

Strategic Flexible Working Arrangement: The Realignment between Human Resource and Management Accounting

ABSTRACT

Purpose of the study: This paper aims to pioneer the investigation of human resource (HR) and management accounting (MA) realignment in delivering organizational working flexibility strategy. The core idea is to rebranding the HR and MA framework for strategic flexible working arrangements (FWA), so that FWA implementation or enhancement can be both effective and efficient. **Methodology:** This study is based on the epistemological of the social constructivist approach and qualitative in nature. We conducted semi-structured interviews and analyzed the collected data by using thematic analysis. **Main Findings:** The results revealed that HR and MA have overlapping responsibilities that add value to effective and efficient FWA implementation/enhancement. There is a definite prerequisite for HR and MA to sit together to manage employees' performance appraisal, compensation, and benefits. To ensure the efficiency of FWA, HR critically needs MA information such as budgeting, return on investment, variance analysis and, cost monitoring of FWA implementation/enhancement. **Applications of this study:** This study provides insight beyond FWA adoption, whereby we proposed a framework for strategic FWA, which bridges the connection between HR and MA so that FWA implementation or enhancement can be both effective and efficient. We thoroughly discussed how the synergy between HR and MA can be achieved through several key elements, which is expected to yield strategic outcomes for the organization. Most importantly, the organization shall be able to overcome the redundancies between HR and MA roles to create a more compelling strategic planning for FWA implementation. Hence, leading towards greater strategic outcomes such as strategic dynamic acquisition, effective HR cost, a strategic link between HR outcomes and business, strategic return on investment, as well as comprehensive HRM measurement and performance. **Novelty/Originality of this study:** The study developed a conceptual framework of HR and MA integration and strategic outcomes for FWA implementation. The features of this framework are of greater importance for FWA success and advance the notion of FWA literature by unveiling the strategic alignment between HR and MA.