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Examining Workplace Factors Affecting Productivity For Private Sector Employees In Malaysia: The Mediating Role Of Employee Motivation

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Abstract
One of the crucial management subjects that has drawn considerable scholarly interest is employee productivity, which is seen as the primary means by which organisations can achieve their goals and objectives. The modern workplace poses many challenges for various organisations in terms of efficiency and productivity. Thus, the purpose of this research study is to examine the key workplace variables that influence the productivity of Malaysian private sector workers. The study specifically aims to examine the relationship between employees' productivity and the work environment, supervision, quality circle, and physical ability. Additionally, the study aims to explore how motivation functions as a mediator between workplace variables and worker productivity. To achieve these goals, a sample of 300 Malaysian private sector workers in the Klang industrial area provided primary data through survey tools. SPSS and AMOS have been used to analyse the gathered data. The results showed how external influences affected worker productivity.Managers, human resource managers, and business owners can all benefit from the study's conclusions. They will be able to comprehend the elements that motivate current workers, which could increase their productivity and improve the company's operations.

Keywords: *employee productivity, supervision, quality circle, physical ability, work environment, motivation.*

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I. Introduction

In the contemporary, hyper-competitive global economy, organizations are in a perpetual quest for sustainable competitive advantages. Although technology, strategy, and market positioning are vital elements, the role of human capital as a primary driver of organizational performance cannot be overstated (Pfeffer, 1994). The core of human capital leveraging is the concept of employee productivity, which measures the efficiency of an individual or a group of employees in achieving organizational goals and output (Hanaysha, 2016). Employee productivity at high levels is not only desirable, but is indispensable in the survival, development, and profitability of an organization since this results in low costs of operation, improved quality of service provision, as well as high financial performance (Gummesson, 1998; Sels et al., 2006).

The Malaysian economy and its dynamic, fast-paced private sector are no exception to this fact. The productivity of the workforce is a national concern in this country, as it is a key goal for many nations to achieve a high-income status. Nevertheless, reports and surveys, including Randstad Employer Brand Research (2017) and the AIA Vitality survey (2019), have created a worrying image. They point out that stress levels are high, workplace conditions are not ideal, career development is limited, and staff turnover rates are high, which can be discouraging factors for productivity (CodeBlue, 2017; Randstad Malaysia, 2017). The need for investigation is further underscored by statistical data from the Department of Statistics Malaysia, which show that although employment has been maintained, there remains serious concern about the growth in labor productivity. This situation poses an urgent issue, and even though the role of productivity cannot be underestimated, most of the Malaysian organizations of the private sector have been grappling with inefficient employee performance in the workplace, and that can be explained by a complicated combination of factors that have not been clearly understood or managed in the workplace.

Previous academic literature has identified numerous factors that influence employee productivity. Among these factors are the workplace atmosphere (Al-Omari & Okasheh, 2017; Sinnappan, 2017), the type and quality of supervision (Nasution, 2017), participatory processes such as quality circles (Subbulakshmi, 2019), physical capacity, and workers' health (Kayastha, 2018). Although these direct relationships have been addressed to some extent, the available literature tends to discuss them separately and does not provide a comprehensive framework that defines how or why these factors affect productivity. This highlights a significant gap: the psychological mechanism by which workplace conditions are translated into concrete outcomes.

This paper assumes that employee motivation is a crucial mediating factor. Based on underlying theories such as Herzberg's Two-Factor Theory (Herzberg, 1966) and the Human Relations Theory (Mayo, 1920), it is

claimed that workplace factors do not operate in isolation. They, rather, touch on the internal motivation and the state of drive of the employees, which, in turn, directly influences the level of productivity among employees. An example of such support is from a supportive supervisor (supervision) or a comfortable office (work environment), which can boost the employees' motivation and thus encourage them to perform at a higher level. This is a theoretically tenable mediating relationship that requires strong empirical support, especially in the specific socio-cultural and economic context of Malaysia's private sector. Hence, the gaps are the motivating factor behind this research. The rationale behind conducting the study is three-fold: First, to transcend the direct effects and decomposing the mediating influence of the motivation, therefore, enlightening a better-instilled comprehension of the productivity equation; second, to test an inclusive model of four critical aspects of the workplace in a single framework; and third, to create context-specific illumination that can have a direct application to managers and policymakers in Malaysia.

In turn, the research questions that this paper aims to address are the following:

1. How direct are the effects of work environment, supervision, quality circle, and physical ability on employee productivity in the Malaysian private sector?
2. Are there any mediation relationships between these factors at work and employee productivity through employee motivation?

In this regard, the research formulates five overall goals:

1. To explore how the work environment affects the productivity of the employees.
2. To examine how supervision affects the productivity of employees.
3. To examine the effect of the quality circle on the productivity of employees.
4. To determine how physical ability affects the productivity of employees.
5. To examine the mediating effect of employee motivation on the relationships between these factors and productivity.

This introduction has thus demonstrated the paramount significance of employee productivity, the unique challenges encountered in the Malaysian setting, the gaps in the current literature on mediating mechanisms, and the purpose and research questions that will be addressed in this study. This study will have far-reaching implications for management theory and practice by providing a proven model of productivity drivers and offering an avenue for organizations to enhance their assets.

II. Theoretical Postulations

Self-Determination Theory (SDT) provides a current and robust approach to rethinking this study, redirecting attention to specific workplace factors as external to the essence of psychological needs and, instead, as supportive factors. SDT posits that high-quality motivation and optimal functioning emerge when environments meet the three fundamental psychological needs: autonomy (volition and choice), competence (effectiveness and mastery), and relatedness (connection and belonging) (Ryan & Deci, 2017). In this regard, the factors at work explored are crucial need-supportive situations. To illustrate, an effective working environment facilitates autonomy by reducing external influences and promotes competence through accessible means of effectiveness. Similarly, all three needs are primarily motivated by supervision; leaders who tend to be autonomy-supportive and provide constructive feedback to develop competence, as well as those who express a caring interest, motivate relatedness (Deci et al., 2017). Theoretically even a practice such as a quality circle can be an effective need-satisfier because it grants voice (autonomy), uses skills to solve problems (competence), and improves teamwork (relatedness), but the fact that it did not demonstrate any significance in the original study can be explained through SDT: in case it is poorly implemented as a token gesture, it will undermine rather than promote the needs in question. Moreover, an employee's physical capability is a potential bioenergetic resource that directly drives the need for competence, as it provides the vitality necessary to feel competent and productive at work (Gagné & Vansteenkiste, 2013).

The relationship between these need-supportive factors and the eventual result on employee productivity is not direct but is theoretically mediated by the quality of motivation they produce. When the workplace facilitates psychological needs, it fosters autonomous motivation, i.e., motivation based on interest, values, and a sense of ownership (Ryan & Deci, 2020). This is the opposite of controlled motivation, which is based on outside influence or guilt. This self-driven motivation, resulting from the satisfaction of a need and leading to a high level of involvement, perseverance, and flexibility of thought, is a characteristic of high productivity. This theoretical pathway can beautifully describe the main results of the original study (including the complete mediating role of physical ability and productivity): physical wellness is not the direct cause of the output, but rather the invigorating effect on the sense of competence that, in turn, leads to the autonomous motivation, which in turn leads directly to an improvement in performance. Thus, SDT posits that productivity is ultimately an outcome of a work context that systematically nurtures the employee's psychological well-being.

Hypotheses Development

Relationship between work environment and employee productivity

Employees desired a comfortable workplace that would inspire them to strive for excellence in their profession. Employee productivity will increase in a better workplace (Hanaysha, 2016). Standard medical facilities, for example, will safeguard employees' lives. They require some certainty of income in case of workplace hazards. Because of this guaranteed income, employees are less likely to be afraid to give them all at work. Additionally, workers are more likely to be productive in an honest workplace (Hanaysha, 2016). Furthermore, the degree of worker satisfaction and productivity is determined by the level of comfort in the workplace. If workplace conditions are unfavourable, workers cannot be as productive as they could be (Hanaysha, 2016). As a result, the following formulation of the hypothesis is possible:

H1: Work environment affects employee productivity in a positive way.

Relationship between supervision and employee productivity

No employee is automatically ready for optimal job performance, so pressure factors are required for everyone to make the best use of their abilities. The push is typically called motivation, one of which is by supervising the workers on the job. This enables an individual to undertake a task that could help them achieve their objectives. According to Irfan Nasution (Nasution et al., 2017), Supervision within the corporation is an important consideration, as it enables the business to meet its goals. Every company needs to be monitored increasingly. Supervision is significantly governed if the operation complies with the planning criteria. Supervisors will look ahead, while details will be discovered. It ensures that supervision is not only tracked but also consistent with expectations for the outcomes of the work carried out. Supervision of employees thus plays a crucial role for an organization, including agencies and private companies, in optimizing their performance. (Nasution et al., 2017). The hypothesis can be formulated as follows:

H2: Supervision affects employee productivity in a positive way.

Relationship between quality circle and employee productivity

Dhage (2019) defines a Quality Circle as an integrated system comprising small groups of people from the same or related fields of work who voluntarily participate in identifying, assessing, and resolving issues that can improve their overall performance and enhance their working lives. Because participation in QC activities boosts employees' self-esteem and collective esteem, Quality Circle may be a tool for people development. According to Kulkarni et al. (2017), it also fosters an honest workplace and enhances employee-management connections (Quality circle to raise productivity: A case study in an incredibly medium-scale aluminium coating factory). The following is one way to formulate the hypothesis:

H3: Quality circles positively affect employee productivity.

Relationship between physical ability and employee productivity

Productivity is also influenced by workers' health. Well-being at work is crucial and has a significant impact on competitive advantages in various ways. Promoting workplace health enhances workplace safety and employee well-being, benefiting both employees and employers. Efficiency in the workplace is a good and productive way of working for people. It's also associated with working well-being and market success (Snellman & Oy, 2018). According to Ullah and Malik (2019), those who live longer are therefore supposed to avoid wasting time on the ill. Higher savings will thereby increase the nation's output, opening more investment opportunities that can raise output over time. A reduction in health and life expectancy will slow down the economy by lowering worker output. The following is one way to formulate the hypothesis:

H4: Physical ability affects employee productivity in a positive way.

Relationship between employee motivation and employee productivity

Employee productivity, or work output, refers to the quality and quantity of work produced by a person performing tasks within their assigned responsibilities (Mangkunegara, 2021). According to Hasibuan (2021), productivity refers to the work output achieved by a person performing tasks using their assigned skills, effort, and abilities. Simamora (2020) stated that productivity refers to the extent to which the tasks that make up an employee's work are completed. Performance reflects how well an employee meets the job requirements. On the other hand, according to Islam, kienrja is a form or method of self-realization of people. Performance is a type of value, belief, and understanding grounded in strong moral principles and serves as a motivation to produce high-quality work (Surti et al., 2022). The godly one is the one who serves God's cause the best. The shift in work-related lifestyle brought about by computerisation and mechanisation is one of the main factors contributing to a lack of physical activity. This can lead to issues with overweight and obesity, particularly among employees in developing nations like Malaysia. The use of cutting-edge technology in the workplace and the sharp rise in the number of employees in the industrial and service sectors have raised concerns about workers' health and welfare.

A study in the Netherlands found that prolonged sitting was associated with an increased risk of overweight and obesity among individuals who worked sedentary jobs, such as those who used desktop computers or worked at desks. In essence, there was evidence that private employees were less physically active than government employees. A possible reason could be related to previous findings that private sector workers have higher work engagement and longer working hours than public sector workers, which are likely to be associated with higher health risks, as they work approximately 15 minutes to 5 hours longer than public sector workers. Differences in job content may offer a more accurate explanation for the discrepancies observed across industries. This might be because the private sector's commercial functions are far more centred on marketing and sales than those of the public sector, which is primarily focused on administrative tasks. The hypotheses can be formulated as follows:

H5: Employee motivation mediates the relationships among work environment, supervision, quality circles, and physical ability and employee productivity.

$H5_a$: Employee motivation as a mediator in the relationship between work environment and employee productivity.

$H5_b$: Employee motivation as a mediator in the relationship between supervision and employee productivity.

$H5_c$: Employee motivation as a mediator in the relationship between quality circle and employee productivity.

$H5_d$: Employee motivation as a mediator in the relationship between physical ability and employee productivity.

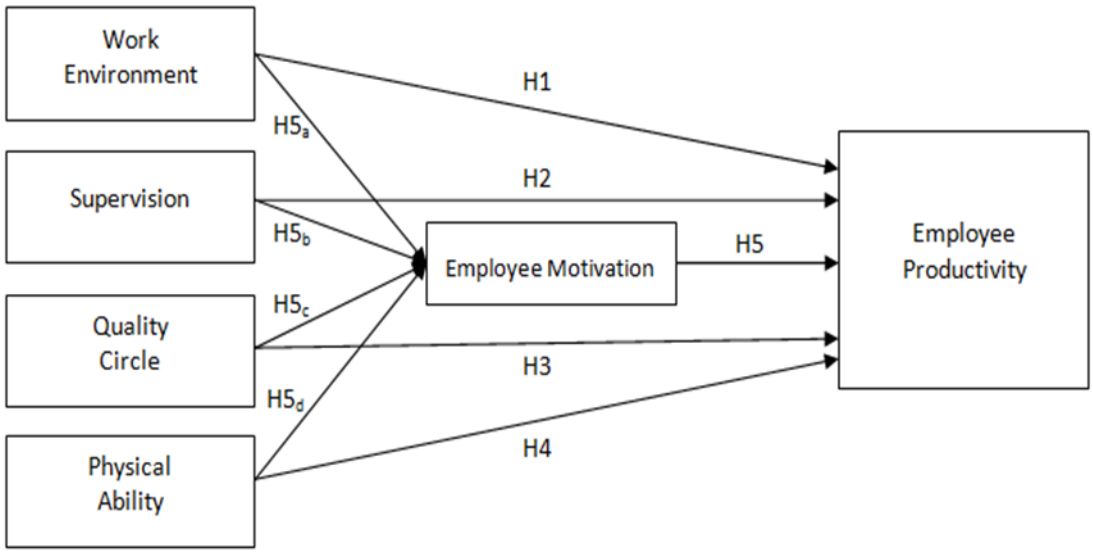

Figure 1 Research Framework

III. Methodology

Research Design

This study used a cross-sectional survey approach with a quantitative research methodology. This method works well for gathering information from a sizable sample all at once to investigate proposed correlations between variables. (Saunders et al., 2009). The research philosophy employed was positivism, as the research aimed to objectively depict social realities through statistical analysis of numerical data. It followed a deductive method, in which existing theory was used to formulate hypotheses that were then tested.

Population and Sampling

The target population consisted of individual employees in the Klang Valley industrial area of Malaysia working in private-sector organizations. The reason behind selecting this area is the high concentration of private industries and the productivity issues identified in previous reports. The sample size for the research was determined to be 300, a commonly accepted method for finite-population sampling, as outlined in the Krejcie and Morgan (1970) table. Data collection was conducted using a non-probability convenience sampling technique. Although this approach has some drawbacks in terms of generalizability, it was considered feasible and effective given time and cost constraints (Zikmund et al., 2010). An attempt was made to make the sample diverse in terms of demographics. This research was conducted using a self-administered questionnaire with three structured sections. The initial part (A) collected demographic information from the respondents, including their gender, age, marital status, education level, job experience, and monthly income. The next section (B) included multi-item scales intended to measure the independent variables —Work Environment, Supervision, Quality Circle, and Physical Ability —as well as the mediating variable, Employee Motivation. Lastly, the scale under the

dependent variable, Employee Productivity, was also included in section (C). To ensure content validity, the measurement items used to operationalize all constructs were based on existing scales from the literature, and responses were measured on a five-point Likert scale ranging from Strongly Disagree to Strongly Agree.

IV. Results

Demographic Profile of Respondents

Table 1 indicates that 300 respondents from various organizations in the Klang Valley, Malaysia, participated in the survey. The sample was also dominated by males (75.3%), with the majority being young adults aged 21-40 (79%), indicating a young, active workforce. Most respondents were married (60.3%) and highly educated, with nearly 75% holding at least a bachelor's or master's degree. In terms of work experience, the majority had less than five years of employment, indicating a relatively new workforce. Income levels were generally moderate to high, with 71% of respondents earning above RM 5,000 per month. Overall, the respondents represent a young, educated, and moderately well-paid workforce consistent with Malaysia's growing knowledge-based economy.

Table 1

Demographic Profile of Respondents (N=300)

Demographic Characteristic	Description	Frequency	Percentage (%)
Gender	Male	226	75.3%
	Female	74	24.7%
Age	21 - 30 years	144	48.0%
	31 - 40 years	93	31.0%
	41 - 50 years	45	15.0%
	Above 50 years	18	6.0%
Marital Status	Married	181	60.3%
	Single	119	39.7%
Highest Education	Master's Degree	119	39.7%
	Bachelor's Degree	105	35.0%
	Diploma	45	15.0%
	PhD	21	7.0%
	Others	10	3.3%
Job Experience	Less than 1 year	118	39.3%
	1 - 5 years	102	34.0%
	6 - 10 years	54	18.0%
	More than 10 years	26	8.7%
Monthly Income	More than RM 7000	117	39.0%

Demographic Characteristic	Description	Frequency	Percentage (%)
	RM 5001 - RM 7000	96	32.0%
	RM 3000 - RM 5000	72	24.0%
	Less than RM 3000	15	5.0%

Reliability and Validity

Following the extraction of components using exploratory factor analysis, we re-examined the reliability statistics (Cronbach's Alpha) because there were now only twenty-eight items instead of thirty-four. All construct variables' alphas are greater than 0.7, so further analysis can proceed. Following the EFA, as shown in Table 2, the final measurement model consisted of 28 items. With all Cronbach's Alpha and Composite Reliability values exceeding 0.78 and 0.87, respectively, the reliability statistics were outstanding. Since all AVE values were greater than 0.5, convergent validity was established. All HTMT values were below 0.90 (Henseler et al., 2016), and the square root of the AVE for each construct was higher than its correlations with other constructs (Fornell & Larcker, 1981), confirming discriminant validity. As shown in Table 3, the composite dependability for all structures is above the cut-off value of 0.7. Consequently, the composite reliability of the structures offers a good assessment. When each concept's estimated AVE is 0.5, the convergent validity is good. Larcker and Fornell, 1981. Every construct in this study satisfied the cut-off estimate of 0.5. (see Table 2).

Another type of validity test is the discriminant validity test. According to Chin (2010), this describes a situation in which the indicators of one concept are unrelated to those of another. Scholars have suggested that the Heterotrait-Monotrait Ratio and the Fornell-Larcker criterion be used to evaluate discriminant validity (Henseler, Hubona, and Ray, 2016; Hair et al., 2017). This study evaluated the Heterotrait-Monotrait Ratio and the Fornell-Larcker criterion. Tables 4 and 5 show that the square root of AVE is larger than the connections between related constructs. Consequently, the requirements for discriminant validity were satisfied. Discriminant validity between two reflective ideas is demonstrated when the HTMT score is less than 0.90. Given that all scores are significantly below 0.90, the HTMT matrix indicates good discriminant validity in this investigation. (Table 5). Thus, the data's validity and dependability are satisfactory.

Table 2

Reliability statistics after EFA

Variables	Cronbach's Alpha	N of Items
Work environment	0.845	5
Supervision	0.784	4
Quality Circle	0.889	3
Physical Abilities	0.778	4
Employee Productivity	0.782	6
Employee Motivation	0.850	6

Table 3

Composite Reliability and Convergent Validity

	Composite Reliability	Average Variance Extracted (AVE)
WE	0.893	0.625
SP	0.871	0.629
QC	0.902	0.755
PA	0.878	0.646
EM	0.911	0.632
EP	0.903	0.608

Table 4
Discriminant Validity: Fornell-Larcker Criterion

	EM	EP	PA	QC	SP	WE
EM	0.795					
EP	0.583	0.780				
PA	0.499	0.533	0.804			
QC	0.094	0.081	-0.093	0.869		
SP	0.507	0.616	0.604	0.037	0.793	
WE	0.369	0.355	0.439	0.045	0.458	0.791

Table 5
Discriminant validity: Heterotrait-Monotrait Ratio

	EM	EP	PA	QC	SP	WE
EM						
EP	0.668					
PA	0.576	0.611				
QC	0.127	0.117	0.121			
SP	0.598	0.728	0.739	0.081		
WE	0.412	0.408	0.526	0.068	0.547	

Analysis of results

The study's measuring model is shown in Figure 3. Table 2, which displays the critical ratios (CR) derived for the model, displays the hypothesised path coefficients based on the measurement model. It displays the p-values, CR, coefficients, and the proposed pathways. The suggested hypotheses in this study are supported or rejected based on the critical ratio and significance of the path coefficients. In p-value, "***" stands for 0.000. Since the CR values are 2.100, 4.425, 4.926, 4.144, 3.702, and 4.192, and the threshold is CRd ± 1.96, many of the pathways are significant at a p-value of less than or equal to 0.05. Given that the p-values are 0.373, 0.473, and 0.127, and the CR values are 0.890, 0.718, and 1.526, respectively, some pathways are not significant.

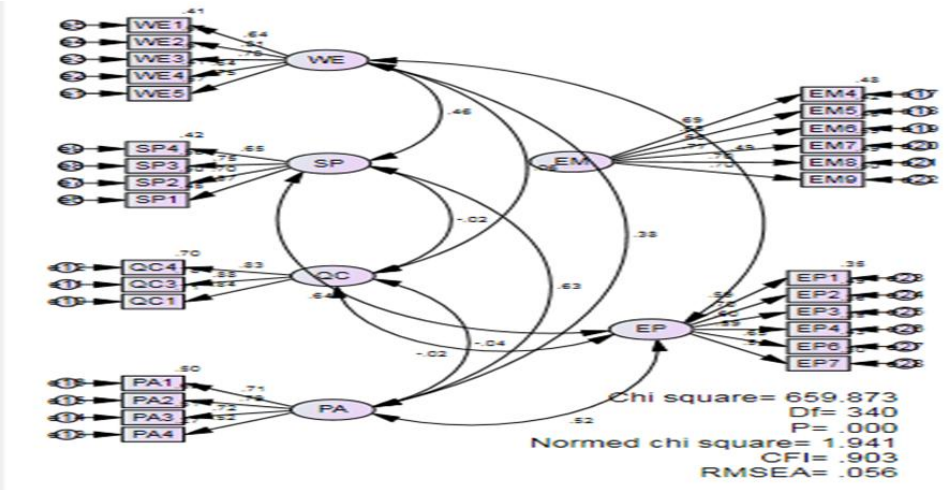

Figure 2 SEM (Pooled CFA)

Structural Model

Confirmatory factor analysis has been performed using IBM AMOS (version 25). The Structured Equation Modelling (SEM) technique provides us with several indicators that show us how well the model fits. There are two non-exclusive approaches to global model fit: fit indices, which are an evaluation of approximate model fit, or inference statistics, sometimes known as tests of model fit (Hair et al., 2017). Finding the model fit for both the measurement model and the structural model has become commonplace in recent years. All constructs freely correlate in a structural model. The structural model of this study, in which all of the variables are combined, is shown in Figure 2. Because the CFI and RMSEA values were sufficient, the model fit correctly. Chi-Square has also been utilised in this study to assess model fit. The chi-square value in AMOS is referred to as CMIN.

Figure 2 shows that the standard threshold of fit indices are supported by the CMIN of 659.873, RMSEA of 0.056, and CFI of 0.903. Thus, the model fit is determined to be good based on the CFI, Chi-Square, and RMSEA values.

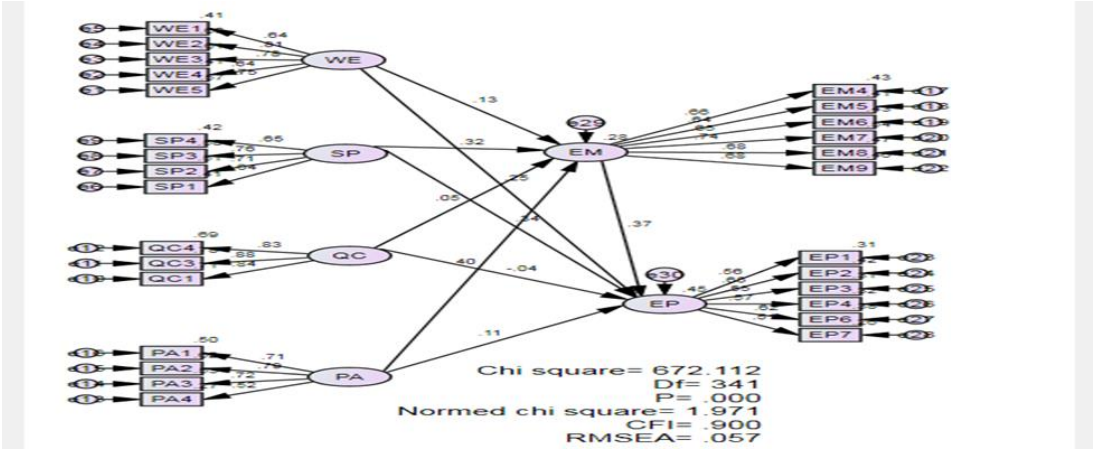

Figure 3 Structural Model

Table 6

SEM Results

Paths			Estimate	S.E.	T.Value.	P
EM	<---	WE	.096	.046	2.100	.036
EM	<---	SP	.325	.073	4.425	***
EM	<---	QC	.027	.031	.890	.373
EM	<---	PA	.482	.098	4.926	***
EP	<---	EM	.301	.073	4.144	***
EP	<---	WE	.148	.040	3.702	***
EP	<---	SP	.282	.067	4.192	***
EP	<---	QC	-.018	.025	-.718	.473
EP	<---	PA	.112	.073	1.526	.127

The strength of the structural model is indicated by the coefficient of determination (R^2) (Hair et al., 2012). Researchers in various fields of study employ different R^2 cut-off values. For business studies, R^2 values of 0.02, 0.13, and 0.26 are considered weak, medium, and strong, respectively (Cohen, 1988). According to the model, 45 percent ($R^2 = 0.45$) of the variation in employee productivity is explained by exogenous factors, including the work environment, supervision, quality circles, physical ability, and employee motivation. With $\beta = 0.482$, EM <--- PA has the strongest link among the relationships. Mediation happens when a third variable stands between two other related constructs. A change in the mediator variable causes a change in the endogenous construct, which in turn causes a change in the exogenous construct in the structural model. Therefore, a mediator variable controls the nature (i.e., the underlying mechanism or process) of the link between two constructs. Four mediation effects resulting from employee motivation are identified in this investigation. EM acts as both a mediator and an independent variable. To analyse the four mediation effects (hypotheses H5a, H5b, H5c, and H5d), we calculated the direct and indirect path coefficients, which are included in the main structural model (Figure 4.8). Table 4.13 presents the results of both direct and indirect paths.

The findings demonstrate the significance of both the direct path (EP <--- WE) and the indirect paths (EM <--- WE and EP \--- EM). As a result, EM partially mediates the relationship between WE and EP. The findings demonstrate the significance of both the direct path (EP <--- SP) and the indirect paths (EM <--- SP and EP \--- EM). As a result, EM partially mediates the relationship between SP and EP. The findings demonstrate that neither the indirect path (EM <--- QC) nor the direct path (EP <--- QC) are significant. As a result, QC and EP do not have EM mediation. The findings demonstrate that while the indirect paths (EM <--- PA and EP \--- EM) are significant, the direct path (EP <--- PA) is not. Consequently, there is complete EM mediation between PA and EP.

V. Discussion

This paper aimed to explore the relationship between the main elements of the workplace, employee motivation, and productivity in the Malaysian private sector, which is a complex phenomenon. The results provide detailed information that both affirms and contradicts the information presented in the literature, presenting a refined view of the productivity dynamics in this context.

Key Findings and Interpretation

These powerful direct and indirect (through motivation) influences of Work Environment (H1) and Supervision (H2) on productivity are fully in line with the robust amount of previous literature (Al-Omari & Okasheh, 2017; Nasution, 2017) and theoretical presuppositions such as the Two-Factor Theory formulated by Herzberg and the Human Relations Theory created by Mayo. An environment that is conducive to work is considered a background hygiene factor that can eliminate dissatisfaction and, at best, when maximized, can serve as a motivational factor. In the same manner, supportive supervision satisfies employees through guidance, recognition, and proper treatment, ultimately creating a motivational atmosphere that drives productivity. These findings highlight the fact that investment in physical office setup, and more specifically in training supervisors to be sensitive and effective leaders, yields immediate gains in employee output.

The most significant result is that Motivation is solely mediated by Physical Ability and Productivity (H4 supported). Although the direct impact of physical ability was not significant, it had the greatest impact on motivation among the predictors (= 0.482). This implies that physical fitness and capability are not direct predictors of task achievement. In its place, good health and physical wellness provide the much-needed energy and vitality that drive an employee's motivation to work (Kayastha, 2018). A fit, rested, and healthy employee will be more driven and enthusiastic, able to take on challenges, and more productive. This conclusion positions employee well-being on a continuum that ranges from cost-saving (reducing absenteeism) to strategic investment in the organization's motivational capital.

The non-significant results of the Quality Circle (H3 not supported) should be taken into consideration. This observation runs counter to the positive literature on participatory management (Subbulakshmi, 2019; Kulkarni et al., 2017). Several contextualizations can be reasonable. Quality circles may be viewed as a waste of time and formalities in the fast-paced, performance-oriented landscape of the Malaysian private sector, which lacks decision-making processes. Provided that such circles are introduced as a top-down project in the absence of a serious managerial commitment to follow their recommendations, they may instead cause cynicism and disengagement, rather than inspiration and increased productivity. There is a possibility that the quality circles the respondents experienced were ineffective and not relevant to their motivational state or direct output.

Theoretical Contributions

This research makes several important contributions to the theory of management by enhancing our understanding of the dynamics of productivity at work. To begin with, it integrates four workplace aspects into a holistic theoretical framework and empirically tests this concept in the still under-studied setting of the Malaysian corporate realm, thereby confirming and contextualizing existing organizational theories. Second, the research extends beyond the direct correlation and empirically demonstrates that employee motivation plays a critical mediating role and, in some cases, such as physical ability, is the fundamental psychological mediator of productivity, not just an aid factor. Third, the insignificant result for quality circles provides a significant theoretical narrowing, suggesting that the efficiency of participative management instruments is not universal and is strongly dependent on organizational culture, the authenticity of implementation, and, possibly, national cultural dimensions. Lastly, the findings suggest a more integrated theoretical perspective on employee productivity that considers both psychological (motivation) and physiological (physical ability) factors as employees enter an organizational structure and are influenced by supervisor practices.

Practical Implications

The results of this research provide practical information at the organizational and policy levels. As a manager and human resource practitioner, the main suggestions are to remodel the supervisory training so as to enable leaders to be equipped with the skills of empathetic leadership, active listening, and supportive role towards the well-being of their employees through comprehensive Workplace Health Promotion (WHP) programs that should be seen as strategic investments; to audit both the physical and psychological working environment regularly, to actively promote the well-being of their employees through the prism of comprehensive Workplace Health Promotion (WHP) programmes; and to critically reappraise the participatory programmes, such as quality circles To the policymakers, the call must be to formulate and market national guidelines or fiscal stimulant that can spur private sector investment in occupational safety, health and wellbeing of workers in general and hence rebrand these factors as a central part of national productivity policy.

Limitations and Future Research Directions

This study has certain shortcomings that may be present in subsequent studies. First, the external validity of the results is limited by the use of convenience sampling. A random sample in different industries and regions of Malaysia is required for the following study. Second, a longitudinal study would be a more reliable method of establishing causal linkages than cross-sectional research, which simply records impressions at a single moment in time. Third, the null result regarding quality circles creates a fertile ground for qualitative examination; future studies may employ interviews to understand why this type of program is not successful in engaging employees. Lastly, the model can be further improved by adding more mediating variables (e.g., job satisfaction, organizational commitment) or moderating variables (e.g., personality traits, organizational culture).

VI. Conclusion

This study successfully achieved its aims by employing empirical research to investigate factors influencing employee productivity in the Malaysian private sector, with a particular focus on how employee motivation mediates these factors. In conclusion, the paper finds that employee productivity is not a straightforward, direct, or simplistic process determined solely by workplace conditions, but rather a more complex psychological process. Work environment and supervision are powerful motivators that work directly and indirectly. Most prominently, physical competency affects productivity through the employee motivation channel, which is particularly important because it highlights the significance of employee welfare and internal motivation. The ineffectiveness of quality circles is a valuable lesson: management devices do not always work, and they should be applied with thoughtfulness and sincerity.

Basically, the road to a highly productive workforce is complex. It involves creating an encouraging physical and oversight environment and, essentially, fostering a healthy, motivating spirit in every employee. For organizations in Malaysia and other emerging economies, the message is clear: to fully leverage their human resources, they must move beyond the traditional command-and-control paradigm and adopt a holistic, supportive, and human-centered approach to management. It is not simply a soft HR approach, but a hard-nosed business necessity for sustainability in today's business world.

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