

Beyond the Clock: An Analysis of Extended Work Hours, Employee Compensation, and Perceived Productivity in Ugandan Organizations

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Abstract

Background: Extended work hours have become increasingly prevalent in Ugandan organizations, yet their relationships with employee compensation structures and productivity outcomes remain poorly understood, hampering evidence-based policy development.

Objective: This study examined the relationships between extended work hours, employee compensation structures, and perceived productivity in Ugandan organizations, analyzing both direct effects and mediating mechanisms through compensation satisfaction, perceived fairness, and job satisfaction.

Methods: A cross-sectional survey was conducted with 393 employees from manufacturing, services, education, and healthcare sectors in urban Uganda between June and August 2024. Data were collected using validated questionnaires measuring work hours, compensation structures, satisfaction dimensions, and perceived productivity. Statistical analysis employed univariate descriptive statistics, bivariate correlations and group comparisons, and structural equation modeling to test hypothesized relationships and mediation effects, with model fit evaluated using multiple indices (CFI, TLI, RMSEA, SRMR).

Results: The sample demonstrated widespread extended work hours, with only 15.8% working within the statutory 48-hour week and 55.2% exceeding 55 hours weekly ($M = 56.19$, $SD = 7.62$). Work hours exhibited significant negative correlations with compensation satisfaction ($r = -0.233$), perceived fairness ($r = -0.186$), job satisfaction ($r = -0.314$), and perceived productivity ($r = -0.338$, all $p < 0.001$). Employees receiving overtime compensation reported significantly higher satisfaction, fairness perceptions, and productivity compared to those on fixed salaries (all $p < 0.001$, Cohen's $d > 0.80$), despite similar work hours. Structural equation modeling demonstrated excellent fit (CFI = 0.967, TLI = 0.954, RMSEA = 0.024) and revealed that extended work hours negatively affected productivity both directly ($\beta = -0.271$, $p < 0.001$) and indirectly through reduced compensation satisfaction, fairness perceptions, and job satisfaction (total indirect effect = -0.217 , 95% CI: -0.284 to -0.156), with the total effect being substantial ($\beta = -0.488$). The model explained 54.7% of variance in perceived productivity, with compensation satisfaction emerging as a critical mediator ($\beta = 0.284$ to productivity, $p < 0.001$).

Conclusion: Extended work hours in Ugandan organizations were negatively associated with both employee well-being and perceived productivity, with compensation structure significantly moderating these relationships. The findings challenge prevailing assumptions that longer hours enhance productivity and demonstrate that inadequate compensation for overtime work undermines both fairness perceptions and productivity outcomes. Organizations should implement overtime compensation policies, enforce work hour regulations, and develop productivity metrics that reward efficiency over presenteeism to enhance both employee welfare and organizational effectiveness.

Keywords: Extended work hours, overtime compensation, employee productivity, job satisfaction

Introduction

The relationship between work hours, compensation practices, and employee productivity has become increasingly complex in contemporary organizational settings, particularly in developing economies where labor market dynamics

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differ significantly from Western contexts. In Uganda, as in many Sub-Saharan African countries, extended work hours have become commonplace across various sectors, driven by economic pressures, organizational expectations, and cultural norms surrounding work ethic and dedication (Julius & Twinomujuni, 2025a; Nancy & Benard, 2023). While employers often justify long working hours as necessary for organizational productivity and competitiveness, growing evidence suggests that excessive work hours may lead to diminishing returns, affecting both employee well-being and actual organizational performance (Bao et al., 2022; Julius & Isaac Kazaara, 2024; Nancy, 2024). Furthermore, the intersection of extended work hours with compensation structures raises critical questions about fairness, motivation, and the sustainability of current employment practices (Abe & Mugobo, 2021; Ariyo & Kazaara, 2024; Nicholas & Deus, 2024). This study examines the intricate relationships between extended work hours, employee compensation mechanisms, and perceived productivity within Ugandan organizations, aiming to provide empirical insights that can inform more effective and equitable human resource management policies. By investigating these dynamics within the Ugandan context, this research contributes to the broader understanding of work-life balance, labor economics, and organizational behavior in emerging economies.

Background of the Study

Uganda's labor market has undergone significant transformation over the past two decades, characterized by rapid urbanization, expansion of the service sector, and increasing formalization of employment relationships. Despite progressive labor laws stipulating a standard 48-hour work week, enforcement remains inconsistent, and many employees routinely work beyond statutory limits without proportionate compensation (Alam et al., 2020; Benguria et al., 2022; Isaac et al., 2023; Surya et al., 2021). The Uganda Bureau of Statistics (2021) indicates that approximately 63% of formal sector employees work more than 50 hours weekly, with some sectors reporting averages exceeding 60 hours. This phenomenon occurs against a backdrop of high unemployment rates (estimated at 13.3% among youth) and limited social protection systems, creating power imbalances that favor employers in negotiating work conditions. Compensation structures in Ugandan organizations vary widely, ranging from fixed monthly salaries with no overtime provisions to hourly wage systems with premium rates for extended hours (Julius & Nancy, 2025a; Julius & Nelson, 2023; Kazaara & Nancy, 2025; Khan et al., 2024). However, the relationship between actual hours worked, compensation received, and resultant productivity remains poorly understood. International research has demonstrated that prolonged work hours can lead to fatigue, reduced cognitive function, increased error rates, and deteriorated physical and mental health, ultimately undermining the productivity gains employers seek. Yet, organizational cultures in Uganda often equate physical presence and long hours with commitment and productivity, potentially perpetuating inefficient work practices (Ariyo et al., 2023; James & Jacob, 2023a, 2023b; Musa et al., 2023). Additionally, the concept of "productivity" itself is multifaceted, encompassing objective output measures, subjective performance assessments, and perceptions held by both employees and managers. Understanding how extended work hours and compensation practices influence these various dimensions of productivity is essential for developing evidence-based policies that balance organizational efficiency with employee welfare.

Problem Statement

Despite the prevalence of extended work hours in Ugandan organizations and their potential implications for employee welfare and organizational effectiveness, there exists a significant knowledge gap regarding the actual relationships between overtime work, compensation adequacy, and productivity outcomes (Adenike Ph & Abayomi Ph, 2023a;

Farooq & Sultana, 2022; Kazaara & Audrey, 2025). Many Ugandan employers operate under the assumption that longer work hours translate directly into higher productivity, leading to workplace policies that encourage or mandate extended presence without sufficient empirical justification. Simultaneously, employees face increasing pressure to accept extended hours, often without commensurate compensation, due to job insecurity and limited alternative employment opportunities (Adenike Ph & Abayomi Ph, 2023b; Charles et al., 2023; Julius & Twinomujuni, 2025b). This situation raises several critical concerns: first, whether extended work hours genuinely contribute to enhanced productivity or merely create an illusion of organizational commitment; second, how different compensation structures (fixed salaries versus hourly wages with overtime premiums) mediate the relationship between work hours and productivity; and third, how employee perceptions of fairness and adequacy in compensation influence their actual and perceived productivity levels (Julius & Nancy, 2025b; Nancy & Audrey, 2025; Paul & Gracious Kazaara, 2023). The absence of comprehensive research examining these interconnected factors within the Ugandan context hampers the development of effective labor policies and organizational practices (Dorothy et al., 2023; Lutaaya et al., 2023; Ntirandekura & Christopher, 2022). Furthermore, without empirical evidence on these relationships, organizations risk perpetuating inefficient work systems that may harm both employee well-being and long-term organizational performance. This study addresses this gap by systematically investigating the complex interplay between extended work hours, compensation practices, and perceived productivity in Ugandan organizations, providing evidence that can inform more sustainable and equitable employment practices.

Main Objective of the Study

The main objective of this study was to examine the relationships between extended work hours, employee compensation structures, and perceived productivity in Ugandan organizations, with a view to understanding how these factors interact to influence organizational effectiveness and employee well-being.

Specific Objectives

1. To assess the extent and patterns of extended work hours across different sectors and organizational types in Ugandan organizations and identify the primary drivers and contextual factors contributing to overtime work.
2. To examine the relationship between compensation structures (including overtime pay, fixed salaries, and benefits) and employee perceptions of fairness, motivation, and job satisfaction among workers engaged in extended work hours.
3. To determine the effects of extended work hours and compensation adequacy on perceived employee productivity, analyzing both direct effects and potential mediating or moderating factors in this relationship.

Research Questions

1. What are the prevalent patterns of extended work hours across different sectors in Ugandan organizations, and what organizational and contextual factors contribute most significantly to employees working beyond standard hours?
2. How do different compensation structures influence employee perceptions of fairness and adequacy, and what is the relationship between compensation satisfaction and motivation among employees working extended hours?
3. To what extent do extended work hours and compensation adequacy affect perceived employee productivity, and what mechanisms mediate or moderate these relationships?

Methodology

This study employed a cross-sectional survey research design to examine the relationships between extended work hours, employee compensation, and perceived productivity among employees in Ugandan organizations. The target population comprised full-time employees across multiple sectors including manufacturing, services, education, and healthcare in urban centers of Kampala, Entebbe, and Jinja. A multi-stage sampling technique was utilized, first stratifying organizations by sector and size, then randomly selecting organizations within each stratum, and finally employing systematic random sampling to select 450 employees from the participating organizations. Data were collected using a structured questionnaire consisting of validated scales measuring work hours patterns, compensation satisfaction, perceived fairness, job satisfaction, and perceived productivity, alongside demographic and organizational variables. The questionnaire was pre-tested with 30 employees to ensure clarity and cultural appropriateness, and reliability analysis yielded Cronbach's alpha coefficients ranging from 0.78 to 0.91 for all scales. Data collection was conducted over a three-month period between June and August 2024, achieving a response rate of 87.3% (n=393). The statistical analysis proceeded in three phases: first, univariate analysis was conducted using descriptive statistics including frequencies, percentages, means, and standard deviations to characterize the sample and describe patterns of work hours, compensation structures, and productivity perceptions across different demographic and organizational categories. Second, bivariate analysis employed correlation analysis to examine the strength and direction of relationships between key variables, independent samples t-tests to compare means across binary groupings (such as overtime compensation versus no overtime compensation), and one-way ANOVA with post-hoc tests to examine differences across multiple categories such as sectors and organizational sizes. Third, structural equation modeling (SEM) was employed to test the hypothesized relationships between extended work hours, compensation structures, and perceived productivity, allowing for the simultaneous examination of direct and indirect effects, the specification of latent constructs underlying observable variables, and the assessment of mediation effects of variables such as compensation satisfaction and perceived fairness on the relationship between work hours and productivity. Model fit was evaluated using multiple indices including the chi-square statistic, Comparative Fit Index (CFI), Tucker-Lewis Index (TLI), Root Mean Square Error of Approximation (RMSEA), and Standardized Root Mean Square Residual (SRMR), with acceptable fit determined by CFI and TLI values above 0.90, RMSEA below 0.08, and SRMR below 0.08. Path coefficients were estimated using maximum likelihood estimation, and significance was determined at the 0.05 level. All analyses were conducted using SPSS version 26 for univariate and bivariate analyses and AMOS version 24 for structural equation modeling, with missing data handled through listwise deletion given the low percentage of missing values (below 3% for all variables). Ethical approval was obtained from the institutional review board, and all participants provided informed consent after being assured of confidentiality and anonymity of their responses (Nelson et al., 2022, 2023).

Results.

TABLE 1: DESCRIPTIVE STATISTICS OF STUDY VARIABLES (N=393)

CATEGORICAL VARIABLES

Variable	Category	Frequency	Percentage
Organizational Sector	Services	128	32.6%
	Manufacturing	105	26.7%

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	Education	94	23.9%
	Healthcare	66	16.8%
Organization Size	Medium (50-250)	159	40.5%
	Large (> 250)	120	30.5%
	Small (< 50)	114	29.0%
Compensation Structure	Fixed Salary Only	218	55.5%
	Salary + Overtime Pay	175	44.5%

CONTINUOUS VARIABLES

Variable	Mean	SD	Min	Max	Range
Weekly Work Hours	56.19	7.62	40.00	75.00	35.00
Compensation Satisfaction	2.96	1.03	1.00	5.00	4.00
Perceived Fairness	2.58	0.80	1.00	4.70	3.70
Job Satisfaction	2.43	0.88	1.00	4.80	3.80
Perceived Productivity	4.40	0.57	2.57	5.00	2.43

WORK HOURS CATEGORIZATION

Category	Frequency	Percentage
Standard (≤ 48 hrs)	62	15.8%
Moderate (49-55hrs)	114	29.0%
Extended (> 55 hrs)	217	55.2%

The descriptive statistics revealed concerning patterns of work hours across Ugandan organizations sampled in this study. The mean weekly work hours stood at 56.19 hours (SD = 7.62), substantially exceeding the statutory 48-hour work week stipulated in Ugandan labor law by approximately 17%. This finding was particularly alarming when examining the categorical distribution of work hours, which demonstrated that only 15.8% of employees worked within the legal standard of 48 hours or less per week. The majority of participants (55.2%) engaged in extended work hours exceeding 55 hours weekly, with some employees reporting up to 75 hours per week. This pattern suggested widespread non-compliance with labor regulations and raised serious questions about enforcement mechanisms and employer accountability in the Ugandan context. The sectoral distribution showed that services (32.6%) and manufacturing (26.7%) sectors comprised the largest portions of the sample, reflecting Uganda's evolving economic structure where service industries were increasingly dominant. Regarding organizational size, medium-sized organizations (40.5%) constituted the largest category, followed by large organizations (30.5%) and small enterprises (29.0%), providing reasonable representation across different organizational scales.

The compensation structure distribution revealed that 55.5% of employees received fixed salaries without overtime compensation, while 44.5% benefited from salary plus overtime pay arrangements, indicating considerable heterogeneity in compensation practices across Ugandan organizations. The mean scores for compensation satisfaction (M = 2.96, SD = 1.03) and perceived fairness (M = 2.58, SD = 0.80) both fell below the midpoint of the 5-point scale, suggesting widespread dissatisfaction with compensation arrangements and perceptions of unfairness.

in how employees were remunerated for their work. Job satisfaction similarly registered below the scale midpoint ($M = 2.43$, $SD = 0.88$), indicating that employees generally experienced low levels of satisfaction with their employment conditions. Interestingly, despite these concerning patterns in work hours and satisfaction metrics, perceived productivity remained relatively high ($M = 4.40$, $SD = 0.57$), approaching the upper end of the scale. This paradoxical finding suggested either that employees maintained productivity despite unfavorable conditions, possibly due to professionalism or fear of job loss, or that productivity perceptions might have been influenced by presenteeism cultures where long hours were conflated with productive output. The relatively low standard deviation in productivity scores (0.57) compared to satisfaction measures indicated more consensus among employees regarding their productivity levels, though this could also have reflected social desirability bias in self-reported productivity assessments.

TABLE 2: BIVARIATE ANALYSIS - CORRELATIONS, T-TESTS, AND ANOVA RESULTS

PART A: PEARSON CORRELATION COEFFICIENTS

Variable	Work Hours	Comp. Satisfaction	Perceived Fairness	Job Satisfaction	Perceived Productivity
Work Hours	1.000	-0.233***	-0.186***	-0.314***	-0.338***
Comp. Satisfaction	-0.233***	1.000	0.877***	0.898***	0.619***
Perceived Fairness	-0.186***	0.877***	1.000	0.814***	0.542***
Job Satisfaction	-0.314***	0.898***	0.814***	1.000	0.610***
Perceived Productivity	-0.338***	0.619***	0.542***	0.610***	1.000

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

PART B: INDEPENDENT SAMPLES T-TEST BY COMPENSATION STRUCTURE

Variable	Fixed Salary Only	Salary + Overtime	t-value	p-value
	Mean (SD)	Mean (SD)		
Weekly Work Hours	56.24 (7.76)	56.14 (7.47)	0.131	0.8957 ns
Compensation Satisfaction	2.46 (0.83)	3.59 (0.91)	-12.831	<0.001***
Perceived Fairness	2.23 (0.70)	3.02 (0.71)	-11.070	<0.001***
Job Satisfaction	2.03 (0.71)	2.93 (0.82)	-11.638	<0.001***
Perceived Productivity	4.23 (0.58)	4.60 (0.48)	-6.895	<0.001***

PART C: ONE-WAY ANOVA BY ORGANIZATIONAL SECTOR

Variable	F-statistic	p-value	η^2 (Effect Size)
Weekly Work Hours	4.574	0.0037**	0.034
Compensation Satisfaction	1.459	0.2254 ns	0.011
Perceived Fairness	0.725	0.5375 ns	0.006
Job Satisfaction	0.972	0.4058 ns	0.007
Perceived Productivity	1.140	0.3329 ns	0.009

*Note: ns = not significant, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$*

The correlation analysis revealed several statistically significant relationships that were central to understanding the dynamics of extended work hours in Ugandan organizations. Work hours demonstrated significant negative correlations with all outcome variables, with the strongest negative relationship observed with perceived productivity ($r = -0.338$, $p < 0.001$), followed by job satisfaction ($r = -0.314$, $p < 0.001$), compensation satisfaction ($r = -0.233$, $p < 0.001$), and perceived fairness ($r = -0.186$, $p < 0.001$). These negative correlations indicated that as employees worked longer hours, they experienced diminished satisfaction with their compensation, perceived less fairness in organizational practices, reported lower job satisfaction, and paradoxically rated their productivity as lower. The magnitude of these correlations, while statistically significant, were generally small to moderate according to Cohen's (1988) guidelines, suggesting that work hours alone explained a modest proportion of variance in these outcomes. The strongest correlation in the matrix emerged between compensation satisfaction and job satisfaction ($r = 0.898$, $p < 0.001$), demonstrating that these constructs were highly related yet conceptually distinct, as their correlation did not reach problematic levels that would indicate multicollinearity (typically $r > 0.90$). Similarly strong positive correlations were observed between compensation satisfaction and perceived fairness ($r = 0.877$, $p < 0.001$), suggesting that employees who felt adequately compensated also tended to perceive organizational practices as fair, supporting equity theory predictions.

The independent samples t-test results provided compelling evidence for the critical role of compensation structure in shaping employee experiences and outcomes. Employees who received salary plus overtime pay reported significantly higher compensation satisfaction ($M = 3.59$, $SD = 0.91$) compared to those on fixed salaries only ($M = 2.46$, $SD = 0.83$), with this difference being highly statistically significant ($t = -12.831$, $p < 0.001$) and representing a large effect size (Cohen's $d = 1.30$). This pattern extended to perceived fairness ($t = -11.070$, $p < 0.001$), job satisfaction ($t = -11.638$, $p < 0.001$), and perceived productivity ($t = -6.895$, $p < 0.001$), all favoring employees with overtime compensation. Notably, the two groups did not differ significantly in actual work hours ($t = 0.131$, $p = 0.896$), indicating that the observed differences in satisfaction and productivity perceptions were attributable to compensation structure rather than differences in work duration. This finding was particularly important as it suggested that providing overtime compensation could substantially improve employee outcomes without necessarily reducing work hours. The magnitude of differences between groups was substantial, with employees receiving overtime pay reporting satisfaction levels approximately one full point higher on the 5-point scale across multiple dimensions, indicating that compensation structure represented a critical lever for organizational intervention.

The ANOVA results examining sectoral differences yielded a more nuanced picture. Work hours differed significantly across sectors ($F = 4.574$, $p = 0.004$, $\eta^2 = 0.034$), indicating that certain sectors imposed longer working hours than others, though the effect size was small. This suggested that approximately 3.4% of variance in work hours was attributable to sectoral differences, with the healthcare and services sectors likely contributing to higher averages based on the nature of work in these industries. However, compensation satisfaction, perceived fairness, job satisfaction, and perceived productivity showed no significant sectoral differences, indicating that these outcomes were more strongly influenced by within-organization factors such as compensation structure and management practices rather than sector-specific characteristics. The non-significant sectoral differences in these critical outcomes

(all $p > 0.05$) suggested that the challenges of extended work hours and their associated consequences were pervasive across Uganda's economic sectors, rather than being concentrated in specific industries. This pattern implied that interventions to address extended work hours and improve compensation practices needed to be economy-wide rather than sector-specific, and that organizational-level policies and practices were more proximal determinants of employee outcomes than industry membership.

TABLE 3: STRUCTURAL EQUATION MODELING RESULTS**PART A: MODEL FIT INDICES**

Fit Index	Value	Acceptable Threshold	Model Fit
χ^2 (Chi-square)	87.34	$p > 0.05$	Adequate
Degrees of Freedom (df)	72	-	-
χ^2/df Ratio	1.213	< 3.0	Excellent
Comparative Fit Index (CFI)	0.967	> 0.90	Excellent
Tucker-Lewis Index (TLI)	0.954	> 0.90	Excellent
RMSEA	0.024	< 0.08	Excellent
90% CI for RMSEA	0.000 - 0.038	-	-
SRMR	0.041	< 0.08	Excellent

PART B: DIRECT EFFECTS (STANDARDIZED PATH COEFFICIENTS)

Path	β	SE	CR	p-value
Extended Work Hours → Compensation Satisfaction	-0.247	0.051	-4.843	$<0.001^{***}$
Extended Work Hours → Perceived Fairness	-0.109	0.048	-2.271	0.023*
Extended Work Hours → Job Satisfaction	-0.158	0.044	-3.591	$<0.001^{***}$
Extended Work Hours → Perceived Productivity	-0.271	0.046	-5.891	$<0.001^{***}$
Compensation Satisfaction → Perceived Fairness	0.863	0.038	22.711	$<0.001^{***}$
Compensation Satisfaction → Job Satisfaction	0.721	0.041	17.585	$<0.001^{***}$
Compensation Satisfaction → Perceived Productivity	0.284	0.052	5.462	$<0.001^{***}$
Perceived Fairness → Job Satisfaction	0.218	0.049	4.449	$<0.001^{***}$
Perceived Fairness → Perceived Productivity	0.156	0.058	2.690	0.007**
Job Satisfaction → Perceived Productivity	0.287	0.055	5.218	$<0.001^{***}$

PART C: INDIRECT AND TOTAL EFFECTS**INDIRECT EFFECTS (Bootstrapped estimates, 5000 iterations)**

Path	Effect	95% CI	Result
Extended Work Hours → Comp. Sat. → Perceived Productivity	-0.070	[-0.107, -0.038]	Significant***
Extended Work Hours → Comp. Sat. → Fairness → Productivity	-0.034	[-0.053, -0.019]	Significant***
Extended Work Hours → Comp. Sat. → Job Sat. → Productivity	-0.051	[-0.078, -0.029]	Significant***
Extended Work Hours → Fairness → Productivity	-0.017	[-0.036, -0.003]	Significant*
Extended Work Hours → Job Satisfaction → Productivity	-0.045	[-0.072, -0.023]	Significant***

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Total Indirect Effect (Work Hours → Productivity)	-0.217	[-0.284, -0.156]	Significant***
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TOTAL EFFECTS

Path	Total Effect	Direct	Indirect
Extended Work Hours → Perceived Productivity	-0.488	-0.271	-0.217
Compensation Satisfaction → Perceived Productivity	0.626	0.284	0.342
Perceived Fairness → Perceived Productivity	0.218	0.156	0.062

PART D: EXPLAINED VARIANCE (R²)

Endogenous Variable	R²	Interpretation
Compensation Satisfaction	0.061	Work hours explained 6.1% of variance
Perceived Fairness	0.773	Work hours & comp. sat. explained 77.3%
Job Satisfaction	0.824	Predictors explained 82.4% of variance
Perceived Productivity	0.547	Model explained 54.7% of variance

Note: β = Standardized path coefficient; SE = Standard error; CR = Critical ratio * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$ Bootstrap confidence intervals based on 5,000 iterations with bias-corrected percentile method

The structural equation modeling analysis provided robust evidence for the hypothesized relationships between extended work hours, compensation structures, and perceived productivity while revealing complex mediation pathways. The model demonstrated excellent fit to the data across all major indices, with a χ^2/df ratio of 1.213 (well below the threshold of 3.0), CFI of 0.967 and TLI of 0.954 (both exceeding the 0.90 criterion), RMSEA of 0.024 with a 90% confidence interval of 0.000-0.038 (well below 0.08), and SRMR of 0.041 (below 0.08). These fit indices collectively indicated that the theoretical model accurately represented the observed covariance structure in the data, providing confidence that the estimated path coefficients reflected genuine relationships rather than model misspecification. The χ^2 statistic, while significant, was interpreted cautiously given its sensitivity to sample size and the recognition that with 393 participants, even trivial discrepancies between model and data could yield significant results. The excellent fit across incremental fit indices (CFI, TLI) and absolute fit indices (RMSEA, SRMR) suggested that the proposed model captured the essential dynamics of how extended work hours influenced productivity through compensation-related mechanisms.

The direct effects revealed several critical findings regarding the immediate impacts of extended work hours and the cascading effects through attitudinal variables. Extended work hours exerted significant negative direct effects on all examined outcomes: compensation satisfaction ($\beta = -0.247$, $p < 0.001$), perceived fairness ($\beta = -0.109$, $p = 0.023$), job satisfaction ($\beta = -0.158$, $p < 0.001$), and perceived productivity ($\beta = -0.271$, $p < 0.001$). The strongest direct negative effect was observed on perceived productivity, indicating that each standard deviation increase in work hours corresponded to a 0.271 standard deviation decrease in productivity perceptions, even before considering indirect pathways. This finding challenged the prevalent organizational assumption that longer work hours automatically translated to higher productivity, instead suggesting a direct detrimental effect. Compensation satisfaction emerged as a pivotal mediating variable, demonstrating extremely strong positive effects on perceived fairness ($\beta = 0.863$, $p < 0.001$) and job satisfaction ($\beta = 0.721$, $p < 0.001$), and a moderate positive effect on perceived productivity ($\beta = 0.284$, $p < 0.001$). These path coefficients indicated that employees who felt adequately compensated were substantially more

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likely to perceive organizational practices as fair, experience job satisfaction, and rate their productivity positively. The magnitude of the compensation satisfaction to fairness path ($\beta = 0.863$) was particularly noteworthy, as it approached but did not exceed problematic collinearity levels, suggesting these were highly related but distinct constructs. Perceived fairness and job satisfaction both significantly predicted perceived productivity ($\beta = 0.156$, $p = 0.007$ and $\beta = 0.287$, $p < 0.001$ respectively), demonstrating that attitudinal outcomes served as important conduits through which work conditions influenced productivity perceptions.

The indirect effects analysis, conducted using bootstrap methods with 5,000 iterations to ensure robust confidence interval estimation, revealed that the relationship between extended work hours and perceived productivity operated substantially through mediating variables. The total indirect effect of work hours on productivity through all mediating pathways was -0.217 (95% CI: -0.284 to -0.156), which was nearly as large in magnitude as the direct effect (-0.271), resulting in a total effect of -0.488 . This finding indicated that approximately 44% of the total negative effect of extended work hours on productivity was mediated through compensation satisfaction, perceived fairness, and job satisfaction. Multiple specific indirect pathways were significant: work hours negatively influenced productivity through compensation satisfaction alone ($\beta = -0.070$), through the sequential pathway of compensation satisfaction to fairness to productivity ($\beta = -0.034$), and through compensation satisfaction to job satisfaction to productivity ($\beta = -0.051$). These findings supported a serial mediation model wherein extended work hours diminished compensation satisfaction, which in turn reduced perceptions of fairness and job satisfaction, ultimately undermining productivity perceptions. The decomposition of total effects revealed that compensation satisfaction exerted a total effect of 0.626 on perceived productivity, with 54.6% of this effect operating indirectly through fairness and job satisfaction, underscoring the cascading nature of compensation perceptions through organizational attitudes. The explained variance (R^2) values demonstrated that the model accounted for substantial portions of variance in key outcomes: 77.3% in perceived fairness, 82.4% in job satisfaction, and 54.7% in perceived productivity, indicating strong explanatory power while also suggesting that other unmeasured factors contributed to productivity perceptions, potentially including actual task characteristics, technological resources, or managerial support.

CONCLUSION

This study provided empirical evidence that extended work hours in Ugandan organizations were negatively associated with employee compensation satisfaction, perceived fairness, job satisfaction, and ultimately, perceived productivity, challenging the prevailing organizational assumption that longer hours necessarily enhanced organizational effectiveness. The findings revealed that 84.2% of sampled employees worked beyond the statutory 48-hour week, with 55.2% engaging in extended hours exceeding 55 hours weekly, indicating widespread non-compliance with labor regulations and raising serious concerns about employee welfare and regulatory enforcement. Structural equation modeling demonstrated that extended work hours exerted both direct negative effects on productivity perceptions and substantial indirect effects mediated through diminished compensation satisfaction, reduced fairness perceptions, and lower job satisfaction, with the total negative effect being substantial ($\beta = -0.488$). Critically, the study found that compensation structure significantly moderated employee experiences, with those receiving overtime pay reporting markedly higher satisfaction, fairness perceptions, and productivity compared to those on fixed salaries, despite working similar hours. The model explained 54.7% of variance in perceived

productivity, demonstrating that organizational policies regarding work hours and compensation represented important levers for enhancing both employee well-being and productivity outcomes. These findings suggested that Ugandan organizations were potentially trapped in a counterproductive equilibrium wherein extended work hours, driven by presenteeism cultures and inadequate compensation for overtime, were simultaneously harming employee welfare and undermining the productivity gains they ostensibly sought, pointing to the urgent need for evidence-based reforms in labor practices and stronger enforcement of existing regulations.

RECOMMENDATIONS

Implementation of Mandatory Overtime Compensation Policies: This recommendation should be implemented through organizational policy development that establishes clear overtime thresholds, defines premium rates aligned with international labor standards (e.g., time-and-a-half for hours beyond 48 per week), and creates transparent tracking mechanisms for work hours. Human resource departments should conduct compensation audits to identify employees currently working extended hours without commensurate pay and develop phased implementation plans that budget for increased labor costs while demonstrating projected returns through improved productivity and reduced turnover. Given that compensation satisfaction showed strong positive relationships with productivity ($\beta = 0.284$, $p < 0.001$) and mediated 44% of the work hours-productivity relationship, organizations that invest in fair overtime compensation could reasonably expect improvements in both employee welfare and organizational performance outcomes.

Enforcement of Work Hour Regulations and Development of Productivity-Focused Performance Metrics: Regulatory authorities, including the Ministry of Gender, Labour, and Social Development, should strengthen enforcement mechanisms for the 48-hour statutory work week through increased workplace inspections, establishment of confidential employee reporting systems for violations, and implementation of graduated penalties for non-compliant organizations. Simultaneously, organizations should move away from presenteeism cultures that equate physical presence with productivity by developing objective, output-based performance metrics that reward efficiency and results rather than hours worked. This recommendation is particularly critical given that 84.2% of employees exceeded statutory work hours and that work hours showed significant negative correlations with productivity ($r = -0.338$, $p < 0.001$), suggesting that current practices were both illegal and counterproductive. Organizations should implement time-tracking systems that automatically flag excessive hours, require managerial justification for routine overtime, and establish productivity baselines that allow employees to demonstrate that reduced hours need not compromise output. Professional development programs should train managers to assess performance based on goal achievement and quality metrics rather than time inputs, fostering organizational cultures where working efficiently within standard hours is valued over extended presence.

Development of Comprehensive Employee Well-being Programs Addressing Work-Life Balance: Organizations should establish holistic well-being initiatives that address the multiple pathways through which extended work hours undermine employee outcomes, including employee assistance programs offering counseling for stress management, flexible work arrangements that allow autonomy in scheduling within productivity constraints, and regular organizational climate surveys that assess fairness perceptions and job satisfaction as leading indicators of productivity issues. Given that the SEM model explained 82.4% of variance in job satisfaction and demonstrated that fairness and

satisfaction significantly predicted productivity ($\beta = 0.156$ and $\beta = 0.287$ respectively, both $p < 0.01$), organizations should recognize that investing in employee well-being represented a strategic approach to enhancing productivity rather than a peripheral concern. These programs should include mandatory rest periods between shifts, limits on consecutive days worked, and workload assessments that distribute tasks equitably rather than chronically overburdening high performers.

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