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The Effect of Working Time on Productivity and Firm Performance: A Case of Nepalese commercial banks

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Abstract

This study examines the effect of working time on productivity and firm performance in Nepalese commercial bank. Firm performance and productivity are the dependent variable. The selected independent variables are working hours, work schedule flexibility, break time policies, overtime practices and employee engagement initiatives. The primary source of data is used to assess the opinions of respondents regarding working hours, work schedule flexibility, break time policies, overtime practices, employee engagement initiatives and firm performance and productivity. The study is based on primary data of 136 respondents. To achieve the purpose of the study, structured questionnaire is prepared. The correlation and multiple regression models are estimated to test the significance and importance of working time on productivity and firm performance in Nepalese commercial banks.

The study showed a positive impact of working hours on productivity and firm performance. It indicates that working hours service leads to increase in productivity and firm performance. Similarly, the study showed a positive impact of work schedule flexibility on productivity and firm performance. It indicates that easily available of work schedule flexibility leads to an increase in productivity and firm performance. Likewise, the study also revealed a positive impact of break time policies on firm performance and productivity. It indicates that break time policies lead to an increase in productivity and firm performance. Further, the study observed a positive impact of overtime practices on productivity and firm performance. It indicates that higher the overtime practices, higher would be the productivity and firm performance. In addition, the study observed a positive impact of employee engagement initiatives on productivity and firm performance. It indicates that employee engagement initiatives lead to an increase in productivity and firm performance.

Keywords: working hours, work schedule flexibility, break time policies, overtime practices, employee engagement, productivity, firm performance

1. Introduction

Productivity is the ability to achieve certain tasks according to predetermined or specified accuracy standards, completeness, cost, and speed. Employee productivity can be assessed in terms of the efficiency of an employee in doing his or her tasks (Sultana *et al.*, 2012). Productivity is the log of net sales over total employees (Singh and Mohanty, 2012). Kien (2012) indicated that increasing employee's productivity can lead to favorable outcomes such as: competitive advantage, maintaining strategic and financial results, achieving organizational goals, and fulfilling stakeholders' value propositions. According to Kapyla *et al.* (2010), productivity reflects the use of different resources or inputs in an organization to attain planned or favorable outcomes.

Altindag and Kösedagi (2015) defined firm performance as the effective effort

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performed for reaching a goal, or a success of fulfilling a job effectively, of execution and completion. Firm performance is a concept describing how a person can use its own potential or real knowledge, skills and abilities in order to able to reach its own goals or expectations. Firm performance is the percentage of using the capacity of people in order to complete a work successfully in a certain period of time. Firm performance is imperative for organizational outcomes and success. Many factors influence firm's performance and workplace environmental factors stands out as the key determinants of performance. It is the key multi character factor intended to attain outcomes and has a major connection with planned objectives of the organization (Sabir *et al.*, 2012). Richman (2008) stated that effectively and systematically implemented flexible work practices will improve organizational performance by increasing firm performance and talent retention. It should increase the performance standard of the organization and thereby improving the performance of the employees. Campbell (1990) stated that firm performance includes different factors such as oral or written communication between employees and supervisors, and customers mostly, leadership, personal discipline, individual or team performance and job proficiency which can be demonstrated as the outcome of organizational works. Practices of human resource management have been positively associated with development areas of an employee and employee performance. (Hafeez & Akbar, 2015).

Abbas & Yaqoob (2009) examined that organizations should focus on the factors which increase the performance of employee as a firm performance is significant element of organization. Firm's essential component is employee and their success and failure depend on performance of employee (Hameed & Waheed, 2011). Performance can be defined as the execution of specific task calculated against already known standards like that of accuracy, speed and cost and how accurately employees perform the task determines the good performance and also organizations have some expectations regarding performance of employees, when that level of expectation is meet by the employees they are called as good performers (Sultana *et al.*, 2012). Further, Chien (2015) stated that a successful organisation requires employees who are willing to do more than their usual job scope and contribute performance that exceed goal's expectations. Firm performance is the ability of employee to manage and present their tasks to reflect their quality and good service preferred by their organizations. f performance depends on the amount of time and individual physically present at a job and also the emphasis is placed on the presence of the employee physically and mentally in the job that can result into better performance (Ghale, 2018).

Abdur *et al.* (2011) identified the key drivers of employee engagement and its linkage to the financial results. The results found that there is a significant relationship among employee engagement and decision making, coordination, performance reward systems and employee involvement whereas training and career development and firm performance appraisals are insignificantly related. Obiageli *et al.* (2015) examined overtime practices and firm performance in selected commercial banks in Lagos state. The study discovered a significant positive relationship between leave policy and service delivery. The study also concluded that overtime practices works as an important factor in increasing productivity and firm performance.

Osunsan *et al.* (2019) explored the effect of working time on productivity and firm performance among selected commercial banks in Bujumbura, Burundi. The study concluded

that working hours had a significant effect on productivity and firm performance. Further, Belonio (2012) examined the effect of work schedule flexibilities on employee satisfaction and performance of firm in bank of Bangkok. The study found that managers in the banking sector in Bangkok combine various aspects or factors of work schedule flexibilities which depends on the working environment in which they operate. Shahid *et al.* (2011) explained the break time policies and firm performance in banking sector evidence from district Faisalabad, Pakistan. The study found that all the components of stress such as high work pressure, long working hours, job dissatisfaction, conflicts at work etc. causes great stress in bankers and then decrease their performance additionally.

Salah (2016) examined the influence of employee engagement initiatives on productivity and firm performance. The study found that there is a statistically significant relationship between employee engagement initiatives and productivity and firm performance. Further, Aima *et al.* (2017) examined the model of employee performance, competence analysis and motivation. The study concluded that competency and work motivation simultaneously have significant positive impact on performance. The study found that there is a positive relationship towards all the variables of employee performance.

Rahman *et al.* (2019) examined to create program and policies to motivate and develop job satisfaction among workers in the organization. The study found that the factor that increase productivity and performance of Nepalese commercial bank. Halkos (2004) found that a wide variation in performance and we show that the increase in efficiency is accompanied with a reduction in the number of small banks due to mergers and acquisitions.

Musali (2016) found that VAIC is split into its three components, the relationships between these components and bank financial performance indicators are varied. Oppong (2019) found assessed the relationship between 164 firms in seven industries (including banks) and found a high impact of HCE on firm performance.

Isik (2003) found that the private banks began to close their performance gap with public banks in the new environment. Cummins (2013) showed the growing consensus among researches on the definitions of inputs, outputs, and prices. found an important development in modern economics has been the emergence of frontier methodologies for estimating efficiency and productivity. Poudel (2012) findings show that bigger board and audit committee size and lower frequency of board meeting and lower proportion of institutional ownership lead to better efficiency in the commercial banks.

Krasnikov (2009) found that CRM implementation is associated with a decline in cost efficiency but an increase in profit efficiency. Okoye *et al.* (2021) study shows a robust effect of lagged return on equity on the current level of performance. Richman (2008) examined on Findings from the empirical analysis indicate that the relationships between the performance of a company's intellectual capital and profitability, Employee productivity, and Growth in sales are informative. Poudel (2012) examined on findings show that bigger board and audit committee size and lower frequency of board meeting and lower proportion of institutional ownership lead to better efficiency in the commercial banks. Parajuli *et al.* (2022) examined found that a very strong positive relationship between communication in practice and perceived level of customer satisfaction. Shah *et al.* (2022) found that there is a significant difference exists between the results estimated with and without undesirable

output. Furthermore, the results of super-efficiency estimation rank the most efficient CB for the study period and distinguish it from other efficient DMUs. Models A and B show that foreign banks are always more efficient than domestic banks, while private CBs have higher efficiency scores than public CBs in domestic banking. Pradhan (2016) examined on indicate that the relationships between the performances of a company's intellectual capital and profitability, Employee productivity, and Growth in sales are informative.

Mondal (2012) examined on the analysis indicates that the relationships between the performance of a bank's intellectual capital, and financial performance indicators, namely profitability and productivity, are varied. The study results suggested that banks' intellectual capital is vital for their competitive advantage. Han (2019) examined on negative effect of investment in crowding out operating income is greater than that of the efficiency-improving effect on operating income. Pradhan (2016) stated that investment ratio and capital adequacy are positively significant with bank performance, which indicated that increase in investment ratio and capital ratio leads to increase the performance of the banks. Adhikari (2010) To manage performance and improve the development of the skills and competencies of employees – creating a learning environment. Pradhan (2016) For investment ratio and capital adequacy are positively significant with bank performance, which indicate that increase in investment ratio and capital ratio leads to increase the performance of the banks.

In the context of Nepal, Dangol (2020) defined firm performance as the activity of performing something fruitfully by knowledge as famous from simply possessing it. Firm performance is a significant factor in every organizational success. If the performance of the employees is accelerated effectively the outcome can be of greater productivity and boost employee morale (Thapa *et al.*, 2017). Firm performance refers to the act of performance. Poudel (2012) n the undertaking of a duty, bringing into execution or identifiable action, achievement. Firm performance is the efficient discharge of one's duty for good results. It is how well an employee meets the job's specifications and it's measured in terms of productivity, efficiency, quality of work, and performance appraisal (Shrestha and Parajuli, 2021). The above discussion shows that empirical evidences vary greatly across the studies on the effect of working time on productivity and firm performance.

The above discussion shows that the empirical evidence varies greatly across the studies on the effect of working time on productivity and firm performance. Though there are above mentioned empirical evidences in the context of other countries and in Nepal, no such findings using more recent data exist in the context of Nepal. Therefore, in order to support one view or the other, this study has been conducted.

The major objective of the study is to examine the effect of working time on productivity and firm performance in Nepalese commercial banks. Specifically, it examines the relationship of working hours, work schedule flexibility, break time policies, overtime practices, employee engagement with productivity and firm performance in Nepalese commercial bank.

The remainder of this study is organized as follows: section two describes the sample, data, and methodology. Section three presents the empirical results and final section draws the conclusion.

2. Methodological aspects

The study is based on the primary data which were collected from 136 respondents through questionnaire. The respondents' views were collected on working hours, work schedule flexibility, break time policies, overtime practices, employee engagement with productivity and firm performance. This study is based on descriptive as well as causal comparative research designs.

The model

The model used in this study assumes that productivity and firm performance depends upon working hours, work schedule flexibility, break time policies, overtime practices, employee engagement initiatives. The dependent variable selected for the study is productivity and firm performance. Similarly, the selected independent variables are working hours, work schedule flexibility, break time policies, overtime practices, employee engagement initiatives. Therefore, the model takes the following form:

$$P = \beta_0 + \beta_1 WH + \beta_2 WSF + \beta_3 BTP + \beta_4 OP + \beta_5 EEI + e$$

$$FP = \beta_0 + \beta_1 WH + \beta_2 WSF + \beta_3 BTP + \beta_4 OP + \beta_5 EEI + e$$

Where,

FP = Firm performance

P = Productivity

WH = Working hours

WHF = Work schedule flexibility

BTP = Break time policies

OP = Overtime practices

EEI = Employee engagement initiatives

Working hours was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly disagree and 1 for strongly agree. There are 5 items and sample items include "Working longer hours leads to higher productivity.", "I feel more motivated to perform well at work when I have the flexibility to choose my working hours." and so on. The reliability of the item was measured by computing the Cronbach's alpha ($\alpha = 0.756$).

Work Schedule flexibility were measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly disagree and 1 for strongly agree. There are 5 items and sample items include "The flexibility in my work schedule has a positive impact on my job satisfaction.", "The flexibility in my work schedule helps me manager my work land more efficiently.", and so on. The reliability of the item was measured by computing the Cronbach's alpha ($\alpha = 0.704$).

Break time policies was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly disagree and 1 for strongly agree. There are 5 items and sample items include “The break time policies implemented by Nepalese commercial banks have a significant impact on overall productivity and firm performance.” “Break time policies that allow for flexibility positively influence employee satisfaction and, consequently, firm performance” and so on. The reliability of the item was measured by computing the Cronbach’s alpha ($\alpha = 0.739$).

Overtime practices was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly disagree and 1 for strongly agree. There are 5 items and sample items include “Overtime work is necessary to meet the demands of my job. Overtime work negatively affects my work-life balance”, and so on. The reliability of the item was measured by computing the Cronbach’s alpha ($\alpha = 0.713$).

Employee engagement initiative was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly disagree and 1 for strongly agree. There are 5 items and sample items include “Employee Engagement Initiatives in my organization improve my job satisfaction.” “I believe that Employee Engagement Initiatives enhance my commitment to the organization” and so on. The reliability of the item was measured by computing the alpha Cronbach’s ($\alpha = 0.783$).

Firm performance was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly disagree and 1 for strongly agree. There are 5 items and sample items include “The number of working hours required in my organization is reasonable and contributes to our firm’s productivity.” “Flexible working hours are available in my organization, which enhances my productivity and job satisfaction” and so on. The reliability of the item was measured by computing the alpha Cronbach’s ($\alpha = 0.704$).

Productivity was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 5 for strongly disagree and 1 for strongly agree. There are 5 items and sample items include “In my experience, increasing working hours positively impacts my productivity in the workplace”, “I believe that having flexibility in my work schedule enhances my productivity” and so on. The reliability of the item was measured by computing the alpha Cronbach’s ($\alpha = 0.724$).

The following section describes the independent variables used in this study along with the hypothesis formulation.

Working hours

Lengthening the duration of hours per employee is likely to add to the level of production per worker. Holman *et al.*, 2008) found that the productivity outcome of hours is rarely observable directly. However, Shepard and Clifton (2000) established that manufacturing productivity does not necessarily improve when hours are lengthened. Their empirical study of aggregate panel data for 18 manufacturing industries within measured as output per worker hour, for almost all of the industries in the sample, even when the data are controlled or corrected. Based on it, this study develops the following hypothesis:

H₁: There is a positive relationship between working hours and productivity and firm performance.

Work schedule flexibility

Working schedule flexibility is an important subset of “workplace flexibility”. The latter is typically considered to be “the ability of workers to make choices influencing when, where, and for how long they engage in work-related tasks” (Hill et al., 2008). There are various potential definitions of working time flexibility, emphasizing either the company side (Askenazy, 2004) or employee-centered flexibility (Possenriede and Plantegna, 2011). The latter refers to the ability of workers to adjust their daily or weekly working hours in a way that best fits their preferences and constraints. Such flexibility may range from varying workday start and end times (e.g. flexitime) to complete autonomy as to when work is performed (Golden *et al.*, 2011). Based on it, this study develops the following hypothesis:

H₂: There is a positive relationship between work schedule flexibility and productivity and firm performance.

Overtime practices

Overtime practices are more of a subcomponent in a broader high-performance strategy designed to boost productivity and firm performance outcomes (Berg et al., 2004). Thus, there are two potential channels through which working hour practices may affect the firm’s financial performance: by increasing individual marginal productivity (Drago and Golden, 2006) or organizational productivity (output and thus revenue per worker), or, alternatively, by lowering costs, typically by reducing turnover or work misbehavior such as absenteeism or tardiness. Each involves a somewhat unique theoretical link to company outcomes and different impacts on estimated return on investment (Salah, 2016). Based on it, this study develops the following hypothesis:

H₃: There is a positive relationship between overtime practices and productivity and firm performance.

Break time policies

Break time policies in the workplace are crucial in maintaining employee productivity and overall firm performance. Providing adequate breaks during work hours allows employees to rest and recharge, which can reduce fatigue, increase concentration, and ultimately enhance productivity (Braun & Nawaz, 2022). Studies have shown that well-structured break times can lead to a more engaged and motivated workforce, contributing to better performance outcomes for the organization (Parker & Smith, 2021). Balancing break times with work requirements is crucial for the smooth operation of commercial banks. While it is important to provide sufficient breaks, it is equally important to ensure that these breaks do not disrupt workflow or customer service (Adams & Blake, 2022). Based on it, this study develops the following hypothesis:

H₄: There is a positive relationship between organization culture and employee performance.

Employee engagement initiatives

One of the first challenges presented by the literature is the lack of a universal definition of employee engagement. Kahn (1990) defined employee engagement as “the harnessing of organization members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances”. Truss *et al.* (2006) define employee engagement simply as ‘passion for work’, a psychological state which is seen to encompass the three dimensions of engagement (Kahn, 1990). Based on it, this study develops the following hypothesis:

H₅: There is a positive relationship between employee engagement initiatives and productivity and firm performance.

3. Results and discussion

Correlation analysis

On analysis of data, correlation analysis has been undertaken first and for this purpose, Kendall’s Tau correlation coefficients along with mean and standard deviation has been computed and the results are presented in Table 1.

Table 1

Kendall’s Tau correlation coefficients matrix

This table presents Kendall’s Tau coefficients between dependent and independent variables. The correlation coefficients are based on 136 observations. The dependent variable is FP (firm performance) and P(Productivity). The independent variables are WH (Working Hours), WSF (Work Schedule Flexibility), BTP (Break Time Policies), OV (Overtime Practices), and EEI (Employee Engagement Initiatives).

Variables	Mean	S.D.	FP	P	WH	WSF	BTP	OV	EEI
FP	1.719	0.467	1						
P	1.727	0.461	0.414	1					
WH	1.579	0.356	0.419	0.363	1				
WSF	1.715	0.434	0.205	0.248	0.347	1			
BTP	1.626	0.305	0.283	0.310	0.423	0.351	1		
OV	1.650	0.378	0.251	0.159	0.287	0.268	0.232	1	
EEI	1.645	0.416	0.272	0.2511	0.1340	0.316	0.282	0.338	1

Note: The asterisk signs (**) and (*) indicate that the results are significant at one percent and five percent levels respectively.

Table 1 shows the Kendall’s Tau correlations coefficients of dependent and independent variables for Nepalese commercial banks. The result shows that Working hours is positively correlated to Firm performance. This means that higher the level of Working hours, higher would be the Firm performance. Similarly, Work Schedule Flexibility is positively related to Firm performance indicating that higher the level of Work Schedule Flexibility, higher would be the Firm performance. Likewise, Breaktime policies has positive relationship with Firm performance. It shows that Breaktime policies leads to an increase in the Firm performance. Similarly, Overtime practice has positive relationship with Firm performance.

It reveals that higher the level of Overtime practice, higher would be Firm performance. The result shows that there is positive relationship between Employee Engagement Initiatives and Firm performance. It shows that an increase in the level of Employee Engagement Initiatives leads to the increase in the firm performance.

Regression analysis

Having indicated the Kendall's Tau correlation coefficients, the regression analysis has been carried out and the results are presented in Table 2 and Table 3 More specifically, it shows the regression results of working hours, work schedule flexibility, break time policies, overtime practices, employee engagement initiatives on productivity and firm performance.

Table 2

Estimated regression result of working hours, work schedule flexibility, break time policies, overtime practices, employee engagement with firm performance of Nepalese commercial banks

The results are based on 136 observations using linear regression model. The model is $FP = \beta_0 + \beta_1 WH + \beta_2 WSF + \beta_3 BTP + \beta_4 OP + \beta_5 EEI + \epsilon$, where the dependent variable is FP (Firm performance). The independent variables are WH (Working hours), WSF (Work Schedule Flexibility) and BTP (Break time policies).

Model	Intercept	Regression coefficients of					Adj. R_bar ²	SEE	F-value
		WH	WSF	BTP	OP	EEI			
1	0.925 (5.471)**	0.502 (4.810)**					0.142	0.431	23.135
2	1.418 (8.745)**		0.175 (1.910)**				0.019	0.461	3.646
3	1.162 (5.458)**			0.342 (2.661)**			0.043	0.455	7.082
4	1.347 (7.583)**				0.225 (2.143)**		0.026	0.459	4.594
5	1.490 (9.132)**					0.139 (1.441)**	0.008	0.463	2.077
6	0.940 (5.001)**	0.512 (4.343)**	-0.018 (-0.183)**				0.135	0.4330	11.500
7	0.755 (3.323)**	0.487 (4.102)**	-0.081 (-0.763)**	0.205 (1.435)**			0.142	0.431	8.415
8	0.710 (2.989)*	0.479 (4.008)	-0.080 (-0.752)**	0.163 (1.048)**	0.074 (0.657)**		0.139	0.432	6.392
9	0.709 (2.919)	0.479 (3.992)	-0.080 (-0.750)*	0.163 (1.023)	0.072 (0.546)**	0.004 (0.039)**	0.164	0.433	5.075

Note:

- Figures in parenthesis are t-values.
- The asterisk signs (**) and (*) indicate that the results are significant at one percent and five percent level respectively.
- Firm performance is the dependent variable.

Table 2 shows that the beta coefficients for working hours are positive with the firm performance. It indicates that working hours has a positive impact on the firm performance. This finding is consistent with the findings of Wuisan and Handra (2023). Likewise, the beta coefficients for work schedule flexibility are positive with firm performance. It indicates that work schedule flexibility has a significant impact on the firm performance. This finding is consistent with the finding of Bokde & Seshan (2019). In addition, the beta coefficients for break time policies are positive with the firm performance. It indicates that break time policies has a positive impact on firm performances. This result is consistent with the findings

of Baldwin (2020). Further, the beta coefficients for overtime practices are positively related with the firm performance. It indicates that overtime practices has a positive impact on firm performances. This finding is consistent with the findings of Kushwaha & Agrawal (2016). Moreover, the beta coefficient for employee engagement is positive with the firm performance which indicates that employee engagement has a positive impact on firm performance. This result is consistent with the findings of Ambolau (2015).

Table 3 shows the estimated regression results of working hours, work Schedule flexibility, breaktime policies, overtime practice, employee engagement initiatives on the effects of working time on productivity of Nepalese commercial banks.

Table 3

Estimated regression results of working hours, work Schedule flexibility, breaktime policies, overtime practice, employee engagement initiatives on the effects of working time on productivity of Nepalese commercial banks

The results are based on 136 observations using linear regression model. The model is $FP = \beta_0 + \beta_1 WH + \beta_2 WSF + \beta_3 BTP + \beta_4 OP + \beta_5 EEI + \varepsilon$, where the dependent variable is (Productivity). The independent variables are WH (Working hours), WSF (Work Schedule Flexibility) and BTP (Break time policies)

Model	Intercept	Regression coefficients of					Adj. R _{bar} ²	SEE	F-value
		WH	WSF	BTP	OP	EEI			
1	1.243 (7.048)**	0.307 (2.818)**					0.049	0.449	7.941
2	1.312 (8.272)**		0.242 (2.703)**				0.045	0.450	7.305
3	0.713 (3.619)**			0.624 (5.237)**			0.165	0.421	27.423
4	0.914 (5.580)**				0.493 (5.096)**		0.157	0.423	25.968
5	0.980 (6.594)**					0.454 (5.187)**	0.162	0.422	26.906
6	1.109 (5.712)**	0.146 (1.260)**	0.160 (1.604)**				0.060	0.447	5.304
7	1.109 (5.712)**	0.146 (1.260)**	-0.18 (-0.171)**	0.557 (4.138)**			0.163	0.422	9.675
8	0.397 (1.758)*	0.113 (0.998)	-0.014 (-0.135)**	0.402 (2.714)**	0.316 (2.951)**		0.209	0.410	9.860
9	0.298 (1.321)	0.120 (1.071)	-0.022 (-0.222)*	0.361 (2.462)	0.171 (1.403)**	0.249 (2.376)**	0.230	0.403	9.229

Note:

- Figures in parenthesis are t-value
- The asterisk signs (**) and (*) indicate that the results are significant at one percent and five percent level respectively.
- Productivity is the dependent variable.

Table 3 shows that the beta coefficients for working hours are positive with the productivity. It indicates that working hours has a positive impact on the productivity. This finding is consistent with the findings of Wuisan and Handra (2023). Likewise, the beta coefficients for work schedule flexibility are positive with productivity. It indicates that work schedule flexibility has a significant impact on the productivity. This finding is consistent with the finding of Bokde & Seshan (2019). In addition, the beta coefficients for break time policies are positive with the productivity. It indicates that break time policies has a positive impact on productivity s. This result is consistent with the findings of Baldwin

(2020). Further, the beta coefficients for overtime practices are positively related with the productivity. It indicates that overtime practices has a positive impact on productivity s. This finding is consistent with the findings of Kushwaha & Agrawal (2016). Moreover, the beta coefficient for employee engagement is positive with the productivity which indicates that employee engagement has a positive impact on productivity. This result is consistent with the findings of Ambolau (2015).

4. Summary and conclusion

Working-time and workplace flexibility play an essential role in promoting an adequate work–life balance, especially for working parents. They are also key instruments for reducing the gender gap in both labor force participation and earnings. Part-time work is an option for employees who want to reduce their working time, but it comes at a price reduced earnings. Productivity is the ability to achieve certain tasks according to predetermined or specified accuracy standards, completeness, cost, and speed.

This study attempts to examine the effect of working times on productivity and firm performance in Nepalese commercial banks. The study is based on primary data of 136 respondents.

The major conclusion of the study is that working hours, work schedule flexibility, break time policies, overtime practices, employee engagement initiatives have a positive impact on productivity and firm performance. It indicates that higher the working hours, work schedule flexibility, break time policies, overtime practices, employee engagement initiatives, higher would be the productivity and firm performance. The study also concludes that employee engagement initiatives is most significant factor followed by work schedule flexibility that determines the change in productivity and firm performance.

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