

A study relationship work environment and employee performance on manufacturing sector in Penang, Malaysia

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ARTICLE INFO

ABSTRACT

Article history:

Received 30 May 2017
Received in revised form 30 June 2017
Accepted 7 July 2017
Available online 25 July 2017

Work environment is very important for the performance of the employees in organization. Therefore, they are very important for manufacturing industry to ensure that their employees can perform their job in good conditions. The purpose of this research is to measure the relationship of work environment and employee's performance in manufacturing industry. A questionnaire was designed to collect the data on factors related work environment such as teamwork, relationship among employees, safe working conditions and flexible working hours with employee's performance. The data was collected from different types of manufacturing industry in Penang, Malaysia. It is founded that there is a significant relationship between work environment and on executive employee's performance. It is proved that from correlation analysis all the work environment factors have a high significant relationship to each other.

Keywords:

Work environment, teamwork,
relationship among employees, safe
working conditions and flexible working
hours.

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1. Introduction

Work environment is a conditions which refer to employees can perform their job well and safe at workplace. Work environment allowed the employees with high satisfactory during performing their job responsibilities and any activities related employees will increase the productivity of their performance.

According to Chandrasekar [1] work environment play the important role to ensure that employees can perform their job responsibilities as a maximum output as determine by their organization. Mondy, R [2] stated that good work environment will improve the productivity of job performance and this conditions can allowed the organization can achieve their goals.

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2. The Objective of the Study

The objectives of the present study are;

- i. To measure the relationship between teamwork and employee performance,
- ii. To measure the impact of relationship among employees and employee performance
- iii. To measure the impact of safe working conditions and employee performance
- iv. To measure the impact of flexible working hours and employee performance

3. Employee Performance

Employee's performance refers to the capability and ability of an employees to perform his or her job. Employees with high motivation will show excellent job performance. Employee's performance consists of three major dimensions: job productivity, job quality and job accomplishment [3].

Employee's performance can be affected by personal problems, supervisor's attitude, work environment, overall organization culture, job responsibilities, financial and non-financial incentives and rewards, teamwork, relationship among employees, safe working conditions, flexible working hours and all of which have an impact on employees' performance [1]. Most employees can perform well if they can adapt to their jobs (Amir, 2010). Employees with high motivation will increase the high productivity, good quality and best accomplishment [4].

3.1. The Relationship Work Environment and Employee Performance

The work environment is defined as the conditions provided by organization for employees to perform their job safely [1]. This includes employees performing their job without any stress, through teamwork, good communication between employees and top management, clear vision to achieve the goals and normal flexible working hours. According to Salanova [5], there are two dimensions of the work environment: physical and geographical dimensions, and environmental conditions. Physical and geographical dimensions mean employees perform their job without any injury, are safe, are not exposed to any harm and are free from any accident at the workplace. It includes employees work conditions, especially the quality of the air, noise level and gas pollution.

Chandrasekar [1] stated that implementing a good work environment can have a positive impact on teamwork, relationship between executives and superior and working conditions. Executives have clear instructions to perform any job given by their superior, there is good communication among executives, the organization has clear vision to achieve the goals and executives have flexible working hours to achieve daily productivity targets.

There are many studies related to the work environment. Previous studies related to the work environment have concluded that employees cannot reach the optimum level of their performance if their work environment is not conducive. They feel stressed with their tasks and such an environment will demotivate the employees, thus negatively affecting their job performance, subsequently leading to low productivity [4].

Through the aim of manufacturing industry can enhance satisfaction and employees performance is by ensuring that the work environment is suitable. The work environment in the industry has consistently shown a correlation with important outcomes, such as industrial achievement and employee's performance [6]. Mondy [6] stated that employee's turnover may be high due to unsuitable and poor work environment.

Delfgaauw [7] stated that a meta-analysis to test the relationship between employees performance with the work environment variable showed a positive relationship with employee's achievement. A good work environment will lead employees to perform their jobs well; therefore, the work environment is related to talented employees, as well as employee's job satisfaction and performance at the workplace. The work environment, includes the feedback environment, the learning environment and rewards and recognition environment. All these reveal a positive relationship with employee's achievement and good performance [8]. In the manufacturing industry, the work environment can be divided into two factors: environmental factors and physical factors. Both these factors can impact on employee's performance and lead them to apply the skills needed when performing their jobs. The work environment will decide the executives' behaviour and how this behaviour affects employee's achievement and their performance [9].

Sajuyigbe [10] found that the manufacturing industry, should determine what the main factors to encourage employees are and how to reward them for their performance. The rewards can be formal and informal structures and the best rewards and incentives will result in a positive work environment for employees. Employees will do their job better and the manufacturing industry, through their superior, can support them to improve their performance skills.

Agwu [8] stated that employees must have the skills required by the manufacturing industry. Employee's performance is related to their superior's performance as well. Superiors become the employees mentor when employees perform their jobs. In case employees are less capable of performing their job, they can apply to their superior for training provided by the industry to enhance their skills. This can improve the work environment between employees and superior; this will give rise to a high level of satisfaction and employees performance will be more effective [11].

Williams and Naumann [12] stated employee's performance can be enhanced through on-the-job training, which can facilitate employee's performance. This will lower the rate of errors, leading to customer satisfaction with the industry. The employee's job aids can be in the form of templates, guidelines, procedures, checklists and models to help them perform their tasks well. Therefore, job aids can create a good and productive work environment that can enhance employee's achievement and performance.

Therefore, in this present study, work environment refers to the teamwork among employees at the workplace, the relationship between employees and their superior, safe working condition for all employees, flexible working hours and there is good communication between employees and top management at the workplace.

4. Theoretical Framework

The research of study was conducted to check the impact and relationship of factors such as teamwork, relationship among employees, safe working conditions and flexible working hours. According the proposed conceptual framework as shown in Figure 1, four hypotheses were develop as stated the below.

H1: Positive relationship between teamwork and employees performance

H2: Positive relationship between relationship among employees and employee's performance

H3: Positive relationship between safe working conditions and employees performance

H4: Positive relationship between flexible working hours and employees performance

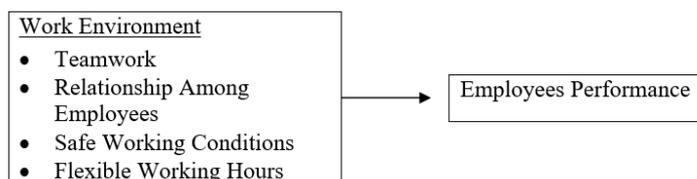


Fig. 1. A proposed conceptual framework

5. Research Methodology

There population of respondent from manufacturing sectors at Perai Industrial Estate/Zone in Seberang Perai, Penang, Malaysia the date was collected from different manufacturing industry. About 200 questionnaires are collected among employees of manufacturing industry and a systematic random sampling method was used in this research. All the questionnaires were designed in Likert Scale (Strongly Disagree (1), Disagree (2), Neutral (3), Agree (4), Strongly Agree (5). While statistical inference that the correlation analysis was used to identify the strength of the relationship with the work environment performance employee’s performance.

Table 1
 Interpretations Correlation Min Score

| Min Score | Interpretation Min Score |
|--------------|--------------------------|
| 1.00 to 1.89 | Very low |
| 1.90 to 2.69 | Low |
| 2.70 to 3.49 | Moderate |
| 3.50 to 4.29 | High |
| 4.30 to 5.00 | Very high |

6. Data Analysis

In this research, descriptive and analytical techniques were used for analysis of data. The process of analysis was carried out in SPSS 20.0 version for window. Among the descriptive analysis, mean and standard deviation were applied. Among the analytical techniques, correlation, regression analysis were run to measure the relationship among variables.

6.1 Profile Respondent

Table 2 show the frequency and percentage profile respondent from the data was collected. Overall the gender male 43% and female 57%, age of category of respondent below 21-40 48%, .5,41-50years 44% and 51-6- above 3.5% and for educational level diploma 46.5%, bachelor degree 52.5% and master degree 1.0%.

6.2 Correlation Analysis

Correlation analysis was used to examine the extent to which there is a positive relationship between the strength of the work environment with employee’s performance. Table 3 shows the correlation value. The test result shows that the teamwork, relationship among employees, safe working condition had a very high each is ($p < .573$), ($p < .568$) and ($p < .558$). While for flexible working hours have a moderate level of correlation ($p < .291$)

Table 2
Frequency and Percentage profile of respondent (N=200)

| Profile | Category | Frequency | Percent (%) |
|-------------------|-----------------|-----------|-------------|
| Gender | Male | 86 | 43.0 |
| | Female | 114 | 57.0 |
| Age | Below 30 years | 8 | 4.0 |
| | 31-40 years | 97 | 48.5 |
| | 41-50 years | 88 | 44.0 |
| | 51-60 years | 7 | 3.5 |
| Educational level | Diploma | 93 | 46.5 |
| | Bachelor Degree | 105 | 52.5 |
| | Master Degree | 2 | 1.0 |

Table 3
Correlation between work environment factor and employee performance (N=200)

| Scale | H1 | H2 | H3 | H4 |
|----------------------------|--------|--------|--------|--------|
| Employees Performance | .573** | .568** | .558** | .291** |
| H1.Teamwork | | .733** | .647** | .356** |
| H2.Relationship | | | .691** | .406** |
| H3.Safe working conditions | | | | .436** |
| H4. Flexible working hours | | | | |

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

6.3 Regression Analysis

Table 4 shows the regression analysis of teamwork, relationship among employees, safe working conditions, flexible working hours and employee's performance.

Table 4
Result of Regression Analysis

| Variables | <i>b</i> | Beta (β) | <i>t</i> | <i>p</i> |
|-----------------------------|----------|------------------|----------|----------|
| Constant | 1.941 | | | |
| H1. Teamwork | .198 | .282 | 3.253 | .001 |
| H2. Relationship | .111 | .156 | 1.747 | .082 |
| H3. Safe working conditions | .184 | .262 | 3.198 | .002 |
| H4. Flexible working hours | .009 | .013 | .206 | .037 |

The result show significant relationship between teamwork and employees performance. The value of ($p=0.001<0.5$), therefore the result are significant and alternative hypothesis is rejected. Therefore, from the regression result it can be concluded that teamwork has a positive impact on employee's performance.

There is a significant relationship between relationship among employees and employee's performance. The regression result ($p=0.082<0.5$) shows that there is a significant impact of relationship among employees on employees performance. Therefore, relationship among employees has positive relationship with employee's performance.

There is a significant impact of safe working conditions on employee's performance. As table shows that value of significant for the variable of safe working conditions is ($p= 0.002<0.5$) which lower than alpha. Therefore, safe working conditions has a positive impact on employee's performance at workplace.

Flexible working hours has significant impact on employee's performance. The value of bonus is lower than ($p=0.037<0.5$). Therefore the results are significant and alternative hypothesis is rejected.

From the regression result it can be concluded that flexible working hours has a positive impact on employee’s performance.

6.4 Descriptive Analysis

Table 5 shows the descriptive analysis of teamwork, relationship among employees, safe working conditions, flexible working hours and employee’s performance.

According to the descriptive analysis the answer of teamwork, relationship among employees, safe working conditions, flexible working hours and employee’s performance shows the neutral high result. The result of mean shows between 3.325 – 3.675 and standard deviation between 0.941 – 0.997. Hence it mean that all the independent variables will increase the employee’s performance.

Table 5
 Descriptive Analysis

| | | EP | Teamwork | Relationship | Safe working conditions | Flexible working hours |
|----------------|---------|--------|----------|--------------|-------------------------|------------------------|
| N | Valid | 200 | 200 | 200 | 200 | 200 |
| | Missing | 0 | 0 | 0 | 0 | 0 |
| Mean | | 3.7425 | 3.6750 | 3.5900 | 3.5000 | 3.3250 |
| Std. Deviation | | .67059 | .95600 | .94145 | .95106 | .99717 |

Note: EP: Employee Performance

7. Discussion

Based on the findings of the analysis found that productive work environment that can enhance employee’s achievement and performance [12]. Employees will be happy to work under good conditions in the workplace. Unhealthy conditions will have a negative impact on employee’s health. This includes unsuitable temperature (very hot or very cold), poor lighting and poor ventilation. High temperatures can cause heat stress and heat exhaustion and is very unsuitable for employees to perform their jobs well. Besides that, a workplace with poor physical facilities can lessen the output. Employees will be demotivated when the work environment and physical facilities are unavailable at the workplace. This will affect employee’s capabilities and employees performance negatively [13].

8. Conclusion

It is concluded that work environment has a positive impact on employee’s performance. It is proved from the correlation analysis that all the independent variables have strong relationship to each other. Regression analysis shows that all the independent variables have significant relationship on employee’s performance. Descriptive analysis also shows that all the independent variables have positive impact on employee’s performance.

9. Limitations of the Research

The major limitation of this research is that this study only covers manufacturing sectors at Perai Industrial Park/Estate Penang. Another limitation of this research excluded many variables of work environment due to shortage of time. Besides of this limitations, this research only provide the non-executives employees (operators, general workers, clerk 2, clerk 1, officer 2, officer 1 and technician) excluded executives, managers, general managers and directors.

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