

The Impact of Financial Rewards, Conflict of Management, Promotion, Flexibility of Working Hours, and Working Environment on Employees' Productivity in Somalia

Hassan Mohamud Mohamed

Department of Banking & Finance, faculty of management of science, university of Simad,
Mogadishu, Somalia.

Abstract

This study investigated the impact of financial rewards, conflict of management, promotion, flexibility of working hours, and working environment on employees' productivity. This study employed a quantitative research design to examine the impact of financial rewards, conflict management, promotion opportunities, flexible working hours, and the working environment on employees' productivity. Data were collected using a structured questionnaire distributed to a sample of 425 respondents, ensuring adequate representation for statistical analysis. The questionnaire was designed to capture both personal profile information and variables related to the study constructs. For the analysis of demographic and personal profile data, the software Jamovi was utilized due to its user-friendly interface and effectiveness in handling descriptive statistics. To assess the relationships among financial rewards, conflict management, promotions, flexible working hours, the working environment, and employee productivity, Structural Equation Modeling (SEM) was conducted using SmartPLS 4. This software was chosen for its suitability in analyzing complex models and measuring correlations among latent variables. The collected data were screened for completeness and accuracy before analysis. Ethical considerations were upheld throughout the study by ensuring respondent confidentiality and voluntary participation. The analysis revealed that financial rewards and flexibility of working hours have a positive effect on productivity. While conflicts of management, promotion and working of environment have a negative impact on employees' productivity.

Keywords: financial rewards, conflict of management, promotion, flexibility of working hours, working of environment and employees' productivity.

Correspondence: Hassan Mohamud Mohamed (xasanmhmud1@gmail.com)



Introduction

These days, increasing employee productivity is one of the main challenges that most businesses must deal with. A worker's or a group of workers' efficiency is measured by their employee productivity. In reality, a factor that has a direct impact on the business's earnings is productivity (Hanaysha 2016a). Productivity is a performance measure encompassing both efficiency and effectiveness. It is important, therefore, to know who the productive workers are. Productivity is a performance statistic encompassing both efficiency and effectiveness. High performing, effective firms have a culture that encourages employee participation. Employee performance rises as a result of their increased

willingness to participate in decision-making, goal-setting, and problem-solving activities(Bhatti and Qureshi 2007). Employee productivity, which is an economic indicator of output per unit of input, is calculated as the log of net sales over the total number of employees. It is possible to look at employee productivity metrics. holistically (as a total economy) or examined sector by sector(Singh and Mohanty 2010).It is possible to raise productivity by creating a favorable work environment within the company(Abdul and Tafique 2015).Workers with health issues are frequently less effective at their jobs(Mitchell, Ozminkowski, and Serxner 2013).

Increased productivity is a key component of improved corporate performance. Efficiency, performance, production, profitability, and effectiveness all have a positive link with one another. Employees provide superior items in order to accomplish their goals and objectives(Abdelwahed and Doghan 2023). A major focus of previous studies has been increasing worker productivity in the manufacturing and service industries.This is because a company's overall performance and competitive advantage may be impacted by higher staff productivity(Hanaysha 2016b).A worker's or group of workers' efficiency is measured by employee productivity, also known as workforce productivity (whatis.techtarget.com). An employee's production during a given time period can be used to gauge productivity. In general, the output of a worker's evaluation will be compared to the average for workers performing comparable tasks. Employee productivity is a crucial factor for businesses to take into account because it plays a significant role in the success of any corporation(Massoudi and Hamdi 2017).

The definition of productivity is the efficiency with which things are produced. On the other hand, employee productivity is the economic measure of output per unit of input. The net sales log over the total number of employees is what it is. Therefore, an industry's or an economy's overall workforce productivity could be decided (Nda and Fard 2013). Financial rewards are monetary benefits that a person receives as compensation for his work. They have several uses in a business, including ensuring that good employees are retained, improving employment agreements, and lowering employee turnover at work(Bawalla and Adenugba 2021). The work relationship has always been characterized by monetary benefits like compensation. To retain a competitive edge and draw in the much-needed knowledge workers, organizations must determine whether knowledge workers are drawn to various kinds and degrees of financial benefits(Schlechter, Hung, and Bussin 2014). In an effort to enhance lifestyle, financial rewards are utilized to pay for physical activity program membership fees and to reward individuals for each Developing healthy habits(Wanders et al. 2014).

In addition to being essential incentives to draw in and keep workers, financial rewards are also legally required in employment relationships(Shibly and Weerasinghe 2019). Financial rewards include variable compensation based on an employee's performance, set earnings (salary) that each employee receives for the services he provides, and other financial benefits. compensation that is provided to staff members either at the company's request or as a result of legal requirements. In addition to meeting

their basic needs, like food and housing, financial rewards are typically a potent tool that inspires workers and improves their performance. They also help to meet other, more complex needs, like the need for group participation and recognition from outside sources(Papaioannou and Serdaris 2022). One key component of encouraging employees to put forth their best effort in order to provide innovative ideas that improve business operation and further enhance the financial and non-financial performance of the firm is rewards(Aktar 2012).

Employee performance is positively impacted by financial rewards; in other words, if an employee's pay is raised, performance is likely to rise as well(Olawale and Olanrewaju 2016). More and more, researchers in the fields of management, organizational behavior, and behavioral psychology are concentrating on clarifying the good aspects of conflict, or its constructive (functional) components, as well as its harmful (dysfunctional)(Coggburn, Battaglio, and Bradbury 2014). Conflict in the workplace may arise at the organizational or interpersonal levels. At the interpersonal level, workers may encounter mistreatment and prejudice from managers, or they may disagree with their coworkers regarding the proper approach to a problem, resulting in disputes between them(Lee et al. 2022).

The interventions aimed at reducing conflict, or, in certain cases, increasing insufficient conflict, are known as conflict management. It is a method by which managers create strategies and carry out rules and guidelines to guarantee that disputes are settled amicably(Ndulue 2016). Human interactions are understood to be inextricably linked to conflict. Role differentiation leads to distinct conflict resolution approaches in any business. Utilizing conflict resolution techniques is also a part of work direction, reward, supervision, discipline, and performance reviews. It is possible to see organizational change and control as a conflict. perspective. It is possible to include conflict as a causal factor to explain the dynamics or character of a certain organizational phenomenon(Lee 2009). Managing conflict is putting specific tactics into practice to reduce its negative features, increase its positive aspects, and improve performance and effectiveness in a structured environment(Momanyi and Juma 2016). One of the most popular working arrangements that affects employees, particularly in these pandemic conditions, is flexible working(Chandra Putra et al. 2020).

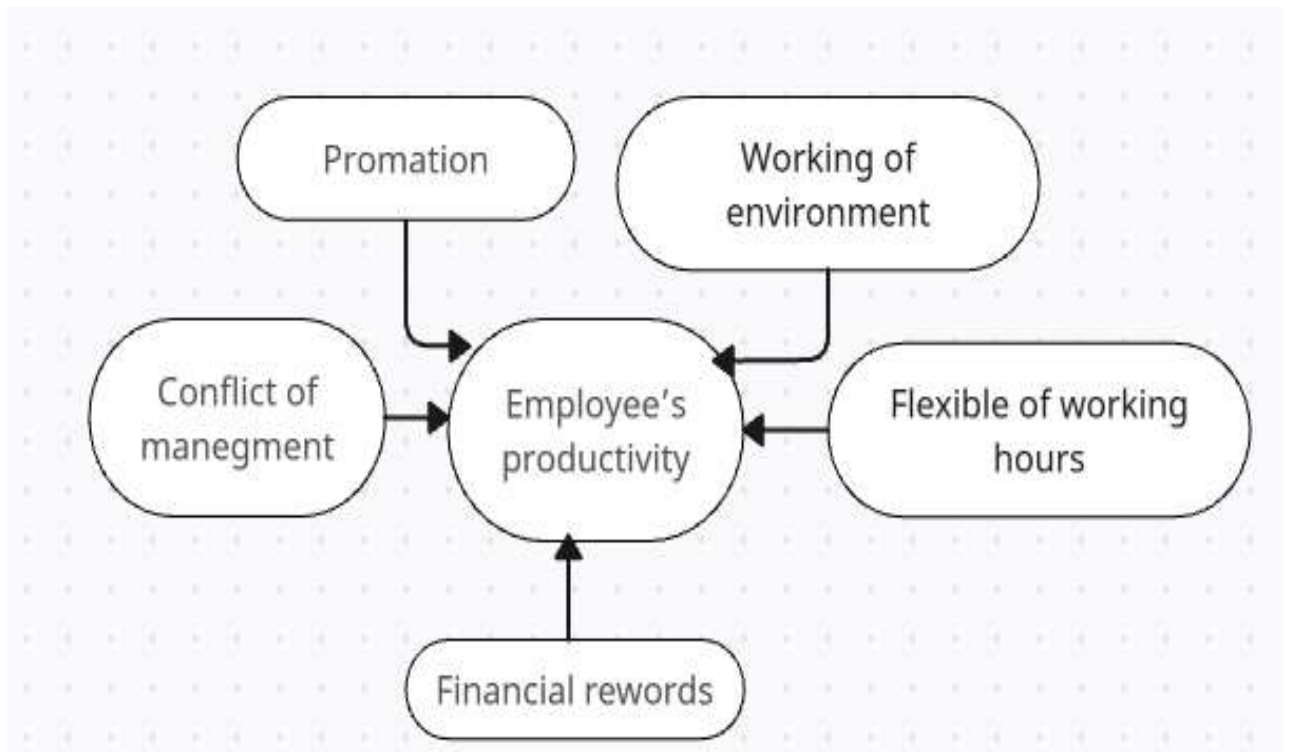
Modern working societies have the problem of combining the establishments' with the employees' needs for working-time flexibility(Singer 2013). Employees can concentrate on several responsibilities in today's cutthroat workplaces thanks to flexible work schedules(Ahmad, Mohamed Idris, and Hashim 2013). Models of flexible working time (FWT) are becoming more and more common in all facets of business(Kattenbach, Demerouti, and Nachreiner 2010). Employees can change their work schedule, the amount of hours they work, the location where they work, or take time off to attend meetings thanks to flexible work arrangements. obligations outside of the workplace. The so-called "flex work" is essential to tackling the realities of the modern workplace, society, and economy(Orishede and Ndudi 2020). Flexitime allows employees to vary the times when they start and finish work. Moreover,

employees can mostly self-determine their daily working hours as long as their weekly, monthly, or yearly numbers of required hours of work are fulfilled according to their contracts of employment(Kröll and Nüesch 2019). Flexible working is widely recognized as a strategic tool to manage space, time, and personnel more efficiently within the instability of environment and the global economy(Schindler, Maniam, and Leavell 2018).

The company's main objective should be to create a great plan for investing in and supporting its people by offering the greatest training and development opportunities. Promotion of employees signifies the growth of an rank of the employee. The pay, position, responsibilities, and benefits have all increased. It is a component of the work that encourages workers to provide their companies their utmost dedication and loyalty. Two essential elements of any successful company are employee loyalty and morale. The secret to raising staff engagement and performance is employee promotion(Ilwani, Nassreddine, and Younis 2023). A promotion is when someone moves up to a more senior role with more authority and responsibility. Promotional activities are crucial because they represent employees' aspirations and hopes to advance from their current position and to increase the quality of their lives. Employees will compete in a healthy way if they are promoted, which is the finest incentive(Novita Wahyu Setyawati, Dewi Sri Woelandari PG, and Muhammad Richo Rianto 2022).

A promotion is the advancement of a worker's position or rank within a hierarchical organization. It indicates a rise in workers in a field who have better jobs than they did before. Greater responsibility, accomplishment, position, and demand proficiency are all increased with a promotion, along with additional pay or earnings in addition to additional benefits. Promoting staff members entails giving them greater authority and responsibility. Promoting an employee simply means moving them to a higher position(Abu Hassan Asaari, Mat Desa, and Subramaniam 2019). Employees find great comfort at their workplace, and this comfort influences their level of commitment to their work, which in turn motivates them to perform better due to environmental support(Badrianto, Y. 2019).

Businesses that want to succeed must motivate employees and take the workplace into account when planning to appoint representatives who operate suitably and efficiently(Putri Khairunnisa and Riyanto 2020). Since the workplace serves as a location for activities and a source of information, it is important to maintain a positive work environment. must be met for workers to feel at home and at ease in the workspace so they can work efficiently. A pleasant workplace will affect the caliber of work, lessen eye strain and spiritual cravings, and—above all improve morale and the agency's reputation(At, Tirta, and Jaya 2021). The key component of a business that can enhance employee performance is the work environment(Hardiyono, Hamid, and Yusuf 2017). Therefore This study investigated the impact of financial rewards, conflict of management, promotion, flexibility of working hours, and working environment on employees' productivity.



Source of Creately

Frame work

Method.

This study employed a quantitative research design to examine the impact of financial rewards, conflict management, promotion opportunities, flexible working hours, and the working environment on employees' productivity. Data were collected using a structured questionnaire distributed to a sample of 425 respondents, ensuring adequate representation for statistical analysis. The questionnaire was designed to capture both personal profile information and variables related to the study constructs. For the analysis of demographic and personal profile data, the software Jamovi was utilized due to its user-friendly interface and effectiveness in handling descriptive statistics. To assess the relationships among financial rewards, conflict management, promotions, flexible working hours, the working environment, and employee productivity, Structural Equation Modeling (SEM) was conducted using SmartPLS 4. This software was chosen for its suitability in analyzing complex models and measuring correlations among latent variables. The collected data were screened for completeness and accuracy before analysis. Ethical considerations were upheld throughout the study by ensuring respondent confidentiality and voluntary participation.

Results and Discussion.

Results

Table 1: Personal profile

	Details	Frequency (n)	Percentage (%)
Gender	Male	200	46.9%
	Female	226	53.1
Age	18-25	120	28.2
	26-37	190	44.6
	Above 37	116	27.2
Education	High School	70	16.4
	Bachelor's Degree	220	51.6
Title	Master's Degree	100	23.5
	PhD	36	8.5
	Staff	160	37.6
	Supervisor	100	23.5
	Manager	90	21.1
	Director	76	17.8
Marital Status	Single	190	44.6
	Married	236	55.4

The study participants' demographic details are shown in Table 1. There are 426 participants in the sample, with slightly more women (53.1%) than men (46.9%). According to the age distribution, the majority of responders (44.6%) are between the ages of 26 and 37, followed by those aged 18 to 25 (28.2%) and those older than 37 (27.2%). More than half of the participants (51.6%) hold a bachelor's degree, followed by master's degrees (23.5%), doctorates (8.5%), and high school diplomas (16.4%). Staff members comprise the largest percentage of participants (37.6%), followed by managers (21.1%), supervisors (23.5%), and directors (17.8%) regarding job titles. Regarding marital status, 44.6% of respondents are single, while 55.4% are married.

Table 2: Loading, Cronbach alpha, (rho_a) and AVE

Items	Loading,	Cronbach's alpha	(rho_a)	AVE
C2<-C	0.852	0.729	0.768	0.643
C3<-C	0.709			
C4<-C	0.837			
EMP2<_EMP	0.927	0.916	0.921	0.856
EMP3<-EMP	0.926			
EMP5<-EMP	0.923			
F2<-F	0.764	0.846	0.869	0.768
F3<-F	0.926			
F5<-F	0.929			
H1<-H	0.455	0.602	0.688	0.541
H3<-H	0.860			
H5<-H	0.822			
P1<-P	0.926	0.836	0.939	0.747

P2<-P	0.836			
P5<-P	0.827			
W2<-W	0.818	0.817	0.843	
W3<-W	0.874			0.729
W4<-W	0.868			

Item loadings, Cronbach's alpha, composite reliability (rho_A), and average variance extracted (AVE) for each construct are among the outcomes of the measurement model shown in Table 2. While H1 (0.455) may need to be removed or reviewed further, all item loadings surpass the suggested threshold of 0.70, indicating that the majority of indicators demonstrate strong associations with their respective constructs. Cronbach's alpha scores range from 0.602 to 0.916, indicating that reliability is upheld across constructs. Interestingly, H (Health?) has a lower alpha (0.602), suggesting minimal internal consistency. In contrast, other constructs (including EMP, F, P, and W) exceed the standard of 0.70, indicating adequate reliability. Strong construct reliability for most constructs is supported by composite reliability (rho_A) values that consistently exceed the 0.70 threshold, except for H (0.688). The AVE values, which surpass the minimum recommended level of 0.50 and range from 0.541 to 0.856, confirm convergent validity for all constructs.

Table 3: Latent variable

Latent	C	EMP	F	H	P	W
C	1					
EMP	0.464	1				
F	0.616	0.745	1			
H	0.494	0.700	0.833	1		
P	0.851	0.440	0.700	0.612	1	
W	0.844	0.427	0.724	0.677	0.873	1

The correlation coefficients between the model's latent variables are shown in Table 3. Positive correlations are seen across all constructs, suggesting significant connections. A substantial link between these constructs is indicated by the largest correlation (0.844) between C (Construct C) and W (Construct W), which is closely followed by P (Construct P) and W (0.873). Furthermore, a substantial correlation of 0.833 between F (Construct F) and H (Construct H) suggests a close relationship between these variables. There are clear moderate connections between F and P (0.700), C and P (0.851), and C and F (0.616). EMP (Construct EMP), on the other hand, exhibits somewhat milder but positive correlations with other variables, ranging from 0.427 (with W) to 0.745 (with F).

Table 5: Collinearity statistics

	VIF
C2	1.478
C3	1.371
C4	1.483
EMP2	3.446
EMP3	3.002
EMP5	3.309
F2	1.473

F3	3.720
F5	3.701
H1	1.126
H3	1.306
H5	1.269
P1	2.143
P2	1.830

The Variance Inflation Factor (VIF) values for the measurement items are shown in Table 5, which evaluates any possible multicollinearity problems. Multicollinearity is not an issue in the model since all VIF values are below the generally recognized cutoff of 5. F3 (3.720), F5 (3.701), EMP2 (3.446), EMP5 (3.309), and EMP3 (3.002) have the greatest VIFs. Despite being somewhat higher than the others, these values are nonetheless well within reasonable bounds, indicating modest correlations across predictor variables without ballooning standard errors. Items like H1 (1.126), H3 (1.306), H5 (1.269), C3 (1.371), and C2 (1.478) have lower VIFs, indicating that there aren't many collinearity issues with these measurements.

Table 6: Cross-loading

Cross loading	C	EMP	F	H	P	W
C2	0.852	0.431	0.509	0.345	0.724	0.580
C3	0.709	0.246	0.472	0.577	0.635	0.761
C4	0.837	0.402	0.512	0.357	0.694	0.756
EMP2	0.397	0.927	0.670	0.642	0.378	0.347
EMP3	0.484	0.926	0.735	0.658	0.460	0.477
EMP5	0.400	0.923	0.657	0.641	0.376	0.350
F2	0.500	0.548	0.764	0.726	0.606	0.622
F3	0.631	0.671	0.926	0.758	0.649	0.733
F5	0.495	0.725	0.929	0.717	0.595	0.562
H1	0.501	0.155	0.497	0.455	0.606	0.603
H3	0.293	0.639	0.752	0.860	0.418	0.454
H5	0.477	0.577	0.614	0.822	0.536	0.620
P1	0.821	0.493	0.705	0.503	0.926	0.827
P2	0.632	0.318	0.539	0.635	0.836	0.656

The cross-loading values for each indicator on its corresponding construct and additional constructions are shown in Figure 6. When an indicator's loading on its target construct is greater than its loadings on other constructs, it exhibits good discriminant validity. The findings validate discriminant validity across the measurement model by demonstrating that each indication loads most heavily on its corresponding component. For instance: Even while loadings with W and P are somewhat high (e.g., $C4 \rightarrow W = 0.756$, $P = 0.694$), C2, C3, and C4 load higher on C (0.852, 0.709, 0.837) than on other constructions. In order to assist construct separation, EMP2, EMP3, and EMP5 have lesser cross-loadings on other constructs and a very high load on EMP (0.927, 0.926, and 0.923). High loadings on F (0.764, 0.926, 0.929) are displayed by F2, F3, and F5, surpassing their correlations with other components. Although H1 has a comparatively lower loading and similar cross-loadings, indicating worse indicator performance, H1, H3, and H5 load the greatest on H (0.455, 0.860, and 0.822). P1 and P2 have the highest load on P (0.926, 0.836), which supports the P construct's discriminant validity. The primary loadings maintain

discriminant validity even if several cross-loadings (e.g., $C3 \rightarrow W = 0.761$; $C4 \rightarrow W = 0.756$; $P1 \rightarrow W = 0.827$) approach or surpass 0.70.

Table7: Heterotrait-monotrait ratio (HTMT)

EMP <-> C	0.542
F <-> C	0.795
F <-> EMP	0.840
H <-> C	0.926
H <-> EMP	0.823
H <-> F	1.179
P <-> C	1.087
P <-> EMP	0.469
P <-> F	0.818
P <-> H	0.999
W <-> C	1.144
W <-> EMP	0.475
W <-> F	0.885
W <-> H	1.059

The Heterotrait-Monotrait ratio (HTMT) values are shown in Table 7 in order to evaluate the constructs' discriminant validity. Adequate discriminant validity is indicated by an HTMT value less than 0.85 (or 0.90 in more permissive criteria); values above these levels imply possible overlap between conceptions. The findings show that a number of HTMT levels exceed the suggested thresholds: When $H \leftrightarrow F$ (1.179), $P \leftrightarrow C$ (1.087), $W \leftrightarrow C$ (1.144), and $W \leftrightarrow H$ (1.059) all surpass 1.0, there are significant issues with discriminant validity across these pairs. $P \leftrightarrow H$ (0.999) and $H \leftrightarrow C$ (0.926) both surpass the 0.90 cutoff, suggesting even more troublesome construct separation. Other construct pairs, on the other hand, such as $EMP \leftrightarrow C$ (0.542), $P \leftrightarrow EMP$ (0.469), and $W \leftrightarrow EMP$ (0.475), all significantly below 0.85, exhibit acceptable discriminant validity.

Table 8: Fornell-Larcker

	C	EMP	F	H	P	W
C	0.802					
EMP	0.464	0.925				
F	0.616	0.745	0.876			
H	0.494	0.700	0.833	0.735		
P	0.851	0.440	0.700	0.612	0.864	
W	0.844	0.427	0.724	0.677	0.873	0.854

The Fornell-Larcker criterion, which compares the square roots of Average Variance Extracted (AVE) (diagonal values) with the correlations across constructs (off-diagonal values) to evaluate discriminant validity, is shown in Table 8. Each construct's diagonal value must be greater than its correlations with other constructs for discriminant validity to hold. Because their diagonal values are greater than their correlations with other constructs, EMP (0.925), F (0.876), P (0.864), and W (0.854) meet this requirement, demonstrating the discriminant validity of these constructs.

However, the criteria is not entirely met by C (0.802) and H (0.735): Compared to its correlations with P (0.851) and W (0.844), C (0.802) is lower. Compared to its association with F (0.833), H (0.735) is lower. These findings suggest that C–P, C–W, and H–F may not be sufficiently different from one another, highlighting problems with discriminant validity.

Table 9 : R-square

Item	R-square	R-square adjusted
EMP	0.680	0.662

The R-squared and modified R-squared values for the endogenous construct EMP are shown in Table 9. The model's predictor variables account for almost 68% of the variance in EMP, according to the R-square value of 0.680. According to Hair et al. (2017), this indicates a significant level of explained variation, indicating that the model has a high capacity to describe the construct. With an adjusted R-square of 0.662, which somewhat corrects for sample size and predictor count, the model is still robust and does not exhibit substantial overfitting.

Table 10 : F-square

Items	F-square
C-> EMP	0.205
F->EMP	0.276
H->EMP	0.183
P->EMP	0.022
W->EMP	0.196

The F-square values, which quantify the magnitude of each exogenous variable's impact on the endogenous variable EMP, are shown in Table 10. Small (0.02), medium (0.15), and high (0.35) effect sizes can be interpreted by Cohen's (1988) recommendations. The findings show that: The moderate effect of $F \rightarrow EMP$ (0.276) indicates that F makes a significant contribution to the explanation of variance in EMP. $W \rightarrow EMP$ (0.196) and $C \rightarrow EMP$ (0.205) both show moderate effect sizes, suggesting that they have a significant impact on EMP. Similar to F, C, and W, $H \rightarrow EMP$ (0.183) exhibits a moderate impact, albeit a little less so. The modest effect size of $P \rightarrow EMP$ (0.022) suggests that P has little effect on EMP in the model.

Table 11 : Path coefficient

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
C -> EMP	0.553	0.554	0.321	1.724	0.085
F -> EMP	0.603	0.613	0.225	2.683	0.007
H -> EMP	0.464	0.453	0.232	2.001	0.045
P -> EMP	-0.195	-0.246	0.353	0.554	0.580
W -> EMP	-0.620	-0.548	0.324	1.911	0.056

According to result explains flexible working hours(H) and financial rewards have positive effect to employee productivity while conflict of management, promotion and work of environment have negative effect on employee productivity. This study clarifies that every manager must focus on the side of flexible working hours and financial rewards have effect to productivity. There are other researchers' results that conflict of management, promotion and working of environment employee productivity but my result is not affect to productivity of employee.

Discussion.

The study investigates the impact of financial rewards, conflict with management, promotion opportunities, flexible working hours, and the working environment on employee productivity.

Employee productivity is positively and statistically significantly impacted by financial rewards (F) ($\beta = 0.603$, $p = 0.007$). Given that suitable financial rewards encourage workers to perform better and reach greater productivity, this study suggests that financial rewards are essential for raising employee productivity. Therefore, in order to sustain employee engagement and enhance results, firms should give top priority to putting in place efficient financial compensation systems. Employee productivity is positively and significantly impacted by flexible working hours (H) ($\beta = 0.464$, $p = 0.045$). This finding implies that flexible work schedules are a significant factor in productivity, promoting job happiness and work-life balance, both of which improve performance. Employers are urged to use flexible work arrangements in order to improve worker productivity and well-being. The effect of conflict of management (C) is not statistically significant ($p = 0.085$), although having a positive coefficient ($\beta = 0.553$). This suggests that lowering managerial conflict might be linked to increased production, although the study's evidence for this relationship is insufficient. Although resolving management-employee disagreements may still be advantageous, other contributing factors might also need to be taken into account. Employee productivity is negatively and non-significantly impacted by promotion chances (P) ($\beta = -0.195$, $p = 0.580$). This implies that under this situation, prospects for promotion do not significantly increase productivity. The motivational impact of promotions may be limited by ambiguous or viewed as unfair promotion procedures. Employee productivity and the working environment (W) have a slightly non-significant negative connection ($\beta = -0.620$) ($p = 0.056$). This research suggests that a subpar or unpleasant working environment may have a detrimental effect on productivity, even though it is not statistically significant at the 5% level. To reduce any possible detrimental effects on employee performance, organizations should closely monitor and enhance the work environment. The findings show that the two main elements that greatly increase employee productivity are monetary compensation and flexible work schedules. However, in this study, there are no statistically significant effects of management conflict, prospects for advancement, or the working environment.

Conclusion

This study investigated the impact of financial rewards, conflict of management, promotion, flexible of working hours, and working of environment on employees' productivity. This study employed a quantitative research design to examine the impact of financial rewards, conflict management, promotion opportunities, flexible working hours, and the working environment on employees' productivity. Data were collected using a structured questionnaire distributed to a sample of 425 respondents, ensuring adequate representation for statistical analysis. The questionnaire was designed to capture both personal profile information and variables related to the study constructs. For the analysis of demographic and personal profile data, the software Jamovi was utilized due to its user-friendly interface and effectiveness in handling descriptive statistics. To assess the relationships among financial rewards, conflict management, promotions, flexible working hours, the working environment, and employee productivity, Structural Equation Modeling (SEM) was conducted using SmartPLS 4. This software was chosen for its suitability in analyzing complex models and measuring correlations among latent variables. The collected data were screened for completeness and accuracy before analysis. Ethical considerations were upheld throughout the study by ensuring respondent confidentiality and voluntary participation. The analysis revealed that financial rewards and flexible of working hours have positive effect on productivity. While conflicts of management, promotion and working of environment have a negative impact on employees' productivity.

References

- Abdelwahed, Nadia Abdelhamid Abdelmegeed, and Mohammed A. A. Doghan. 2023. "Developing Employee Productivity and Performance through Work Engagement and Organizational Factors in an Educational Society." *Societies* 13(3). doi: 10.3390/soc13030065.
- Abdul, and Tahir Tafique. 2015. "Impact of Working Environment on Employee's Productivity: A Case Study of Banks and Insurance Companies in Pakistan." *European Journal of Business and Management* 7(1):329–45.
- Abu Hassan Asaari, Muhammad Hasmi, Nasina Mat Desa, and Loganathan Subramaniam. 2019. "Influence of Salary, Promotion, and Recognition toward Work Motivation among Government Trade Agency Employees." *International Journal of Business and Management* 14(4):48. doi: 10.5539/ijbm.v14n4p48.
- Ahmad, Abd Rahman, Mohammad Talha Mohamed Idris, and Mohd Hilmi Hashim. 2013. "A Study of Flexible Working Hours and Motivation." *Asian Social Science* 9(3):208–15. doi: 10.5539/ass.v9n3p208.

- Aktar, Serena. 2012. "The Impact of Rewards on Employee Performance in Commercial Banks of Bangladesh: An Empirical Study." *IOSR Journal of Business and Management* 6(2):9–15. doi: 10.9790/487x-0620915.
- At, Productivity, P. T. Tirta, and Fresindo Jaya. 2021. "(2) 1,2." 2(1):221–28.
- Badrianto, Y., & Ekhsan. 2019. "The Effect of Work Environment and Motivation on Employee Performance of Pt. Hasta Multi Sejahtera Cikarang. Journal of Research in Business, Economics, and Education. <https://E-Journal.Stie-Kusumanegara.Ac.Id/Index.Php/Jrbee/Article/View/8>." ... *of Research in ...* (October).
- Bawalla, Oluwatoyin Gbenga, and Adebimpe A. Adenugba. 2021. "Financial Rewards and Job Commitment Among Public Secondary School Teachers in Ogun State, Nigeria." *Dhaulagiri Journal of Sociology and Anthropology* 15:72–81. doi: 10.3126/dsaj.v15i01.41928.
- Bhatti, Komal Khalid, and Tahir Masood Qureshi. 2007. "Impact of Employee Participation on Job Satisfaction, Employee Commitment and Employee Productivity." *International Review of Business ...* 3(2):54–68.
- Chandra Putra, Kresna, Tedo Aris Pratama, Rionaldo Aureri Linggautama, and Sekar Wulan Prasetyaningtyas. 2020. "The Impact of Flexible Working Hours, Remote Working, and Work Life Balance to Employee Satisfaction in Banking Industry during Covid-19 Pandemic Period." *Journal of Business Management Review* 1(5):341–53. doi: 10.47153/jbmr15.592020.
- Cogburn, Jerrell D., R. Paul Battaglio, and Mark D. Bradbury. 2014. "Employee Job Satisfaction and Organizational Performance: The Role of Conflict Management." *International Journal of Organization Theory and Behavior* 17(4):498–530. doi: 10.1108/IJOTB-17-04-2014-B005.
- Hanaysha, Jalal. 2016a. "Improving Employee Productivity through Work Engagement: Evidence from Higher Education Sector." *Management Science Letters* 6:61–70. doi: 10.5267/j.msl.2015.11.006.
- Hanaysha, Jalal. 2016b. "Testing the Effects of Employee Empowerment, Teamwork, and Employee Training on Employee Productivity in Higher Education Sector." *International Journal of Learning and Development* 6(1):164. doi: 10.5296/ijld.v6i1.9200.
- Hardiyono, Hardiyono, Nurdjanah Hamid, and Ria Yusuf. 2017. "The Effect Of Work Environment And Organizational Culture On Employees' Performance Through Job Satisfaction As Intervening Variable At State Electricity Company (Pln) Of South Makassar Area." 40(Icame):86–96. doi: 10.2991/icame-17.2017.7.
- Ilwani, Muhannad, Ghalia Nassreddine, and Joumana Younis. 2023. "Machine Learning Application on Employee Promotion." *Mesopotamian Journal of Computer Science* 106–20. doi:

- Kattenbach, Ralph, Evangelia Demerouti, and Friedhelm Nachreiner. 2010. "Flexible Working Times: Effects on Employees' Exhaustion, Work-Nonwork Conflict and Job Performance." *Career Development International* 15(3):279–95. doi: 10.1108/13620431011053749.
- Kröll, Claudia, and Stephan Nüesch. 2019. "The Effects of Flexible Work Practices on Employee Attitudes: Evidence from a Large-Scale Panel Study in Germany." *International Journal of Human Resource Management* 30(9):1505–25. doi: 10.1080/09585192.2017.1289548.
- Lee, Hyelim, Xiaochen Angela Zhang, Yoon Hi Sung, Sihyeok Lee, and Jeong Nam Kim. 2022. "Symmetry, Inclusion and Workplace Conflicts: Conflict Management Effects of Two Leadership Strategies on Employee Advocacy and Departure." *Journal of Communication Management* 26(3):349–70. doi: 10.1108/JCOM-01-2022-0011.
- Lee, Kim Lian. 2009. "An Examination between the Relationship of Conflict Management Styles and Employees' Satisfaction with Supervision." *International Journal of Business and Management* 3(9):11–25. doi: 10.5539/ijbm.v3n9p11.
- Massoudi, Dr. Aram Hanna, and Dr. Samir Salah Aldin Hamdi. 2017. "The Consequence of Work Environment on Employees Productivity." *IOSR Journal of Business and Management* 19(01):35–42. doi: 10.9790/487x-1901033542.
- Mitchell, Rebecca J., Ronald J. Ozminkowski, and Seth Serxner. 2013. "Improving Employee Productivity Through Improved Health." *Journal of Occupational and Environmental Medicine* 55(10):1142–48. doi: 10.1097/JOM.0b013e3182a50037.
- Momanyi, Deborah Kemunto, and Dennis Juma. 2016. "The Influence of Conflict Management Strategies on Employee Satisfaction: A Case Study of Kcb Bank Kenya Limited, Head Office." *International Academic Journal of Human Resource and Business Administration* 2(2):130–44.
- Nda, Maimuna Muhammad, and Rashad Yazdani Fard. 2013. "The Impact of Employee Training and Development on Employee Productivity." *Global Institute for Research & Education* 2(6):91–93.
- Ndulue, Theresa Ifeyinwa. 2016. "Impact of Conflict Management on Employees Performance : A Study of Nigerian Breweries Plc , Iganmu , Lagos State , Nigeria." 8(8):70–76.
- Novita Wahyu Setyawati, Dewi Sri Woelandari PG, and Muhammad Richo Rianto. 2022. "Career Development, Motivation and Promotion on Employee Performance." *East Asian Journal of Multidisciplinary Research* 1(9):1957–70. doi: 10.55927/eajmr.v1i9.1453.
- Olawale, Rasheed, and Ibrahim Olanrewaju. 2016. "Investigating The Influence Of Financial Reward On Lagos State University Staff Turnover Intention." *European Scientific Journal, ESJ*

- 12(10):161. doi: 10.19044/esj.2016.v12n10p161.
- Orishede, Felix, and Francis Ndudi. 2020. "Flexible Work Arrangement and Employee Performance: A Review." *Journal of Resources & Economic Development* 3(September):86–103.
- Papaioannou, Konstantinos G., and Panagiotis K. Serdaris. 2022. "Employees' Perceptions of the Role of Financial Reward in Professional Performance." *Quality - Access to Success* 23(191):63–69. doi: 10.47750/QAS/23.191.08.
- Putri Khairunnisa, and Setyo Riyanto. 2020. "The Influence of Work Motivation and Work Environment on Employee Performance at Trapo Indonesia." *Journal of Sosial Science* 1(5):228–33. doi: 10.46799/jsss.v1i5.43.
- Schindler, Jennifer, Balasundram Maniam, and Hadley Leavell. 2018. "Perspectives of Flexible Working Arrangements." *Journal of Academy of Business and Economics* 18(1):99–106. doi: 10.18374/jabe-18-1.8.
- Schlechter, Anton, Angel Hung, and Mark Bussin. 2014. "Understanding Talent Attraction: The Influence of Financial Rewards Elements on Perceived Job Attractiveness." *SA Journal of Human Resource Management* 14(1):1–13. doi: 10.4102/sajhrm.v12i1.647.
- Shibly, M. A. M., and T. D. Weerasinghe. 2019. "The Impact of Financial Rewards on Work Motivation of Operational Level Employees: Evidence from a Leading Manufacturing Organization in Sri Lanka." *Sri Lanka Journal of Advanced Social Studies* 9(1):3. doi: 10.4038/sljass.v9i1.7144.
- Singer, Christine. 2013. "IAB Discussion Paper Workers." *Researchgate.Net* (21).
- Singh, Rohan, and Madhumita Mohanty. 2010. "Impact of Training Practices on Employee Productivity: A Comparative Study." *Interscience Management Review* (April):51–56. doi: 10.47893/imr.2010.1051.
- Wanders, Johanna O. P., Jorien Veldwijk, G. Ardine De Wit, Huberta E. Hart, Paul F. Van Gils, and Mattijs S. Lambooi. 2014. "The Effect of Out-of-Pocket Costs and Financial Rewards in a Discrete Choice Experiment: An Application to Lifestyle Programs." *BMC Public Health* 14(1):1–10.1186/1471-2458-14-870.