THE EFFECT OF FINANCIAL WELL-BEING AND WORK FACILITIES ON THE PRODUCTIVITY OF HYBRID GENERATION Z WORKERS: THE MEDIATING ROLE OF WORK MOTIVATION

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Abstract

This study aims to analyze the effect of Financial Well-Being and workplace facilities on the productivity of hybrid Generation Z workers, with work motivation serving as a mediating variable. The study employs a quantitative approach using a causal associative research design, and data were analyzed using Structural Equation Modeling (SmartPLS 3.0). The population of this research consists of 2,678,252 individuals based on data from Statistics Indonesia (BPS), while the sample comprises 119 respondents determined using the Slovin formula and selected through a non-probability sampling technique. The findings reveal that Financial Well-Being and workplace facilities have a positive and significant effect on both work motivation and productivity. Work motivation also has a positive and significant effect on productivity. Furthermore, work motivation is proven to mediate the relationship between Financial Well-Being and workplace facilities on productivity. These findings highlight that adequate workplace facilities are the most influential factor in enhancing the productivity of hybrid Generation Z workers.

Keywords: Financial Well-Being, Workplace Facilities, Work Motivation, Work Productivity, Hybrid Workers, Generation Z.

INTRODUCTION

The COVID-19 pandemic has accelerated an unprecedented transformation in global work patterns, giving rise to hybrid work models that combine on-site and remote arrangements. What began as an emergency response has now evolved into a sustainable work strategy adopted by many organizations seeking agility and efficiency in the digital economy (Choudhury et al., 2021). This transformation reshapes not only where people work, but also how they experience well-being, motivation, and productivity. Among the cohorts most affected by this shift is Generation Z, the first truly digital-native workforce, characterized by their adaptability, independence, and preference for flexibility (Deloitte, 2025). In Indonesia, particularly in metropolitan areas such as Jakarta, the hybrid work phenomenon has grown rapidly across industries, reshaping organizational dynamics and human resource practices (Pradipta, 2023).

However, despite its growing adoption, the hybrid model presents new challenges for both organizations and employees. Generation Z workers often face unstable income structures, limited job security, and blurred work-life boundaries, leading to heightened stress and declining engagement (Saraiva & Nogueiro, 2025). Financial well-being—defined as a state of stability and control over one's current and future financial situation—has emerged as a crucial determinant of employees' focus, satisfaction, and overall productivity (Kossek et al., 2023). Previous studies have shown that financial insecurity undermines motivation and performance (Netemeyer et al., 2018), yet few have explored this issue among younger, hybrid employees in developing countries. At the same time, the adequacy of workplace facilities—both physical and digital—plays a vital role in enabling employees to perform effectively in flexible environments (Chua et al., 2023). Limited research, however, integrates these two dimensions within a single model to explain productivity outcomes in hybrid contexts.

Motivation serves as a psychological bridge linking these external factors to performance. According to Self-Determination Theory, motivated employees are more resilient, innovative, and capable of sustaining performance even under flexible work arrangements (Ryan & Deci, 2000). Yet, existing studies often treat motivation as an outcome rather than a mediating mechanism that channels the effects of financial and environmental factors toward productivity (Bakker & Demerouti, 2017). This conceptual oversight leaves an important research gap: how do financial well-being and workplace facilities interact to influence productivity through motivation—particularly among Generation Z hybrid workers in Indonesia's post-pandemic labor market?

Addressing this gap, the present study investigates the influence of financial well-being and workplace facilities on the productivity of hybrid Generation Z employees, with work motivation as a mediating variable. Using a quantitative, causal-associative approach analyzed through Structural Equation Modeling–Partial Least Squares (SEM-PLS), this study offers empirical evidence on the psychological and environmental factors driving hybrid worker productivity. The research provides twofold contributions. Theoretically, it extends human resource management and organizational behavior literature by integrating financial and infrastructural dimensions within a motivational framework. Practically, the findings offer insights for organizations designing HR policies to enhance motivation, financial resilience, and productivity in hybrid work systems—especially for the emerging Generation Z workforce that will soon dominate Indonesia's labor market.

REVIEW OF LITERATURE

Productivity

Work productivity reflects an employee's ability to manage and utilize available resources—such as time, energy, and knowledge—efficiently to generate valuable output for the organization (Palvalin, 2019). According to Aprilia and Nururly (2023) the primary goal of human resource management is to enhance employee contributions to the organization in order to achieve optimal productivity levels. The success of an organization in reaching its objectives largely depends on the performance of its employees; the higher the individual performance, the better the overall organizational performance.

In the context of hybrid work, productivity is not only measured by tangible work outcomes but also by an employee's ability to balance and manage tasks across both digital and physical work environments (Williams & Shaw, 2025). The hybrid work system, which emphasizes flexibility and autonomy, provides employees with the opportunity to adjust their work methods according to their individual preferences and styles. However, without adequate system support, productivity levels in hybrid settings may decline due to various challenges, such as the lack of direct supervision, digital fatigue, and communication barriers (Supriyadi et al., 2025). Therefore, it is essential for organizations to understand the factors that sustain and enhance productivity in hybrid work environments, particularly for Generation Z employees who are generally adaptive to technology yet vulnerable to digital distractions at work.

Work Motivation

According to Nurkiswatun et al. (2023) work motivation is the internal or external driving force that fosters enthusiasm, willingness, and capability to act toward achieving specific goals. Motivation serves as the primary catalyst for employees to perform their duties with enthusiasm and responsibility, thereby contributing to improved organizational performance. Based on Self-Determination Theory, motivation arises when individuals experience autonomy, competence, and relatedness within their work environment (Ryan & Deci, 2000). Employees with high motivation levels tend to exhibit greater engagement, persistence, and higher-quality work outcomes, even in flexible work systems.

In hybrid work systems, motivation serves as a crucial link between organizational support and performance outcomes, as employees require a balance between intrinsic drive and external resources to maintain focus and consistency (Bakker & Demerouti, 2017). Previous studies have demonstrated that motivation significantly mediates the relationship between well-being and performance, where the psychological energy derived from satisfaction and comfort directly enhances productivity (Kundi et al., 2021). Thus, motivation plays a strategic role in explaining how various organizational resources—such as financial well-being and adequate work facilities—can be transformed into improved employee performance and productivity.

Financial Well-Being

Financial well-being refers to a state in which individuals can meet ongoing financial obligations, feel secure about their future finances, and make choices that allow them to enjoy life (Brüggen et al., 2017; Netemeyer et al., 2018). For Generation Z workers, who are at the early stage of their careers and often face unstable income or high living costs, financial well-being becomes a crucial determinant of psychological stability and job performance (Shankar et al., 2022). Employees with strong financial well-being exhibit lower stress levels, higher

focus, and greater motivation to achieve professional goals (Goyal & Kumar, 2023). Financial concerns, conversely, may reduce concentration and engagement, leading to diminished productivity (Vogel et al., 2022). In hybrid work settings, financial well-being not only affects an individual's sense of security but also interacts with work motivation, serving as a foundation that enables employees to direct their cognitive and emotional resources toward productive activities.

Work Facilities

Work facilities encompass the physical, technological, and environmental resources provided by organizations to support employees' job performance (Schilleci, 2023). These include ergonomic infrastructure, digital connectivity, and collaborative platforms that enable efficient communication and task completion in hybrid environments (Lamovšek et al., 2025). The adequacy of facilities significantly influences employees' psychological comfort and work motivation, as convenient and well-equipped environments reduce stress and enhance focus (Chim, 2024). For Generation Z workers, who are highly dependent on digital tools and value flexibility, the accessibility and reliability of work facilities become essential in sustaining daily productivity. Furthermore, empirical evidence suggests that well-designed facilities indirectly improve productivity through motivation enhancement, as employees perceive organizational support as a form of appreciation and trust (Soe, 2025).

Synthesizing the findings above, productivity among hybrid workers—particularly Generation Z—is influenced by a combination of financial well-being and work facilities, both directly and indirectly through work motivation. Financial stability provides psychological security that fosters focus, while sufficient facilities ensure comfort and efficiency in task execution. Motivation emerges as the linking mechanism that transforms these resources into tangible performance outcomes. However, despite extensive research on employee well-being and performance, limited empirical studies have investigated these variables within the hybrid work paradigm in Indonesia, especially among Generation Z employees. This study fills that gap by examining the effect of financial well-being and work facilities on the productivity of hybrid workers, with work motivation as a mediating variable, thereby offering a novel contribution to the discourse on sustainable human resource management in the digital era.

Research Hypothesis

This study aims to examine the effect of Financial Well-Being and Work Facilities on the Productivity of Hybrid Generation Z Workers, with Work Motivation serving as a mediating variable. Drawing upon the theoretical framework and findings from prior research, the following hypotheses are proposed:

- H1: Financial Well-Being has a positive and significant effect on Work Productivity.
- H2: Work Facilities have a positive and significant effect on Work Productivity.
- H3: Financial Well-Being has a positive and significant effect on Work Motivation.
- H4: Work Facilities have a positive and significant effect on Work Motivation.
- H5: Work Motivation has a positive and significant effect on Work Productivity.
- H6: Work Motivation mediates the relationship between Financial Well-Being and Work Productivity.
- H7: Work Motivation mediates the relationship between Work Facilities and Work Productivity.

RESEARCH METHOD

This study adopted a quantitative approach with an associative causal design to examine the influence of *financial well-being* and *work facilities* on the *productivity* of hybrid Generation Z workers, with *work motivation* serving as a mediating variable. This approach was chosen to provide statistical evidence of causal relationships among the constructs, allowing for the identification of both direct and indirect effects (Hair et al., 2021). Hybrid Generation Z workers were selected as the population of interest, as they represent the cohort most adaptive to digital transformation yet face emerging challenges in sustaining motivation and productivity under flexible work settings (Anggiani & Fatonah, 2025).

Data were collected through an online questionnaire distributed to hybrid workers across several urban areas, primarily Jakarta. The instrument consisted of items adapted from validated previous studies on financial well-being, motivation, work facility, and productivity (Brüggen et al., 2017; Palvalin, 2019; Ryan & Deci, 2000; Schilleci, 2023). Each construct was measured using a five-point Likert scale, ranging from 1 ("strongly disagree") to 5 ("strongly agree"), to capture the respondents' level of agreement. The target respondents were individuals aged between 21 and 27 years, representing the Generation Z segment who had been engaged in hybrid work for a minimum of six months.

A non-probability purposive sampling technique was employed to ensure the inclusion of respondents relevant to the research objectives (Sugiyono, 2016). From the total responses collected, 119 valid questionnaires were analyzed. Prior to hypothesis testing, data screening was conducted to verify completeness and consistency. Reliability and validity tests were performed through Cronbach's Alpha, Composite Reliability (CR), rho_A, and Average Variance Extracted (AVE), ensuring that all constructs met the recommended cut-off values (Fornell & Larcker, 1981; Hair et al., 2021).

The data analysis was conducted using Structural Equation Modeling (SEM) with the Partial Least Squares (PLS) method through the SmartPLS version 4 software. This method was chosen because it is suitable for predictive models and complex mediation structures, particularly when dealing with relatively small sample sizes (Hair et al., 2021; Henseler et al., 2015). The evaluation process consisted of two main stages: the measurement model, which tested the validity and reliability of indicators, and the structural model, which assessed the relationships among latent variables. Hypothesis testing employed the bootstrapping procedure with 5,000 resamples to estimate the significance levels of the path coefficients (Becker et al., 2023).

The empirical results revealed that both financial well-being and work facilities exerted a significant positive influence on work motivation and productivity. Furthermore, work motivation was found to mediate the relationships between financial well-being and productivity as well as between work facilities and productivity, thereby reinforcing the theoretical assumption that intrinsic motivational factors play a crucial role in enhancing hybrid workers' performance. Through this methodological framework, the study contributes to a deeper understanding of how financial and environmental resources interact to foster motivation and improve the productivity of Generation Z hybrid employees in Indonesia's evolving work landscape.

Table 1.
Recapitulation of Questionnaire Results

Variables	Indicators	Mean	Category
Work Productivity	Y1	3.807	High
	Y2	4.025	High
	Y3	4.092	High
	Y4	4.025	High
	Y5	4.05	High
	Y6	4.084	High
	Y7	4.109	High
	Y8	3.992	High
	Y9	4.193	High
	Y10	4.118	High
Financial Well-Being	X1.1	4.118	Prosperous
	X1.2	4.109	Prosperous
	X1.3	4.235	Very Prosperous
	X1.4	4.294	Very Prosperous
	X1.5	4.286	Very Prosperous
	X1.6	4.235	Very Prosperous
	X1.7	4.118	Prosperous
	X1.8	4.101	Prosperous
	X1.9	4.269	Very Prosperous
	X1.10	4.261	Very Prosperous
	X1.11	4.092	Prosperous
	X1.12	4.176	Prosperous
Work Facilities	X2.1	4.168	Complete
	X2.2	3.95	Complete
	X2.3	3.958	Complete
	X2.4	3.983	Complete
	X2.5	3.924	Complete
	X2.6	4.034	Complete
	X2.7	4.118	Complete
	X2.8	4.126	Complete
	X2.9	4.227	Very Complete
	X2.10	4.084	Complete
Work Motivation	Z1	4.143	High
	Z2	4.16	High
	Z3	4.16	High
	Z4	4.252	Very High
	Z5	4.16	High
	Z6	4.328	Very High
	Z7	4.235	Very High
	Z8	4.336	Very High
	Z9	4.277	Very High

Source: Researcher's own data processing (2025)

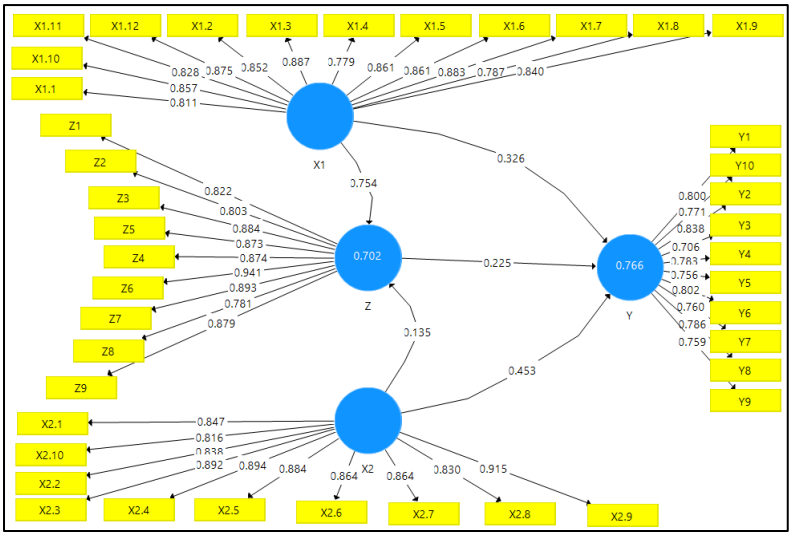
RESULTS AND DISCUSSION

The evaluation of the measurement model, or outer model, was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 4 to ensure the validity and reliability of the constructs. The analysis proceeded in two stages: the outer model to assess measurement properties and the inner model to examine structural relationships.

Measurement Model (Outer Model)

Convergent validity was evaluated through factor loadings, Average Variance Extracted (AVE), and Composite Reliability (CR). As presented in Figure 1, all indicators for Financial Well-Being (X1), Work Facilities (X2), Employee Productivity (Y), and Work Motivation (Z) exhibited factor loadings ranging from 0.706 to 0.941, exceeding the recommended threshold of 0.7, with all items deemed valid. This confirms that the indicators accurately measure their respective constructs.

Figure 1.
Structural Outer Model



Source: Researcher's own data processing (2025)

Table 2.
Average Variance Extracted (AVE) Values

Variable	Average Variance Extracted (AVE)
Financial Well-Being (X1)	0.712
Work Facilities (X2)	0.748
Employee Productivity (Y)	0.603
Work Motivation (Z)	0.744

Source: Researcher's own data processing (2025)

Discriminant validity was assessed using multiple methods to ensure the constructs' distinctiveness. The AVE values, shown in Table 2, were 0.712 for Financial Well-Being, 0.748 for Work Facilities, 0.603 for Employee Productivity, and 0.744 for Work Motivation, all surpassing the minimum threshold of 0.50, indicating strong convergent validity.

Table 3.
Fornell–Larcker Criterion Values

	X1	X2	Y	Z
X1	0.844	0.567	0.770	0.831
X2	0.567	0.865	0.764	0.562
Y	0.770	0.764	0.777	0.751
Z	0.831	0.562	0.751	0.862

Source: Researcher's own data processing (2025)

Table 4.
Cross-Loading Analysis

	X1	X2	Y	Z
X1.1	0.811	0.439	0.544	0.660
X1.10	0.857	0.507	0.660	0.697
X1.11	0.828	0.437	0.643	0.676
X1.12	0.875	0.695	0.846	0.741
X1.2	0.852	0.558	0.669	0.734
X1.3	0.887	0.517	0.686	0.759
X1.4	0.779	0.212	0.499	0.592
X1.5	0.861	0.382	0.606	0.717
X1.6	0.861	0.476	0.582	0.678
X1.7	0.883	0.398	0.652	0.708
X1.8	0.787	0.510	0.663	0.722
X1.9	0.840	0.513	0.674	0.701
X2.1	0.524	0.847	0.592	0.470
X2.10	0.522	0.816	0.688	0.510
X2.2	0.434	0.838	0.594	0.466
X2.3	0.498	0.892	0.628	0.467
X2.4	0.582	0.894	0.787	0.531
X2.5	0.536	0.884	0.657	0.541
X2.6	0.466	0.864	0.585	0.416
X2.7	0.408	0.864	0.652	0.483
X2.8	0.469	0.830	0.687	0.443
X2.9	0.443	0.915	0.699	0.513
Y1	0.532	0.526	0.800	0.427
Y10	0.447	0.608	0.771	0.551
Y2	0.709	0.629	0.838	0.562
Y3	0.633	0.557	0.706	0.628

Y4	0.603	0.522	0.783	0.633
Y5	0.491	0.485	0.756	0.602
Y6	0.617	0.590	0.802	0.569
Y7	0.698	0.579	0.760	0.636
Y8	0.471	0.687	0.786	0.568
Y9	0.491	0.716	0.759	0.614
Z1	0.729	0.440	0.665	0.822
Z2	0.714	0.525	0.572	0.803
Z3	0.741	0.429	0.568	0.884
Z4	0.719	0.441	0.615	0.874
Z5	0.728	0.447	0.575	0.873
Z6	0.721	0.518	0.651	0.941
Z7	0.661	0.394	0.617	0.893
Z8	0.690	0.551	0.743	0.781
Z9	0.728	0.587	0.776	0.879

Source: Researcher's own data processing (2025)

Table 5.
Heterotrait-Monotrait Ratio of Correlations (HTMT) Values

	X1	**X2**	**Y**	**Z**
X1				
X2	0.577			
Y	0.796	0.800		
Z	0.862	0.580	0.787	

Source: Researcher's own data processing (2025)

The Fornell-Larcker criterion (Table 3) further validated discriminant validity, with the square roots of AVE (0.844, 0.865, 0.777, and 0.862) exceeding inter-construct correlations. Cross-loading analysis (Table 4) demonstrated that each indicator loaded highest on its intended construct, with values above 0.5 and higher than loadings on other constructs. Additionally, the Heterotrait-Monotrait (HTMT) ratio (Table 5) ranged from 0.577 to 0.862, well below the conservative threshold of 0.85, confirming that the constructs are empirically distinct.

Table 6.
Reliability Test Results

Variable	**Cronbach's Alpha**	**rho_A**	**Composite Reliability**	**Rule of Thumb**	**Model Evaluation**
Financial Well-Being	0.963	0.965	0.967	> 0.70	Reliable
Work Facilities	0.962	0.965	0.967	> 0.70	Reliable
Employee Productivity	0.927	0.928	0.938	> 0.70	Reliable
Work Motivation	0.956	0.957	0.963	> 0.70	Reliable

Source: Researcher's own data processing (2025)

Reliability was established through Cronbach's Alpha, Rho_A, and Composite Reliability, with all constructs exceeding the recommended threshold of 0.7. As detailed in Table 6, Financial Well-Being (Cronbach's Alpha: 0.963, Rho_A: 0.965, CR: 0.967), Work Facilities (0.962, 0.965, 0.967), Employee Productivity (0.927, 0.928, 0.938), and Work Motivation (0.956, 0.957, 0.963) demonstrated high internal consistency, affirming the robustness of the measurement model.

Structural Model (Inner Model)

Table 7.
R-Square and Adjusted R-Square Values

Variable	R Square	Adjusted R Square
Employee Productivity	0.766	0.739
Work Motivation	0.702	0.68

Source: Researcher's own data processing (2025)

Table 8.
Effect Size (f^2) Values

Variable	Employee Productivity (Y)	Work Motivation (Z)
Financial Well-Being	0.134	1.296
Work Facilities	0.572	0.042
Work Motivation	0.065	—

Source: Researcher's own data processing (2025)

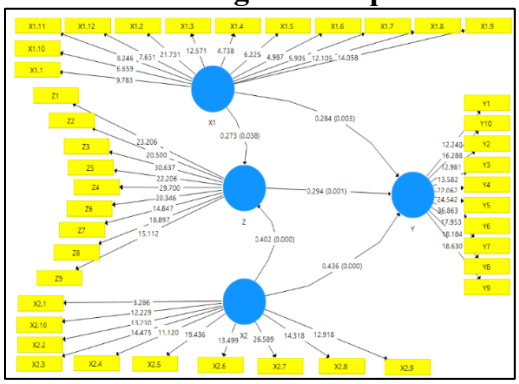
Table 9.
Predictive Relevance (Q^2) Value

Endogenous Variable	Q^2 (= 1 – SSE/SSO)
Employee Productivity	0.465

Source: Researcher's own data processing (2025)

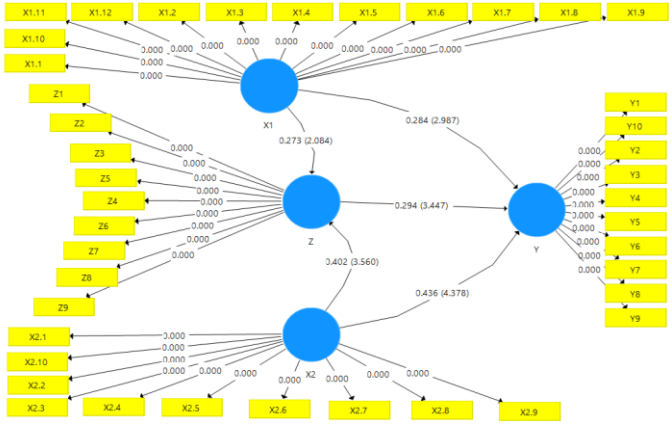
The inner model evaluation focused on the explanatory power and predictive relevance of the structural relationships. The R-squared values (Table 7) revealed that 76.6% of the variance in Employee Productivity and 70.2% in Work Motivation were explained by the exogenous constructs, with adjusted R-squared values of 0.739 and 0.680, respectively. These values classify the model as strong, indicating substantial explanatory power. Effect sizes, assessed via f-squared (Table 8), highlighted significant contributions, notably Work Facilities on Employee Productivity ($f^2 = 0.572$) and Financial Well-Being on Work Motivation ($f^2 = 1.296$), categorized as large effects, while Work Motivation's effect on Employee Productivity ($f^2 = 0.065$) was smaller but notable. Predictive relevance was confirmed by a Q-squared value of 0.465 for Employee Productivity (Table 9), exceeding zero and demonstrating the model's predictive capability.

Figure 2.
Path Coefficients Original Sample & P-Values



Source: Researcher's own data processing (2025)

Figure 3.
Path Coefficients Original Sample & T-Statistics



Source: Researcher's own data processing (2025)

Table 10.
Hypothesis Testing Results

Hypothesis	Path Relationship	Original Sample	T-Statistics	P-Values	Result
H1	Financial Well-Being → Employee Productivity	0.284	2.987	0.003	Accepted
H2	Workplace Facilities → Employee Productivity	0.436	4.378	0	Accepted
H3	Financial Well-Being → Work Motivation	0.273	2.084	0.038	Accepted
H4	Workplace Facilities → Work Motivation	0.402	3.56	0	Accepted
H5	Work Motivation → Employee Productivity	0.294	3.447	0.001	Accepted

H6	Financial Well-Being → Work Motivation → Employee Productivity	0.08	2.102	0.036	Accepted
H7	Workplace Facilities → Work Motivation → Employee Productivity	0.118	2.225	0.027	Accepted

Source: Researcher's own data processing (2025)

Hypothesis testing, conducted via bootstrapping with 5,000 resamples, examined the significance of the structural paths. As shown in Table 10, all hypothesized relationships were supported. Financial Well-Being positively influenced Employee Productivity (β = 0.284, t = 2.987, p = 0.003), Work Facilities significantly impacted Employee Productivity (β = 0.436, t = 4.378, p = 0.000), and Work Motivation also positively affected Employee Productivity (β = 0.294, t = 3.447, p = 0.001). Additionally, Financial Well-Being (β = 0.273, t = 2.084, p = 0.038) and Work Facilities (β = 0.402, t = 3.560, p = 0.000) significantly influenced Work Motivation. Mediation effects were evident, with Work Motivation mediating the relationship between Financial Well-Being and Employee Productivity (β = 0.080, t = 2.102, p = 0.036) and between Work Facilities and Employee Productivity (β = 0.118, t = 2.225, p = 0.027).

Influence of Financial Well-Being on Employee Productivity

The significant positive effect of Financial Well-Being on Employee Productivity highlights the role of economic stability in enhancing workplace performance. Employees with strong financial health, characterized by the ability to meet daily needs, maintain emergency funds, and pursue long-term financial goals, exhibit greater focus and engagement. This aligns with Joo (2008), who noted that financial stress undermines concentration, while financial security fosters commitment and efficiency. For hybrid Gen Z workers, financial well-being mitigates economic pressures, enabling them to prioritize professional responsibilities, resulting in higher quality outputs and proactive behaviors, as supported by Kim and Garman (2004).

Influence of Work Facilities on Employee Productivity

Work Facilities demonstrated a substantial positive impact on Employee Productivity, underscoring the importance of a supportive physical work environment. Well-designed, accessible facilities enabled employees to complete tasks efficiently and accurately, reducing technical barriers and enhancing work quality. This finding resonates with Sedarmayanti (2017), who emphasized that ergonomic facilities foster efficiency, and Hasibuan (2016), who highlighted their role in boosting morale. In hybrid work settings, such facilities are critical for maintaining productivity without direct supervision, creating a conducive environment for sustained performance.

Influence of Financial Well-Being on Work Motivation

Financial Well-Being significantly enhances Work Motivation, as stable finances provide a psychological foundation for intrinsic motivation. Employees free from economic concerns reported higher enthusiasm for challenges and career advancement, consistent with Luthans (2011), who linked financial security to reduced stress and increased engagement. This is particularly relevant for younger workers, where financial literacy fosters confidence, driving organizational commitment, as supported by Garman et al. (1996).

Influence of Work Facilities on Work Motivation

The positive effect of Work Facilities on Work Motivation reflects how tangible organizational support fosters psychological drive. Adequate facilities signal investment in employee success, enhancing responsibility and enthusiasm, as noted by Robbins and Coulter (2016). Herzberg (1959) Two-Factor Theory suggests that well-equipped environments prevent dissatisfaction and amplify motivators, fostering a motivated workforce committed to organizational goals.

Influence of Work Motivation on Employee Productivity

Work Motivation's significant impact on Employee Productivity underscores its role as a psychological driver of performance. Highly motivated employees demonstrated superior technical skills, dedication, and error minimization, aligning with Robbins and Judge (2017) and McClelland's (1961) emphasis on achievement-driven behaviors. For Gen Z workers, motivation fueled by recognition and challenges ensures consistent, high-quality outputs.

Mediating Role of Work Motivation

Work Motivation effectively mediates the relationships between Financial Well-Being, Work Facilities, and Employee Productivity. Financial stability fosters a sense of security, enhancing intrinsic motivation, as per Ryan and Deci (2000), Self-Determination Theory, which subsequently drives productivity. Similarly, supportive facilities create an environment conducive to motivation, transforming external resources into internal drive, as supported by Vroom's (1964) Expectancy Theory. These mediated pathways, reinforced by Bakker and Demerouti (2017), highlight the critical role of motivation in amplifying the effects of financial and infrastructural support on performance.

In conclusion, this study elucidates the synergistic interplay among Financial Well-Being, Work Facilities, Work Motivation, and Employee Productivity. The findings underscore the importance of fostering financial stability and providing robust workplace infrastructure to enhance motivation and performance, offering valuable insights for organizations aiming to optimize productivity in hybrid work environments.

CONCLUSION

This study concludes that Financial Well-Being and Work Facilities play a significant role in enhancing the productivity of hybrid workers, particularly among Generation Z employees. The findings indicate that higher levels of perceived financial well-being lead to greater work productivity. When employees feel financially secure, they can focus more effectively on their tasks and demonstrate optimal performance. Likewise, adequate work facilities create a comfortable, efficient, and supportive environment that directly contributes to higher productivity. These results affirm that both material and psychological security form essential foundations for sustaining performance in flexible work arrangements.

Furthermore, the study reveals that Financial Well-Being and Work Facilities positively and significantly influence Work Motivation. Employees who have control over their personal finances experience a sense of stability and confidence that enhances their motivation to perform. Similarly, well-designed and easily accessible work facilities strengthen employees' enthusiasm and desire to contribute their best efforts. This finding supports the Self-Determination Theory proposed by Ryan and Deci (2000), which posits that individuals experience greater well-being when their basic psychological needs—

competence, autonomy, and relatedness—are fulfilled. In this context, financial stability provides employees with a sense of control, while workplace facilities foster competence and engagement.

The study also confirms that Work Motivation has a positive and significant impact on productivity, serving as a mediating variable that links Financial Well-Being and Work Facilities to employee performance. This aligns with McClelland's Theory of Needs (1985), which emphasizes that individuals driven by achievement, affiliation, and power tend to demonstrate higher levels of productivity. Moreover, the mediation effect indicates that both financial stability and workplace support systems indirectly enhance productivity through motivational mechanisms. These findings reinforce the Goal-Setting Theory of Locke and Latham (1990), suggesting that motivation increases when employees have clear goals, feel capable of achieving them, and receive adequate support from their environment.

From a theoretical perspective, the results extend existing knowledge on employee productivity in hybrid work settings by integrating classical and contemporary motivation theories. In particular, the findings corroborate Herzberg's Two-Factor Theory (1959), where work facilities function as hygiene factors that, while not necessarily motivating on their own, can diminish dissatisfaction and enhance comfort when adequately provided. Simultaneously, financial well-being operates as a motivational factor that stimulates employees' intrinsic drive to perform at higher levels. Together, these findings enrich the theoretical framework on how financial stability and environmental support shape motivation and productivity among Generation Z hybrid workers in the modern digital economy.

From a managerial standpoint, the results highlight several practical implications. Organizations should establish clear performance standards and continuous training programs to maintain the quality of hybrid employees' work. Implementing structured financial wellness programs—such as financial literacy workshops, emergency savings plans, and adequate benefit policies—can help reduce psychological stress and promote long-term productivity. Additionally, companies must regularly evaluate the accessibility and ergonomics of work facilities, both physical and digital, to support seamless collaboration and efficiency. Equally important, recognition systems that are fair, transparent, and aligned with individual performance—whether through financial rewards or non-material acknowledgment—can enhance motivation and foster a culture of excellence.

Despite its contributions, this study has several limitations. The sample is limited to Generation Z hybrid workers based in Jakarta, which restricts the generalizability of findings to other regions. Future research should include broader geographic coverage to capture diverse organizational and cultural contexts. Moreover, the use of non-probability sampling (purposive sampling) may introduce selection bias; thus, employing probability-based methods in subsequent studies would enhance representativeness. Since this research relied on quantitative methods using closed-ended questionnaires, qualitative or mixed-methods approaches—such as interviews or case studies—are recommended for future studies to explore deeper contextual insights. Finally, this study focuses solely on Financial Well-Being, Work Facilities, Work Motivation, and Productivity. Future research should consider incorporating additional variables such as leadership style, workload, work-life balance, psychological pressure, and organizational culture to develop a more comprehensive model explaining hybrid worker productivity.

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