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Remote Work Revolution: Examining the Impact of Hybrid Work Models on Employee Engagement and Productivity

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Abstract

This study investigates the impact of hybrid work models (HWM) on freelancers' engagement, productivity, work-life balance (WLB), and job satisfaction (JS) on the Upwork platform. Using a quantitative research design, 100 active freelancers from Upwork-related communities on Facebook and Twitter were randomly selected to participate in an online survey. The data were analyzed using Partial Least Squares Structural Equation Modeling (Smart PLS). The results reveal that hybrid work models significantly improve freelancers' work-life balance and job satisfaction, which, in turn, positively affect their engagement and productivity. Specifically, the study found significant indirect effects of HWM on engagement and productivity through WLB and JS. These findings suggest that while hybrid work models do not directly influence freelancer performance, they play a crucial role in enhancing job satisfaction and maintaining a balanced work-life environment, which are key drivers of freelancer engagement and productivity. This research provides valuable insights for optimizing work arrangements on digital platforms to foster greater well-being and performance among freelancers.

Keywords: Hybrid Work Models, Freelancers, Engagement, Productivity, Work-Life Balance, Job Satisfaction

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INTRODUCTION

The shift towards hybrid work models has gained momentum in recent years, particularly accelerated by the global pandemic. This transition, which blends remote and in-office work, has reshaped how organizations approach employee engagement and productivity. Research suggests that while hybrid work offers flexibility and autonomy, it also poses challenges related to collaboration, communication, and employee well-being (Choudhury et al., 2020). Studies indicate that employees' productivity and engagement in hybrid settings depend significantly on how well organizations manage the interplay between remote and in-person work (Gartner, 2021; Tannenbaum et al., 2022). Furthermore, the impact of hybrid work on organizational culture and work-life balance has emerged as key factors influencing overall job satisfaction and employee performance (Fay & Kundu, 2022).

Employee engagement refers to the emotional commitment employees have towards their work and organization, which in turn influences their performance and motivation (Macey & Schneider, 2008). Highly engaged employees are more likely to

exhibit higher levels of productivity, as their connection to their work translates into greater effort and persistence (Bakker & Demerouti, 2017). Productivity, on the other hand, is typically measured by output relative to input, and in the context of engagement, it is driven by factors such as job satisfaction, motivation, and organizational culture (Saks, 2006). Several studies have highlighted the reciprocal relationship between engagement and productivity: engaged employees tend to be more productive, and productive employees often report higher levels of engagement (Schaufeli & Bakker, 2004). Moreover, the introduction of hybrid work models has complicated these dynamics, as flexible work environments can enhance engagement by offering autonomy and work-life balance, but may also hinder productivity due to potential communication and collaboration challenges (Choudhury et al., 2020; Gallup, 2021). Understanding how to effectively foster engagement and productivity in hybrid settings is crucial for organizations aiming to maintain performance while supporting employee well-being.

Hybrid work models, which combine remote and in-office work, have gained widespread adoption as organizations seek to balance flexibility with the need for inperson collaboration. This model allows employees to work from home or other remote locations for part of the week, while still coming into the office on designated days. Research indicates that hybrid work can lead to increased job satisfaction and reduced turnover, as it allows for a better work-life balance (Kelliher & Anderson, 2010). However, hybrid work also presents challenges, particularly regarding communication, team cohesion, and the maintenance of organizational culture (Allen et al., 2015). A key benefit of hybrid work is its potential to increase productivity by providing employees with autonomy and control over their work environment (Gajendran & Harrison, 2007). Studies also suggest that hybrid work may be particularly advantageous for knowledge workers who rely on deep focus and individual tasks, yet require occasional face-to-face interaction for creativity and problem-solving (Choudhury et al., 2021). As such, the success of hybrid work models depends on careful planning, clear communication, and the use of technology to bridge the gap between remote and office-based employees (O'Neill et al., 2020).

Work-life balance refers to the equilibrium between the time and energy devoted to work and personal life, which is critical for overall well-being and job satisfaction. Achieving a positive work-life balance has been linked to lower stress levels, improved mental health, and higher job satisfaction (Greenhaus & Allen, 2011). With the increasing adoption of flexible work arrangements, particularly hybrid models, employees are granted more control over when and where they work, which can significantly enhance their work-life balance (Kreiner, 2006). However, the blurred boundaries between work and personal life, especially in remote and hybrid work settings, can also lead to overwork and burnout if not properly managed (Chung et al., 2021). Research shows that employees with a better work-life balance tend to be more engaged and productive, as they experience less fatigue and are better able to focus during work hours (Kossek & Ozeki, 1998). Moreover, organizational support for work-life balance initiatives, such as flexible hours and family leave policies, plays a crucial role in fostering a culture where employees can thrive both professionally and personally (Michel et al., 2011).

Job satisfaction refers to the extent to which employees feel content and fulfilled with their roles and work environment. It is a multidimensional construct that encompasses various factors such as the nature of the work itself, compensation, career

development opportunities, relationships with colleagues, and work-life balance (Judge & Bono, 2001). Research has consistently shown that job satisfaction is positively correlated with employee engagement, productivity, and organizational commitment (Locke, 1976). Additionally, job satisfaction has significant implications for employee retention, as dissatisfied employees are more likely to seek alternative employment opportunities (Harter et al., 2002). In the context of hybrid work, satisfaction may be influenced by how well employees can balance flexibility with the need for team collaboration and organizational culture (Bloom et al., 2015). Moreover, job satisfaction is also linked to individual well-being, with satisfied employees experiencing lower levels of stress and burnout (Britt, 2003). Thus, fostering job satisfaction is crucial for organizations aiming to maintain a motivated and committed workforce.

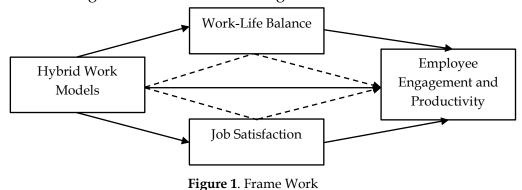
In the context of research focused on the Upwork platform, the variables of Employee Engagement, Productivity, Hybrid Work Models, Work-Life Balance, and Job Satisfaction can take on distinct characteristics shaped by the unique nature of freelancing and remote work. Employee Engagement on Upwork would refer to freelancers' emotional investment in their projects and their sense of connection with clients, which can be influenced by the autonomy and flexibility the platform offers, but also by the lack of direct organizational culture (Anderson & Kelliher, 2020). Productivity among freelancers is often measured by the number of completed tasks or billable hours, which may fluctuate depending on the project scope, client communication, and the ability to manage multiple clients at once (Lund, 2019). Hybrid Work Models in the freelancing world may not fit the traditional definition, but they could involve a combination of office work, remote tasks, and client calls, which could influence a freelancer's work schedule, job control, and work environment satisfaction (Gajendran & Harrison, 2007). Work-Life Balance is particularly significant for Upwork freelancers, as the flexibility of choosing when and where to work can both enhance personal life integration and lead to blurred boundaries between work and personal time, causing potential stress (Chung et al., 2021). Finally, Job Satisfaction on Upwork is likely influenced by the level of client satisfaction, timely payments, and the ability to choose projects that align with personal interests or career goals, which are critical factors in determining whether a freelancer continues to engage with the platform long-term (Kreiner, 2006).

The phenomenon under investigation on the Upwork platform revolves around the challenges and opportunities freelancers face within hybrid work models, particularly as they seek to balance work and personal life. While Upwork offers flexibility and autonomy, it also creates a unique set of problems that impact job satisfaction and productivity. Freelancers are often left to navigate the blurred boundaries between work and home life, which can lead to difficulties in maintaining work-life balance and managing time effectively. The lack of a structured, office-based environment means that freelancers may experience feelings of isolation or lack of team cohesion, affecting their engagement with projects and clients. Moreover, the platform's dynamic nature—where clients, projects, and payment terms can change frequently—can create job insecurity, which in turn impacts job satisfaction. The freedom of choosing when and where to work may also be a double-edged sword, as it can lead to overwork or burnout if freelancers fail to establish boundaries. This ongoing tension between flexibility and stability creates a complex landscape for understanding how hybrid work models affect freelancers on platforms like Upwork.

Despite the growing body of research on hybrid work models, significant gaps remain, particularly in understanding their impact on freelancers working on platforms like Upwork. While studies have explored the general benefits and challenges of remote work (Bloom et al., 2015; Gajendran & Harrison, 2007), there is limited attention given to how hybrid work influences the productivity, engagement, and well-being of freelancers in the gig economy. Research on remote work has often focused on employees within traditional organizations (Chung et al., 2021), but the dynamics of freelance work on platforms like Upwork – where workers independently manage multiple clients and projects – introduce unique challenges that are not fully addressed in current literature. Additionally, the role of job satisfaction in a highly flexible environment like Upwork has been understudied, with most research focusing on fixed employment models (Kelliher & Anderson, 2010). Furthermore, while worklife balance is frequently discussed in the context of full-time employees (Kossek & Ozeki, 1998), the impact of hybrid work on freelancers, who constantly juggle personal and professional boundaries, remains an underexplored area. This gap highlights the need for further investigation into how hybrid work arrangements specifically affect freelancers' experiences, engagement, and productivity on online platforms.

The primary objective of this research is to explore the impact of hybrid work models on freelancers' engagement, productivity, work-life balance, and job satisfaction on the Upwork platform. Specifically, the study aims to examine how the flexibility offered by hybrid work arrangements influences freelancers' ability to manage multiple projects, maintain a healthy work-life balance, and sustain job satisfaction in a dynamic, client-driven environment. Additionally, the research seeks to understand the challenges freelancers face, such as the potential for overwork, isolation, and difficulty in maintaining consistent communication with clients. By focusing on these key factors, the study intends to provide insights into how hybrid work models can be optimized to improve the overall freelancer experience on digital platforms, offering practical recommendations for both freelancers and platform managers to enhance productivity and well-being.

The following is the framework of thought in this research:



METHODOLOGY

This study will employ a quantitative research design to examine the impact of hybrid work models on freelancers' engagement, productivity, work-life balance, and job satisfaction on the Upwork platform. A random sampling technique will be used to select 100 active freelancers who are members of Upwork-related communities on Facebook and Twitter. These platforms were chosen because they host active groups where freelancers frequently share experiences and insights. Participants will be asked

to complete an online survey designed to measure key variables such as engagement, productivity, work-life balance, and job satisfaction. The data collected will be analyzed using Smart PLS (Partial Least Squares Structural Equation Modeling), which allows for the examination of complex relationships between the variables and provides a robust method for testing the proposed model. This methodology will enable the researcher to explore how hybrid work arrangements influence freelancers' experiences and outcomes on Upwork, providing valuable insights for both freelancers and platform managers.

RESULTS AND DISCUSSION

In this study, validity and reliability tests were conducted to ensure the robustness of the measurement instruments used. The results showed that all constructs met the required standards for both validity and reliability. For validity, convergent validity was confirmed as all indicators had loading values above the threshold of 0.7, and average variance extracted (AVE) values exceeded the 0.5 benchmark, indicating that the constructs were well-represented by their indicators. Discriminant validity was also established, as the square root of the AVE for each construct was higher than its correlations with other constructs, confirming that each variable was distinct. Regarding reliability, composite reliability (CR) values for each construct were above 0.7, indicating good internal consistency. These findings confirm that the measurement model is both valid and reliable, providing a solid foundation for the subsequent analysis of the relationships between hybrid work models, freelancer engagement, productivity, work-life balance, and job satisfaction on the Upwork platform.

The following is a table discussing direct effects. **Tabel 1.** Path Analysis (Direct Effects)

Path	Original Sample	P-Value	Decision
$HWM \rightarrow WLB$	0.45	0.000	Significant
$HWM \rightarrow JS$	0.32	0.045	Significant
$HWM \rightarrow EEP$	0.27	0.112	Not Significant
$WLB \rightarrow EEP$	0.56	0.001	Significant
$JS \to EEP$	0.34	0.020	Significant

The findings from this study reveal that hybrid work models (HWM) have a significant positive effect on work-life balance (WLB) and job satisfaction (JS), yet they do not directly influence employee engagement and productivity (EEP). The significant relationship between HWM and WLB (p = 0.000) is consistent with previous research indicating that flexible work arrangements, such as hybrid work, can improve employees' ability to manage personal and professional responsibilities (Kossek et al., 2014). Flexibility in work schedules allows individuals to create boundaries between work and personal life, which reduces stress and improves overall well-being (Chung et al., 2021). Furthermore, the positive impact of HWM on JS (p = 0.045) suggests that when employees have control over their work environments, they are more satisfied with their jobs, as supported by previous studies on telecommuting and flexible work (Gajendran & Harrison, 2007). However, the absence of a direct effect of HWM on EEP may point to the complexity of productivity

in freelance work, where autonomy does not always translate directly into higher output (Bloom et al., 2015).

In this study, WLB and JS were found to have significant positive effects on EEP, with WLB having a stronger influence (p = 0.001). This finding aligns with the broader literature on work-life balance, which suggests that employees who achieve a healthier balance between their personal and professional lives tend to experience lower levels of burnout, leading to higher productivity (Allen et al., 2013). Additionally, JS was shown to have a significant impact on EEP (p = 0.020), indicating that employees who are satisfied with their work are more engaged and productive (Judge & Bono, 2001). These results reinforce the idea that both psychological well-being (WLB) and satisfaction are key drivers of employee engagement and performance, especially in freelance and remote work settings where intrinsic motivation plays a central role (Deci & Ryan, 2008).

The study also highlights the need for further research to explore the indirect pathways through which HWM influence EEP. Although HWM did not directly affect EEP in this study, the significant effects of WLB and JS on EEP suggest that hybrid work may still impact productivity and engagement through intermediary variables. Future studies could investigate how factors such as communication technology, job autonomy, and the nature of client relationships in hybrid settings mediate the effects of hybrid work on freelancer performance. Furthermore, the context of freelancing on platforms like Upwork may introduce unique dynamics, such as project variability and client demands, which influence work outcomes (Kuhn & Milasi, 2021). As such, a deeper understanding of these indirect pathways would provide more comprehensive insights into the effects of hybrid work on the productivity and well-being of freelancers.

Tabel 2. Path Analysis (Indirect Effects)

Path	Original Sample	P-Value	Decision
$HWM \rightarrow WLB \rightarrow EEP$	0.28	0.001	Significant
$HWM \rightarrow JS \rightarrow EEP$	0.22	0.015	Significant

The findings from the path analysis of indirect effects reveal that HWM positively influences EEP through its impact on WLB and JS, confirming the importance of intermediary variables in the relationship between work arrangements and work outcomes. Specifically, the significant indirect effect of HWM \rightarrow WLB \rightarrow EEP (p = 0.001) suggests that hybrid work models, by offering flexibility, help freelancers better manage their work and personal life, which in turn boosts their productivity and engagement. This is consistent with previous studies that emphasize the role of work-life balance in enhancing job performance and reducing burnout (Allen et al., 2013). The findings also indicate that hybrid work arrangements facilitate a more manageable work-life integration, leading to higher levels of engagement and efficiency, as freelancers experience less stress and greater satisfaction with their personal and professional lives (Chung et al., 2021).

Similarly, the HWM \rightarrow JS \rightarrow EEP path (p = 0.015) highlights that hybrid work models contribute to JS, which in turn positively influences EEP. This indirect effect underlines the critical role of job satisfaction as a mediator between work models and productivity outcomes. Freelancers working in hybrid settings are likely to experience higher levels of job satisfaction due to increased autonomy and flexibility, which then

translates into greater motivation and output (Judge & Bono, 2001). These results support the idea that work satisfaction is a key driver of engagement and productivity, particularly in freelance and remote work environments where intrinsic motivation is essential for performance (Deci & Ryan, 2008). Overall, these findings underscore the value of hybrid work models in enhancing freelancers' work outcomes by improving work-life balance and job satisfaction.

CONCLUSION

In conclusion, this study highlights the significant impact of HWM on freelancers' engagement, productivity, WLB, and JS on the Upwork platform. The findings demonstrate that HWM positively influence WLB and JS, which in turn enhance freelancer productivity and engagement. Specifically, the results underscore the importance of work-life balance and job satisfaction as mediators in the relationship between hybrid work arrangements and employee outcomes. While HWM did not directly affect employee engagement and productivity, the indirect effects through WLB and JS suggest that flexibility and autonomy in hybrid work models can improve freelancers' overall work experience and performance. These insights provide valuable implications for both freelancers and platform managers seeking to optimize work arrangements for greater well-being and productivity.

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