

## The Influence of Work Flexibility and Incentives on Performance with Job Satisfaction as a Mediating Variable on Desk Collection Employees of PT Swakarya Insan Mandiri Yogyakarta

Linda Lukmawati<sup>1\*</sup>, Purbudi Wahyuni<sup>1</sup>, Khoirul Hikmah<sup>1</sup>

<sup>1</sup>Universitas Pembangunan Nasional Veteran Yogyakarta, Indonesia

\*Email: [lindalukmawati86@gmail.com](mailto:lindalukmawati86@gmail.com)

DOI: [10.59631/sijosi.v2i2.400](https://doi.org/10.59631/sijosi.v2i2.400)

### Abstract

This study investigates the influence of work flexibility and incentives on employee performance, with job satisfaction as a mediating variable, focusing on Desk Collection employees at PT Swakarya Insan Mandiri Yogyakarta. Utilizing a quantitative approach, data were collected from 80 randomly selected employees out of a population of 321 using structured questionnaires measured on a Likert scale. The data were analyzed using Partial Least Squares–Structural Equation Modeling (PLS-SEM) to evaluate the measurement and structural models. The results indicate that work flexibility positively and significantly affects performance, while incentives exert a significant negative effect, implying a potential mismatch between incentive systems and employee expectations. Job satisfaction significantly enhances performance and mediates the relationship between incentives and performance; however, it does not significantly mediate the relationship between work flexibility and performance. These findings suggest that while work flexibility directly improves performance, poorly structured incentive systems may reduce job satisfaction and hinder performance outcomes. The study offers theoretical contributions to the literature on human resource and performance management, while also providing practical implications for HR policy improvements related to flexible work arrangements and incentive structures.

**Keywords** : Employee performance, incentives, job satisfaction, work flexibility.

### 1. Introduction

In the current digital era and increasingly dynamic market competition, human resources (HR) play a central role in ensuring organizational sustainability and competitive advantage (Fadilah & Anshori, 2025; Muttaqin & Rindaningsih, 2024; Soekiman, 2023). Organizations require HR not only to be technically competent but also adaptable to change and capable of innovation (Azril Fikri Ramadhani & Kuswinarno, 2024). In this context, employee performance serves as a critical indicator of operational effectiveness and goal attainment (Purwaningrum & Hansyah, 2025). PT Swakarya Insan Mandiri (SIM) Yogyakarta, a company operating in outsourced management services, faces similar challenges, particularly in managing the performance of its Desk Collection employees responsible for non-face-

to-face debt collection. Optimizing performance in this division is essential to maintaining client satisfaction and sustaining the company's reputation.

Employee performance data from the Desk Collection division throughout 2023 show that while service level agreement (SLA) targets were consistently achieved at 100%, there were fluctuations in other performance indicators such as successful collections (SC), quality assurance (QA), and attendance (ATT). These variations indicate opportunities for continuous improvement, requiring attention to organizational factors that influence job performance. One strategic initiative implemented by PT SIM involves enhancing work flexibility, such as adjusting working hours and adopting hybrid work arrangements, which are believed to increase job satisfaction and, indirectly, performance outcomes. This aligns with Robbins and Judge's (2017) assertion that job satisfaction correlates positively with employee productivity, loyalty, and overall work outcomes.

Previous studies have emphasized that work flexibility and incentives are two critical variables that may affect employee performance (Pratama, Prasetyo, & Sahlan, 2024) both directly and indirectly through job satisfaction as a mediating variable (Alim & Prabowo, 2023). Research by Alim & Prabowo (2023) still found inconsistencies in the research results. Given these phenomena and research gaps, this study aims to examine the influence of work flexibility and incentives on the performance of Desk Collection employees at PT Swakarya Insan Mandiri Yogyakarta, both directly and indirectly through job satisfaction as a mediating variable. This research is expected to offer a comprehensive understanding of internal organizational mechanisms in managing performance, while also contributing theoretically to the development of human resource management literature—especially regarding flexibility and incentive systems. The study specifically addresses five research questions focusing on the direct and mediated effects of work flexibility, incentives, and job satisfaction on employee performance.

Practically, the findings of this study are anticipated to provide strategic insights for PT SIM's management in formulating more effective and adaptive HR policies, particularly concerning work arrangements and incentive structures. Theoretically, the results will enrich the body of knowledge in performance management and open pathways for future research exploring additional contextual variables. As the complexity of modern workplaces increases alongside employees' expectations for work-life balance, a deeper understanding of the determinants of job performance becomes essential for the long-term viability of organizations.

## **2. Research Method**

This study employed a quantitative research design to examine the influence of work flexibility and incentives on employee performance, with job satisfaction as a

mediating variable. The research population consisted of all 321 Desk Collection employees at PT Swakarya Insan Mandiri Yogyakarta. Using a probability sampling technique, specifically simple random sampling, the sample size was determined using Slovin's formula with a 10% margin of error, resulting in 80 respondents, comprising 40% male and 60% female participants, with the majority aged between 27–29 years (40.51%), followed by those aged 24–26 years (27.85%), 20–23 years (20.25%), and 30–35 years (11.39%), and their length of employment varied, with 28.8% having worked for 1–1.5 years, 28.7% for 2–2.5 years, 21.3% for 7–12 months, 16.2% for 2.6–3 years, and 5% for 1–6 months. Primary data were collected via a structured questionnaire distributed through Google Forms, using a Likert scale to measure responses to the variables: work flexibility, incentives, job satisfaction, and performance. Secondary data were also obtained from internal company records to support the analysis.

The study utilized several measurement and analysis tools to ensure data validity and reliability. The research variables included independent variables (work flexibility and incentives), a dependent variable (employee performance), and a mediating variable (job satisfaction). Operational definitions were provided for each variable, supported by relevant indicators from established literature. Validity was tested using convergent and discriminant validity methods, with thresholds based on AVE and loading factor criteria, while reliability was assessed using Composite Reliability and Cronbach's Alpha. Each indicator needed to meet statistical thresholds (e.g.,  $CR \geq 0.7$ ;  $AVE \geq 0.5$ ) to ensure the robustness of the measurement model.

For data analysis, the study used Partial Least Squares–Structural Equation Modeling (PLS-SEM) to test the structural and measurement models. The outer model assessed the validity and reliability of indicators, while the inner model evaluated the relationships among latent variables using indicators such as path coefficients,  $R^2$  values, and model fit. Descriptive and inferential statistics were used to interpret the data and test the five proposed hypotheses regarding the direct and indirect (mediated) effects of the independent variables on performance.

### 3. Results and Discussion

#### 3.1 Outer Model Results

##### 3.1.1 Outer Loading and Validity Testing Results

**Table 1. Outer Loading and AVE**

Variable	Indicator	Outer Loading	AVE	Description
Work Flexibility	X1.1	0.876	0.657	Valid
	X1.2	0.853		Valid
	X1.3	0.766		Valid
	X1.4	0.833		Valid
	X1.5	0.783		Valid
	X1.6	0.760		Valid

<b>Incentives</b>	X2.1	0.717	0.586	Valid
	X2.2	0.755		Valid
	X2.3	0.798		Valid
	X3.3	0.742		Valid
	X4.4	0.789		Valid
	X5.5	0.720		Valid
	X6.6	0.763		Valid
	X7.7	0.808		Valid
<b>Performance</b>	X8.8	0.770	0.584	Valid
	Y1.1	0.797		Valid
	Y2.2	0.808		Valid
	Y3.3	0.778		Valid
	Y4.4	0.754		Valid
	Y5.5	0.704		Valid
	Y6.6	0.757		Valid
	Y7.7	0.799		Valid
<b>Job Satisfaction</b>	Y8.8	0.710	0.626	Valid
	Y9.9	0.763		Valid
	Z1.1	0.814		Valid
	Z2.2	0.769		Valid
	Z3.3	0.720		Valid
	Z4.4	0.784		Valid
	Z5.5	0.760		Valid
	Z6.6	0.864		Valid
	Z7.7	0.825		Valid
	Z8.8	0.816		Valid
Z9.9	0.834	Valid		
Z10.10	0.711	Valid		

The results presented in Table 1 show that all indicators used to measure the constructs of work flexibility, incentives, performance, and job satisfaction have outer loading values above the threshold of 0.70 (Hair, Howard, & Nitzl, 2020), indicating strong indicator reliability and validity. Additionally, the Average Variance Extracted (AVE) values for each variable—Work Flexibility (0.657), Incentives (0.586), Performance (0.584), and Job Satisfaction (0.626)—exceed the minimum acceptable level of 0.50, confirming that the constructs have adequate convergent validity. Therefore, all measurement items are valid and appropriate for further analysis in the structural model.

### 3.1.2 Reliability Test Results

**Table 2. Reliability Testing Results**

Variable	Composite Reliability	Cronbach's Alpha	Criteria	Description
Work Flexibility	0.904	0.896	>0.7	Reliable
Incentives	0.933	0.929	>0.7	Reliable
Job Satisfaction	0.936	0.933	>0.7	Reliable
Performance	0.911	0.911	>0.7	Reliable

Based on the results presented in Table 2, all variables—work flexibility, incentives, job satisfaction, and performance—have composite reliability and Cronbach’s Alpha values exceeding the threshold of 0.7 (Hair et al., 2020), indicating strong internal consistency. These findings confirm that the measurement instruments used in this study are statistically reliable and can consistently capture the constructs being investigated.

**3.2 Inner Model Results**

**Table 3 The Results of R-Square Test**

Variable	R Square	Adjusted R Square
Job Satisfaction	0.582	0.571
Performance	0.768	0.758

Table 3 presents the coefficient of determination (R Square) and the adjusted R Square for two dependent variables: job satisfaction and employee performance. The R Square value of 0.582 for job satisfaction indicates that 58.2% of the variance in job satisfaction can be explained by the independent variables used in the model, while the adjusted R Square, which accounts for the number of predictors, is slightly lower at 57.1%. For employee performance, the R Square value is 0.768, suggesting that 76.8% of its variance is explained by the model, with an adjusted R Square of 75.8%. These values demonstrate that the regression models have strong explanatory power, particularly in predicting employee performance.

**3.3 Path Coefficients Results**

**Table 4. Hypothesis Testing Results**

Variable	Original Sample (O)	Sample Mean	Standard Deviation	T Statistic	P Value	Accepted or Rejected
Work Flexibility > Performance	0.368	0.363	0.117	3.138	0.002	Accepted
Incentives > Performance	-0.301	-0.290	0.126	2.396	0.017	Accepted
Job Satisfaction > Performance	0.320	0.332	0.137	2.329	0.020	Accepted
Work Flexibility > Job Satisfaction > Performance	0.126	0.138	0.073	1.720	0.085	Rejected
Incentives > Job Satisfaction > Performance	-0.143	-0.150	0.072	1.975	0.048	Accepted

The results of the study, as presented in Table 4, confirm that work flexibility has a significantly positive influence on employee performance at PT Swakarya Insan Mandiri Yogyakarta. This finding suggests that the more flexibility employees are granted in managing their work schedules and methods, the higher their levels of

motivation and effectiveness in task completion. Flexible work arrangements contribute to a stronger sense of autonomy and control over work-life balance, which ultimately enhances individual productivity. Within the framework of Herzberg's Two-Factor Theory, work flexibility functions as a motivator, offering employees intrinsic rewards such as achievement, recognition, and responsibility – factors that have been shown to drive performance. The alignment of this study with prior research (Anggraini, Jimad, & Mardiana, 2025; Naqshbandi, Kabir, Ishak, & Islam, 2024), reinforces the value of flexible work policies as a strategic element in improving workforce performance outcomes.

In contrast, the study finds that incentives exert a significant but negative influence on performance, as indicated by a T-statistic of 2.396 and a p-value of 0.017. This counterintuitive result points to a misalignment between the design of the incentive system and the actual expectations or needs of employees. When incentives are perceived as unfair, inconsistent, or non-transparent, they may induce negative reactions rather than serving as effective motivators. Such misperceptions can lead to reduced motivation, disengagement, and even diminished performance.

Furthermore, job satisfaction is found to have a positive and significant effect on employee performance, as demonstrated by a T-statistic of 2.329 and a p-value of 0.020. This supports the notion that satisfied employees are more likely to be committed, engaged, and motivated in their work, leading to improved performance across various metrics. High job satisfaction typically correlates with increased enthusiasm, loyalty, and organizational citizenship behavior, all of which are critical to organizational success. This finding is in line with the study by (Gazi, Yusof, Islam, Amin, & Senathirajah, 2024) although it contrasts with the results reported by (Goetz & Wald, 2022) indicating that contextual factors may mediate this relationship across different organizational settings.

Regarding the mediating role of job satisfaction in the relationship between work flexibility and performance, the analysis reveals a positive but statistically insignificant indirect effect, with a T-statistic of 1.720 and a p-value of 0.085. Although this result leads to the rejection of the hypothesis, the positive direction suggests a potential pathway through which work flexibility may enhance job satisfaction, which could, in turn, influence performance under different conditions. The mediating effect of job satisfaction on the relationship between incentives and performance, however, was found to be statistically significant despite its negative direction (T-statistic = 1.975; p-value = 0.048). This suggests that while incentives may influence performance through job satisfaction, the nature of that influence may be counterproductive if the incentive system is perceived negatively by employees. In some cases, poorly structured incentives may lead to dissatisfaction, which then results in a decline in performance. Factors such as perceived inequity, misalignment

with individual contributions, or lack of transparency can undermine the intended motivational effects of incentive programs. Therefore, this finding highlights the importance of refining incentive systems to ensure alignment with employee perceptions and organizational goals.

Overall, the results underscore the multifaceted dynamics between work flexibility, incentives, job satisfaction, and performance. While work flexibility consistently demonstrates its value as a positive driver of employee outcomes, incentives—often assumed to be inherently beneficial—require careful design and management to avoid unintended consequences. Moreover, job satisfaction emerges as a critical mediating variable, capable of enhancing or diminishing the effectiveness of managerial strategies. These findings offer important theoretical implications for the field of human resource management and emphasize the need for organizations to adopt a more holistic and employee-centered approach in designing policies that target performance improvement.

#### **4. Conclusion**

Based on the analysis conducted on employees in the Desk Collection division of PT. Swakarya Insan Mandiri Yogyakarta, it can be concluded that work flexibility has a positive and significant effect on employee performance, while incentives exhibit a negative and significant influence, indicating that the current incentive system may not be effectively aligned with employee expectations and contributions. Job satisfaction was found to have a positive and significant effect on performance and significantly mediated the relationship between incentives and performance. However, job satisfaction did not significantly mediate the relationship between work flexibility and performance, suggesting that the influence of work flexibility on performance tends to be direct rather than indirect through job satisfaction.

In light of these findings, it is recommended that the management of PT. Swakarya Insan Mandiri Yogyakarta continue to maintain and enhance the implementation of work flexibility practices, as they have proven beneficial in supporting employee comfort and task performance. Furthermore, the incentive system should be thoroughly evaluated to ensure greater alignment with individual performance contributions and achievements. Such efforts are expected to enhance job satisfaction and, consequently, improve overall employee performance. From a theoretical standpoint, this study may serve as a valuable reference for the advancement of knowledge in human resource management. Future researchers interested in similar topics are encouraged to expand the scope of investigation by increasing the number of respondents, broadening the research area, or incorporating additional relevant variables such as work motivation, organizational commitment, or work

environment, thereby providing a more comprehensive understanding of the factors influencing employee performance.

## References

- Alim, Y. Al, & Prabowo, B. (2023). Pengaruh Kompensasi dan Fleksibilitas Kerja terhadap Kinerja Melalui Kepuasan Kerja sebagai Variabel Intervening pada Driver ShopeeFood di Sidoarjo. *Reslaj : Religion Education Social Laa Roiba Journal*, 5(6), 3245–3258. <https://doi.org/10.47467/reslaj.v5i6.3787>
- Anggraini, R., Jimad, H., & Mardiana, N. (2025). The Influence of Work Flexibility and Compensation on Employee Performance among the Millennial Generation. *Jurnal Ekonomi, Manajemen Pariwisata Dan Perhotelan*, 4(2), 185–200. <https://doi.org/10.55606/jempper.v4i2.4057>
- Azril Fikri Ramadhani, A., & Kuswinarno, M. (2024). Pengembangan Kompetensi Sumber Daya Manusia Kunci Keberhasilan Organisasi Di Tengah Persaingan Global. *Jurnal Media Akademik (JMA)*, 2(11), 3031–5220. <https://doi.org/10.62281/V2I11.905>
- Fadilah, N., & Anshori, M. I. (2025). Studi Transformasi Digital terhadap Manajemen SDM Global: Systematic Literature Review. *Innovative: Journal Of Social Science Research*, 5(1), 3270–3282. <https://doi.org/10.31004/INNOVATIVE.V5I1.17576>
- Gazi, M. A. I., Yusof, M. F., Islam, M. A., Amin, M. Bin, & Senathirajah, A. R. bin S. (2024). Analyzing the impact of employee job satisfaction on their job behavior in the industrial setting: An analysis from the perspective of job performance. *Journal of Open Innovation: Technology, Market, and Complexity*, 10(4), 100427. <https://doi.org/10.1016/j.joitmc.2024.100427>
- Goetz, N., & Wald, A. (2022). Similar but different? The influence of job satisfaction, organizational commitment and person-job fit on individual performance in the continuum between permanent and temporary organizations. *International Journal of Project Management*, 40(3), 251–261. <https://doi.org/10.1016/j.ijproman.2022.03.001>
- Hair, J. F., Howard, M. C., & Nitzl, C. (2020). Assessing measurement model quality in PLS-SEM using confirmatory composite analysis. *Journal of Business Research*, 109, 101–110. <https://doi.org/10.1016/j.jbusres.2019.11.069>
- Muttaqin, M. F., & Rindaningsih, I. (2024). Strategi Manajemen Sumber Daya Manusia untuk Meningkatkan Keunggulan Kompetitif. *Maeswara : Jurnal Riset Ilmu Manajemen Dan Kewirausahaan*, 2(6), 122–130. <https://doi.org/10.61132/MAESWARA.V2I6.1470>
- Naqshbandi, M. M., Kabir, I., Ishak, N. A., & Islam, M. Z. (2024). The future of work: work engagement and job performance in the hybrid workplace. *The Learning Organization*, 31(1), 5–26. <https://doi.org/10.1108/TLO-08-2022-0097>
- Pratama, F. W., Prasetyo, E. T., & Sahlan, F. (2024). Pengaruh Fleksibilitas Kerja Terhadap Kinerja Driver Ojek Online Di Bekasi Timur Dengan Kepuasan Kerja Sebagai Variabel Intervening. *IJESM Indonesian Journal of Economics and Strategic Management*, 2(3), 2200–2209. <https://doi.org/10.69718/IJESM.V2I3.316>
- Purwaningrum, A. H., & Hansyah, P. (2025). Effectiveness Of Work Mutation Policy

And Work Performance In Improving Performance In Batam City Government.  
*ECOBISMA (Jurnal Ekonomi, Bisnis Dan Manajemen)*, 12(1), 98-106.  
<https://doi.org/10.36987/ecobi.v12i1.7200>

Soekiman, J. S. (2023). The Role Of Human Resource Management In Organizations.  
*International Journal of Economics, Business and Accounting Research (IJEBAR)*, 7(1).  
<https://doi.org/10.29040/IJEBAR.V7I1.10861>