The Level of Employee Engagement Styles In A Government Linked Company (Glc) In Penang

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ABSTRACT

The purpose of this paper is to identify the factors that effecting the job performance in retaining employee in this organization. Using a quantitative cross sectional survey approach, a total of 500 questionnaires were distributed by hand to executive and non-executive, regardless of service schemes, in this organization. Stratified proportionate random sampling technique was applied in determining the sampling frame of the relationship between employee and employer and how it impacted the productivity and enjoyment of working in an organization. The data obtained was analysed using the Statistical Package for Social Sciences (SPSS) version 21 for windows. Looking at the mean scores, the study suggested that the overall score of employee engagement styles is a factor that have tremendous impact on retaining staff.

INTRODUCTION

Employee engagement has been a growing interest for several years because there is mounting evidence in researches that demonstrates the relation of employee engagement with positive work outcomes, including low attrition, high performance and positive business results. Ramsey and Finney also fond that engaged employees may be more likely to commit stay with their current organization. The increasing pressures from the rapid changes that are occurring in the business environment have led to a variety of responses among organizations. Globalization of markets and production, the rate of technological innovation and fluctuation in customer demand are among the factors that have increased the dynamism of the competitive environment to which organization must respond. This factors make is very difficult for companies to further differentiate themselves from their competitors on the basis of products, prices and technology. For an organization to survive in global economy nowadays, they need to invest all the available resources in order to get the high profit and increase the organizational performance. This is to enable them to focus more on human resource which is the most important resources in any organization. The organization in highly competitive environment adopt HRM practices to improve the ability of its employees. These practices are aimed to help the organization, and all levels of management, regarding how to effectively engage their employees in order to improve the organizational profit. Charted Institute for Personal and Development published a report that described employee engagement as “a passion for work” and engaged employees as feeling positive about their jobs and being prepared to go an extra mile to make sure that they do their jobs to their best ability. Engagement is a personal association formed by individual employees’ unique aspirations, values, beliefs, and interests. Full engagement depends on employees having an increased personal connection with their work and belief that they have promising future in their organization. There are few drivers that can determine the important of employee engagement and retention such as leadership, corporate cultures, learning and development opportunities. For
the purpose of this study, I will be exploring more in depth on leadership, career development and organizational culture.

**Literature Review:**

Various employee engagement dimensions are consolidated and classified into five groups. A global account of employee engagement is also presented. Business outcome indicators, used in this research study, are described in the penultimate part of this chapter. This is followed by a discussion about professional services firms. The unique aspects of engineering services firms are highlighted. A summary of the topics discussed is presented at the end of this chapter.

**Employee Engagement:**

In order to stay competitive, organizations today need to be both proactive and reactive. Organizations need to pursue relentless problem-solving. They also need to commit to continual innovation. Morse and Babcock [112] point out numerous ways in which individuals in an organization are instrumental in endeavours like creativity, problem solving, invention, innovation, and subsequent deployment and implementation. As we press on into the 21st century and grapple with the modalities of the knowledge economy, the need for education cannot be overemphasized. An educated workforce could be treated as a natural resource that provides impetus to wealth creation [111]. Workers in wealthier nations do tend to be more educated. In fact, “today’s workers are better educated and more literate that ever before. … they have access to unprecedented learning opportunities through community colleges, universities, TV, and the Internet. Moreover, our culture places a premium on creativity and individual expression” [39]. It would be very prudent for an organization to leverage the education and experience of its employees to achieve better business outcomes. Moreover, forming an organization rooted in continuous improvement is contingent upon the presence of engaged employees, “especially those on the front lines, where the real work gets done” [39]. Thus, it can be argued that engaged employees can successfully identify and fix the innumerable smaller problems that are continually encountered, which, in turn, could lead to much bigger issues. Babbitt cited the Gulf of Mexico Deep Horizon oil spill and the Three-Mile Island nuclear plant leakage as examples where the cumulative effects of smaller problems led to major disasters. Hence, an engaged employee is someone who is well compensated and has his/her interests aligned with the organization. He/she also seeks opportunities for development and recognition. Furthermore, an engaged employee believes in the management’s effectiveness and expect open and clear communication with all levels of the organization.

**Relevance of Employee Engagement Dimensions:**

As the best resources to any organization is always its human resources, the attainment of an workplace with high calibre employees are the key to success & the way to set competitive advantage in the global scenario. A well-functioning organization is the product of its healthy, committed and motivated employees, who can be termed as ‘engaged employees’. Engagement takes place when employees are committed to their job. They are interested and indeed excited about what they do. It involves loyalty, faith and pride in the organization, a willingness to advocate for his organization and a sense of personal responsibility. Global economy has experienced significant shifts in the recent past which have accelerated the need for organizations to find innovative ways to address new technological, demographic and marketplace realities. These shifts made the organization to re-evaluate costs associated with talent. High work force performance and organizational success must be maintained along with changes in strategies. Research has consistently shown that employee engagement is powerfully linked to a range of business success factors such as: Employee performance/efficiency, Productivity, Safety, Attendance and retention, Customer service and satisfaction, Customer loyalty, retention and Profitability

During economic down turn, many organizations focused less on how to manage their talent and engage their employees, instead focusing on how to reduce costs by cutting salaries, bonuses, rewards and development costs. Some short sighted leaders may even think that employee engagement no longer matters because their employees have fewer options and will stay because of their need for job security. However, smart leaders realize that while they may need to find short-term solutions to cut costs, they must also identify longer-term talent management strategies to remain viable. Employees could prove more effective if their interests and activities align with organizational goals. Gagnon and Michael [52] maintained that successful implementation of strategic organizational initiatives require employee alignment. Furthermore, Speculand [144] surmised that a vast majority of organizational strategies fail because of employee ignorance and/or misperception. Alignment ensures that employees clearly comprehend what they can contribute to the organization [91]. Additionally, Vlcek [152] contended that “high turnover [is] due in part to insufficient personnel standards and ambitious individuals who sometimes contradict company goals” (p. 71). Macky and Boxall [96] maintained that managers play a critical role in developing systemic linkages which, in turn, engender high employee involvement. Successful business endeavours require trust that is “built on respect
and timely communication, as well as energized leaders and strategic responses that eliminate actions based on panic" [60]. Goodridge added that "the keys to getting through the tough times are respect and timely communication". Ahmed et al. [1] found that communication assists in "crafting healthier relations between … [managers] and their employees and the entire organization ultimately benefits from this relationship" (p. 107). Communication "affects coordination of effort, job instruction, performance feedback, group effort, motivation of employees, [and] interpersonal relations …” which espouse vibrant organizational climate [80].

Employee Engagement Program in a GLC in Penang:

There were several programs plans and execute in a GLC in Penang to cater the needs to close the gap between employee and employer in order to build harmonies relationship between two parties to achieve organization goals. The programs plans and executes to measure the effectiveness of the engagement in the organization. Following are list of programs executes in this GLC for several years; Tea Tarik Session every month, Religious Talks on every Thursday, on bimonthly basis, outdoor sport activities such competitions and friendly matches, Morning Breakfast with Chief Operating Office, Visiting staff if admitted hospitals and Birthday Bash for staff.

Productivity:

Traditionally, businesses were considered properties of the shareholder. However, in today’s knowledge economy, businesses are akin to wealth creating communities in which both the shareholders and employees act as stakeholders [64]. Businesses are organizations that work to achieve specific objectives aimed at providing specific outcomes to their stakeholders while ensuring economic longevity. The objectives, in turn, are formed by implicitly or explicitly defined organizational vision and mission. Expected business outcomes must be defined for all areas on which organizational survival depends. Drucker [44] defined eight key business output areas: market share, innovation, productivity and quality, physical and financial resources, manager performance and development, worker performance and attitude, profitability, and social responsibility. Buckingham and Coffman [17] listed profitability, productivity, employee turnover, and customer satisfaction/loyalty as aggregate business performance measures. In addition to these measures, Harter et al. [65] included safety incidents, absenteeism, shrinkage associated with employee theft, and quality defects as indices of business performance. Parmenter [118] maintained that key business outcomes included customer satisfaction, net profit before tax, profitability, employee satisfaction, and return on capital employed. It must be noted that business outcomes are indicators of a business’s economic viability. Carton and Hofer [22] held that an organization’s performance is a measure of the change in its financial state. The performance could be measured in terms of business outcomes.

Methodology:

In this cross-sectional survey, the data was collected from the all of a GLC in Penang employees through the distribution of questionnaires and the data were analysed and interpreted through Statistical Package for Social Sciences (SPSS), version 21.0 to determine the relationship involved. In the context of this study using Proportionate Stratified Random Sampling to identify each of the employees at most of functional hierarchy which are direct or support group of the operational. This study also aims to identify the level of employees job performance based on descriptive analysis. This research was designed to study the level of employee engagement styles in this organization. Data were collected using a cross-sectional self-administered questionnaire, developed specifically to identify the level of understanding and employee satisfaction level unit of analysis. A 5-Point multi-item Likert scale format was employed, ranging from 1 (strongly disagree), 2 (Somewhat disagree), 3 (Neutral), 4 (agree), and 5 (strongly agree). Proportionate stratified random sampling procedure was used in selecting the sample. This procedure ensured each subpopulation that existed in the total population is well represented. A total of 500 questionnaires were distributed to the most of employee in the Organization. Subsequently 366 replies were obtained.

Findings And Discussion:

This research obtained 73.2% response rate. The frequency of respondent gender were consist of 88.6% is Male and 10.4% female. About 0.5% of the respondent are below 20 year, 13.7% is age between 20-30 years, 67.5% 31-40 years, 17.8% age between 41-50 years and 0.5% age more than 50 years. It was recorded that most of the respondents, 56.3% served for less than 5 years, 43.4% served between 5 -10 years and 0.3% served between 10 -15 years. While 3.8% of the respondents were Executive and 96.2% were from Non-Executive group. Interestingly, most of the respondents are working as direct worker 87.4% and 12.6% of support staff. Meanwhile most of working on shift (86.1%) and only little respondents are working office hours (13.9%). A detail profile of the respondents is presented in Table 1.

Table 2 had indicated both the mean and standard deviations of employee engagement program scale. The ranking of importance as suggested by Rosli and Rosli and Ghazali were used as a reference in determining the
level of the choices of employee engagement program. The authors suggest the following four categories based on rank of importance: mean value of 2.59 and below is indicating as less important, mean value between 2.60 to 3.40 is indicated as moderate importance, mean value ranging from 3.41 to 4.20 is indicated as high importance, and mean value of 4.21 and above is indicating as great importance. Hence, based on the findings, no items were scored mean value between 2.60 – 3.40 to be implied as moderate importance. 26 items scored the mean value ranging from 3.41 to 4.20, is ranked as high.

Table 1: Respondents Profile.

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>328</td>
<td>88.6</td>
</tr>
<tr>
<td>Female</td>
<td>38</td>
<td>10.4</td>
</tr>
<tr>
<td>Below 20 years</td>
<td>2</td>
<td>.5</td>
</tr>
<tr>
<td>20-30 years</td>
<td>50</td>
<td>13.7</td>
</tr>
<tr>
<td>31-40 years</td>
<td>247</td>
<td>67.5</td>
</tr>
<tr>
<td>41-50 years</td>
<td>65</td>
<td>17.8</td>
</tr>
<tr>
<td>More than 50 years</td>
<td>2</td>
<td>.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 5 years</td>
<td>206</td>
<td>56.3</td>
</tr>
<tr>
<td>5-10 years</td>
<td>159</td>
<td>43.4</td>
</tr>
<tr>
<td>10-15 years</td>
<td>1</td>
<td>30</td>
</tr>
<tr>
<td>More than 15</td>
<td>2</td>
<td>.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year Of Service in the Organization</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Group</td>
<td>14</td>
<td>3.8</td>
</tr>
<tr>
<td>Non Executive Group</td>
<td>352</td>
<td>96.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Position Category</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support Staff</td>
<td>46</td>
<td>12.6</td>
</tr>
<tr>
<td>Direct Worker</td>
<td>320</td>
<td>87.4</td>
</tr>
<tr>
<td>Office Hours</td>
<td>51</td>
<td>13.9</td>
</tr>
<tr>
<td>Shift Work</td>
<td>315</td>
<td>86.1</td>
</tr>
</tbody>
</table>

Table 2: Descriptive Statistics Of Staff Loyalty.

<table>
<thead>
<tr>
<th>Item</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>My boss did not favour anybody in distributing the tasks</td>
<td>3.80</td>
<td>.581</td>
</tr>
<tr>
<td>My immediate Superior understand my family commitment and needs</td>
<td>3.81</td>
<td>1.162</td>
</tr>
<tr>
<td>When a customer is dissatisfied, I can usually correct the problem to their satisfaction.</td>
<td>3.90</td>
<td>.305</td>
</tr>
<tr>
<td>I always want to be the best among my peer</td>
<td>3.91</td>
<td>.351</td>
</tr>
<tr>
<td>This Company appreciates ideas from all staff without discrimination</td>
<td>3.91</td>
<td>.203</td>
</tr>
<tr>
<td>I learn a new skill and it makes me want to practice more</td>
<td>3.91</td>
<td>.302</td>
</tr>
<tr>
<td>I have good relationship with co-workers</td>
<td>3.92</td>
<td>.386</td>
</tr>
<tr>
<td>Reasonable periodical increase in salary</td>
<td>3.92</td>
<td>.266</td>
</tr>
<tr>
<td>Constructive feedback got from my boss creates my innovation.</td>
<td>3.92</td>
<td>.266</td>
</tr>
<tr>
<td>I enjoy working everyday and performing at my best</td>
<td>3.93</td>
<td>.366</td>
</tr>
<tr>
<td>Simple improvement ideas always comes from those performing their daily tasks</td>
<td>3.93</td>
<td>.233</td>
</tr>
<tr>
<td>I have good relationship with Superior</td>
<td>3.93</td>
<td>.357</td>
</tr>
<tr>
<td>My boss always give appropriate directions to perform my task at my best</td>
<td>3.93</td>
<td>.341</td>
</tr>
<tr>
<td>Effective performance appraisal system</td>
<td>3.94</td>
<td>.233</td>
</tr>
<tr>
<td>I understand my job well, so that I am able to contribute ideas for work innovation</td>
<td>3.95</td>
<td>.228</td>
</tr>
<tr>
<td>I have fun being multi skill workers</td>
<td>3.95</td>
<td>.228</td>
</tr>
<tr>
<td>Salary factors affect your level of motivation towards work?</td>
<td>3.95</td>
<td>.251</td>
</tr>
<tr>
<td>I perform the best of my ability</td>
<td>3.95</td>
<td>.222</td>
</tr>
<tr>
<td>I am always ready to accept the challenge</td>
<td>3.95</td>
<td>.222</td>
</tr>
<tr>
<td>I am eager to contribute my best to the company</td>
<td>3.95</td>
<td>.222</td>
</tr>
<tr>
<td>I can help the company to reduce cost by contributing ideas to simplify the process</td>
<td>3.96</td>
<td>.205</td>
</tr>
<tr>
<td>I am satisfied with the supporting equipment that using to help in performing my job</td>
<td>3.96</td>
<td>.205</td>
</tr>
<tr>
<td>Effective promotional opportunities in the organization</td>
<td>3.97</td>
<td>.178</td>
</tr>
<tr>
<td>Job security exist in the company</td>
<td>3.97</td>
<td>.163</td>
</tr>
</tbody>
</table>

Looking from the above table mean score, the level of employee engagement styles among GLC staff was suggested mostly to be high importance. The mean score ranged from 3.80 to 3.97 on a five point Likert scale. Besides that, the variability of the rating exhibited to be relatively high with the standard deviation range of 0.163 to 1.162, suggesting some inconsistencies in importance pertaining employee engagement styles to the items among the respondents. Hence, based on the findings, no items were scored mean value between 2.60 – 3.40 to be implied as moderate importance. All 24 items scored the mean value ranging from 3.41 to 4.20, is ranked as high importance. Meanwhile, there is no items which obtained mean value greater than 4.21 indicated as great importance.

V-Conclusions And Implications:

This model described the relationship of two variables and the model showed better understanding on the relationship that affected directly on the relationship between the benchmarks of engagement styles on productivity and job performance. The dependent variable comprise of Job Performance with three dimensions; productivity, absenteeism and staff loyalty have the positive impact on independent variable in this study.
towards employer engagement styles. But further survey on need to be done in person to cater for the exact employee needs.

REFERENCES


