

**A SURVEY OF FACTORS INFLUENCING
EMPLOYEE ENGAGEMENT**

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UNIVERSITI SAINS MALAYSIA

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MBA

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ABSTRAK

Tujuan kertas ini adalah untuk menentukan apakah faktor-faktor yang mempengaruhi penglibatan pekerja, bagi memahami tugas mereka dan jangkaan kerjaya samaada faktor-faktor tersebut mempengaruhi penglibatan mereka dengan organisasi. Penyelidikan yang dilaporkan dalam kertas kerja ini adalah berdasarkan kepada soal selidik yang diedarkan kepada MNC organisasi berasas dari barat di Zon Perdagangan Bebas Pulau Pinang, yang dianggap sebagai pekerja kolar putih yang berkerja di perbezaan pekilangan dengan persekitaran kerja yang berasaskan barat dan budaya. Ia membantu untuk menentukan sama ada Penglibatan dan Penyertaan mempunyai kesan ke atas penglibatan pekerja. Ini juga untuk menguji sama ada Pengiktirafan dan Ganjaran memberi kesan ke atas penglibatan pekerja. Kajian ini juga membantu untuk menentukan sama ada Komunikasi Dalaman mempunyai kesan ke atas penglibatan pekerja serta untuk menguji Keseimbangan Kerja-hidup memberi kesan ke atas penglibatan pekerja. Kajian ini cuba untuk membedah faktor-faktor asas yang mempengaruhi penglibatan pekerja. Sebuah teori asas disusun untuk kajian berdasarkan kajian literatur. Kajian ini juga membuktikan bahawa penglibatan pekerja di tempat kerja adalah pengasas untuk meningkatkan dan mengekalkan keberkesanan organisasi dan boleh dicapai melalui penglibatan dan penyertaan, pengiktirafan and ganjaran, komunikasi dalaman, dan keseimbangan kerja-hidup selagi sebagai hubungan yang kuat antara pekerja dan majikan.

ABSTRACT

The purpose of this paper is to determine what factors influencing employee engagement, to understand their job and career expectations and whether or not these factors are being influenced their engagement with the organisation. The research reported in this paper is based on the questionnaire circulated to the western-based MNCs organisations in Penang Free Trade Zone, which is considered to be a white collar employee work in difference manufacturer of western-based working environment and culture. It helps to determine whether Involvement and Participation have an impact on employee engagement. It's also to examine whether Recognitions and Rewards have an impact on employee engagement. The research also help to determine whether Internal Communication have an impact on employee engagement as well as to examine whether Work-life Balance have an impact on employee engagement. This research attempts to dissect the underlying factors that influence employee engagement. A Theoretical foundation was compiled for the study based on the literature review. The study also proves that employee engagement in the workplace is fundamental to improving and maintaining organisational effectiveness and can be achieved through involvement and participation, recognitions and rewards, internal communication and work life balance as long as strong relationship between employees and employers.

Chapter 1

INTRODUCTION

1.1 Background of the Study

Nowadays, among employers are concerning and care about the employee engagement in the organisation. This is because there is a disengagement happen among the employees today with the decline trends (Bates, 2004; Richman, 2006; Saks, 2006). Especially for the fresh graduates newly enter to the job market or organisation without any working experience or with less of working experiences but they have come with a set of high expectations and motivations created by a new set of information technology resources (Schulman, 2007). Most of the fresh graduates are always looking for outside opportunities to gain the experiences from the new duties or task jobs, to work in the better working environment and challenges workplace and to meet the new colleague while develop their career path.

According to McBain, there is a few definitions of engagement in used, including the employees who work for its making sure the energies and interests are aligned with the organisation's goals, releases unrestricted effort and delivers the aspirations of the organisation by create an emotional relationship with employees. When talk about commitment is referred on how the employee's engage towards their organisation. Engagement also about the unlimited effort an employee is geared up to put in, it has three levels: Is it the workplace that they prefer to work and willingness to stay, will they plan to go for the extra mile with the organisation? There is always a interlinking between the factors that influence the employee engagement in the organisation (McBain, 2007).

The link between the factors that influence the employee engagement has been studied constantly over the few decades. Each study has been confirmed by a lot of

researchers on the linkage between employee and the performance of the organisation it make total sense. Basically, when the employees satisfied with their current jobs it will come up to be a happy and cheerful employees and willingness to contribute into that organisation all the time. The organisations with that happy employee have been seen to improve the working environment while increased the work productivity and quality. Therefore, to increase employee engagement levels and turn in results in increased company profitability. Employee engagement is the level employees are connected to the organisation and how they are committed to driving company results.

Sometime, as people said talk is easier than do, and it is important to remain employee engagement high level all the time, especially throughout the economic recession, it means an organisation can try to plot a route and return to profitability and stability. Employee engagement has been linked to a number of improved business metrics including retention, turnover, productivity, loyalty, operating profit, customer satisfaction, increase safety, shareholder return and so on.

Eventually, Malaysia's companies must create a good working environment to continuous the employee engagement to build on physically powerful leadership intense customer focus, strong strategic direction and as well as unbiased compensation packages and transparency to increase the employee engagement and to reduce the brain drain. Most organisations as well as their management invested on the workforces and employees throughout the development and training programs, attending courses and so on because employers known that employees would be one of the main resource for the organisation to be survived.

The concept of having employee satisfaction is considered as the critical conception and the ability to retain its best employees to stay in the organisations or employee retention in other words. In fact, there are several strategies provided by the

human resource management on how to make the employees satisfied with the organisation. Any of the methods guided by the strategies of human resource management is to prevent or to reduce the employee turnover rate (Lipiec, 2001).

Employees who are unsatisfied and disengaged with the existing work is one of the reason why turnover occurred, and they will start to search for other alternatives while comparing those alternatives with their current jobs, and tendered the resignation from the organisations if they found other career opportunities greater than the existing position. According to Abassi & Hollman, turnover can be said that is the top on the list affected the productivity decline in the organisation (Abassi & Hollman, 2000). Past research (Chew, 2005) found that organisations with strong job satisfaction, employee tend to have lower intention to leave their organisation and also lower turnover rate than those with employees with job dissatisfaction.

Retention of qualified employees is very important for each employer to look into it seriously. Moreover, retention has cut down the organisation extra expenses either tangible or intangible. From the literature review, the researcher found that with every 10 professionals or managerial staffs who leave the company, the organisation will loses around \$1 million (Fitz-enz, 1997). Especially when the employees had just been trained well by the companies and make decision to leave the company. The organisation also loses significant knowledgeable employee required for better performance. The organisation has invested into the training programs and provided the training to the employees, but the training expenses would just locate into wasted if there is an uncontrollable turnover of trained employee from time to time. Meanwhile, there is a wastes in brings extra expenses in advertising and total of time on the recruitment process.

1.2 Problem Statement

The main reason of conducting an employee engagement survey is to find out the factors that actually drive employees to perform their best. It is important in order to establish sync between what top management offers and what employees' expectation. The reason being, nowadays, managers are keener in knowing what actually can engage or disengage employees. The organisations keep on conducting employee engagement surveys from time to time so that they can design or redesign the existing policies and implement key changes in order to increase the productivity and efficiency of employees. Besides that, it will assist them in retaining the best talent within the organisation.

Some survey found that Malaysian employees only willingness to stay with their organisations with the average not more than three years (Lim, 2001). Based on the previous research studies it's in worrying for the above trend has been reported. As turnover trend intentionally have reduces the overall organisation's efficiency and productivity as it divert organisation from the core objective as they need to keep replacing the employees who have tendered his resignation.

There is a high annual turnover rates about 17% on the year of 2003 and 16% on the year of 2004 which reported by the Malaysian Employers Federation annual surveys (MEF, 2004, 2005). According to Malaysian Employers Federation (MEF) Executive Director Shamsuddin Bardan, Malaysian companies are seeing an attrition rate of between 9.6% and a phenomenal 75%, based on its survey conducted on executive positions between June 2010 and July 2011, on 143 companies across the various sectors in the country. The survey shows that the annual average turnover rate for Executives in manufacturing and non-manufacturing industry consists of 18.84% and 22.44% respectively. Industries with the highest annual average turnover rate in

the non-manufacturing sector are IT or Communication at 75.72%, Associations or Societies at 33%, and Hotel or Restaurant at 32.4%. The manufacturing sector saw relatively lower annual average turnover rates, with the highest being the Basic & Fabricated Metallic Products sectors at 23.88%, follow by the Electrical & Electronics sectors at 23.04%, and Plastic or Rubber sectors at 19.92%. Shamsuddin says this amount to additional costs for employers as they have to recruit new staff to replace those who leave (Goh, 2012).

Research revealed what Canadian employees are looking for in a job. Good pay, job security and benefits are an important part of the package, but they don't top the list. Canadian workers place an even higher value on being treated with respect, doing interesting work, a feeling of accomplishment and good communication among co-workers ("Finders & Keepers - Recruitment and Retention Strategies," 2003).

After the researcher go through some literature review that discusses by other researchers' studies on the drivers influence employee engagement and finalised this four antecedents of the study which are involvement and participations, internal communication, recognitions and rewards, and work life balance that will be discussed further in this paper.

According to Kelly Services marketing director for Singapore and Malaysia Jeannie Khoo, Gen Y not always just about money, they have to find meaning in their work. They must have work-life balance and they are not willing to go all out of it affects their own-time. Khoo adds that many companies, especially the bigger multinational companies (MNCs), government-linked companies (GLCs) and conglomerates are sitting up and taking note. These companies are now recognising employees as talents and along with that, talent management and retention (Goh, 2012). Companies are now looking at training, career development and succession

plans. They are engaging with their employees better. They are offering better healthcare packages for their employees and their immediate family members, and this doesn't come cheap. But when employers have a pool of employees who are healthy and happy, they're also looking at less medical leave, which in turn increases productivity. It's a win-win situation. If the employers don't invest in your employees, it's likely that they won't stay long,

Moreover, in fact it is costly to managing turnover as it not only includes the expenses related through the hiring and providing employees training but also included the cost of intangible like leaving of the talented employees, experiences or expertise staffs from the organisation is hardly to be verified. So, the researcher is interested to study and identify what are the factors might be influenced the employee engagement nowadays among the employees who work in the MNCs in Malaysia.

Tasker defines that engagement is when employers and employees will “go for extra mile” towards each other through the both parties cooperation. Tasker also discusses that through today’s personnel website which involved 400 Human Resource professionals conducted the research, which the situation was deterioration because one out of four staffs were not engaged, and it was consists of 44 percent “overwhelming challenge” (Tasker, 2004).

Huckerby discusses the result from the United Kingdom suggesting that employees are engaged in their organisations actually only 17 percent, while the employees are not engaged consist of 63 percent, and the disengaged employees are 20 percent, the other words is that individuals’ mentally have give up but still keep on work with the organisation (Huckerby, 2002).

A lack of interest in work, long working hours, work-life balance improper arranged, work overloaded, stresses at work, and rapid task dispersion are symptoms

displayed by individual those disengaged in the organisation context. When they have turned into disengaged, and the employee's productive output is become low. The researchers had access to company documents and reports on human resource issues that suggested wide-spread dissatisfaction, especially among junior employees with a very high turnover rate that mandated the need to identify immediately and embark upon the reasons for this dissatisfaction (Forstenlechner & Lettice, 2008).

Employee engagement in academics, consultants and human resource practitioners is a very popular trend. Thus, employee's involvement, employee's satisfaction and employee's commitment seems to be construct infectivity. Especially by giving the employees chances of participate and involve, trust them is the most comprehensive response to increase on post industrial values of self-realisation and self-actualisation (Bhatnagar, 2007; Martel, 2003).

As we reflect on the idea of employee engagement, we need to investigate the "driver" of engagement. In other words, what do organisations have to do to get their employees feel that sense of having commitment with them? Similarly, employee engagement in that sense is very similar to customer engagement. Employee engagement is about how your employees really feel about your organisation? Do they have that sense of pride of belonging? Will they recommend their best friend to work in their organisation? Will they allow their children to work with this organisation after graduate? This can be described as similar to what a customer may feel towards a particular organisation "brand-name". If customers feel good about a particular "brand", like what they perceive, use the product make them feel proud or good using it, the product works well. Then, they tend to buy or continue to use more of those products. They might even tell their friends about the products and the company.

To make a change so that the western-based Multinational Corporations (MNCs) companies in Penang Free Trade Zone are better on people oriented environment or employee engagement, top management must be aware and get deeply involved. In Malaysia, there is a good examples of MAS ex-CEO Datuk Idris Jala and Air Asia legend Datuk Tony Fernandez – these are leaders who are passionate about the people and able to rally the thousands to drive the changes in MAS and Air Asia during the challenges period as CEOs (Mazlan, 2009).

Most of the employers believed that nowadays employee engagement will bring positive or negative result to the organisation success, and to the overall company's financial performance. Based on the literature review, many has been reported that most of the employees nowadays, almost half of Americans labor force, was not engaged completely or some disengaged which in other words called “engagement gap” that have caused a lost in productivity (Bates, 2004; Johnson, 2004; Kowalski, 2003; Saks, 2006) .

As we know, when employees disengaged in the organisation, employee turnover might be happen. The percentage of employee turnover by the end of 2006 at Kia Motor UK has been hit 31 percent, and it was involved an extremely high costs in employment activities, legalisation processing, and so on. Among the weaknesses from their survey were awareness of company strategy and poor internal communications (Tomlinson, 2010). It means that, awareness of business framework and work together with colleagues to develop the performance within the job scope and to make profit to the organisation is important throughout the company strategy and internal communication.

To build a successful plan of employee engagement is essentially about getting employees to involve and put into practice. As it is unviable to make the

employee motivated, driven or committed by something when they felt that their role is not play in part at all. The quality of knowledge, sharing and learning systems, the quality of building a strategy in the company are playing an important roles to identify the culture of the organisation that support the workplace where the engagement can grow. Meanwhile that a trust relationship can be built among the employees and employers throughout communicate constructively and effectively. In order to attracting by retain the talented somewhere in the marketplace an organisation must have a take immediate action moving employees to go for “the extra mile”.

Buamruk (Buamruk, Gorman, Jr, & Ingham, 2006) stated that:

“... organisations with higher engagement levels have lower employee turnover, higher productivity and better results. Managers are in a critical position to increase or decrease engagement because they tough key drivers such as accountability, work processes, compensation, recognition and career opportunities. Manager need to understand what they are expected to do more of, less of, and what they need to do differently. Managers need to be assessed and rewarded for the development and performance level of their employees.”

Besides that, many researchers estimates that the quantity of laborers work excessive working hours continued to increase (Derek R Avery, Tonidandel, Volpone, & Raghurum, 2010; Kuhn & Lozano, 2008). At the same time work under pressure, work under tension has been risen extensively as well (Derek R Avery, et al., 2010; Cryer, McCraty, & Childre, 2003). Therefore, many employees especially for the fresh graduates appear displeased with all these trends when they experienced the above what they have not expected.

For instance, on hand job overloaded with a limited working hours are mostly will affected the workforce make a mistake or feel anger toward their colleagues, co-workers or employers, they will experience the stressful working environment, they will facing an unhealthy and unbalance work-life between work and family, while seek for other employment somewhere else (Galisky, Kim, & Bond, 2001; Kalleberg,

2008). The number of employees experiencing the overworked is rising in certain sectors (i.e., manufacturing executives, marketing persons etc) in this rapid grown market. Objective overworked defined as having too little time with too much work, is a stressor of psychological (Derek R Avery, et al., 2010; Roberts, Lapidus, & Chonko, 1997).

Some organisations believe that with measure their employees level and attempt to increase those levels of engagement will bring the input on productivity, safety, profitability and turnover (Berveryly & Philip, 2006). Therefore, to measure the level of engagement in the organisation this study will investigate and justify the key drivers that will impact on employee engagement.

1.3 Research Objectives

The review of existing literature identified four key drivers and they are Involvement and Participation, Recognitions and Rewards, Internal Communication, and Work-life Balance. This study attempt to accomplish objective of Employee Engagement in work environment as below:

- To determine whether Involvement and Participation have an impact on employee engagement.
- To examine whether Recognitions and Rewards have an impact on employee engagement.
- To determine whether Internal Communication have an impact on employee engagement.
- To examine whether Work-life Balance have an impact on employee engagement.

1.4 Research Questions

This study will attempt to answer some research questions in order to achieve the above mentioned objectives:

- 1) Does Involvement and Participation have an impact on employee engagement?
- 2) Does Recognising and Rewards have an impact on employee engagement?
- 3) Does Internal Communication have an impact on employee engagement?
- 4) Does Work-life Balance have an impact on employee engagement?

1.5 Definition of Key Terms

Involvement and Participation: Always give employees an opportunity to participate and to get involved in the organisation's strategy and activities, such as a mentor for organisation; involved in community activities that organise by the company. To take employees' contributions critically in decision making processes and having chances to participate and join together with the top management team in the meeting and to ensure that all these are valued.

Internal Communication: to make sure that two ways communication between employees from top to down and from bottom to up to be consistent so that everybody can understand very clear about the company objectives, next steps and progress, top management must be able to know the ground employees' needs. To give a chance for employee to take part in the organisation through sharing, decision making, contribute their ideas will help out the employees feel like they are part of the organisation to hold the responsibility of their daily job and will bring the positive attitude for the employee to feel more trusted and valued. To create trust and confidence to the employees, the organisation must be always kept employee informed about the business performance and company's plans. Practicing the face to face

communication at all levels of groups among every department is predominantly significant. As a senior management team in the organisation they need to be observable, to keep everyone in the organisation informed shouldn't be neglected, especially when several department are involved within the organisation.

Recognitions and Rewards: Employee aggressively participates in relevant programs so that the organisation strives to be best practice, and gets recognised for its efforts. Career development and planning, incentive and promotion are also need to be emphasised and to continuous the growth opportunities among the talented employees while to retain the good employees.

Work-Life Balance: To enable employees to engage, companies must actively balance the demands on employees with opportunities for appropriate recovery and renewal from period of stress. Make sure that the company working environment, hours of working and rest must be compliance with the local labor laws.

Employee Engagement: Is to measure the employee's either in a optimistic behavior or pessimistic behavior and intellectual commitment attached to his or her jobs with the organisation while willingness to perform and learn from their workplace.

- Subjective : Engaged employee

The employee is in the greater way to perform within their capability and ability, the better they perform the higher rewards will be gained by the employees. The organisation have to provide the best working environment, the employee must feel appreciated and do their work with passionate.

- Objective: Revenue (RM)

A monetary value that a company has a higher success rate (e.g., decrease of turnover rate) of engaged workforce measure in terms of profits saves in recruitment, legal and exit fees.

1.6 Significance of the Study

The significance of this study can contribute many advantages to many organisations and corporate strategy, business unit level in forming their business strategy analytical and empirical researches. This study can also provide the human resources management an understanding on which factors that could influence the employee engagement in the organisation in which ultimately attempting to enhance their performance and make the organisation a profitable entity.

In the past few decade employer expected loyalty to the organisation by offering life time employment but with the recent increase global competition, employer needed to be more flexible and recognise in their deployment of employees and thus employer started to change that contract. It is essential because it will perform some feedback or comments to organisations on the effect of the implementation of the quality work life. Besides, this study will also identify the significance of the recognition and rewards, participation and involvement. Other than career commitment, this study will also find the effect of the life balance towards satisfaction generated and performance of the company as a whole.

Furthermore, researcher hopes that this study will give an idea to the top management of the organisation on the awareness of employee engagement and also can be useful for them to create the culture that enhances the level of its employee engagement. It is also hoped that the finding of this study would continue to maintain and to achieve a high degree of employee engagement while to improve the

performance of the organisation. This knowledge is hopefully would be useful as a source of information for the future research regarding this subject.

Finally, this study also will increase the existing literature that has limited research in Malaysia where carried out in the implementation of factors that positively related to Employee Engagement. This research will support users of the construct to persist study on engage employee in order for practitioners and academics to enhance their understanding on what they are predicting and measuring.

1.7 Organisation of Chapters

Chapter 1 provides a general idea of the present study and discusses about the significant of this study to the organisation behavior and human resources management.

Chapter 2 concentrates on the literature review on the previous studies by the other researchers on the independent variables and dependent variable. This study will help to extend the concept of the theoretical framework.

Chapter 3 discusses the research methodology with explain more on the sample targeted, research design, measurements, procedures and the statistical analyses.

Chapter 4 shows the results of the research through the outcome of the data collected and SPSS analysis as well as hypothesis testing.

Lastly Chapter 5 summaries and concludes the present study's findings with discusses on the implications, limitations and future research suggestions.

Chapter 2

LITERATURE REVIEW

2.1 Introduction

The study on the topic of employee engagement among organisations has been carried out by many researchers in other countries. Several instruments to measure employee engagement or factors analyses applied to this study included involvement and participation, recognitions and rewards, internal communication and work-life balances. Researcher interest in study these four drivers which belief that it play a significant impact to employee engagement across the organisation. The topic of employee engagement may be linked to many other factors that contribute by the literature review that projected the framework of this study. Through the previous researchers those had studied about the areas of job satisfaction, organisation commitment, recognition, communication, involvement or working environment is a combination of those findings, analysis and comments.

2.2 Independent variable

2.2.1 Involvement and Participation

The concept of employee participation and involvement has seen a growing interest from different scholars and Human resource management. Many organisations are faced with the challenges of managing and empowering their employees to actively participate in decision making. In this current tumultuous economic environment, organisations require creative and innovative employees who can take initiative, embrace change, stimulate innovation and cope with high uncertainty in the market. Most of the new generation employees want to work in

companies that can actively listen and embrace their ideas. To accommodate the demand of the employees, most companies have relinquished their centralised control management with the hope of promoting flexibility and decisiveness as well as subsequent improvement in individual and organisational performance.

The concept of employee's participation has taken many forms, evolving through the employee participation and involvement decision making concepts into the contemporary empowerment perspective. The idea of empowerment involves the employees being provided with a significant degree of freedom and flexibility to make decisions relating to work without direct involvement of the top management. This new model of management has significantly disagreed with traditional management techniques that have emphasised hierarchy, control and rigidity. Employee's involvement and participation thus contribute greatly to how organisations make decision and run their businesses. The employee's participation and involvement affects both the employees and organisation positively and negatively.

In fact Involvement and participation is very important in the organisation, because as Baumruk mentioned that when the employees have the feeling being treating 'in the loop' they were engaged. Employees who feel that they are suffer in terms of engagement when they are 'out of the loop'. As a manager's they should have an influence power to get employees to involve in making decision and completing the daily up-to-date organisation progress and objectives to build employee's confidence (Buamruk, et al., 2006).

According to Glen, employee who have high potential will always seek for the career opportunities with experience-based to expand their careers rapidly, and via participate in a roles enrich, participation in roles enlarge, job multitasking ,

participation in organisational key projects, etc to enhance their personal marketability (Glen, 2006). The talented employees are typically like to search for new challenges workplace with potential career development, especially a direct link between marketability and learning curve (Glen, 2006).

It is very important that the organisation create an environment to all employees with the openly feedback to make sure that employees are treated with equal opportunities to contribute their feedback or ideas openly and honest for the good of the company and themselves (Glen, 2006).

From the literature review, there are different definitions have been provided by the researchers. Kahn defines engaged employee as the organisation workforce harnesses themselves to their job responsibilities. Disengaged employee occurs when the workforce occupy and convey themselves emotionally during performing job. When employee feel disengaged, they will apart themselves from their daily tasks while extract themselves psychologically imbalanced when performing job. Therefore, engagement mean when performing and occupying an organisational roles must be presented psychological (Kahn, 1992).

According to (Ackers, 2006), employee participation is a process in which decisions in an organisation is shared among individual who are otherwise hierarchically unequal. Participatory management practices involve subordinate staffs and their managers in sharing information, problem solving and decision making endeavors. Thus employee participation does not only involve decision making processes but the entire welfare of the employees. Most countries provide policies and bylaws to safe guard employees from harassment and exploitation. The trade Unions have for a long time been the voice of employees in many countries (Armstrong, 2001). Most employees voice their concern and mistreatment thorough their

respective trade unions. The trade Unions has significantly changed the way employees are treated and participate in daily management of organisations.

According to (Ackers, 2006), most companies found it imperative to involve employees to their daily decision making activities and running the organisation. Human resource management in most companies discovered that employees become innovative and commit themselves to their work if they are actively involved in decision-making. Over the years employee participation has impacted the workplace both positively and negatively. It is widely believed that employee involvement may affect employee productivity, job satisfaction and employee commitment to the organisation. These factors significantly affect the way an organisation to perform their businesses. (Ackers, 2006) further explains that employee participation reduces the chances of industrial disputes resulting from better communication between staffs and management. Improve decision making processes, increase creativity, lowers employers stress and ensures better use of time and resources.

2.2.2 Internal Communication

The management team managed and defined a clear structure for determining the employee's goal aligns with the company objectives. The management team clearly communicated was meaningful to move forward to set a plan for organise the company's main element surrounded by a high restricted atmosphere especially on employee engagement, development of quality culture and talent retention (Glen, 2006).

Once the company has developed a solid companywide feedback, a focused communication skills, process, behavior assessment and knowledge it can be easily carried out that link to the overall company engagement objectives for an individual

(Glen, 2006). The organisation also need to gear up on feedback measurement and flexibility or potential assessment to standardise and aligned with the organisation's vision and mission while take it seriously and continuously (Glen, 2006; Tomlinson, 2010).

According to Kia Motor, Head of Human Resources (UK), they practice quarterly employee briefings for their employees to raise the matters of concern with a forum set-up for them. It consists of at least one representative from each department to involve. The Kia has been formulated their engagement strategy in the United Kingdom and today being used in Seoul by the global group and introduced across Europe (Tomlinson, 2010).

For effective internal communication to take place and raise level of engagement such as employees feeling valued and taking pride in their work, is depends on the managers and the leadership style pursued. Most managers do not view employee involvement through communication as an important aspect of doing business. For involvement to be successful and communication to be excellent a two way symmetrical communication should be adopted (NXUMALO, 2010).

Berta suggested that engaged employees help boost productivity. In the article, stated that nowadays employees is easier to get worried and become distracted when they are surrounded by information of cost cutting plans or layoffs. When such happens, managers should step up its communication in an effort to keep employees engaged and motivated. Keeping an engaged workforce helps in keeping a good company reputation in that employees talk positively about the organisation and staff turnover is very low. Employees are willingness to go for extra miles and in the process driving productivity. The survey also carried out and cites that communication is also part of the factor influence the engagement in the organisation

(Berta, 2008). Meanwhile, workforce required more communication but to avoid vague and preferably to be two ways communication.

2.2.3 *Recognitions and Rewards*

Recognition is central to any discussion of employee engagement. Recognition may take the form of monetary or nonmonetary awards, or a simple acknowledgement of a job well done. Whatever the method, recognition systems encompass a number of variables that are all important for maintaining high levels of employee engagement, including communication and respect. When an organisation or a supervisor rewards or recognises an employee or team, they are communicating in a powerful way what types of activities and accomplishments the organisation values. By granting this recognition, the organisation is reinforcing what kind of effort and what types of behaviors it would like to see repeated by other employees. Recognition and rewards are also a method organisations use to make employees feel respected and valued. When employees are rarely recognised for a job well done, or when recognition is given inappropriately, engagement will suffer.

Once employees recognised with a greater incentives and recognitions for their performance, it is expected that employee's might be satisfied in their mind and perhaps this workplace was fit to them (Saks, 2006). The employees would be willingness to react through their best level of engagement towards their organisation when they received recognitions or rewards from their organisation. According to Maslach a lack of recognitions or rewards can lead to burnout, therefore proper recognitions or rewards is very important for engaged employee (Bhattacharya & Mukherjee, 2009; Maslach, Schaufelli, & Leiter, 2001).

Procedures must be well prepared to ensure that whether the employee's job objectives are clearly defined and understood their job roles to be aligned with their career aspiration as possible. Sometimes there is the obvious divergence between the tasks and outlines offered by the organisation compared to the employees expectations (Bhatnagar, 2007).

Since rewards strategies play an important role in reflecting the organisational culture, the organisation need to modify their rewards strategy to be aligned with their own particular organisation objective. Today's market trend, employees not only interested at the benefits entitlement and compensation packages offered by the company but they also seek for overall organisational incentive plans. Therefore, to attract the talented workforce, first step have to examine the strengths and determine if employees have benefits to put on the market. Employees today might also shift to another organisation because of the better benefits or others attractive incentive packages.

Moreover, workforces are also looking for growth expanding, successful organisations which the company will provide an employee the opportunities for growth and self development, friendly working atmosphere which they are allow to involve themselves as part of company in decision making. According to Bhattacharya et al. to achieve through increase in performance means to improve productivity in organisation (Bhattacharya & Mukherjee, 2009).

The employees consider rewards to be important for keeping them 'engage' in their organisations. Thus, the organisation should be invest employees in self-development, training towards enhancing their skill and involving in certain official or non-official activities for contributing to the friendly environment and make them more productive at the workplace.

2.2.4 Work-life Balance

Workplace stresses has been increased significantly (Derek R Avery, et al., 2010; Cryer, et al., 2003) and not to be surprised most of the employees are come into sight of disappointed with these trends. Overloaded employee can be irrational work assigned for examples impossible deadlines, stressful and tension or else is kind of abusive or bullying management in the workplace (Derek R Avery, et al., 2010; Rayner & Hoel, 1997; Tepper, 2007).

Overloaded employees are mostly easy to feel anger, used to make a mistakes, or offense toward their coworkers or employers, have poorer health, experience high level of stress and seek employment elsewhere (Derek R Avery, et al., 2010; Galisky, et al., 2001; Kalleberg, 2008). Work overload or work-life imbalance and also conflict and disengagement occurs in workplace might be the most significant predictor of burnout.

Work-life imbalance when employees belief that they have too many work to do within their capability and timeframe is perceived work overload (Derek R. Avery, Tonidandel, Volpone, & Raghuram, 2010; Leiter & Schaufelli, 1996) or have to finish assigned tasks within the limited time (Greenglass, Burke, & Moore, 2003). Stress, unreasonable job demands, unachievable performance objective and deadly workplace relationships drain employees' energy are related to work overloaded (Craig & Silverstone, 2010).

The concept of work-life balance also includes the priority that work takes over family, working long hours, and work intensification. Work intensification, defined by (Burchell, 2006) as “the increasing effort that employees put into the time that they are working” or the amount of work done in a day, the pace of work and its

depletion of energy for activities outside of work, is also an issue affecting work-life balance.

Work-life balance is an issue not just for individuals, but for employers, the market, the state and society as a whole. The future workforce and consumer market is dependent on women bearing, and parents rising, children. The move from a single male breadwinner family model to one where both parents participate in paid employment has made it increasingly difficult to raise children while the workplace continues to be modeled on male breadwinner workers.

Work-life balance issues appear to affect some groups of people more than others – those working long hours, those whose work spills over into the home as a result of modern technology, those in non-standard employment such as shift work, those on low incomes, those trying to juggle parenting and paid work, and those with cultural obligations beyond the family and paid work.

2.3 Dependent Variable

2.3.1 Employee Engagement

Employee engagement has been defined differently by different researchers as well as human resources practitioner and scholars.

Employee engagement is a level of motivation to work harder toward its success and ‘the attachment or bond to the organisation’ to support of its strategy and values. Nowadays, companies trying to achieve by seeking any method to engage their employees while change the way they manage employees. The main purpose of the change is the encouragement of employee to achieve and to find great ways of working and go beyond the expected outcome of the roles. The definitions also indicated an increase in employee engagement supports will link to better staff

retention and commitment, improve productivity and continuous improvement to an organisation's success.

Employee engagement occurs probably when the employees have great commitment to their employer and less intention to quit from their organisation (Schaufelli & Bakker, 2004). Eventually, individuals who are more engaged are most likely to be in high quality relationship and more trusting their organisation, and willingness to share the positive information and good attitudes toward their company.

The Corporate Leadership Council (Council, 2004) and Blessing (Blessing, 2005) definition on employee engagement are emphasised on employee cognitive connection to work or organisation and subsequently behaviors that they express on the commitment and job satisfaction while their impact on how solid an employee is willingness to work for the organisation.

Every organisation need to recognise their employees from different groups and different roles to get an understanding of employee engagement because different age groups might have their own perspective and expectations. Organisation have to aware and expected that different cultures or groups may have different levels of engagement or required to handle these groups in a different ways (McBain, 2007).

Morgan suggests that in today's working environment organisation needs the motivated, energised, eager or willing to attempt to new task employees to continue to perform. Organisation need to identify what is the driving behaviors and what are the key motivating factors for employees to know their needs and what they want in their workforce. Most of the job motivation is based on the Maslow theories. Morgan also state that, recent researched has exposed that organisation have awake and want their staffs to perform their work well, even "go for extra mile" and wish to have a good jobs, work that are valuable and "turn them on". With this trend, there has been an