factors contributing to employee engagement through flexible management practices is improved work-life balance. Flexible work schedules that allow employees to adjust their working hours or work remotely help people better manage their personal and professional responsibilities. This flexibility not only reduces stress, but also increases job satisfaction as employees feel more in control of their time and responsibilities. As a result, employees are more likely to be engaged and committed to their work, as they can tailor the work environment to their personal needs and preferences.



Autonomy is another important factor that affects employee engagement. When employees have the freedom to make decisions about their tasks and workflows, they often show higher levels of engagement. Autonomy fosters a sense of ownership and responsibility, as employees feel that their contributions are valued and that they have a significant impact on their work results. This sense of ownership is closely linked to increased motivation, as employees are more likely to exert effort and be creative in their tasks when they have the power to shape their work environment [12].

The role of autonomy and flexible working arrangements is further supported by their impact on motivation and satisfaction. Motivational theories, such as self-determination theory, suggest that people are motivated by the need for autonomy, competence and team connectedness. Flexible management practices satisfy these needs by allowing people to have more control over their work, develop their skills, and build constructive relationships within the organisation. As a result, employees experience higher levels of intrinsic motivation and job satisfaction, leading to increased productivity and commitment to the organisation.

To illustrate the impact of flexible management practices on employee engagement, the key factors and their impact are shown in Table 1.

**Table 1**

Characteristics of the impact of flexible management methods on employee engagement

Factor	Impact on employee engagement
Flexible working hours	Improves work-life balance, reduces stress, increases job satisfaction and improves engagement.
Autonomy	It promotes a sense of responsibility, increases motivation, encourages creativity and increases engagement.
Clear role definition and support	Clarify job expectations, provide necessary resources and feedback, and promote overall engagement.
Opportunities for growth	Offers professional development and career growth, leading to increased motivation and satisfaction.

Source: created by the authors for [12–13]



Flexible working practices, such as telecommuting and flexible working, have been shown to have a positive impact on employee productivity. One of the main reasons for this is that it reduces stress in the workplace and improves work-life balance. Employees who have the freedom to adjust their work schedule or work from different locations often experience lower levels of stress and burnout. Improved well-being leads to greater focus and efficiency, as employees can manage their time more effectively and work in an environment that meets their personal needs. Studies have consistently shown that employees with flexible working hours demonstrate higher levels of job satisfaction and commitment, which in turn increases their productivity [14, p. 70].

The study of labour productivity in the context of flexible management provides empirical evidence to support these claims. For example, a well-known study conducted by Stanford University showed that employees working from home showed a 13% increase in productivity compared to their colleagues working in the office. This increase is attributed to a number of factors, including fewer distractions and a shorter commute. In addition, remote workers reported higher levels of job satisfaction and a stronger sense of autonomy, which further contributed to their productivity.

The positive impact of flexible management on productivity is also reflected in various examples of successful implementations. One of the most striking examples is the case of Microsoft Japan, a technology company that experimented with a four-day work week in 2019. The results of this experiment were impressive: productivity per employee increased by 40% compared to the previous year. The company attributed this increase in productivity to improved concentration and efficiency as a result of the shorter work week, as well as the improved work-life balance experienced by employees [15, p. 355].

Another example is Dell Technologies, a multinational corporation that has introduced a flexible working policy that allows employees to choose where and when they work. This approach has led to a significant increase in productivity and



employee satisfaction. An internal study showed that employees who used flexible working were more engaged and performed at a higher level than those who worked in a traditional way. The flexibility provided to employees contributed to a more motivated and productive workforce.

The impact of flexible management practices on productivity can be seen in the case of PwC, an international consulting firm. PwC has introduced a flexible working programme, which includes remote working and flexible hours. The company's research showed that employees who participated in the programme experienced increased productivity and job satisfaction. The flexibility allowed employees to better manage their work-life balance, leading to fewer absences and increased overall productivity [16].

For organisations, the benefits of agile management are numerous. One of the main benefits is increased productivity. Flexible working usually leads to higher levels of employee satisfaction, which in turn increases motivation and productivity. Employees who have the freedom to manage their own schedule and work environment tend to experience less stress and burnout, which leads to increased concentration and performance. In addition, flexible management practices can lead to cost savings for organisations. Remote working, for example, reduces the need for large office space and the associated overheads such as utilities and office supplies. This financial advantage is complemented by the potential for better employee retention. Organisations that introduce flexible working are often seen as more attractive employers, which can help retain top talent and reduce staff turnover.

From an employee perspective, flexible management practices have significant benefits. A key benefit is improved work-life balance, as employees are better able to fit personal responsibilities and preferences around their work schedule. This balance contributes to greater job satisfaction and overall well-being. Flexibility in work arrangements also promotes autonomy, allowing employees to work in an environment that best suits their individual needs and productivity patterns. In addition, the ability to work remotely or change work schedules can lead



to a reduction in commuting time and associated stress, further increasing job satisfaction and productivity.

Despite these benefits, implementing agile management practices is not without its challenges. One of the main challenges organisations face is maintaining effective communication and collaboration. Flexible working can lead to difficulties in coordinating team activities and ensuring that all employees are aligned with the organisation's goals. This problem can be exacerbated by differences in time zones and work schedules among remote team members. Managing performance and productivity can become more complex when employees work in different environments. Organisations need to develop robust systems to track performance and provide feedback to ensure that employees remain engaged and achieve their goals [17, p. 401].

Another significant issue is potential isolation and reduced team cohesion. Employees who work remotely may experience a sense of separation from their colleagues, which can affect teamwork and morale. To address this issue, organisations need to implement strategies to foster a sense of community and collaboration between remote and in-office workers. Regular virtual meetings, team-building activities and opportunities for social interaction can help mitigate feelings of isolation.

There are several strategies organisations can employ to overcome these challenges. Adopting advanced communication tools and technologies is essential to support effective collaboration between remote and flexible workers. Tools such as video conferencing, project management software, and messaging can facilitate communication and ensure that team members stay in touch. Additionally, setting clear guidelines and expectations for efficiency and productivity can help manage remote work effectively. Regular performance reviews and evaluations can provide employees with the feedback they need to stay on track and feel supported [18].

Table 2 presents the main advantages and challenges of flexible management methods, as well as recommendations for overcoming the problems associated with them (Table 2).

**Table 2**

Advantages, challenges and recommendations for flexible management methods

Aspect	Advantages	Challenges	Recommendations
For organisations	Increase productivity, save costs, improve staff retention	Difficulties with communication and cooperation, difficulties in performance management	Use of advanced communication tools, setting clear guidelines
For employees	Improved work-life balance, more autonomy, less stress from commuting	Isolation, potential loss of communication with the team	Promoting the development of a virtual community, regular feedback

Source: created by the authors for [18–19]

**Conclusions.** The impact of flexible management on employee engagement is multifaceted and profound. By fostering work-life balance, providing autonomy and supporting employees' professional development, organisations can increase employee engagement, motivation and satisfaction. Implementing these practices not only benefits employees, but also contributes to the overall success of the organisation, as engaged and motivated employees are more likely to perform effectively and remain committed to their duties. Agile management practices are therefore a strategic approach to optimising employee engagement and achieving organisational excellence.

The success stories of companies such as Microsoft Japan, Dell Technologies and PwC confirm the effectiveness of such methods in increasing productivity and achieving organisational goals.

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