

The Influence of Remote Work Flexibility on Employee Productivity: The Mediating Role of Privacy Invasion in Small Medium Enterprises in Klang Valley, Malaysia.

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ABSTRACT

This study examines the impact of remote work flexibility on employee productivity in small and medium-sized enterprises (SMEs) in Klang Valley, Malaysia, with privacy invasion as a mediating factor. Privacy invasion refers to the distorted boundaries of employer's management of employees working processes and output, as well as the overstepping of employees work autonomy. This type of employee surveillance, coupled with technological advancements, has widened the scope, with employers increasingly reliant on these advancements to track and evaluate employee performance. This study seeks to determine whether there are any mediating effects of privacy invasion on the relationship between remote work flexibility and employees' productivity. A quantitative design was adopted, surveying 384 SME employees in the IT sector using structured questionnaires. Non-probability sampling using Quota sampling was adopted to provide adequate representation of employees across various job levels, including assistant, executive, lead, and manager. Descriptive statistics and inferential statistics were conducted to test the reliability of the instrument and the hypothesis. The study can benefit SMEs in terms of the opportunity for remote work flexibility. Since there are an increasing number of organizations heading towards providing the option of remote work flexibility, having an understanding of how it impacts productivity can assist SMEs in producing remote work policies that are win-win for both employers and employees. Findings reveal that time flexibility and workload flexibility have significant positive effects on productivity, whereas location flexibility shows no significant direct impact. Privacy invasion is found to neither influence productivity nor mediate the relationship between the flexibility dimensions and productivity. The results underscore the need for SME leaders to adopt balanced remote work policies that promote autonomy while safeguarding employee privacy through transparent and ethical monitoring practices.

Keywords: Remote Work Flexibility, Employee Productivity, Privacy Invasion, SMEs, Job Demands-Resources Model.

INTRODUCTION

Employee productivity is a crucial concern for the survival and competitiveness of small and medium-sized enterprises (SMEs), especially in resource-constrained environments like Klang Valley, Malaysia. The rise of remote and hybrid work, accelerated by the COVID-19 pandemic, has introduced greater flexibility in terms of when, where, and how employees work. Time flexibility allows employees to align their work with their most productive hours, location flexibility reduces commuting stress, and workload flexibility offers autonomy in managing tasks. While these arrangements can improve efficiency, job satisfaction, and work-life balance, their impact on productivity varies. Many employees report increased focus and autonomy, while others face challenges such as communication difficulties, distractions, or reduced supervision, particularly in SMEs that lack strong digital infrastructure. To maintain accountability in flexible work environments, SMEs often use digital monitoring tools. However, this raises concerns about privacy invasion. Intrusive surveillance can undermine trust, create technostress, and erode psychological safety, potentially negating the benefits of flexibility. Larger organizations typically implement structured monitoring with clear policies, but SMEs often lack transparency, increasing the risk of employee dissatisfaction and disengagement. Despite the significance of this issue, research on remote work flexibility and privacy invasion has primarily focused on large corporations

or data from the pandemic era, leaving SMEs relatively unexplored in the evolving post-pandemic context. This study utilizes the Job Demands–Resources (JD-R) model to conceptualize time, location, and workload flexibility as job resources that enhance productivity, while framing privacy invasion as a job demand or techno-stressor that may diminish positive outcomes. The research examines the relationships between these dimensions of flexibility and employee productivity, as well as the mediating role of privacy invasion within SMEs in the IT sector of Klang Valley. By addressing this gap, the study contributes to both theory and practice, providing evidence-based insights for developing balanced, flexible work policies that promote autonomy and productivity while safeguarding employee privacy.

LITERATURE REVIEW

This study is guided by the Job Demands-Resources (JD-R) model (Bakker & Demerouti, 2007) and extended study by (Scholze & Hecker, 2023). This model categorizes job characteristics into two dimensions: job demands and job resources. Job demands require sustained effort and can lead to stress, burnout, and reduced well-being (for example, workload, time pressure, and emotional strain). In contrast, job resources support goal achievement, enhance motivation, and improve engagement (such as autonomy, flexibility, feedback, and social support). High job demands can deplete energy and impair performance, while adequate job resources can strengthen motivation and improve productivity. In the context of remote work, critical job resources include time flexibility, location flexibility, and workload flexibility. These resources provide employees with greater autonomy, reduce commuting stress, and allow for better alignment with personal productivity rhythms (Parajuli, 2023). However, these benefits can be compromised when new job demands arise. One such demand is privacy invasion, which is described as a techno-stressor resulting from intrusive digital surveillance and monitoring practices (Marsh et al., 2022). When monitoring is perceived as excessive or lacking transparency, it threatens autonomy, increases stress, and diminishes the positive effects of flexibility. Within the JD-R model, employee productivity is seen as the result of balancing resources and demands. Productivity is maximized when job resources, such as flexibility, are high and job demands, including privacy invasion, are effectively managed. This framework serves as the theoretical foundation for examining the relationship between remote work flexibility, privacy invasion, and productivity in small and medium-sized enterprises (SMEs) in the Klang Valley.

Remote work flexibility, which includes flexibility in time, location, and workload, has been consistently linked to improved employee productivity. However, the evidence also points out certain contextual limitations. Time flexibility allows employees to align their work hours with their peak performance times, reducing stress and helping them balance personal commitments. This often leads to increased productivity (Alwi, 2021; Agbanu et al., 2023). On the downside, excessive flexibility can lead to procrastination, coordination challenges, or overwork, particularly when organizational structures are weak (Odunayo et al., 2020; Mohiya, 2024). Location flexibility enables employees to choose their work environment, which can alleviate commuting stress, lower distractions, and enhance focus especially when they have a suitable home office setup and enjoy organizational trust (Chafi et al., 2021; Suhandi & Gularso, 2024; Awa et al., 2024). However, the productivity benefits are contingent upon individual circumstances, such as the quality of the home environment, self-discipline, and the prevailing cultural or organizational contexts. This means that the advantages may not be universally applicable (Gašić et al., 2024). Finally, workload flexibility provides employees with the autonomy to organize, pace, and prioritize their tasks, which can boost intrinsic motivation, engagement, and job satisfaction (Ghonim et al., 2025; Needu-Efeeloo & Chukwu, 2025). It has been shown to help maintain work-life balance and decrease stress-related absenteeism. Nevertheless, without clear boundaries or adequate leadership, such flexibility can lead to role ambiguity, coordination problems, or even burnout (Wang & Xie, 2023; Eng et al., 2025). Thus, the hypothesis is developed as follows:

H1 : Time flexibility is positively correlated with employee productivity.

H2 : Location flexibility is positively correlated with employee productivity.

H3 : Workload flexibility is positively correlated with employee productivity.

Remote work flexibility is designed to enhance autonomy and improve work-life balance. However, it can also raise concerns about privacy invasion. When work is evaluated based on outcomes rather than mere presence, time flexibility can reduce intrusive monitoring, leading to higher job satisfaction and lower turnover (Li et al., 2025; Sanders & Karmowska, 2020). On the other hand, this flexibility can blur the lines between personal and

professional time, creating expectations for constant digital availability. As a result, managers may implement monitoring tools like keystroke loggers or screen capture software, which increases perceptions of surveillance (Sengupta & Al-Khlifa, 2022; Urhan, 2023). Similarly, location flexibility provides employees with greater autonomy and job satisfaction, which can reduce the necessity for strict supervision (Zychová et al., 2024; Wang & Le, 2023). However, the lack of physical co-location often heightens managerial concerns about accountability, leading to a heavier reliance on digital surveillance systems like geo-tracking and real-time monitoring (Korkeakunnas et al., 2023; Brinson et al., 2024). These practices can disproportionately impact junior staff or employees in high-power-distance cultures, who may feel pressured to remain digitally available to demonstrate their commitment (Himawan et al., 2022). Lastly, workload flexibility allows employees to prioritize and manage tasks autonomously, but it often relies on digital task management platforms (such as Asana, Jira, Trello). While these tools improve coordination, they also record workflows and timestamps, acting as indirect surveillance mechanisms that can compromise privacy (Pokojski et al., 2022; Kalischko & Riedl, 2023). In some situations, workload flexibility causes employees to feel the need to overwork to prove their productivity, reinforcing both organizational and self-imposed surveillance (Knardahl & Christensen, 2021). Thus, the hypothesis is developed as follows:

H4 : Time flexibility is negatively correlated with privacy invasion.

H5 : Location flexibility is positively correlated with privacy invasion.

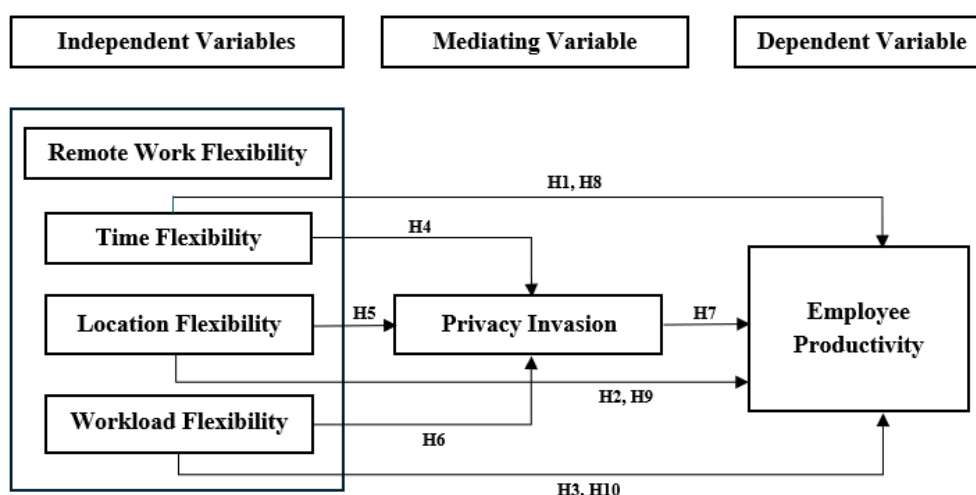
H6 : Workload flexibility is positively correlated with privacy invasion.

Privacy invasion, often resulting from electronic performance monitoring (EPM), has become a significant challenge in remote and hybrid work environments. While EPM is intended to enhance accountability and efficiency, studies indicate that intrusive monitoring can frequently undermine employee well-being and productivity. Continuous digital surveillance, especially when conducted without transparency or consent, erodes psychological safety, increases stress, and reduces engagement (Kayas, 2023; Brinson et al., 2024). These negative effects are particularly evident in small and medium-sized enterprises (SMEs) that often lack formal privacy policies or ethical monitoring frameworks. Additionally, privacy invasion has been linked to a decrease in trust and a deterioration of the quality of leader-member exchanges. This can lead to negative outcomes such as emotional fatigue, decreased motivation, and lower performance (Wolff et al., 2024). Poor communication about monitoring practices can further harm employee morale and productivity (Zabian & Qawasmeh, 2022). Overall, these findings suggest that while monitoring may promote accountability, it can lead to counterproductive effects if employees perceive it as invasive. Thus, the hypothesis is developed as follows:

H7 : Privacy invasion is negatively correlated with employee productivity.

The research framework is drawn from the past literature and utilizing Job Demands-Resources (JD-R) Model by Bakker & Demerouti, 2007.

Figure 1: Conceptual Research Framework



METHODOLOGY

This study employed a quantitative research design to assess the influence of remote work flexibility on employee productivity with the mediating role of privacy invasion in small and medium-sized enterprises within the Klang Valley, Malaysia. The target population consisted of IT professionals working in SMEs located in the Klang Valley region. The study used non-proportional quota sampling whereby the same sample size was assigned to each positional level within the company so as to maintain proportionality. In total, 308 out of 384 respondents participated in the study. The final response rate is 80.2% where 76 responses were missing due to incomplete surveys, straight-lining responses, or unreached quotas.

Eligibility criteria included: (1) currently employed in an IT-related role who have remote work experience, (2) based in the Klang Valley, and (3) aged 18 years or older. Participation was voluntary, and respondents provided informed consent before proceeding with the questionnaire. Data was collected using a structured, self-administered online questionnaire created using Google Forms. The questionnaire utilized the 7-points Likert scale (1-Strongly Disagree, 2-Disagree, 3-Slightly Disagree, 4-Neutral, 5-Slight Agree, 6-Agree, 7-Strongly Agree) and consisted of 6 sections:

1. The first section was related to demographic information including age, gender, job position, job role, years of experience and type of work arrangement.
2. The remaining 5 sections included questions that were designed to measure the respondent's perception on their experience in the work environment. The questions were on the 3 different work flexibility which are location, time and workload flexibility as well as questions related to their work productivity and experience of privacy invasion.

A pilot test was also conducted with 30 respondents to ensure clarity and reliability of the questions. The survey link was distributed via email, professional networks and messaging platforms such as WhatsApp and Telegram. Participants were informed about the purpose of the study, their rights to confidentiality, and the option to withdraw at any time. Data collection took place between May 15 till July 15, 2025. No personally identifiable information was collected, ensuring participant anonymity. The collected data was exported into Microsoft Excel and then analyzed using IBM SPSS Statistics version 30. Descriptive statistics such as frequency, percentage, mean, and standard deviation were calculated to summarize demographic data and key variables. Inferential statistics including correlation analysis, multiple regression analysis, PROCESS Macro Analysis were used to explore relationships between variables. A significance level of $p < 0.05$ was considered statistically significant.

DATA ANALYSIS AND FINDINGS

Demographic Profile

Table 1 presents a comprehensive summary of the demographic attributes of the 308 participants in this study.

Table 1: Frequency Table of Demographic Profiles

Demographic factors	Categories	Frequency (n=308)	Percentage
Gender	Male	185	60.1
	Female	123	39.9
Age	18 - 29 years old	110	35.7
	30 - 39 years old	58	18.8
	40 - 49 years old	61	19.8
	50 years old and above	79	25.6
Job Position Levels	Assistant/Officer	77	25.0
	Executive	77	25.0
	Lead/Supervisor	77	25.0
	Manager/Head	77	25.0

Job Role	IT Support/Helpdesk Technician	26	8.4
	Application Database/System/Network Administrator	29	9.4
	Software/Web/Full-Stack Developer/Engineer	68	22.1
	Cybersecurity Officer/IT Security Analyst	38	12.3
	Data/Business Analyst	52	16.9
	Digital Transformation/Automation Specialist	51	16.6
	Digital/IT Project Coordinator	31	10.1
	Others	13	4.2
Years of Working Experience	1 - 5 years	79	25.6
	11 - 20 years	81	26.3
	6 - 10 years	50	16.2
	Less than a year	30	9.7
	More than 20 years	68	22.1
Type of Current Work Arrangement	Fully on-site (with remote experience/previously remote)	58	18.8
	Fully remote	69	22.4
	Hybrid	181	58.8

Reliability Test

Table 2 revealed the Cronbach's alpha values for all variables ranged from 0.724 to 0.794, indicating acceptable internal consistency and reliability for further analysis. Although these values were lower than the pilot study's higher reliability scores (0.829–0.950), the drop was likely due to a larger, more diverse sample, less controlled data collection conditions, and variations in interpretation. Overall, the instruments remained reliable within the accepted threshold.

Table 2: Reliability Analysis of Remote Work Flexibility on Employee Productivity Mediated by Privacy Invasion

Variables	Cases	n	%	Cronbach's Alpha	No. of Statements
Independent Variables					
Time Flexibility (IV1)	Valid	308	100.0	0.740	7
	Excluded	0	.0		
	Total	308	100.0		
Location Flexibility (IV2)	Valid	308	100.0	0.765	7
	Excluded	0	.0		
	Total	308	100.0		
Workload Flexibility (IV3)	Valid	308	100.0	0.767	7
	Excluded	0	.0		
	Total	308	100.0		
Dependent Variable					
Employee Productivity	Valid	308	100.0	0.794	7
	Excluded	0	.0		
	Total	308	100.0		
Mediating Variable					
Privacy Invasion	Valid	308	100.0	0.724	7
	Excluded	0	.0		
	Total	308	100.0		

Measures of Central Tendency and Dispersion

Table 3 showed high mean scores for all variables: time flexibility (5.87), location flexibility (5.83), workload flexibility (5.83), employee productivity (5.98), and privacy invasion (4.38) on a 7-point scale. This indicates

generally positive perceptions of flexibility and productivity, alongside notable concerns about privacy invasion. Standard deviations (0.59–0.94) reflected adequate variability for further analysis.

Table 3: Descriptive Statistics for Study Variables

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Time Flexibility	308	2.57	7.00	5.8673	.74737
Location Flexibility	308	2.14	7.00	5.8340	.76484
Workload Flexibility	308	2.00	7.00	5.8312	.74055
Employee Productivity	308	3.00	7.00	5.9805	.58569
Privacy Invasion	308	1.43	7.00	4.3789	.93674

Normality Test

The Kolmogorov-Smirnov test in Table 4 showed all variables had p -values below 0.001, indicating non-normal distribution. As a result, non-parametric tests were used for further analysis, including gender-based comparisons.

Table 4: Kolmogorov-Smirnov Test

	Statistic	df	Sig.
Time Flexibility	.202	308	<.001
Location Flexibility	.200	308	<.001
Workload Flexibility	.213	308	<.001
Employee Productivity	.204	308	<.001
Privacy Invasion	.134	308	<.001

Table 5: Non-parametric Test Results

	Null Hypothesis	Test	Sig. ^{a,b}	Decision
1	The distribution of Time Flexibility is the same across categories of Gender.	Independent-Samples Mann-Whitney U Test	.375	Retain the null hypothesis.
2	The distribution of Location Flexibility is the same across categories of Gender.	Independent-Samples Mann-Whitney U Test	.249	Retain the null hypothesis.
3	The distribution of Workload Flexibility is the same across categories of Gender.	Independent-Samples Mann-Whitney U Test	<.001	Reject the null hypothesis.
4	The distribution of Employee Productivity is the same across categories of Gender.	Independent-Samples Mann-Whitney U Test	.790	Retain the null hypothesis.
5	The distribution of Privacy Invasion is the same across categories of Gender.	Independent-Samples Mann-Whitney U Test	.235	Retain the null hypothesis.
a. The significance level is .050.				
b. Asymptotic significance is displayed.				

Non-parametric test results in Table 5 showed no significant gender differences for time flexibility, location flexibility, employee productivity, or privacy invasion. However, workload flexibility differed significantly between male and female respondents ($p < 0.001$).

Correlation Analysis

Tables 6 and 7 presented Spearman's rho correlation results, showing the strength, direction, and significance of relationships among time flexibility, location flexibility, workload flexibility, privacy invasion, and employee productivity for RQ1to RQ7.

Table 6: Spearman Correlation Analysis Results

		Time Flexibility	Location Flexibility	Workload Flexibility	Employee Productivity	Privacy Invasion
Time Flexibility	Correlation Coefficient	1.000	.587**	.426**	.434**	-.050
	Sig. (2-tailed)	.	<.001	<.001	<.001	.379
	N	308	308	308	308	308
Location Flexibility	Correlation Coefficient	.587**	1.000	.451**	.418**	-.037
	Sig. (2-tailed)	<.001	.	<.001	<.001	.516
	N	308	308	308	308	308
Workload Flexibility	Correlation Coefficient	.426**	.451**	1.000	.447**	-.080
	Sig. (2-tailed)	<.001	<.001	.	<.001	.162
	N	308	308	308	308	308
Employee Productivity	Correlation Coefficient	.434**	.418**	.447**	1.000	-.003
	Sig. (2-tailed)	<.001	<.001	<.001	.	.961
	N	308	308	308	308	308
Privacy Invasion	Correlation Coefficient	-.050	-.037	-.080	-.003	1.000
	Sig. (2-tailed)	.379	.516	.162	.961	.
	N	308	308	308	308	308

** . Correlation is significant at the 0.01 level (2-tailed).

Analysis of Research Questions

	Research Question	Spearman's rho (r)	p-value	Relationship	Significance
RQ1	Time flexibility → Employee productivity	0.434	< 0.001	Strong Positive	Significant
RQ2	Location flexibility → Employee productivity	0.418	< 0.001	Strong Positive	Significant
RQ3	Workload flexibility → Employee productivity	0.447	< 0.001	Strong Positive	Significant
RQ4	Time flexibility → Privacy invasion	-0.050	0.379	None	Not significant
RQ5	Location flexibility → Privacy invasion	-0.037	0.516	None	Not significant
RQ6	Workload flexibility → Privacy invasion	-0.080	0.162	None	Not significant
RQ7	Privacy invasion → Employee productivity	-0.003	0.961	None	Not significant

PROCESS Macro Analysis

Table 8 showed that that time flexibility, location flexibility, and workload flexibility each had significant total and direct effects on employee productivity ($p < 0.001$). However, in all three cases, the indirect effects via privacy invasion were insignificant, with confidence intervals crossing zero, indicating that privacy invasion did not mediate the relationships between remote work flexibility and employee productivity. Privacy invasion shows no direct or mediating impact in certain IT studies could be due to high organizational trust, standard digital norms, and habituation. People working in tech may accept data collection as normal work practice. The key reasons for no impact could also be due to high organizational trust where the workers trust their company will not misuse data; acceptable digital norms where data tracking is seen as a normal part of using modern work tools; and habituation where people get used to constant data sharing over time at work or for personal life.

Table 8: Mediation Analysis Results

Relationship	Total Effect	Direct Effect	Indirect Effect	Confidence Interval		t-statistics
				Lower Bound	Upper Bound	
Time flexibility → Privacy Invasion → Employee productivity	0.3787 (0.0000)	0.3786 (0.0000)	0.0001	-0.0114	0.0066	0.0244
Location flexibility → Privacy Invasion → Employee productivity	0.3301 (0.0000)	0.3308 (0.0000)	-0.0006	-0.0105	0.0061	-0.1500
Workload flexibility → Privacy Invasion → Employee productivity	0.4224 (0.0000)	0.4227 (0.0000)	-0.0004	-0.0083	0.0069	-0.1143

Table 9 summarises the mediation analysis results for RQ8–RQ10, showing that privacy invasion did not significantly mediate the relationships between remote work flexibility and employee productivity.

Table 9: Analysis of Research Questions

	Research Question	Confidence Interval	Mediating Effect	Significance
RQ8	Time flexibility → Employee productivity (mediated by privacy invasion)	[-0.0114, 0.0066]	None	Not significant
RQ9	Location flexibility → Employee productivity (mediated by privacy invasion)	[-0.0105, 0.0061]	None	Not significant
RQ10	Workload flexibility → Employee productivity (mediated by privacy invasion)	[-0.0083, 0.0069]	None	Not significant

Multiple Regression Analysis

Table 10 showed a moderate positive relationship ($R = 0.613$) between the remote work flexibility and employee productivity, with 37.6% of productivity variation explained by time, location, and workload flexibility.

Table 10: Multiple Regression Model Summary for Predicting Employee Productivity

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.613 ^a	.376	.369	.46509

a. Predictors: (Constant), Time Flexibility, Location Flexibility, Workload Flexibility

Table 11 indicated that the regression model significantly predicts employee productivity ($F(3, 304) = 60.96$, $p < .001$), confirming that time, location, and workload flexibility substantially explain its variance.

Table 11: Regression Coefficients for Predicting Employee Productivity

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	39.555	3	13.185	60.955	<.001 ^b
	Residual	65.757	304	.216		
	Total	105.312	307			

a. Dependent Variable: Employee Productivity
b. Predictors: (Constant), Time Flexibility, Location Flexibility, Workload Flexibility

Table 12 showed that time flexibility and workload flexibility were significant positive predictors of employee productivity, while location flexibility had no significant effect in the model.

Table 12: Regression Coefficients of Remote Work Flexibility

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.595	.255		10.194	<.001
	Time Flexibility	.252	.051	.321	4.959	<.001
	Location Flexibility	.006	.052	.008	.115	.909
	Workload Flexibility	.322	.041	.407	7.855	<.001

a. Dependent Variable: Employee Productivity

Hypothesis Testing

Table 13 summarised the hypothesis testing results (H1–H10), showing that only time flexibility (H1) and workload flexibility (H3) significantly enhance employee productivity, while all other relationships and mediation effects were not supported.

Table 13: Summary of Hypothesis Testing

Hypothesis		Statistical Evidence	Result
H1	There is a significant relationship between remote work flexibility (Time Flexibility) towards employee productivity in SMEs in Klang Valley.	$\beta = 0.321$, $t = 4.959$, $p < 0.001$	Supported
H2	There is a significant relationship between remote work flexibility (Location Flexibility) towards employee productivity in SMEs in Klang Valley.	$\beta = 0.008$, $t = 0.115$, $p = 0.909$	Not Supported
H3	There is a significant relationship between remote work flexibility (Workload Flexibility) towards employee productivity in SMEs in Klang Valley.	$\beta = 0.407$, $t = 7.855$, $p < 0.001$	Supported
H4	There is a significant relationship between remote work flexibility (Time Flexibility) towards privacy invasion in SMEs in Klang Valley.	$B = 0.0390$, $SE = 0.0713$, $p = 0.5865$	Not Supported
H5	There is a significant relationship between remote work flexibility (Location Flexibility) towards privacy invasion in SMEs in Klang Valley.	$B = -0.0317$, $SE = 0.0680$, $p = 0.6504$	Not Supported
H6	There is a significant relationship between remote work flexibility (Workload Flexibility) towards privacy invasion in SMEs in Klang Valley.	$B = -0.0202$, $SE = 0.0714$, $p = 0.7804$	Not Supported
H7	There is a significant relationship between privacy invasion towards employee productivity in SMEs in Klang Valley.	$r = -0.003$, $p = 0.961$	Not Supported
H8	There is a mediating effect of privacy invasion on significant relationship between remote work flexibility (Time Flexibility) towards employee productivity in SMEs in Klang Valley.	$B = 0.0001$, BootSE = 0.0041, 95% CI [-0.0114, 0.0066]	Not Supported
H9	There is a mediating effect of privacy invasion on significant relationship between remote work flexibility (Location Flexibility) towards employee productivity in SMEs in Klang Valley.	$B = -0.0006$, BootSE = 0.0040, 95% CI [-0.0105, 0.0061]	Not Supported
H10	There is a mediating effect of privacy invasion on significant relationship between remote work flexibility (Workload Flexibility) towards employee productivity in SMEs in Klang Valley.	$B = -0.0004$, BootSE = 0.0035, 95% CI [-0.0083, 0.0069]	Not Supported

CONCLUSION

This study examined how flexible remote work specifically time, location, and workload has affects employee productivity in small and medium-sized businesses (SMEs) in Klang Valley. It also explored if privacy invasion plays a role. The results show that time flexibility and workload flexibility significantly boost productivity, while location flexibility has no noticeable effect. Furthermore, none of the types of flexibility were linked to privacy invasion, which did not impact productivity either. This partially aligns with the Job Demands-Resources (JD-R) framework, suggesting flexibility improves productivity without inherently threatening privacy; rather, monitoring practices are key to privacy concerns. Several limitations exist in this study. Future research could explore how views on flexibility and privacy change over time, as well as compare different industries like healthcare or education. Additional factors, such as technostress or job satisfaction, could also provide further insights into how remote work policies influence productivity. In summary, this study confirms that time and workload flexibility enhance productivity in SME remote work, while privacy invasion was not a significant factor. SMEs can confidently adopt flexible work arrangements to improve performance, if monitoring is clear and ethical. SME managers can maintain a transparent, ethical, and effective monitoring implementation by focusing on the following items:

- i. **Develop clear policies:** Define the purpose of monitoring, what data will be collected, and how it will be used. Some data are collected not for punitive or tracking reason but rather to assist employees who has bottleneck issues.
- ii. **Involve employees:** Gather input and feedback from staff during the planning and rollout phases. The best people to inform of the situation are people on the ground. Get the employees to be part of the quality improvement circles or championing the campaign.
- iii. **Communicate consistently:** Maintain open channels for dialogue and provide access to personal data dashboards. Ensure no one to be scrutinized for the information provided.
- iv. **Train managers:** Ensure that those interpreting data do so with empathy and context. Managers must be data driven in order to make accurate decision making.
- v. **Review regularly:** Monitor the impact of monitoring itself and adjust practices based on feedback and outcomes. This is to anticipate and avoid lagging or overloaded that can caused negative consequences.

This study provides some possibilities for future research. First, future researchers may study how flexibility in remote work and privacy concerns change over time. It would offer some information on whether the first impression on the productivity of work and invasion of privacy remains the same or reduces as people get acquainted with their job settings and as companies change their strategies to meet the needs of privacy invasion. Second, future research must consider the comparison of various industries besides the one in the IT industry since work culture and ability to work remotely also widely differ depending on the field. The education, healthcare and even manufacturing sectors can be attributed to various dynamics concerning remote work flexibility. Finally, future research may include other mediating or moderating conditions, including technostress, job satisfaction, or digital literacy, which may dictate the direction and intensity of the relationships analyzed in the present study.

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