Gauging Factors that Influence Job Engagement Among Casual Workers

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ABSTRACT

Malaysia retail industry is one of those industries with the most workers employed. Also, with the rapid growth of businesses in Malaysia, this industry is expected to contribute to the national income. As such, it is common for companies seeking highly engaged and committed employees. However, situation is not as what being expected. The high turnover rate among employees contributes in affecting the industry’s performance. Thus, the aim of this paper is to gauge factors affecting job engagement and turnover intentions among retail employees. In doing so, questionnaire survey was conducted among employees of various supermarkets in Kedah. A total of 353 questionnaires were collected back from the respondents and were analyzed using Statistical Package for the Social Sciences (SPSS) software. The findings give a new light in understanding the issue.

KEYWORDS: Job Engagement, Employee Turnover, Remuneration, Reward, Empowerment.

INTRODUCTION

The issue of work engagement has been the talk-about issue being discussed in the organizations today. With the uncertain economic condition, the question of competing and continue surviving is the most crucial issue to be tackled. In order to survive in a world of rapid economic change and globalization, companies need to have ‘excellent employees’. Excellent employee in this context means that, organizations need employees who are highly engaged with their work [1]. According to [2], employees who exhibit energy, self-confidence, enthusiasm and passion towards their work are well demanded by organizations. Not only that, the recent focus of modern management is now on managing and engaging human capital to produce more input with less input. Combining all factors, it raises the need for highly engaged workers to any particular job. So, what is then job engagement?

This article explores the extent to which organizational values affect job commitment among their casual workers. Three organizational values have been identified; namely empowerment, remuneration and reward and internal communication.

Job Engagement

Nowadays the issue of employee engagement get the high attention for all the managers in the organization. Job engagement can be described as a “positive, fulfilling work related state of mind that is characterized by vigour, dedication and absorption” [3]. For the past few decades, the concept of work engagement is heavily discussed and being associated with various indicators of performance. For example, a study by [4] has proven that work engagement is positively associated with in-role job performance. In [5] believes that job engagement predicts service climate, which in turn predict employee performance and then customer loyalty to any service organizations.

Employee engagement is consider being one of the ways to enhance the productivity and also to reduce the cost that involve with workforce. Previous researchers that conducted the study on employee engagement define it as commitment that employees show up towards the organization either towards the work itself or people in their organization and also the full effort they give towards the task given and for how long continue to stay with the organization [5].

Human Capital Performance Report (2012) confirms how employees who are fully engaged will give full commitment towards their employer, not only will work and but also willing to give extra effort in order to help the organization to achieve goals. In the report also states that engagement give effect on other human resource objectives such as job performance, retention, absenteeism and recruitment. Engaged employees are the employees who enjoy their work, value and have pride in their work [6]. This approach seems to view engaged employees as being involves an intense period of concentration. Overall, an establishment of engagement contains two established psychological constructs; organizational citizenship [7] and commitment [8].

Predicting Factors Affecting Job Engagement

There are many factors which may contribute to endorsing job engagement. These include coaching, career development, recognition, rewards, accountability, satisfaction, meaningful work, perceived safety, adequate resources, individual attention, alignment with organization's values, opinion surveys, effective communication,
management's interest in well-being, challenging work, input in decision making, clear vision of organization's goals, and autonomy [9, 10].

**Empowerment**

Normally, employee engagement is very much influenced by work-related factors [11]. In traditional organisations, managers were regarded as the sole holders of authority, employees were expected to fulfil rule-bound tasks without questioning [12]; leaders influenced, rather than empowered, their subordinates [13]. It is necessary to move from this traditional, hierarchical, position-based leadership found in many organisations and to propel it toward a leadership style that allows for the empowerment of employees [14]. Empowerment is characterised by the redistribution, or devolution, of decision-making power to those who do not currently have it, and gives employees the power to do the job their positions demand [14]. Empowered employees become active problem solvers who contribute to the planning and execution of tasks [12]. Therefore, the type of behaviours that leaders utilise requires attention [15]. In fact with leadership empowerment behaviour will create an environment that fosters success, because employees are empowered through greater responsibility, decision-making authority, information and feedback, as well as motivation, support and encouragement.

Employee engagement is expected to be affected by increasing their self-determination (through satisfaction of their needs for competence, autonomy, and relatedness) [16] and establishing psychological safety [17]. Workplace empowerment and employee engagement as strategies for increasing job satisfaction and performance have received considerable attention in the general management literature [18, 21]. Management theorists argue that empowerment is a powerful mechanism for increasing employee involvement in organizational activities that result in greater job satisfaction and increased organizational product. In nursing, empowering work conditions have been linked to numerous positive organizational behaviours and attitudes that are consistently linked to retention of nurses, such as job satisfaction, organizational commitment and autonomy [19, 20]. Similarly, research on work engagement has shown that engaged employees are more satisfied and productive, and report higher levels of health and well-being [11]. He suggests that engagement is more likely when job resources, such as supervisor and co-worker support, are in place to ensure employee success. Somehow or rather, this job resource concept are similar to Kanters notion of empowering structures within the organization and suggest that engagement at work may be one mechanism whereby empowering management practices affect work attitudes and performance [11].

**Remuneration and Reward**

Reward and remuneration in covers how people are rewarded and remunerated in accordance with their value to an organisation. It covers both financial and non-financial rewards and embraces the strategies, policies, structures and processes used to develop and maintain reward systems. The means in which people are valued can make a considerable impact on the effectiveness of the organisation and is at the heart of the employment relationship. The aim of employee reward policies and practices is to help attract, retain and motivate high-quality people. However, getting it wrong can have a significant negative effect on the motivation, commitment and morale of employees.

Employees are inclined towards engagement if they are given proper reward system and involvement in major organizational activities with an active participation in decision making [22]. Rewards offered by organizations may have a powerful impact on employees’ attitudes towards their jobs and the company for which they work [23]. Employee reward covers how employees are pleased in accordance with their value and contribution to the organization. Based on Herzberg Two Factor theory, these rewards are either intrinsic or extrinsic thus impacting the level of satisfaction employees experience with their jobs [24].

A study by [25] revealed that rewards and recognition are significant antecedents of employee engagement. When employees receive rewards and recognition from their organisation, they will feel obliged to respond with higher levels of engagement. In [26] reported that people vary in their engagement as a function of their perceptions of the benefits they receive from a role. On the other hand, it argues that effective reward management has to be evidence-based. They contend that the lack of evidence for and evaluation of pay and reward practices is a critical blind-spot for many of those involved in reward management. Little evidence demonstrates the efficacy of rewards, although much evidence indicates that rewards and their design loom large in management attention [27].

Further research has suggested that while intrinsic rewards will probably be more salient for job involvement, satisfaction with extrinsic rewards will lead to continuation commitment with organization resulting in increased customer satisfaction and loyalty. In [28] states that to get employees engagement, extrinsic indicator of satisfaction, such as satisfaction with pay are significant while deeming to appraise the impact of Human Resource Management (HRM) practice on job satisfaction. Intrinsic rewards are inherent to job or they exist within the job itself such as variety, challenge and autonomy. Extrinsic rewards on the other hand include pay and fringe benefits, promotion or advancement opportunities within organizations, social aspect and workplace conditions. It is about both financial and non-financial rewards. Financial reward as the study by [29] implies, profit and compensation are
the key issues considered by employees. Therefore, they anticipated that financial rewards are critical elements of success. Pay alone cannot consider as the sole aspect for engaging employees rather employees must believe their package is market-related in order to acquire utmost employee engagement [30].

Reward is most impressively delivered through a combination of pay, bonuses and other financial reward and also through nonfinancial rewards like extra holiday and voucher schemes. Employees need to feel cherished in an appropriate and timely feedback and rewards must be given due to employee’s contribution by the employer to keep the employees happy for a longer time in employee engagement. Delivery of enriched employment practice to employees, Human Resource departments and organizations totally have to play a major role in providing the best for staff, which are the key for organization’s success. To enhance employee engagement, material and financial rewards sometimes mislay the ability to motivate the employees to a certain level. Thus, organizations must adopt, develop and varied strategies to connect the emotional and intellectual resources among the employees to satisfy the growing demands employees in order to remain intact with the organization [31].

**Internal Communications**

There are many factors which may contribute to endorsing job engagement. These include coaching, career development, recognition, rewards, accountability, satisfaction, meaningful work, perceived safety, adequate resources, individual attention, alignment with organization's values, opinion surveys, effective communication, management's interest in well-being, challenging work, input in decision making, clear vision of organization's goals, and autonomy [9, 10]. Internal communication serves as a route in which these variables may be dispersed, supported, and communicated.

Internal communications has an important role in organisations given the evidence that companies with effective communications strategies are usually successful, while others tend to fall short of optimal performance. However, simultaneously, an imbalance exists between the perceived importance of communications and the actual attention and resources given toward it [32]. Earlier, [33] points out that communications are rarely recognised as a required principal competency. Thus, a paradox exists because, even though increasing awareness regarding the significance of communications to organization is there, but, that knowledge seems to have rarely turned into practice.

According to [34], internal communication is a factor contributing to external prestige and when that external image is positive, employees experience a greater sense of identification with the organization. Organizational identification is a variable of employee job’s engagement. Regardless of whether an internal communication campaign is effective or not, it is still no match for the overload of external messages the mass media provide. It is via these external messages that employees receive the majority of information about whom they work for. Therefore, in reality, it is perplexing for the organizations to engage the workforce despite these external challenges.

In [35], the linkages between internal corporate communication and team, peer, and project team communication and employee engagement remain under-explored. It is the three-way association between a) team, project, and peer internal communication, b) internal corporate communication and c) employee engagement that offers the potential of greater levels of employee engagement in all organisations. Though [34] states that internal corporate communication among other goals can promote a sense of belonging and contribute to organisational commitment. There is also a concern as [30] acknowledges that a predominantly one-way approach to internal corporate communication leads to information overload. However, it is possible that internal corporate communication can be one-way and two-way, more symmetrical, as in the excellence model of public relations [36], and more relational as [37] suggests in a relationship management approach to public relations. Thus, the logistics of senior managers discussing strategy with all employees, especially in large organisations, are considerable yet not insurmountable. Combining all factors, the following framework is being proposed.

![Figure 1: Proposed relationships between independent variables and dependent variable](image-url)
The framework is being proposed together with six (6) testable hypotheses to be analyzed:
H1: There is a significant relationship between Empowerment and the Job Engagement
H2: There is a significant relationship between Remuneration and Reward with the Job Engagement
H3: There is a significant relationship between Internal Communication and the Job Engagement
H4a: There is a significant difference between the Genders with the Job Engagement
H4b: There is a significant difference between Education Levels with the Job Engagement
H4c: There is a significant difference between Organization Types with the Job Engagement

METHODOLOGY

In this survey, we are committed to provide both theoretical and empirical support that calculative ways of handling employees should be observed as it is a way to develop a feeling of ‘belonging’ among employees. Therefore, the suggested dimensions in developing employee engagement include empowerment, remuneration and reward and internal communication. The following procedures are observed in conducting this research.

Sample and Data Collection

According to the survey, this study is conducted on casual workers of three main supermarkets in Sungai Petani Kedah: namely Parkson, Giant and Tesco. A total of 500 questionnaires were being distributed to relevant employees. The respondents are selected ranging from staff, supervisors, promoters, permanent part timers and casual workers. Since this is an exploratory study, the convenience sampling method was adopted. Since the respondents were wide spread in three different organizations, the need for data collector was obvious. Therefore, two university students were trained to serve as data collectors. They were chosen on the basis of some background experience in research and data collection. This technique has proven to be successful and used in a variety of service marketing researches [38, 39].

They were chosen on the basis of some background experience in research and data collection. This technique has proven to be successful and used in a variety of service marketing researches [38, 39]. Data was collected using a structured questionnaire with questions in prearranged order. The questionnaire items were adapted from different sources to suit the study. Items for employee engagement and empowerment were adapted from [40], reward and remuneration from [41] and internal communication from [42] respectively. All items were measured on a seven-point Likert scale ranging from 1 “strongly disagree” to 7 “strongly agree”. The exercise was conducted over a period of three weeks, seven-days-a-week between 10:00 am until 6:00 pm. A total of 500 questionnaires were being distributed to all casual workers in Tesco, Parkson and Giant. At the end of the data collection period, only 405 questionnaires were returned. From 405, only 353 can be used (87%). The remaining 52 questionnaires were void due to incomplete data. All the data obtained were analyzed through the SPSS statistical packet program and three proposed relations were tested through regression analyses.

RESULTS AND DISCUSSION

All values yields alpha coefficient surpasses the values of 0.70 suggested by [43]. Basing on the result of Cronbach’s Alpha coefficient value, this questionnaire is allowed and applicable. Reliability estimates (Cronbach’s Alpha) for the construct’s dimension are as follows: Job Engagement (0.864) among retail employees consists of 10 items, Empowerment (0.770) made up of 9 items, Remuneration and Reward (0.768) contains 10 items and Internal Communication (0.902) comprises 10 items, which all suggesting a high degree of reliability.

Frequency Distribution

The summary of the demographic compositions of the respondents are shown in Table 1. The participants in this study are predominantly females (78.5%) and the majority of the respondents were Parkson’s employees (58.5%). The respondents mainly aged between 18-25 years old (54.4%). Most of them are promoter (49.6%) and followed by staff (17%). A majority the respondents’ income are below RM1000 (63.2%) and only 2 participants (0.6%) have income RM3001 and above. Full details are shown in Table 1.

Table 1: Respondents’ demographic profile

<table>
<thead>
<tr>
<th>No</th>
<th>Profile</th>
<th>Description</th>
<th>Responses</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender</td>
<td>Male</td>
<td>76</td>
<td>21.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female</td>
<td>277</td>
<td>78.5</td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
<td>18 - 25 years</td>
<td>192</td>
<td>54.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>26 – 33</td>
<td>94</td>
<td>26.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>34 - 41</td>
<td>33</td>
<td>9.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>42 and above</td>
<td>34</td>
<td>9.6</td>
</tr>
<tr>
<td>3</td>
<td>Educational Level</td>
<td>School Education</td>
<td>230</td>
<td>65.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Higher Institution</td>
<td>123</td>
<td>34.8</td>
</tr>
<tr>
<td>4</td>
<td>Monthly Salary</td>
<td>Below RM1000</td>
<td>223</td>
<td>63.2</td>
</tr>
</tbody>
</table>
Correlations Among Variables

Pearson Correlation is used to test for association. The result of Pearson Correlation is shown in Table 2 supports the notion that there is a significantly positive correlation between job engagement and three variables; Empowerment, Remuneration and Reward, and Internal Communication. All the dimensions of independents variables that consist of Empowerment, Remuneration and Reward, and Internal Communication demonstrates a significant correlation with job engagement (r = 0.271, 0.432 and 0.357 respectively).

Table 2: Correlations among variables

<table>
<thead>
<tr>
<th>Dimenisons</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Engagement</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Empowerment</td>
<td>0.271*</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remuneration &amp; Reward</td>
<td>0.432*</td>
<td>0.463*</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Internal Communication</td>
<td>0.357*</td>
<td>0.427*</td>
<td>0.656*</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Note: *correlation is significant at the 0.01 level (two-tailed)

Regression Analysis

Further investigation using multiple regression analysis (as shown in Table 3) is also being conducted. The results were statistically significant F (3,349) = 29.108, p<0.001 and the total variance explained by the model as a whole as 19.3%. The results further show that there is a significant relationship between Remuneration and Reward dimension (β = 0.325; p = 0.000) and Job Engagement at 5% at significant level. On the other hand, there is no significant relationship between two other dimensions which are; Empowerment (p = 0.186) and Internal Communication (p = 0.082) with Job Engagement. Consequently, there is no statistical evidence to support H1 and H3. Meanwhile, there is statistically significant evidence which supports H2.

The Multiple Correlation Coefficient (R), using all the predictors simultaneously, is 44.7% and Adjusted R-Square is 19.3% of the variance in the Job Engagement that can be predicted from the Empowerment, Remuneration and Reward and Internal Communication. Furthermore, the results indicate the possibility of Multicollinearity in this study is low due to the tolerance value more than 0.1 and Variance Inflation Factor (VIF) value less than 10.

Table 3: Summary of regression analysis

<table>
<thead>
<tr>
<th>Summary</th>
<th>ANOVA</th>
<th>Dimensions</th>
<th>β</th>
<th>t</th>
<th>p</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>R</td>
<td>ΔR²</td>
<td>F</td>
<td>Sig.</td>
<td>Empowerment</td>
<td>0.073</td>
<td>1.326</td>
</tr>
<tr>
<td>Remuneration &amp; Reward</td>
<td>0.325</td>
<td>4.928</td>
<td>0.000</td>
<td>0.052</td>
<td>1.892</td>
<td></td>
</tr>
<tr>
<td>Internal Communication</td>
<td>0.113</td>
<td>1.743</td>
<td>0.082</td>
<td>0.550</td>
<td>1.819</td>
<td></td>
</tr>
</tbody>
</table>

Note: predictors (constant) empowerment, remuneration and reward, internal communication

Analysis of Differences

Based on the distribution of samples collected, the analysis of differences is conducted by using several techniques that satisfy the basic statistical requirement. Among the techniques used are: T-test and ANOVA.

Table 4 shows that male employees does not differ significantly from the female ones on the Job Engagement, (p = 0.144). It also noted that education level is not significantly different toward the Job Engagement, (p = 0.809). A one way between group analysis of variance was conducted to explore the impact of organization type on job engagement. Employees were divided into three categories according to their organizations (Parkson, Giant and Tesco).
Table 4: T-test testing

<table>
<thead>
<tr>
<th>Variable</th>
<th>M</th>
<th>SD</th>
<th>T</th>
<th>df</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Engagement Male</td>
<td>5.35</td>
<td>0.80</td>
<td>-1.47</td>
<td>351</td>
<td>0.144</td>
</tr>
<tr>
<td>Female</td>
<td>5.50</td>
<td>0.84</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Engagement School Education</td>
<td>5.48</td>
<td>0.79</td>
<td></td>
<td></td>
<td>0.809</td>
</tr>
<tr>
<td>Higher Institution</td>
<td>5.46</td>
<td>0.91</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4 revealed that a statistically significant difference was found among the three types of organization on job engagement, $F(2, 350) = 3.750$, $p = 0.024$. Meanwhile, Table 6 shows that compare all of the organization, Tesco gives the highest mean 5.70 and Parkson provides the lowest mean (5.38).

Table 5: One-way analysis of variance table comparing organization on job engagement

<table>
<thead>
<tr>
<th>Source</th>
<th>df</th>
<th>SS</th>
<th>MS</th>
<th>F</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Engagement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>2</td>
<td>5.126</td>
<td>2.563</td>
<td>3.750</td>
<td>0.024</td>
</tr>
<tr>
<td>Within Groups</td>
<td>350</td>
<td>29.235</td>
<td>0.648</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>352</td>
<td>244.362</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 6: Means and standard deviations comparing job engagement

<table>
<thead>
<tr>
<th>Organization</th>
<th>Parkson</th>
<th>Giant</th>
<th>Tesco</th>
</tr>
</thead>
<tbody>
<tr>
<td>M</td>
<td>5.38</td>
<td>5.53</td>
<td>5.70</td>
</tr>
<tr>
<td>SD</td>
<td>0.92</td>
<td>0.77</td>
<td>0.48</td>
</tr>
<tr>
<td>N</td>
<td>207</td>
<td>85</td>
<td>61</td>
</tr>
</tbody>
</table>

Table 7 is a Post-Hoc comparisons using the Games-Howell test indicate that the mean score for Parkson ($M = 5.38, SD = 0.92$) was significantly different from Tesco ($M = 5.70, SD = 0.48$) with $p$ value 0.001. Nevertheless, Giant ($M = 5.53, SD = 0.77$) did not differ significantly from either Parkson or Tesco. Therefore, there is a statistical evidence not to reject Hypothesis H4c. Consequently, there is no statistical evidence to support H4a and H4b.

Table 7: Multiple comparisons between organization types and job engagement

<table>
<thead>
<tr>
<th>Organization</th>
<th>Mean difference (I-J)</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(I)</td>
<td>(J)</td>
</tr>
<tr>
<td>Parkson</td>
<td>Giant</td>
<td>-0.152</td>
</tr>
<tr>
<td></td>
<td>Tesco</td>
<td>-0.316*</td>
</tr>
<tr>
<td>Giant</td>
<td>Parkson</td>
<td>0.152</td>
</tr>
<tr>
<td></td>
<td>Tesco</td>
<td>-0.164</td>
</tr>
<tr>
<td>Tesco</td>
<td>Parkson</td>
<td>0.316*</td>
</tr>
<tr>
<td></td>
<td>Giant</td>
<td>0.164</td>
</tr>
</tbody>
</table>

*The mean difference is significant at the .05 level

**DISCUSSIONS AND CONCLUSION**

Basically, the entire proposed objectives have been achieved. The first objective is to investigate the relationship between independent variables namely: (Empowerment; Remuneration and Reward; Internal Communication) and the Job Engagement. Out of three hypotheses, only remuneration and reward is significantly related with the job engagement. Similarly, in [44] explains that psychological cost is relevant with job engagement in organizations. However, empowerment and internal communication were not statistically supported with the job engagement. Based on previous studies, the employees felt that the managers were reluctant to share their power with the subordinates. This statement supported by a few authors [40, 44, 45] mentioned that disempowered will lead the critical roles in shaping employees’ attitude and behaviour.

The second objective of this research is to identify the differences between Demographic Profile of retail employees namely: (Genders, Education Levels and Organization Types) toward the Job Engagement. There is a statistically different between the organization types which are Parkson, Giant and Tesco with the job engagement. Nevertheless, there are no significant differences between genders and education levels with the job engagement. There are limitations that should be considered with this research. Firstly, future studies should be considering the several elements of employees’ background such as race, religion, culture or occupation. Secondly, the longitudinal studies should be practicing in order to gain the better avenue toward the job engagement among retail employees. Finally, it could be more interesting if more attempts were considered to...
include the impact of other variables such as working environment, job satisfaction, affective commitment, organizational learning, employees’ attitude, personal benefit, and turnover intention.

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REFERENCES