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**THE INFLUENCE OF WORK ENVIRONMENT,  
EMPLOYEE PERSONAL VALUES AND REWARD  
PROGRAM TOWARDS EMPLOYEE ENGAGEMENT  
AMONG EMPLOYEES IN KEDAH STATE  
REGISTRATION DEPARTMENT**



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**MASTER OF HUMAN RESOURCE MANAGEMENT  
UNIVERSITI UTARA MALAYSIA  
2023**

**THE INFLUENCE OF WORK ENVIRONMENT, EMPLOYEE  
PERSONAL VALUES AND REWARD PROGRAM TOWARDS  
EMPLOYEE ENGAGEMENT AMONG EMPLOYEES IN KEDAH  
STATE REGISTRATION DEPARTMENT**

**BY**

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**UUM**  
Universiti Utara Malaysia

**Thesis Submitted to  
College of Business, Universiti Utara Malaysia,  
in Fulfilment of the Requirement for the Master of Human Resource  
Management**



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## Abstrak

Penglibatan pekerja merujuk kepada keadaan psikologi yang memberi kesan dan melibatkan aspek emosi, fizikal dan kognitif individu dalam melaksanakan tugas dan tingkah laku dalam pekerjaan harian mereka. Matlamat kajian ini adalah untuk mengkaji hubungan tiga pembolehubah tidak bersandar iaitu persekitaran kerja, nilai peribadi pekerja dan program ganjaran terhadap pembolehubah bersandar iaitu penglibatan pekerja dalam kalangan pekerja di Jabatan Pendaftaran Negara di Kedah. Data yang dikumpul melalui soal selidik tinjauan digital daripada 158 responden menggunakan kaedah *probability sampling technique*. Teori Penglibatan Pekerja dan Teori Ganjaran Program digunakan sebagai teori asas bagi menyokong kajian ini. Keputusan menunjukkan bahawa terdapat hubungan positif yang signifikan antara persekitaran kerja, nilai peribadi pekerja dan program ganjaran dengan penglibatan pekerja. Kajian ini membantu organisasi dan majikan untuk lebih memahami fokus dan keperluan penglibatan pekerja bagi mencapai matlamat organisasi.

**Kata kunci:** Penglibatan Pekerja, Persekitaran Kerja, Nilai Peribadi Pekerja, Program Ganjaran.



## Abstract

Employee engagement alludes the psychological state that impacts and individual emotional, physical, and cognitive involvement in their everyday employment duties and behaviours. The aim of this study is to examine the relationship of three independent variables which are work environment, employee personal values, and reward program towards the dependent variable which is employee engagement amongst employee in Kedah State Registration Department. The data collected through digital survey questionnaires from 158 respondents using the probability sampling technique. Employee Engagement Model and Rewards System Theory is used as the underpinning theory to support this study. Results shown that there was significant positive relationship between work environment, employee personal values, and reward program in the organization. This study helps organizations and employers to better understand employees focus and needs in their work engagement to achieve organization goals.

**Keywords:** Employee Engagement, Work Environment, Employee Personal Values, Reward Program.



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## Table of Contents

|                                                         |            |
|---------------------------------------------------------|------------|
| <b>Certification of Thesis Work.....</b>                | <b>i</b>   |
| <b>Permission to Use .....</b>                          | <b>ii</b>  |
| <b>Abstrak.....</b>                                     | <b>iii</b> |
| <b>Abstract.....</b>                                    | <b>iv</b>  |
| <b>Acknowledgement .....</b>                            | <b>v</b>   |
| <b>Table of Contents .....</b>                          | <b>vi</b>  |
| <b>List of Tables .....</b>                             | <b>ix</b>  |
| <b>List of Figures.....</b>                             | <b>x</b>   |
| <b>List of Appendices.....</b>                          | <b>xi</b>  |
| <b>List of Abbreviations .....</b>                      | <b>xii</b> |
| <b>1 CHAPTER ONE INTRODUCTION .....</b>                 | <b>1</b>   |
| 1.0 Overview of Study .....                             | 1          |
| 1.1 Background of the Study.....                        | 1          |
| 1.2 Problem Statement .....                             | 6          |
| 1.3 Research Questions .....                            | 9          |
| 1.4 Research Objective.....                             | 9          |
| 1.5 Significance of the Study .....                     | 9          |
| 1.6 Scope of the Study.....                             | 11         |
| 1.7 Definition of Key Terms .....                       | 11         |
| 1.7.1 Employee Engagement.....                          | 11         |
| 1.7.2 Work Environment.....                             | 12         |
| 1.7.3 Employee Personal Values.....                     | 12         |
| 1.7.4 Reward Program.....                               | 12         |
| 1.8 The Organisation of the Study .....                 | 12         |
| <b>2 CHAPTER TWO LITERATURE REVIEW .....</b>            | <b>14</b>  |
| 2.0 Introduction .....                                  | 14         |
| 2.1 Employee Engagement .....                           | 14         |
| 2.1.1 Definition of Employee Engagement.....            | 14         |
| 2.1.2 Previous Studies of Employee Engagement.....      | 16         |
| 2.2 Work Environment.....                               | 18         |
| 2.2.1 Definition of Work Environment .....              | 18         |
| 2.2.2 Previous Studies of Work Environment.....         | 19         |
| 2.3 Employee Personal Values.....                       | 20         |
| 2.3.1 Definition of Employee Personal Values .....      | 20         |
| 2.3.2 Previous Studies of Employee Personal Values..... | 21         |
| 2.4 Reward Program .....                                | 23         |

|          |                                                                   |           |
|----------|-------------------------------------------------------------------|-----------|
| 2.4.1    | Definition of Reward Program .....                                | 23        |
| 2.4.2    | Previous Studies of Reward Program.....                           | 25        |
| 2.5      | Hypothesis Development .....                                      | 27        |
| 2.6      | Related Underpinning Theories .....                               | 27        |
| 2.6.1    | Employee Engagement Models.....                                   | 27        |
| 2.6.1.1  | Hierarchy of engagement model .....                               | 27        |
| 2.6.1.2  | Path-Goal Model .....                                             | 28        |
| 2.6.1.3  | Three-dimensional Model .....                                     | 29        |
| 2.6.1.4  | Job demands-resources Model .....                                 | 29        |
| 2.6.1.5  | Benchmark of Engagement Quotient (BeQ) Model.....                 | 30        |
| 2.6.1.6  | Mercer model .....                                                | 30        |
| 2.6.2    | Reward Systems Theory.....                                        | 31        |
| 2.6.2.1  | Extrinsic Rewards .....                                           | 33        |
| 2.6.2.2  | Intrinsic Rewards.....                                            | 38        |
| 2.7      | Summary of the Chapter .....                                      | 39        |
| <b>3</b> | <b>CHAPTER THREE RESEARCH METHODOLOGY .....</b>                   | <b>40</b> |
| 3.1      | Introduction .....                                                | 40        |
| 3.2      | Research Framework.....                                           | 40        |
| 3.3      | Research Design.....                                              | 40        |
| 3.3.1    | Type of Study .....                                               | 41        |
| 3.3.2    | Sources of Data .....                                             | 42        |
| 3.3.3    | Unit of Analysis .....                                            | 42        |
| 3.4      | Population and Sampling .....                                     | 42        |
| 3.4.1    | Population.....                                                   | 42        |
| 3.4.2    | Sampling Size.....                                                | 44        |
| 3.4.3    | Sampling Technique.....                                           | 45        |
| 3.5      | Questionnaire Design .....                                        | 47        |
| 3.6      | Operational Definition and Research Measurement .....             | 48        |
| 3.7      | Data Collection .....                                             | 54        |
| 3.8      | Data Collection Procedures.....                                   | 55        |
| 3.9      | Techniques of Data Analysis .....                                 | 56        |
| 3.10     | Summary of the Chapter .....                                      | 57        |
| <b>4</b> | <b>CHAPTER FOUR RESULTS.....</b>                                  | <b>58</b> |
| 4.1      | Introduction .....                                                | 58        |
| 4.2      | Response Rate .....                                               | 58        |
| 4.3      | Descriptive of variables.....                                     | 58        |
| 4.4      | Reliability Analysis .....                                        | 61        |
| 4.5      | Correlation Analysis .....                                        | 62        |
| 4.6      | Regression Analysis .....                                         | 63        |
| 4.6.1    | Relationship between Independent Variables and Dependant Variable | 63        |
| 4.7      | Hypothesis Testing.....                                           | 65        |
| 4.8      | Summary of the Chapter .....                                      | 66        |
| <b>5</b> | <b>CHAPTER FIVE DISCUSSION .....</b>                              | <b>67</b> |
| 5.1      | Introduction .....                                                | 67        |
| 5.2      | Discussion .....                                                  | 67        |

|          |                                                                            |           |
|----------|----------------------------------------------------------------------------|-----------|
| 5.2.1    | Relationship between Work Environment and Employee Engagement              | 68        |
| 5.2.2    | Relationship between Employee Personal Values and Employee Engagement..... | 71        |
| 5.2.3    | Relationship between Reward Program and Employee Engagement                | 73        |
| 5.3      | Implication of the study .....                                             | 75        |
| 5.3.1    | Practical Implication .....                                                | 75        |
| 5.3.2    | Theoretical Implication .....                                              | 76        |
| 5.4      | Limitation of the study .....                                              | 77        |
| 5.5      | Recommendation for the Future Research .....                               | 78        |
| 5.6      | Conclusion .....                                                           | 79        |
| <b>6</b> | <b>REFERENCES.....</b>                                                     | <b>80</b> |



## List of Tables

|                                                                                              |       |
|----------------------------------------------------------------------------------------------|-------|
| Table 2.1 Two forms of compensation .....                                                    | 33-34 |
| Table 2.2 Benefit programs categories .....                                                  | 34-36 |
| Table 3.1 Table of Department.....                                                           | 43-44 |
| Table 3.2 Determining Sample Size from a given population.....                               | 45    |
| Table 3.3 Random Sampling Table.....                                                         | 46    |
| Table 3.4 Table of Rating Scale .....                                                        | 47    |
| Table 4.1 Response Rate.....                                                                 | 58    |
| Table 4.2 Respondents' demographic characteristic.....                                       | 59    |
| Table 4.3 Reliability Analysis.....                                                          | 62    |
| Table 4.4 Correlation of Variables.....                                                      | 63    |
| Table 4.5 Multiple Regression Model Summary.....                                             | 63    |
| Table 4.6 Multiple Regression Result of Independent and Dependent variables<br>(ANOVA) ..... | 64    |
| Table 4.7 Results of the Multiple Regression Analysis.....                                   | 65    |
| Table 4.8:Overall Hypotheses Results Table.....                                              | 65-66 |

## List of Figures

|                                      |    |
|--------------------------------------|----|
| Figure 2.1 Total Reward System ..... | 32 |
| Figure 0.1 Research Framework.....   | 40 |



## **List of Appendices**

Appendix 1.....91-100

Appendix 2.....101-106



## **List of Abbreviations**

HR Human Resource

KSRD Kedah State Registration Department

EE Employee Engagement

WE Work Environment

EPV Employee Personal Values

RP Reward Program



## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.0 Overview of Study**

This chapter focuses and embarks about the current scenario of employee engagement which due to the impact of working from home during Covid-19 pandemic. Hence this study examines the impact of working from home among the employees of Kedah State Registration Department (KSRD) in Kedah. Apart from it, this chapter describes about background of the study, problem statement and research question. Then, this chapter also conveyed about significance of study, scope of study, details about definition of key terms. The organization of the chapter was discussed at the end of this chapter.

#### **1.1 Background of the Study**

All human resources strategy must be built on the foundation of employee engagement and experience. The expertise of workers is a crucial aspect that HR executives considers in all their activities, such as the recruitment process, performance assessments, and succession planning. Ensuring work satisfaction is crucial for employee retention, and HR has a big duty to fulfil this obligation. The epidemic sped up change and highlighted flaws in the conventional workplace. Organisations are always discovering new and effective ways to engage employees at this difficult time (Chanana & Sangeeta, 2020).

Organizations realized they might have entirely remote or hybrid structures, which presented new engagement difficulties. If there was ever a moment when employers could lay off their employees, that time is passed. The so-called great resignation has seen a massive exodus of workers abandon their professions. As a result, some organizations are dealing with a record-breaking labour shortage in addition to



exceedingly high inflation. HR executives are evaluating themselves to determine what's wrong with both recruiting and retention. Employees and recruits both seem to have impact. A great team with excellent communication skills is required to deal with the challenges the world has encountered over the recent two years. Reengaging employees and changing their experiences is the first step upon the process to transform work culture. HR executives are rethinking work itself in essence. These are some of the most crucial factors for the success and survival of a business in challenging times (Mustaffa, Lajuma, & Wider, 2022).

By emphasizing their reestablished commitment to employer brand, and even more importantly, their employee value proposition, they are being proactive. They want to achieve more than just shouting from the rooftops what they believe potential employees and recruits really want hear. Instead, they are studying the information at hand and talking to employees in order to make significant changes. Their new objective is to treat their employees like clients in order to gain their affection, gain their loyalty, and ensure that they are profitable as teammates. Moreover, according to Barrick, Thurgood, Smith, and Courtright (2015), unique, value-creating organisational capability is collective organisational engagement, which is defined as shared perceptions of organisational members that members of the organisation are, as a whole, physically, cognitively, and emotionally invested in their work. Therefore, it is widely accepted that employee involvement could provide organisations a competitive edge (Saks, 2022).

Nowadays, in order to move forward, humans are challenged to work hard in this era through innovations and new inventions. Prior studies have indicated that workers are more inclined to actively participate in their job when they have a personal sense of responsibility and trust towards their tasks, with management playing a crucial role in

fostering this trust (Budriene & Diskiene, 2020). Thus, this issue will made us know whether this will become a positive aspect of psychology or not due to the popular increasingly of Occupational psychology for health care. Engaged employees possess a strong and efficient bond with their work tasks and perceive themselves as capable of effectively handling the demands of their employment (Sun & Bunchapattanasakda, 2019). Basically, the case mentioned above attempt to review about the employee engagement. Currently, there is a working trend where employees are encouraged to use new inventions and innovations connected to jobs like coming up with innovative ideas that may create extremely efficient and modern work procedures. Employers can evaluate each employee's abilities to enhance work efficiency and their commitment to the tasks assigned indirectly.

Gallup is an international corporation specialising in analytics and consulting services, providing assistance to leaders and organisations in resolving their most urgent challenges. In 2020, Gallup undertook its 10th meta-analysis of the Q12, reviewing a total of 456 research articles from 276 organisations, spanning across 54 industries and 96 countries. Gallup researchers conducted a statistical analysis to establish the correlation between employee engagement at the work-unit level and the performance results indicated by the organisation in each study. The research involved 2.7 million people from 112,312 businesses. The benefits of employee engagement became evident when Gallup experts assessed the disparities in performance among corporate work divisions. Gallup identified the following differences in business outcomes when comparing employee engagement levels between top-quartile business units and teams and bottom-quartile teams: The statistics indicate that absenteeism has increased by 81%, patient safety incidents (mortality and falls) by 58%, turnover for high-turnover organisations by 18%, turnover for low-turnover organisations by 43%, shrinkage

(theft) by 28%, safety incidents (accidents) by 64%, quality defects by 41%, customer loyalty or engagement by 10%, productivity (sales) by 18%, and profitability by 23% (Susan Sorenson, 2023). This indicates that every employer should focus on the findings of Gallup's research due to those factors could lead employers to develop an appropriate approach to prevent this from happening in the organisation. These issues might reduce employee engagement and have negative impacts upon the organization's reputation and management approaches. Employers have to find the right approach and adhere to the most recent trends in human resource management and acceptable approaches to ensure for employee engagement to be more robust and effective.

Employee engagement is a crucial determinant that influences employee performance, accomplishment, and continuous enhancement throughout the duration of a year (Adhitama and Riyanto, 2020). The level of employee engagement in Malaysia is a significant problem, as indicated by the low involvement of just 11% of employees, while 8% show no involvement, and the rest 81% exhibit limited involvement (Jian et al., 2020). Qualtrics' new analysis reveals that Malaysia exhibits a superior level of employee engagement in comparison to other countries worldwide. The mean employee engagement score in Malaysia is 54%, which above the worldwide average of 53% (Mokhtar et al., 2021). Based on a Gallup study conducted on employee engagement across more than 125 organisations, firms that allocate resources towards employee engagement may anticipate a growth in profitability that is 2.6 times quicker compared to companies with poor employee engagement. Operating income plummeted by 32% and growth in profits per share fell by 11% for these low-engagement enterprises (Juan and Yao, 2017).

COVID-19, a new kind of coronavirus, rapidly spread worldwide in early 2020, prompting the World Health Organisation (WHO) to officially classify it as a pandemic

on March 11th, 2020. Emerging in China, the virus has already attained the classification of being one of the most perilous global health hazards (Wang et al., 2020). As of January 30, 2020, the virus has rapidly spread to 147 nations, triggering the deaths of approximately 7800 persons and afflicting hundreds of thousands more (Gostin, et al., 2020). The mortality rate of the virus in locations such as New York, Spain, and Northern Italy is approximately 1-2 percent, whereas in other regions with different genetic variants, it ranges from 4-6 percent (Szabo, 2020). Due to the presence of this virus, individuals experience heightened dread, tension, and even anxiety. Pandemics have a shown effect. For instance, the Avian and Pandemic Influenza of 2004 caused widespread disruption in the United States, Australia, and other parts of the world (Taylor, et al., 2008). The Covid-19 epidemic has indisputably exerted a detrimental influence on several aspects of human existence. Virtually every country worldwide has established a diverse range of COVID restrictions. Measurements have been implemented by several methods, including as travel restrictions, quarantine measures, isolation protocols, and enforcement of social distance. In addition to that, other activities have been halted. The border will be closed, and the percentage of employees in organisations and ministries will be determined. 30% of employees have the ability to work from the office, but the remaining 70% will work remotely. Due to the ongoing global outbreak of the new coronavirus, known as Covid-19 (WHO, 2020), governments worldwide, including Malaysia, have mandated that individuals work remotely from mid-March 2020, unless they are essential workers. A multitude of individuals and companies began remote work in order to mitigate the transmission of Covid-19. The implementation of the Movement Control Order in Malaysia commenced on 18 March 2020 and concluded on 3 May 2020. During that period, companies universally implemented remote work for their workers,

despite lacking prior expertise in managing such a scenario. Based on this matter, employee engagement also affected especially among the civil servants in Malaysia. Hence, our research will choose one of the government sectors and KSRD is the one government organization that will be brief in this study.

## **1.2 Problem Statement**

This research paper embarks more regarding the effects of working from home, this case of study involved the entire employee among Kedah State Registration Department. The biggest aspect that researcher can state is about the effect of work from home on employee engagement within the COVID-19 pandemic. From this case, to decrease this pandemic, government has rendered this as a big policy because of the large number of workforces cannot do their job as usual. In this aspect, we can finalize that employee engagement is the main thing that need to be looked as one of the best measurements to make sure how employee engagement affected by this pandemic case nowadays.

In fact, Butakhieo and Vyas (2021) state in their journal research that employee engagement during COVID-19 considered as unimaginable that this new task will force all employees need to reconsider wide variety of practices and this finally will fully change the daily environment of their daily work engagement as we all know office hour at our country at least eight hour per day not include one hour of rest time. According to this situation, we can declare that this would create a new norm that all employee needs to apply in their lifestyle work pattern because workers already can adapt their time work every day in their work lifestyle.

Another problem that can be seen is about the adaption of the new norm in their working style from formal office. Oakman et al. (2020) mention that this pandemic will forces

all organizations whether public and private sector to apply the emergence of revolutionized working pattern (Oakman et. al, 2020). Many researchers mentioned that work at home (WAH) will be continued because this will give a better result of the rapid flow movement of COVID-19 and apart from it we can see that it will force all organizations made this as a new mandate and new regulations that everyone cannot predict. Ojo et al (2021) mention in their article namely as *“Examining the Predictors of Resilience and Work Engagement during the COVID-19 Pandemic”* that the current epidemic has generated a state of unpredictability among individuals and imposed a substantial strain on their internal capabilities to manage the resulting difficulties. (Ojo et al., 2021). Based on the Social Cognitive theory studies, it can be concluded that interaction among environmental, personal, and individual factors are the human actions that will be affected mostly due to this new norm.

Nowadays, living in modern era whereby it would consist of the beneficial usage of new technology. Based on this statement we can mention that work from home encourages all employees need to find an alternative whereby they need to do an online communication in order to prevent a lack of effective communication between the superiors and the subordinates, as well as among other colleagues. Hence, this situation created problem because all of the staff would have weird feelings because they need to work at home which is certain to exclude direct communication.

As an information, Ambikapathy and Ali (2020) state in their study that the degree of efficient communication will have consequences (Ambikapathy & Ali, 2020). One of the challenges encountered by employees working from home is the upkeep of Information Technology. In instance of any issues with hardware, software, or internet access, they are reluctant to proceed with their work (Ambikapathy & Ali, 2020). In addition, all workers need to prepare new and better place in house as their mini office

to make sure there is no distraction happen because sometime there is no availability of internet connection. Due to this bad situation, we can state that maybe the employees don't get ready for this critical situation.

Human resource management has undergone significant changes worldwide as a result of the Covid-19 epidemic, affecting both public and private sectors, including KSRD. KSRD is a department providing frontline service, dealing directly with the public using a specific system that priorities protecting the privacy of client information. For the first time, KSRD and all other government departments were unprepared when the government issued an unexpected lockdown order. This is because of the fact that most KSRD employees perform duties at counters where they have access to the population system, which is protected by the Official Secrets Act of 1972 and cannot be accessed from home. In order to prevent the Covid-19 virus from spreading, the management is required by order to close the department, creating employee engagement in KSRD an important concern.

A further problem that can be detected refers to the level of work engagement between employers and employees, considering that all employees across KSRD are accountable to supervisors who subsequently manage their employees. An issue that arises is the supervisors' inability to effectively communicate with one another regarding the delivery of departmental instructions in a manner that is both clear and understandable. As a consequence, certain employees' failure to gain instructions and information in an easy and detailed approach. Therefore, this research to investigate the relationship of employee engagement towards workplace environment, employee personal values, and rewards program.

### **1.3 Research Questions**

Based on the discussion of the problem statement above, this part researcher is to embark and focus more on the following questions:

- a) Is there any relationship between workplace environment and employee engagement?
- b) Is there any relationship between employee personal values and employee engagement?
- c) Is there any relationship between rewards program and employee engagement?

### **1.4 Research Objective**

The general objective of this study is that the researcher wants to study about the impact of working from home on employee engagement during COVID-19 that might brief a case study at Kedah State Registration Department. The objectives of the study that can be stated about this study are as follows:

- a) To examine the relationship between workplace environment and employee engagement.
- b) To examine the relationship between employee personal values and employee engagement.
- c) To examine the relationship between rewards program and employee engagement.

### **1.5 Significance of the Study**

The findings could assist the KSRD to develop employee program that can improved encouragement method to enhance employee engagement of the employees. Employee engagement has become one of the popular outcome measures for HR managers and



professionals in organisations as a result of the lockdown issue that some studies mention it as utmost prominent primacies. Based on this study, a researcher also conveyed about work engagement among employee during this pandemic gave more benefit to the organization.

This is due to the extra responsibilities that it gave a better outcome whereby we can see the details of the impact working from home. So, this issue gave a better result of the engagement of the employees at KSRD so that their organization can improve and gain their objective positively. For sure, this is also crucial because to make the organization gain their good feedback, the engagement of the employee should support their organization. Based on these criteria, this study contributed a new knowledge to the future researchers that can figure a same observation but the variables are focused on different aspects.

Next, the other significance of study that researcher wants to mention that all employees can explores how much the employees of the organization are ready with the new norm as working from home. Based on this study, the engagement of employees can relate with the new norm because here Akbar et al (2020) mention WFH is one of phenomenon that as effort to prevent COVID-19 attacks and impacts on the work productivity (Thorstensson, 2020).

Lastly, this study is crucial because the researcher told about how far the employees connect among their peers and employers during the working from home and for sure this can relate well with the employee engagement so that according to Jena et al (2018), engaged employees consistently display optimism, maintain strong interpersonal relationships, and represent exceptional performance within the organisation (Chanana & Sangeeta, 2020).

## **1.6 Scope of the Study**

This study focused on the impact of working from home on employee engagement during COVID-19 and this study involved a study on KSRD. The scope of this study is among all the employee of Kedah State Registration Department. This study also investigated the theoretical and practical implications.

Theoretically, the research carried out elevated the existing body of knowledge by expanding various pieces of literature on employee engagement generally and in focus in Kedah State Registration Department context. Therefore, this research examines employee engagement via a perspective of three distinct variables. The study focuses on employee engagement of the above subject and enhances readers to understand the work environment, employee personal values, and rewards program.

Practically, the employee engagement is an interesting aspect that have been studied by many researchers. This paper provides a comprehensive and pragmatic review of workplace environment, employee personal values, and rewards program towards employee engagement in KSRD. With this, the relationship of employee engagement and workplace environment, employee personal values, and rewards program could be understood and conflict can be avoided.

## **1.7 Definition of Key Terms**

This part is briefed about the definition of key terms that researcher mentions within this specific instance study.

### **1.7.1 Employee Engagement**

Employee engagement alludes to the psychological state that impacts an individual's emotional, physical, and cognitive involvement in their everyday employment duties and behaviours (Osborne and Hammound, 2017).

### **1.7.2 Work Environment**

The work environment pertains to the physical and psychological area that has been deliberately created to facilitate collaboration and productivity, enabling individuals to effectively carry out their tasks and accomplish desired results (Donley, 2021).

### **1.7.3 Employee Personal Values**

Feather (1988) posits that personal values are the fundamental aspect of one's personality, influencing attitudes, assessments, and choices (Purc & Laguna, 2019).

### **1.7.4 Reward Program**

Past research on this sort of incentive programme has been done by De Boer (2006), Hoffman and Lowitt (2008), Meyer-Waarden (2013), and So et al. (2015). various other titles for it, such as loyalty schemes and reward programmes, have also been used (Wu & Tsui, 2020).

## **1.8 The Organisation of the Study**

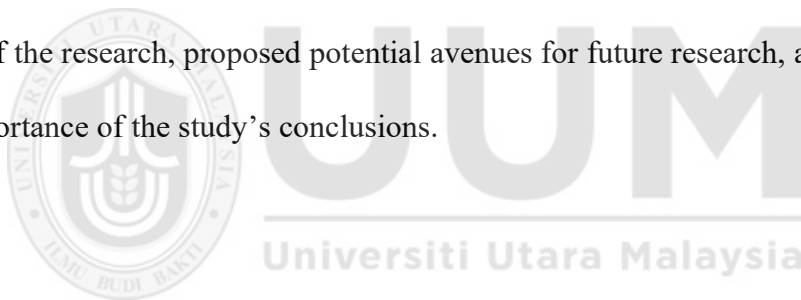
This research report encounters five chapters. Chapter one comprises an overview of the study, containing an introduction and background details. It also presents the problem statements, research questions, and research objectives. The significance of the study is discussed, and the definition of key terms is provided.

Chapter two discusses an overview of prior studies that are relevant to this research. It examines the theoretical concepts connected to employee engagement, work environment, employee personal values, and reward programmes. The pertinent research were examined and deliberated upon in relation to these characteristics. The hypothesis development also is discussed in this chapter.

Chapter three explains about the research framework, research design, sampling technique, instrument development and refinement, data collection procedure and data analysis technique.

Chapter four presents the results, interpretation and discussions. This chapter concluded by highlighting the substantial ramifications of this thesis and providing a concise summary of the findings.

Chapter five offers a comprehensive summary of the study and illustrates its theoretical and practical advancements. The concluding chapter of this study encompassed a comprehensive analysis and synthesis of the research findings. It also addressed the limits of the research, proposed potential avenues for future research, and underscored the importance of the study's conclusions.



## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter attempts to review the current relevant literature and research related to the employee engagement. Firstly, this chapter aimed to scrutinize about overview of employee engagement, and apart from it this also included about the definition of the employee engagement and the previous status on employee engagement. In addition, this chapter explained the gap of research in the previous studies so that at the end of this chapter, the researcher explained the research framework so that this chapter gained a proper summary and conclusion about this research.

#### **2.1 Employee Engagement**

##### **2.1.1 Definition of Employee Engagement**

Numerous academicians and researchers assert that the concept and theory differ significantly. All of these represent one of the effects resulting from the influencing elements, as well as the outcomes, of employee engagement. This topic is widely regarded as a prominent area of research within scholarly circles. In addition, employee engagement holds significant value across all industries due to the presence of diverse workforces inside every organisation (Mohod & Ikbali, 2018). Therefore, this approach will ensure that employees are committed to the success of their organisation by successfully performing their obligations. Consequently, this circumstance will be interrelated, as previously said in their paper research that they are able to improve their own sense of safety (Narayanamma, Neelima & Mounika, 2022).

Kahn (1990) is a prominent academic who has proposed study on the topic of employee engagement. He defines employee engagement as the process through which individuals fully invest themselves in their job responsibilities, exhibiting self-employment and self-expression in physical, cognitive, and emotional aspects of their professional lives. This viewpoint, which is supported by Mohod and Feroz (2018) and cited in their research paper, emphasises the impact of employees' psychological experiences on their work environment how they present and abstain from themselves during task performances, distinguishing it from other notions related to employee roles such as job participation, dedication, or intrinsic motivation (Mohod & Feroz, 2018). Furthermore, in order to bolster the aforementioned assertion, it is possible to establish a connection with the findings of Nkechi (2013), who posits that staff productivity may be seen as a pivotal force driving an organization's growth and profitability (Selvanathan et. al, , 2020).

Furthermore, employee engagement can be defined as described by Ganesan, Zainal Ali, and Fageeh (2017) as the extent to which employees express complete dedication to their work, establish emotional connections, and pursue long-term objectives (Othman, Rapi, Alias, Jahya, & Loon, 2019). In order to inform us about how it would effect people physically, emotionally, and cognitively in order to execute their job, this review is also supported by Sanneh & Taj (2015) (Othman et.al, 2019). Essentially, the author's previous study aims to demonstrate that A worker and the firm have a connection known as employee engagement; nevertheless, an engaged worker is one who is deeply involved in and thrilled about their work, leading them to take positive actions that advance the goals and reputation of the company (Sharon, 2022).

In conclusion, numerous studies have demonstrated that employee engagement pertains to the extent to which employees themselves exert impact on organisational effectiveness. Furthermore, Macauley (2015) asserts that keeping high performers in a company depends heavily on employee engagement (Othman et.al, 2019).

### **2.1.2 Previous Studies of Employee Engagement**

According to Robison (2009), there are recommendations available for effectively managing organisations during periods of turbulence, while also ensuring employee concentration and engagement amidst change. The author offers some advice, including telling staff members what is expected of them by the company, ensuring that they have the proper tools and resources, allowing them to do what they do best, remembering to give praise, showing them that you value their contributions, and consistently supporting their professional growth (Chanana, & Sangeeta, 2021).

Bakker and Schaufeli (2008) have highlighted that employee engagement is contingent upon a range of motivating elements, including performance evaluation, chances for learning and development, and recognition and support from supervisors and coworkers. This also incorporates the levels of motivation and dedication exhibited by the incumbent, which have the potential to result in performance outcomes that beyond the expectations of the employer. This study examines the concept of employee engagement, which refers to the various resources available to employees that promote engagement, as well as the employee's intrinsic drive, dedication, and involvement in facilitating value creation throughout service transactions (Chathoth et al., 2020).

The authors utilised a framework proposed by Schaufeli et al. (2012) to conceptualise employee involvement in the workplace. This construct, referred to as work engagement, is defined as a positive and rewarding cognitive state that is associated

with one's work. It is characterised by the presence of energy, devotion, and absorption. Vigour can be defined as possessing elevated levels of energy and mental fortitude throughout job tasks, demonstrating a willingness to exert effort in one's professional endeavours, and exhibiting persistence in the face of challenges. Devotion is a genuine commitment to one's professional pursuits, characterised by feelings of significance, enthusiasm, determination, accomplishment, and hardships. Absorption refers to an occurrence of intense focus and intense involvement in one's tasks, leading to an inflated sense of time passing promptly and difficulties in detaching from work (Ayob & Nor, 2019).

Enhancing employee engagement helps prevent burnout, unfavourable attitudes, and unethical behaviour in the workplace by strengthening the link Amidst an individual's ambitions and the company's aims (Saleem et al. 2020). distinct studies identify distinct types of employee engagement based on different criteria. According to Rothbard (2001), employee engagement is comprised of two key components: attention and absorption. Attention can be defined as the state of cognitive availability and the duration of one's mental engagement with a certain role. On the other hand, absorption entails being deeply captivated in a role and pertains to the level of intensity with which one focuses on that role. a study by Rothbard (2001), it is imperative for academics to direct their attention towards examining many dimensions of involvement inside an organisation To acquire a complete awareness of its influence on the work environment. Kahn (1990) has recommended work engagement and organisation engagement as two additional components for investigating engagement, as indicated in several research (Nguyen & Ha, 2023).



## **2.2 Work Environment**

### **2.2.1 Definition of Work Environment**

In contemporary times, numerous organisations prioritise lifestyle, work-life balance, and health and fitness as key factors when assessing potential candidates for employment. From this perspective, the author aims to analyse and emphasise employee performance. Therefore, Davidescu et al. (2020) provide a concise explanation in their scholarly article that the performance of employees can be influenced by the work environment (Davidescu et al., 2020).

The aforementioned point highlights the assertion made by Soeharti et al. (2019) that the comfort level of workers is predominantly influenced by their work environment (Setiyani, Djumarno, Riyanto & Nawangsari, 2019). This aspect of discussion is also addressed by Hertati and Sumantri (2016) in their research article, where they emphasise that the work environment encompasses various factors such as human resources, tools and materials, the physical surroundings in which individuals work, work methods, and individual and group work arrangements. Furthermore, the aforementioned point emphasises the importance of providing workers with optimal value in an efficient manner, in order to meet their highest expectations (Hertati & Sumantri, 2016).

Extensive research and comprehension have been devoted to the concept of office environment. According to Kohun (1992), the working environment can be defined as An all-encompassing entity which comprises all the forces, actions, and influencing variables that currently or possibly impact an employee's efforts and performance. Brenner (2004) conveys the view that the ability of organisations to share knowledge is contingent upon the design of the work environment, which should facilitate the utilisation of the work environment as an asset. This approach can enhance

organisational effectiveness and enable employees to derive benefits from collective knowledge (Al Kaabi et al., 2022).

### **2.2.2 Previous Studies of Work Environment**

The presence of a comfortable workplace has the potential to enhance productivity among employees. When individuals are provided with a conducive work environment, they are more likely to perform optimally. On the contrary, a work environment that insufficient support may diminish productivity and perhaps encourage others to pursue other job opportunities, in organisations that offer a more favourable working environment. The presence of the quality of a work environment is not just reliant on the availability of adequate workplace facilities, but also on the seamless communication and collaboration among the employees. The convenient facilities encompass several aspects such as sufficient workplace, pleasing interior aesthetics, appropriate lighting, comfortable environment with optimal ventilation and air circulation, moderate levels of noise, and ergonomic considerations for optical and anthropometric elements. As stated by Debbie et al. (2014), it is crucial for organisations to improve their office spaces to create a favourable environment that promotes employee enthusiasm and productivity. (Setiyani et al., 2019).

Gupta and Shaw (2014), Babenko (2009), and McKeown et al. (2015) have examined the concept of the work environment, which pertains to the contextual conditions in which an individual carries out their employment duties. Several studies in the literature, including those by Ceylan et al. (2008), Hon et al. (2013), Hon (2011), and Schepers and Van den Berg (2007), have examined several aspects of the work environment. These aspects include physical factors, threat, assistance, soundness, justice, and participation. According to Wallace and Trinkka (2009), the work

environment encompasses the physical location as well as the established regulations and procedures that guide an employee in carrying out their job duties. Rich et al. (2010) conducted a study that provided evidence for the influence of various factors, including innovation, assignment of tasks and duties, recognition pattern, and leadership style, on employee engagement. Saks (2006) highlighted the importance of an employee's perception about the organization's recognition of their achievements as a crucial determinant of their perception of the work environment (Siddiqi & Tangem, 2018).

## **2.3 Employee Personal Values**

### **2.3.1 Definition of Employee Personal Values**

Employees are the key to every business goal's achievement and are regarded as the centre of attention for all organisations. Therefore, based on this perspective, the author intends to assert that organisations require values to effectively carry out their operations and successfully accomplish their overarching objectives. These values can be referred to as employee personnel values. Feather (1988) posits that personal values are fundamental to one's personality, exerting influence over attitudes, assessments, and decision-making processes. Similarly, Schwartz (1994) characterises personal values as a guiding mechanism that shapes individuals' perceptions and behaviours (Purc & Laguna, 2019).

Subsequently, three additional researchers proffer their respective interpretations of personal values. In this context, it is necessary to consider three established viewpoints put out by Rokeach (1973), Schwartz (1977), and Hofstede (1984). According to Rokeach (1973), value can be defined as a generally enduring belief regarding the preferred patterns of behaviour and the more desirable personal and social conditions,

as opposed to the contrary or opposing models of behaviour or states of existence (Frendika et al., 2018).

According to Schwartz (1977), the concept under consideration can be categorised into various motivational domains or value kinds, which encompass elements of individualism and collectivism. The given analysis suggests that the concept of value is presumed to consist of the dimensions of individualistic values, such as power, achievement, hedonism, stimulus, and self-direction. In contrast, other types of values are indicative of collective values, including virtue, tradition, and conformity. Additionally, there are certain value types that are regarded as representing mixed interests, namely universalism and security. According to Hofstede, values can be defined as overarching inclinations towards favouring or selecting specific conditions over others. The author of this perspective aims to highlight Hofstede's categorization of cultural values into four main types: individualism-collectivism, power distance, uncertainty avoidance, and masculinity (Frendika et al., 2018).

### **2.3.2 Previous Studies of Employee Personal Values**

Rokeach (1968) postulated that values had robust motivational elements, in conjunction with cognitive, emotional, and behavioural dimensions. Hayajneh and Raggad (1994) contended that managers' performance is dictated by their own values. Numerous researchers have shown a correlation between personal values and behavioural factors such as individual drive, adherence to the organisation, managerial milestones, organisational efficiency, and the method used to make decisions (Osman-Gani, Hashim, & Ismail, 2010).

Expert analysts Fox (2010), Lewis (2010), and Friedman (2011) have all conducted research on the topic of government officials. Stiglitz et al. (2010) and the Financial Crisis Inquiry Commission (2011), along with scholarly researchers, Boddy (2011), Santoro and Strauss (2012), and Werner (2014) have extensively examined the influence of The banking industry's culture contributes to the pervasive occurrence of illicit conduct, including deceptive practises towards customers, intentional concealment of information from clients, and prioritising personal gain over the well-being of others, among other forms of misconduct (ibidem). In accordance with a research undertaken by Cohn et al. (2014), the behaviour of bankers in laboratory settings does not exhibit a statistically significant increase in dishonesty compared to individuals from other professions. Similarly, research by van Hoorn (2017) suggests that the personal values of Finance experts exhibit negligible differences from those of individuals in non-financial occupations (van Hoorn, 2017).

The allocation of obligations among employees, particularly those in frontline positions, is crucial for effectively managing customers with unusual requests that require the application of employees' discretionary judgement. These discretionary judgements are closely tied to the employees' value system. Numerous scholarly investigations have indicated that the attitudes and beliefs of employees significantly influence their behaviours inside the organisational framework (Organ & Ryan, 1995; Bolino et al., 2006). Cantor and Mischel (1979) and Organ and Konovsky (1989) conducted studies that revealed a correlation between individuals' distinctive characteristics, such as personal values and qualities, and their aptitude in various contexts. Personal values play a significant role in shaping various behavioural outcomes and are regarded as a fundamental and complicated concept within the contexts of humanities and social sciences. Recently, there seems to have an upsurge in

growing interest in evaluating and prioritising personal values in order to forecast individual competence, organisational performance, and the quality of services rendered (Urde, 2003; Vinhal Nepomuceno & Barreiros Porto, 2010). In their study, Rioux and Penner (2001) employed the concept of functional behaviour as proposed by Clary and Snyder (1991) to delineate personal values. They posited that such values had the potential to enhance employees' competencies within the organisational context (Kamiab, & Singaravelloo, 2018).

## **2.4 Reward Program**

### **2.4.1 Definition of Reward Program**

Human Resources Management is responsible for ensuring optimal employee performance and satisfaction within their respective teams. The incentives programme can serve as a pivotal factor in fostering an optimal environment, since it has the potential to significantly impact individuals' attitudes and motivation. There exist numerous definitions of reward programmes that might be discussed in this section. According to Armstrong (2001), the reward system encompasses the processes and practises implemented by an organisation to effectively compensate its employees based on their contributions, skills, competencies, and market value. This system should be developed in alignment with the organization's philosophy, strategies, and policies, and should include various arrangements such as processes, practises, structures, and procedures. These arrangements are designed to assure the accessibility and upkeep of appropriate classifications and levels of compensation, perks, and other forms of rewards (Niguse & Getachew, 2019). The researcher aims to discuss the strategies for employees to excel and reach their key performance index (Barinua, Onyema & Ford, 2022).

Furthermore, Lin (2007) asserts in their study that rewards may be classified as a form of compensation that workers acquire an organisation in exchange for their services rendered to said organisation. In order to bolster the argument, researchers aim to demonstrate the existence of several reward systems upon which employees depend within their own organisations. Armstrong (2012) posits that the reward system can be categorised into intrinsic and extrinsic rewards, encompassing both financial and non-financial incentives (Barinua, Onyema, & Ford, 2022).

In an increasingly globalised workforce, businesses are seeking more effective means of inspiring employees to deliver their best work. One such strategy is the implementation of a suitable reward system. Reward schemes that not only serve to reel in and retain on to top performers, but furthermore consistently foster their motivation towards achieving organisational goals. Historically, reward systems have been present and have provided a foundation for the evolution of contemporary systems that more effectively balance the interests of employees and employers. Babakus et al. (2003) suggest that employees' attitudes towards their employers are influenced by their perceptions of the incentive climate. Furthermore, the demonstration of managerial dedication to the organisation is exemplified in the manner in which managers provide awards to their staff. Hafiza et al. (2011) discuss the norm of reciprocity, a concept that emphasises an organization's capacity to meet the requirements of its employees and provide them with appropriate recognition for their contributions. Employees should increase their dedication to their work and organisation in return for the benefits that have been given to them (Ngwa, et.al, 2019).

According to Jaghult (2005), reward systems exhibit varying components and structures, which are contingent upon the specific requirements of the organisation that

is implementing the reward system. The factors that organisations see as their objectives for profitability and growth are typically incorporated into the incentive system to incentivize desired behaviours and discourage undesired actions. The process entails the analysis and reorganisation of the objectives of an organisation into clearly defined and quantifiable actions and outcomes. The result is a variety of management control tools that assess and incentivize performance. Depending on what these systems are intended to accomplish, they may have minimum and maximum rewards that can be given (Ngwa, et.al, 2019).

#### **2.4.2 Previous Studies of Reward Program**

According to Taufek (2015), A association exists between reward systems and work engagement. The work involvement is also influenced by demographic characteristics. This observation suggests that there is a need for further enhancement of the reward system in order to augment work engagement. According to the findings of Ndung'u and Kwasira (2016), a substantial and positive correlation was identified between the implementation of performance-based reward systems and career reward systems, and the level of employee motivation. The data suggests that the commercial banks that were questioned used a reward system that was contingent upon performance and conducted regular evaluations of their employees' performance. The research ultimately determined that career rewards played a key role in augmenting employee motivation (Verma, 2018).

Reward systems have a crucial role in the functioning of an organisation. According to Otieno (2006), reward systems show Employee engagement encompasses being able to proficiently acquire, retain, and consistently urge employees to strive for excellent levels of accomplishment. However, it is important to note that an inadequately



designed the enactment of a reward system includes the potential to result in substantial employee turnover, decreased efficiency, and an entire indolent approach in the workplace. Hence, it is imperative for management to establish a reward system that offers favourable outcomes for employee contributions towards targeted performance. Employees will exhibit a profound inclination towards creativity, innovation, and performance, hence resulting in elevated levels of production and endowing the organisation with a competitive advantage in the context of global rivalry (Ngwa, et.al, 2019).

Reward systems have a key role in shaping employer-employee interactions. The incentive system delineates the offerings that an employer is prepared to provide, so exerting a direct influence on the level of contribution that employees are inclined to offer in return. The efficacy of compensation and benefits as motivational tools has diminished in the face of the contemporary corporate landscape, which demands a higher level of employee engagement for competitive success. In order to cultivate a durable and challenging-to-replicate employment dynamic, organisations have the option to embrace a more holistic perspective on incentives. The authors provide a perspective that takes into account a comprehensive range of rewards, encompassing both extrinsic and intrinsic factors. This approach aims to effectively cater to the needs and wishes of employees, while also equipping the organisation to effectively navigate external eventualities (Franco-Santos & Gomez-Mejia, 2015).

## 2.5 Hypothesis Development

Three hypotheses have been constructed based on the research questions and aims of the study:

Table 2.1  
*Hypotheses Development*

| Hypotheses                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------|
| <b>Work Environment and Employee Engagement</b>                                                                       |
| <b>Hypothesis 1:</b><br>There is a significant relationship between work environment and employee engagement.         |
| <b>Employee Personal Values and Employee Engagement</b>                                                               |
| <b>Hypothesis 2:</b><br>There is a significant relationship between employee personal values and employee engagement. |
| <b>Reward Program and Employee Engagement</b>                                                                         |
| <b>Hypothesis 3:</b><br>There is a significant relationship between reward program and employee engagement.           |

## 2.6 Related Underpinning Theories

### 2.6.1 Employee Engagement Models

There exist a number of theories of engagement, including the Hierarchy of Engagement Model, Path-Goal Model, Job Demands-Resources Model, Three-Dimensional Model, Benchmark of Engagement Quotient (BeQ), and Mercer Model.

#### 2.6.1.1 Hierarchy of engagement model

The significance of the hierarchy of engagement concept, resembling Maslow's need hierarchy model, was emphasised by Markos and Sridevi (2010). According to Markos and Sridevi (2010), the model presented in this study emphasises the interrelationships

between different levels and their effect on employee engagement and talent retention. Each hierarchical level within an organisation signifies a distinct need, and once these fundamental needs are satisfied, people begin to actively pursue prospects for personal development and progression within the organisation. As stated by Markos and Sridevi (2010), after fulfilling their basic requirements, employees attempt to establish a feeling of consistency with value meaning, thus establishing a sense of connection and shared meaning within the workplace (ErajesvariePillay, 2018).

#### **2.6.1.2 Path-Goal Model**

According to Oliver (2012), the path goal model, as proposed by Robert House, suggests that employees are more likely In order to accomplish their objectives, leaders must take action actively motivate and engage them. According to Oliver (2012), the aforementioned proposition is grounded on the premise that individuals exhibit motivation when they possess the capability to effectively carry out their professional responsibilities, attain their desired objectives, and perceive adequate recognition for their efforts. According to Oliver's (2012) study, the achievement of this result was made easier by leaders who provided explicit definition of employees' obligations, acknowledged and incentivized outstanding performance, and provided the necessary direction and assistance. Otieno, Waiganjo, and Njeru (2015) emphasised the importance of a leader's behaviour in ensuring the motivation, satisfaction, and productivity of their subordinates. As per Malik's account (2013), the adoption of specific leadership behaviours by a constructive leader is contingent upon the characteristics of both the subordinates and the work at hand. Malik (2013) asserts that a proficient leader demonstrates the ability to offer explicit guidance in situations when work are characterised by non-routine, ambiguous, and highly unstructured elements.

Conversely, in scenarios involving easy and routine duties, the leader assumes a supportive position by fostering an environment that encourages reward and recognition for exemplary performance (ErajesvariePillay, 2018).

#### **2.6.1.3 Three-dimensional Model**

Alagaraja and Shuck (2015) put forth a proposition on the three-dimensional model, which was first introduced by Rich and Crawford. This model encompasses cognitive, behavioural, and emotional engagement, and explores their impact on the organisational climate. Alagaraja and Shuck (2015) synthesised the work of earlier researchers and extended their model to achieve congruence across several investigations. Cognitive engagement is the essential foundation for comprehension and interpretation of the occurrence and psychological circumstances surrounding engagement, determining the most sensible level of involvement. Alagaraja et al. (2015) emphasised the importance of cognitive engagement among employees, highlighting that those who possess this quality share a collective purpose with their business. Building upon their comprehension of this purpose, these employees demonstrate a willingness to personally invest the resources under their influence (ErajesvariePillay, 2018).

#### **2.6.1.4 Job demands-resources Model**

In their study, Bakker and Bal (2010) examined the significance of providing services to help employees navigate the emotional challenges of their employment and accomplish their work aspirations. Bakker and Bal (2010) emphasised the significance of a work environment that is rich in resources, as it cultivates employee confidence, leading to the effective attainment of ambitions and gratifying the employee's need for an impression of belonging. Remo (2012) Shared a similar viewpoint, but highlighted

the significant impact of the work environment on increasing work engagement. Remo suggested that the job resources encompassed autonomy, opportunities for growth, and guidance from supervisors and peers are intrinsically ingrained within the organisational culture, dictating the manner in which people communicate with one another in the workplace (ErajesvariePillay, 2018).

#### **2.6.1.5 Benchmark of Engagement Quotient (BeQ) Model**

According to Bisnath (2013), the Benchmark of Engagement Quotient (BeQ) is a model that was composed by Viljoen in 2008. This model is utilised to assess leadership perceptions and engagement within South African organisations. The BeQ model focuses on three primary constructs: emotional containment, emotional presence, and organisational gestalt. According to Bisnath (2013), BeQ, which is based on the principle of inclusion, assesses the interplay between perceptions and assumptions inside organisations about constructions that facilitate the expression of various voices, contributions, and talents (ErajesvariePillay, 2018).

#### **2.6.1.6 Mercer model**

According to Gustomo (2014), the Mercer model highlights the idea that the factors influencing employee engagement are not universally applicable. Instead, Their perspectives are formed by the specific geographical, cultural, and generational circumstances that envelop them. Consequently, the model categorises the elements that affect employee engagement into four separate groups. The initial determinant, namely the nature of the task, encompasses potential avenues for growth and advancement. According to Gustomo (2014), numerous businesses that prioritise employee engagement have implemented strategies to leverage work as a potent catalyst for fostering engagement. One such approach is adopting a flattened

organisational structure, which aims to empower individuals and facilitate their professional growth within their respective roles. According to Gustomo (2014), these companies prioritise the relevance of synchronising work requirements with an extensive spectrum of obligations and interests. This enables employees to effectively comprehend and align their contributions with the vision of the organisation (ErajesvariePillay, 2018).

The second factor, which pertains to the drivers of employee engagement, focuses on the importance of assurance and reliance in the abilities and integrity of those in positions of authority. This factor examines how engaged people see the actions of their leaders in relation to the corporate values and the strategic allocation of resources that are aimed at supporting the organisational strategy. Pande and Basak (2015) propose that the Mercer model assesses employee engagement on a continuum consisting of four distinct stages: satisfied, motivated, committed, and advocate. According to the study, employees who experience job satisfaction and are content with the terms and conditions of their employment tend to refrain from exerting additional effort or going beyond their prescribed duties (ErajesvariePillay, 2018).

### **2.6.2 Reward Systems Theory**

The Total Reward System encompasses the various extrinsic and intrinsic methods of rewards that employers utilise in order to effectively inspire, recruit, and retain their staff. Various combinations of rewards can result in distinct employer-employee dynamics. Figure 2.1 illustrates the diverse range of reward strategies that organisations may employ.

Figure 2.1 *Total Reward System*



The consideration of the correlation between extrinsic and intrinsic rewards can be conceptualised in the context of foreground and background elements (Thomas & Velthouse, 1990). Extrinsic rewards gain relevance when employees have economic needs, encounter fairness concerns, or confront significant life decisions. Extrinsic incentives recede into the margins throughout the remaining periods, whereas intrinsic benefits assume prominence in the context of daily work. The subsequent subsections explain the various components of both extrinsic and intrinsic reward systems that constitute a comprehensive Total Reward System (Franco-Santos & Gomez-Mejia, 2015).

### 2.6.2.1 Extrinsic Rewards

Extrinsic rewards can be classified into seven groups: compensation, benefits, workplace environment, recognition, development and feedback, promotion and career opportunities, and leadership. Extrinsic rewards can be classified.

#### 2.6.2.1.1 Compensation

Compensation pertains to the monetary rewards, either in the form of money or company equities, that employees get directly from their employers as a component of their contractual agreement. Compensation returns can be defined as fixed, which refers to basic pay, and variable, encompassing short-term and long-term incentives. The following section provides a more comprehensive description of these two forms of compensation (table 2.1).

Table 2.1 Two forms of compensation

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Fixed Pay</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Fixed pay (also referred to as based pay or salary) is the cash compensation that an employer pays in return for the work performed by an employee. It reflects the value of the job or the person performing the job (skills and knowledge). The primary objective of this initiative is to effectively draw in persons with exceptional abilities, ensure their continued presence inside the organisation, and develop their enduring dedication to the institution (Franco-Santos, & Gomez-Mejia, 2015). |
| <b>Variable Pay</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Variable pay (also known as pay at risk) is a payment in cash or equity contingent on individual, group or organizational performance assessed objectively or by discretion. Variable pay does not have a permanent effect on labor cost. In the event                                                                                                                                                                                                                                                       |



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that performance objectives are not met, remuneration will not be awarded. There are two types of variable pay elements: incentives and bonuses. Incentives are based on predetermined performance goals and must be regained each performance period. Bonuses are one-off payments that are also subject to individual, group or organizational performance, but they are given after-the-fact, after performance has been assessed (Franco-Santos, & Gomez-Mejia, 2015).

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#### **2.6.2.1.2 Benefits**

Benefits refer to non-monetary or non-tangible rewards that workers get as part of their agreement to work (some benefits may be delivered indirectly by an organisation through external suppliers like insurance firms). The primary objective of benefits is to enhance employee retention by offering a degree of stability pertaining to their health, welfare, retirement, and time-off. Certain benefits are legally required; however, the specific provisions vary across different countries. Benefit programs can be categorized into income-protection, paid time-off, well-being, work-life balance programs and working environment (Franco-Santos, & Gomez-Mejia, 2015).

Table 2.2 Benefit programs categories

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##### **Income-Protection**

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These benefits are meant to protect employees from the financial risks inherent in their lives. Some examples of this type of benefit are: retirement plans, medical plans, life insurance, etc. Due to economies of scale, organizations can provide these protections to their employees at a lower cost than employees can get them for themselves (Franco-Santos, & Gomez-Mejia, 2015).

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**Paid Time-Off (PTO)**

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PTO programs reward employees with time rather than money. Traditionally, organizations separated paid time-off plans according to specific categories. Currently, many organizations are adopting what is called a paid time-off bank. They give employees a cumulative number of days off that employees can use as they wish (Franco-Santos, & Gomez-Mejia, 2015).

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**Well-being**

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These are programs that promote employees' physical, mental and social health. The rationale for these programs is that they help create a healthy environment that benefits employees' state of mind and performance (Franco-Santos, & Gomez-Mejia, 2015).

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**Work-life**

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Work-life balance programs aim to help employees to better balance their time and commitments at work with their family and community responsibilities. These programs tend to be grouped into four categories: workplace flexibility, special leave, community involvement and caring for dependents. Workplace flexibility plans comprise a variety of flexible work options that enable employees to have more control over where, when and how their work is done. Special leave refers to personal time away from work to spend with family, friends or self. Some leaves are subject to governmental regulations in certain countries; others vary depending on the organization. Community involvement practices allow employees to spend some of their working time as volunteers for community causes or, in some countries, they facilitate tax-free monetary donations from employees through the organization pay system. Caring for dependents refers to those programs offered by the organization

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to support the employees parenting and elder care (Franco-Santos, & Gomez-Mejia, 2015).

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More organizations are using flex plans (also known as cafeteria benefits or flexible benefits) to cater to the requirements and preferences of its employees. Flexible benefit plans are predicated upon the notion that employees do not uniformly value the benefits offered by their respective organisations. Hence, instead of identically providing benefits to all employees, the organisation can afford each individual the opportunity to select the advantages they deem most valuable (Franco-Santos, & Gomez-Mejia, 2015).

#### **2.6.2.1.3 Workplace environment and Working Conditions**

The primary objective of this incentive mechanism is to establish a secure and conducive atmosphere for employees. Typically, this component of the compensation package pertains to the tangible environment in which employees carry out their work, encompassing factors such as workstation accommodations, ambient temperature, machinery and equipment, and necessary materials for performing job tasks. Individuals are obligated to recognise potential hazards related to health and safety and take appropriate actions to mitigate or eliminate them. Certain organisations, however, offer supplementary measures of security and convenience in order to further enhance employee satisfaction (Franco-Santos, & Gomez-Mejia, 2015).

#### **2.6.2.1.4 Recognition**

Recognition rewards are intended to formally acknowledge and provide particular attention, in the form of monetary or non-monetary accolades, to workers who exemplify exceptional behaviours, make significant contributions to performance, or have served for an extended period of time. The primary objective of these programmes is to enhance employee motivation, acknowledge their dedication to the organisation, and elevate their morale (Franco-Santos, & Gomez-Mejia, 2015).

#### **2.6.2.1.5 Learning Development**

Organizations also offer their employees learning and development opportunities. The objective of implementing this particular type of incentive is to bolster employees' perception of their own competence, self-efficacy, and accomplishments, while also encouraging their enthusiasm (Franco-Santos, & Gomez-Mejia, 2015).

#### **2.6.2.1.6 Promotions**

A promotion entails the elevation of an employee from an inferior level or position to an elevated one within the hierarchical structure. The desirability of a promotion for an employee is typically attributed to the associated benefits such as increased compensation, heightened autonomy, and engaging challenges, among others. It is worth acknowledging that not all employees aspire to be promoted, particularly if they already perceive their current job as adequately remunerated and fulfilling. Nevertheless, in general, employees perceive promotions as a favourable outcome that amplifies their motivation (Franco-Santos, & Gomez-Mejia, 2015).

#### **2.6.2.1.7 Leadership**

Leadership can be defined as the mechanism via which an individual exerts influence over a collective of others in order to achieve shared objectives. Additionally, it can be perceived as a type of incentive. Every organisation is equipped with individuals who hold leadership positions, responsible for the overall performance and outcomes of the organisation. Furthermore, leaders are tasked with establishing and cultivating a interrelated network of resources for information both within and outside the organisation. These behaviours exhibit a positive correlation with increased motivation, enhanced retention rates, and improved well-being at both the individual and organisational levels (Franco-Santos, & Gomez-Mejia, 2015).

#### **2.6.2.2 Intrinsic Rewards**

Intrinsic rewards are derived from positively valued experiences that employees derive from the execution of their job duties. Drawing upon prior literature, this study emphasises four intrinsic rewards that are appropriate to the current discussion. These rewards include the sense of meaningfulness, which pertains to the level of importance an employee assigns to the purpose they are striving to fulfil and the significance of the work they are engaged in. Additionally, the sense of choice is highlighted, referring to the positive emotions experienced by an employee when they possess the autonomy and discretion to determine how they will carry out their tasks. Furthermore, the sense of growth is underscored, encompassing the extent to which an employee perceives their ability to proficiently execute their work and achieve something of significance through their own competence and efforts. Lastly, the sense of community is emphasised, denoting the positive emotions associated with a sense of belongingness within a group (Franco-Santos, & Gomez-Mejia, 2015).

The studies conducted by Thomas and Velthouse (1990) as well as Deci and Ryan (2002) are relevant to the topic at hand. Individuals often express that their profession is inherently gratifying when they encounter such emotions. The aforementioned emotions are predominantly shaped by the prevailing societal circumstances, which are, in turn, impacted by external incentives. Organisations, specifically their leaders and managers, have the potential to incorporate intrinsic rewards into their formal reward systems by giving them due consideration alongside extrinsic rewards during the selection process and in the management of their personnel (Franco-Santos, & Gomez-Mejia, 2015).

## **2.7 Summary of the Chapter**

This chapter encompassed an extensive review of the literature review conducted in the research project. The literature study provided a comprehensive analysis of the theoretical underpinnings of the topic under investigation, as well as an overview of prior studies conducted in this area and their implications for the present inquiry. The literature research was undertaken by utilising various sources such as online databases, scholarly publications, and published books. The chapter provided explanations for the theoretical direction, empirical review, and conceptual framework.

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.1 Introduction

This chapter explained about the methodology of this research include the design of this research, sample, research measurement instrument, scale, data collection method, data analysis and research tools.

#### 3.2 Research Framework

Reflecting upon the aforementioned literature and discourse, the present study proceeds to offer the research model presented in Figure 3.1. The present research paradigm elucidates the relationship between the independent factors, namely the work environment, employee personnel values, and reward programme, and their impact on the dependent variable, employee engagement.

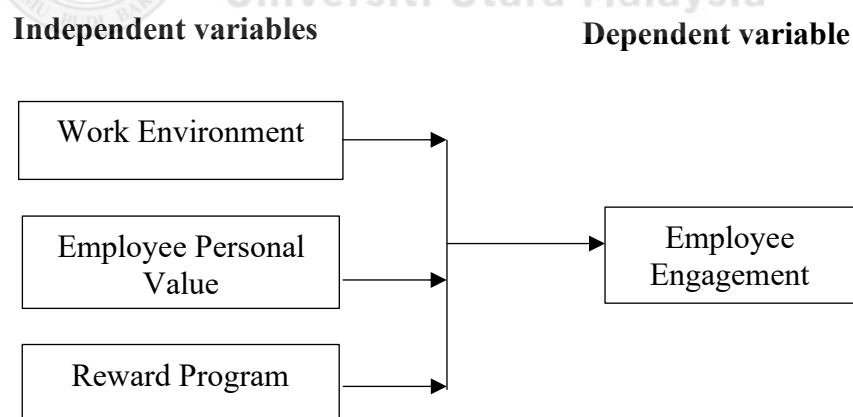


Figure 3.1 Research Framework

#### 3.3 Research Design

This study addresses the effect of of the work environment, employee personal values, and reward program on employee engagement. This study applies a quantitative

research approach, implementing a survey methodology to accomplish the established research objectives. The findings and conclusion of the study are contingent upon the use of statistical data that has been collected and analysed through the application of Statistical Packages of Social Sciences (SPSS).

### **3.3.1 Type of Study**

This study applied a quantitative research methodology for data collection. Quantitative research emphasises the application of statistical or numerical data to enable academics to quantify various aspects of the world. Statistics are pervasive in the contemporary era of the twenty-first century. Through the utilisation of statistical analysis, quantitative methodologies not only facilitate the numerical depiction of events, but also enable the identification and examination of correlations among several variables. There exist numerous instances that exemplify these relationships. In the realm of political science, the utilisation of statistics and quantitative methodologies has facilitated the identification of a correlation between individuals' socioeconomic level (SES) and their likelihood of engaging in voting behaviour (Stockemer et al., 2019).

Specifically, research accomplished by Milligan et al. (2004) has revealed that citizens with a higher SES exhibit a greater propensity to participate in the act of voting compared to those with a lower SES. Within the realm of economics, scholars have conducted empirical investigations to ascertain that economic growth is positively influenced by minimal amounts of corruption, as evidenced by quantitative analysis according to Mo (2001). Quantitative research serves as the principal methodology for establishing empirical links. Nevertheless, it is not as adept at elucidating the components or underlying cause-effect mechanisms that underpin a statistical correlation. To emphasise, statistical studies can show that voters are less likely to be



low-income and less educated individuals than they are to be wealthy and well-educated people (Stockemer et al., 2019).

### **3.3.2 Sources of Data**

Data aggregation from the samples was conducted by distributing questionnaires. The forms were disseminated to the eligible respondents via an online platform, with the aim of gathering data from representative samples to contribute to the research objective. According to Sekaran (2013), primary data refers to data that pertains directly to the actual occurrence of events and can be classified as primary data. In order to achieve the research purpose, questionnaires were employed as the tool used for conducting research and disseminated to all employees within the Kedah State National Registration Department.

### **3.3.3 Unit of Analysis**

The study focused on individuals who are workers of the Kedah State Registration Department, serving as the unit of analysis. According to Sekaran and Bougie (2013), when data is extracted from each individual, it is seen as a distinct unit of analysis. The significance of the unit of analysis in research is emphasised by Long (2004), since it serves as the primary focus of investigation, determining the subject or entity under study (Sekaran & Bougie, 2013).

## **3.4 Population and Sampling**

### **3.4.1 Population**

The study's population consists of employees of the Kedah State Registration Department. The selection of many branches for this survey was based on their extensive coverage in reaching the intended respondents within a quicker timeframe,

while also providing cost savings. According to the executive at the Human Resource Department, the total number of personnel employed in the KSRD was 221 employees. The Table of Department (Table 3.1) comprises all personnel from various departments. Utilising the sampling size chart served as by Krejcie and Morgan (1970), a total of 140 questionnaires should be sent to the target respondents from a population of 230. However, the researchers issued a total of 221 sets of questionnaires to the respondents. This concern arises from the expectation that the quantity of respondents would fall short of the 140-point standard established by Krejcie and Morgan (1970) for sampling size.

*Table 3.1 Table of Department*

| NO. | DEPARTMENT                                         | TOTAL OF EMPLOYEES | GRAND TOTAL OF EMPLOYEES |
|-----|----------------------------------------------------|--------------------|--------------------------|
| 1.  | NRD Kedah State                                    |                    |                          |
|     | i. Division of Human Resource Management           | 32                 |                          |
|     | ii. Division of Marriage and Divorce               | 6                  |                          |
|     | iii. Division of Citizenship                       | 4                  |                          |
|     | iv. Division of Investigation and Enforcement      | 6                  |                          |
|     | v. Division of Identity Card                       | 19                 |                          |
|     | vi. Division of Birth, Death and Adoption          | 21                 |                          |
|     | vii. Division of Mekar and Strategic Communication | 6                  |                          |
|     | Total                                              |                    | 85                       |
| 2.  | NRD UTC Kedah Branch                               | 26                 |                          |
| 3.  | NRD UTC Sungai Petani Branch                       | 31                 |                          |

|     |                              |    |            |
|-----|------------------------------|----|------------|
| 4.  | NRD RTC Kubang Pasu District | 9  |            |
| 5.  | NRD Kulim District           | 20 |            |
| 6.  | NRD Bandar Baharu District   | 5  |            |
| 7.  | NRD Padang Terap District    | 4  |            |
| 8.  | NRD Pokok Sena District      | 4  |            |
| 9.  | NRD Yan District             | 7  |            |
| 10. | NRD Pendang District         | 9  |            |
| 11. | NRD Sik District             | 6  |            |
| 12. | NRD Baling District          | 8  |            |
| 13. | NRD Langkawi District        | 7  |            |
|     | Total                        |    | 136        |
|     | <b>Grand Total</b>           |    | <b>221</b> |

### 3.4.2 Sampling Size

The establishment of sample size in this research paper relies on the formula established by Krejcie and Morgan. Based on the research conducted by Krejcie and Morgan (1970), it is determined to acquire a sample that accurately represents the population of 221 employees, a minimum of 140 respondents is required. Sample size, as defined by Salant and Dillman (2004), applies to a collection of respondents or individuals that are chosen from a larger population. Alternatively stated, the process of choosing a subset of an entire population. The sample size is a critical factor in research as it influences the ability to draw conclusions or conduct analyses regarding the population being sampled. Thus, it is essential to have a sufficient sample size in order to apply the population.

*Table 3.2 Determining Sample Size from a given population*  
*Source: Krejcie and Morgan (1970).*

| N                                                   | S  | N   | S   | N   | S   | N    | S   | N      | S   |
|-----------------------------------------------------|----|-----|-----|-----|-----|------|-----|--------|-----|
| 10                                                  | 10 | 100 | 80  | 280 | 162 | 800  | 260 | 2800   | 338 |
| 15                                                  | 14 | 110 | 86  | 290 | 165 | 850  | 265 | 3000   | 341 |
| 20                                                  | 19 | 120 | 92  | 300 | 169 | 900  | 269 | 3500   | 246 |
| 25                                                  | 24 | 130 | 97  | 320 | 175 | 950  | 274 | 4000   | 351 |
| 30                                                  | 26 | 140 | 103 | 340 | 181 | 1000 | 276 | 4500   | 351 |
| 35                                                  | 32 | 150 | 108 | 360 | 186 | 1100 | 285 | 5000   | 357 |
| 40                                                  | 36 | 160 | 113 | 380 | 181 | 1200 | 291 | 6000   | 361 |
| 45                                                  | 40 | 180 | 118 | 400 | 196 | 1300 | 297 | 7000   | 364 |
| 50                                                  | 44 | 190 | 123 | 420 | 201 | 1400 | 302 | 8000   | 367 |
| 55                                                  | 48 | 200 | 127 | 440 | 205 | 1500 | 306 | 9000   | 368 |
| 60                                                  | 52 | 210 | 132 | 460 | 210 | 1600 | 310 | 10000  | 373 |
| 65                                                  | 56 | 220 | 136 | 480 | 214 | 1700 | 313 | 15000  | 375 |
| 70                                                  | 59 | 230 | 140 | 500 | 217 | 1800 | 317 | 20000  | 377 |
| 75                                                  | 63 | 240 | 144 | 550 | 225 | 1900 | 320 | 30000  | 379 |
| 80                                                  | 66 | 250 | 148 | 600 | 234 | 2000 | 322 | 40000  | 380 |
| 85                                                  | 70 | 260 | 152 | 650 | 242 | 2200 | 327 | 50000  | 381 |
| 90                                                  | 73 | 270 | 155 | 700 | 248 | 2400 | 331 | 75000  | 382 |
| 95                                                  | 76 | 270 | 159 | 750 | 256 | 2600 | 335 | 100000 | 384 |
| Note: "N" is Population Size<br>"S" is Sample Size. |    |     |     |     |     |      |     |        |     |

### 3.4.3 Sampling Technique

Cooper and Schindler (1998) as well as Malhotra (1996) have identified that sampling methods can be categorised into two major classifications: non-probability and probability. Non-probability sampling methods are dependent on the researcher's subjective assessment rather than random selection, whereas probability sampling methods involve the selection of sample units based on chance, where the probability of each component in the population being selected for the sample is predefined. Various probability and non-probability sampling methods can be differentiated. The academic sources referenced in the text include Cooper and Schindler (2001), Lohr (1999), Burns and Bush (1998), and Sudman and Blair (1998). While there may be variations in the language employed by different authors, there exists a broad consensus over the principal methodologies. The non-probability sampling methods that are frequently employed include convenience sampling, judgement sampling, referral sampling, and quota sampling. Stratified sampling, cluster sampling, systematic

sampling, and simple random sampling are the most ordinary probability sampling techniques (Singh & Masuku, 2014).

This study applied a probability sampling technique known as simple random sampling. The rationale behind selecting this particular sampling technique is rooted in the principle of simple random sampling, which ensures that any each component in the population has an equal probability of being selected for the sample. Simple random sampling is accompanied by several drawbacks. Firstly, it requires a comprehensive frame, which entails having a complete list of all units within the entire population. Secondly, in certain studies, particularly those involving personal interviews conducted over a wide geographic area, the costs associated with obtaining the sample can be substantial. Lastly, the estimators' standard errors can be elevated (Singh & Masuku, 2014). A lottery method was used in this study for picking the respondents at random. As a result, 221 questionnaires were distributed in total. The questionnaires were distributed in accordance with the quantity specified in Table 3.3, with the lottery method generator sampling being used.

*Table 3.3 Random Sampling Table*

| Random Number Generator   Frequently-Asked Questions   Sample Problems |     |     |     |     |     |     |     |    |     |     |     |     |     |     |     |     |     |     |     |     |    |     |     |     |     |    |     |     |     |     |     |  |  |  |  |  |  |
|------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----|-----|-----|-----|-----|----|-----|-----|-----|-----|-----|--|--|--|--|--|--|
| 221 Random Numbers                                                     |     |     |     |     |     |     |     |    |     |     |     |     |     |     |     |     |     |     |     |     |    |     |     |     |     |    |     |     |     |     |     |  |  |  |  |  |  |
| 38                                                                     | 38  | 138 | 115 | 61  | 34  | 21  | 119 | 65 | 83  | 62  | 115 | 61  | 31  | 96  | 48  | 82  | 114 | 61  | 94  | 41  | 20 | 124 | 130 | 40  | 68  | 37 | 52  | 124 | 55  | 120 | 73  |  |  |  |  |  |  |
| 46                                                                     | 109 | 131 | 27  | 69  | 26  | 113 | 69  | 58 | 135 | 121 | 133 | 71  | 138 | 124 | 53  | 54  | 55  | 126 | 101 | 125 | 60 | 130 | 99  | 37  | 89  | 37 | 65  | 37  | 107 | 104 | 47  |  |  |  |  |  |  |
| 140                                                                    | 108 | 25  | 98  | 136 | 48  | 44  | 114 | 88 | 125 | 106 | 53  | 117 | 135 | 102 | 37  | 128 | 106 | 134 | 35  | 49  | 60 | 84  | 62  | 116 | 30  | 25 | 39  | 64  | 71  | 55  | 132 |  |  |  |  |  |  |
| 42                                                                     | 65  | 111 | 140 | 140 | 131 | 37  | 51  | 38 | 61  | 128 | 86  | 140 | 66  | 23  | 34  | 101 | 36  | 25  | 42  | 120 | 71 | 80  | 118 | 52  | 75  | 43 | 83  | 84  | 134 | 53  | 49  |  |  |  |  |  |  |
| 23                                                                     | 28  | 96  | 41  | 138 | 97  | 140 | 137 | 50 | 121 | 120 | 99  | 54  | 54  | 119 | 33  | 80  | 98  | 113 | 43  | 135 | 54 | 114 | 47  | 107 | 83  | 46 | 127 | 121 | 106 | 29  | 69  |  |  |  |  |  |  |
| 126                                                                    | 91  | 115 | 58  | 89  | 100 | 59  | 112 | 23 | 23  | 60  | 132 | 85  | 87  | 126 | 133 | 90  | 94  | 132 | 45  | 137 | 54 | 104 | 60  | 22  | 51  | 65 | 107 | 51  | 97  | 107 | 50  |  |  |  |  |  |  |
| 49                                                                     | 122 | 61  | 99  | 48  | 120 | 71  | 106 | 95 | 74  | 49  | 39  | 73  | 61  | 91  | 83  | 92  | 127 | 29  | 102 | 79  | 68 | 132 | 128 | 31  | 119 | 44 | 98  | 28  |     |     |     |  |  |  |  |  |  |

### 3.5 Questionnaire Design

The questionnaire survey comprises five distinct elements. The text consists of sections A, B, C, D, and E. Section A encompasses the fundamental attributes of the firm under investigation, together with pertinent demographic details pertaining to the responder. This section encompassed inquiries pertaining to gender; race; length of employment; size of respondent organization; number of employees in respondent organization; department do respondent work; and grade position in the organization within the organisation. Section B comprises seven questions pertaining to a dependent variable known as employee engagement. Section C, D, and E comprise questions pertaining to three distinct variables: six questions regarding work environment, 47 questions concerning employee personal values, and 22 questions regarding reward program.

Table 3.4 Table of Rating Scale

| Strongly Disagree —————▶ Strongly Agree |   |   |   |   |
|-----------------------------------------|---|---|---|---|
| 1                                       | 2 | 3 | 4 | 5 |

Table 3.4 illustrates the distribution of variables in questionnaire design. The five-point scale is used to measure the variable. A rating scale from 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), and 5 (strongly agree) were used. To complete the questionnaire, participants are obligated to indicate their response by encircling their preferred choice on a five-point scale, taking into consideration their personal experiences, current emotions, and level of comprehension. Each response will be assigned a numerical score. Respondents are more likely to comprehend the format and organisation, hence increasing the likelihood of providing accurate responses. The distribution of the Google Form questionnaire was conducted through the use of the Whatsapp application and email platforms, reaching out to the intended responders.

### 3.6 Operational Definition and Research Measurement

This section contains a brief summary of the process involved in the creation of measurement equipment utilising the research framework. The architecture depicted in Figure 3.1 has four primary variables, specifically employee engagement; work environment; employee personal values; and reward program. Consequently, a full evaluation was conducted by employing multiple item measures for each of the four criteria. The factor measures utilised in this study were derived from previous scholarly works.

#### 3.6.1 Dependent Variable :Employee Engagement

Employee engagement was the dependable variable in this study. The following item measure was devised to measure this construct in the questionnaire:

| Operational Definition                                                                                                                                                                 | Variable Code | Item                                                                                                                              | Source         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>Employee Engagement</b>                                                                                                                                                             |               |                                                                                                                                   |                |
| Employee engagement alludes to the psychological state that impacts an individual's emotional, physical, and cognitive involvement in their everyday employment duties and behaviours. | EE1           | Open and free communication from my supervisor assists in increasing job creativeness and performance.                            | Dennick (2011) |
|                                                                                                                                                                                        | EE2           | The furniture within the office is flexible and comfortable enough so that I can work without getting tired during working hours. |                |
|                                                                                                                                                                                        | EE3           | The physical conditions at work influence my performance positive.                                                                |                |
|                                                                                                                                                                                        | EE4           | The physical conditions at work influence my performance positive.                                                                |                |
|                                                                                                                                                                                        | EE5           | The level of feedback received from my supervisor motivated me toward better performance.                                         |                |
|                                                                                                                                                                                        | EE6           | The presence of working tools influences my performance in my workplace environment.                                              |                |

|  |     |                                                                           |  |
|--|-----|---------------------------------------------------------------------------|--|
|  | EE7 | I have opportunities to provide input into decisions that affect my work. |  |
|--|-----|---------------------------------------------------------------------------|--|

### 3.6.2 Independent Variable: Work Environment

Work environment was the first independent variable. The following item measures were devised to measure this construct in the questionnaire:

| Operational Definition                                                                                                                                                                                                                          | Variable Code | Item                                                                              | Source            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------------------------------------------------------------------------|-------------------|
| <b>Work Environment</b>                                                                                                                                                                                                                         |               |                                                                                   |                   |
| The work environment pertains to the physical and psychological area that has been deliberately created to facilitate collaboration and productivity, enabling individuals to effectively carry out their tasks and accomplish desired results. | WE1           | I feel comfortable to work with latest technologies in the organization.          | Lu et., al (2002) |
|                                                                                                                                                                                                                                                 | WE2           | I feel insecure in the working environment.                                       |                   |
|                                                                                                                                                                                                                                                 | WE3           | I experience unwelcome verbal and physical conduct from my colleague's employees. |                   |
|                                                                                                                                                                                                                                                 | WE4           | I am able to receive support from my boss, colleagues and juniors.                |                   |
|                                                                                                                                                                                                                                                 | WE5           | My relationship with colleagues and peers is smooth and cordial.                  |                   |
|                                                                                                                                                                                                                                                 | WE6           | Working environment of team is good for career growth.                            |                   |

### 3.6.3 Independent Variable: Employee Personal Values

Employee personal values was the second independent variable. The following item measures were devised to measure this construct in the questionnaire:

| Operational Definition                                                                | Variable Code | Item                                                                                    | Source                         |
|---------------------------------------------------------------------------------------|---------------|-----------------------------------------------------------------------------------------|--------------------------------|
| <b>Employee Personal Values</b>                                                       |               |                                                                                         |                                |
| Employee personal values are the fundamental aspect of one's personality, influencing | EPV1          | It is important to me to receive my salary on time.                                     | Vveinhardt & Gubovaite, (2015) |
|                                                                                       | EPV2          | It is important to me to receive bonuses that are provided according to my performance. |                                |



|                                      |       |                                                                                                                                                                                                                                                           |
|--------------------------------------|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| attitudes, assessments, and choices. | EPV3  | It is important to me that the organization provides all social guarantees (for example, paid vacations, health insurance, pension plan, benefits in the event of accidents, maternity/paternity benefits, benefits in cases of serious illness and etc.) |
|                                      | EPV4  | It is important to me to receive benefits that match my personal needs (for example, participation in health education program, expenses for sports, treatments & various courses).                                                                       |
|                                      | EPV5  | It is important to me to receive cash bonuses for length of my service.                                                                                                                                                                                   |
|                                      | EPV6  | The development of the organization is important to me.                                                                                                                                                                                                   |
|                                      | EPV7  | It is important to me to feel like a part of the organization that I work in.                                                                                                                                                                             |
|                                      | EPV8  | It is important to me to work in a team.                                                                                                                                                                                                                  |
|                                      | EPV9  | It is important to me to be able to work individually.                                                                                                                                                                                                    |
|                                      | EPV10 | Friendly and pleasant working relationships are important to me.                                                                                                                                                                                          |
|                                      | EPV11 | It is important to me to have a prestigious-well regarded, by others, job.                                                                                                                                                                                |
|                                      | EPV12 | It is important to me to be recognised at work (for example, for others to notice my accomplishments, receive praise from the manager, receive acknowledgements & etc.).                                                                                  |
|                                      | EPV13 | The attention towards me from my immediate superior is important to me.                                                                                                                                                                                   |
|                                      | EPV14 | It is important to me to receive timely and constructive feedback on performance.                                                                                                                                                                         |
|                                      | EPV15 | It is important to me to receive timely help from my superior.                                                                                                                                                                                            |
|                                      | EPV16 | It is important to me to receive help from my colleagues when a problem occurs.                                                                                                                                                                           |
|                                      | EPV17 | It is important to me to be treated with respect.                                                                                                                                                                                                         |

|  |       |                                                                                                                                                                                         |
|--|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | EPV18 | It is important to me to be honest at work.                                                                                                                                             |
|  | EPV19 | It is important to me to be dutiful at work.                                                                                                                                            |
|  | EPV20 | It is important to me to take responsibility for the work that is performed.                                                                                                            |
|  | EPV21 | It is important to me to openly share knowledge and information at the workplace.                                                                                                       |
|  | EPV22 | Tolerance at work is important to me (for example, individual and sectional differences are respected).                                                                                 |
|  | EPV23 | Self-actualization at work is important to me (for example, to give meaning of oneself/ ones thoughts at work).                                                                         |
|  | EPV24 | It is important to me to sense the significance of work.                                                                                                                                |
|  | EPV25 | It is important to me that the organization has an inspiring vision, mission or philosophy.                                                                                             |
|  | EPV26 | It is important to me to implement meaningful public objectives, while doing my job (for example, to help solve social problems, to contribute to the development of the city/country). |
|  | EPV27 | It is important to me to contribute to the organization's traditions, help nurture it.                                                                                                  |
|  | EPV28 | It is important to me to use the skills, which were obtained by education and experience.                                                                                               |
|  | EPV29 | It is important to me to have the ability to plan my schedule at work.                                                                                                                  |
|  | EPV30 | It is important to me that my suggestions and ideas are appreciated at work.                                                                                                            |
|  | EPV31 | It is important to me to be able to achieve higher position.                                                                                                                            |
|  | EPV32 | It is important to me to receive tasks that are challenging my abilities.                                                                                                               |
|  | EPV33 | It is important to me to have the ability to achieve higher results in healthy competition with my co-workers.                                                                          |

|  |       |                                                                                                                                                             |
|--|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | EPV34 | It is important to me to mobilize all efforts trying to achieve good performance.                                                                           |
|  | EPV35 | It is important to me to be involved in the organization's operational problem solving.                                                                     |
|  | EPV36 | It is important to me to have clear aim at work.                                                                                                            |
|  | EPV37 | It is important to me to have the ability for career improvement.                                                                                           |
|  | EPV38 | It is important to me that the organization, where I work, has understandable written rules of work policies.                                               |
|  | EPV39 | It is important to me to uphold verbal agreements.                                                                                                          |
|  | EPV40 | It is important to me that the products that I sell and/or services that I provide are of high quality.                                                     |
|  | EPV41 | It is important to me to work in an attractive environment.                                                                                                 |
|  | EPV42 | It is important to me that the reputation of the organization, where I work, is positive.                                                                   |
|  | EPV43 | My image at the company is important to me (for example, I wish to look smart, wear a uniform, represent the company with its logo and etc.).               |
|  | EPV44 | It is important to me to have an adequate physical workplace (for example, to have the necessary tools, comfortable workspace, suitable lighting and etc.). |
|  | EPV45 | It is important to me to have a secure workplace.                                                                                                           |
|  | EPV46 | My personal health is important to me.                                                                                                                      |
|  | EPV47 | It is important to me to have suitable work conditions (for example, not too hot, not too cold, noiseless, and clean and etc.).                             |

### 3.6.4 Independent Variable: Reward Program

Reward program was the third independent variable. The following item measure was devised to measure this construct in the questionnaire:

| Operational Definition                                                                                                        | Variable Code | Item                                                                                                                                                                           | Source           |
|-------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| <b>Reward Programs</b>                                                                                                        |               |                                                                                                                                                                                |                  |
| Incentive programme has been various other titles for it, such as loyalty schemes and reward programmes, have also been used. | RP1           | My salary satisfactory in relation to what I do.                                                                                                                               | De Beer (1987)   |
|                                                                                                                               | RP2           | I earn the same as more than the other people in similar job.                                                                                                                  |                  |
|                                                                                                                               | RP3           | The basic of payment, for example overtime payment is reasonable.                                                                                                              |                  |
|                                                                                                                               | RP4           | Salary increases are decided on a fair manner.                                                                                                                                 |                  |
|                                                                                                                               | RP5           | The opportunities offered to me by our company for learning and career development outside of our current job, e.g., sabbaticals, coaching, mentoring, leadership training.    |                  |
|                                                                                                                               | RP6           | The opportunities offered to me by our company for career advancement, e.g., job advancement/ promotions, internships, and apprenticeships with experts, internal job posting. | Cattell's (1966) |
|                                                                                                                               | RP7           | The opportunities offered to me by our company for training within our current job, e.g., skills training.                                                                     |                  |
|                                                                                                                               | RP8           | The quality of performance feedback and performance discussions you have had with your supervisor.                                                                             |                  |
|                                                                                                                               | RP9           | The degree to which your employer encourages and organizes team building or other social networking activities amongst employees.                                              |                  |
|                                                                                                                               | RP10          | Having social friendships at work.                                                                                                                                             |                  |
|                                                                                                                               | RP11          | Your employer's provision of employee health and wellness programs, e.g., Employee Assistance Programs, counselling services, fitness centers.                                 |                  |
|                                                                                                                               | RP12          | The provision of recognition via non-financial means, e.g., certificates of recognition.                                                                                       |                  |

|  |      |                                                                                                             |  |
|--|------|-------------------------------------------------------------------------------------------------------------|--|
|  | RP13 | Your employer's provision of medical aid, retirement, and pension benefits.                                 |  |
|  | RP14 | The provision of a competitive pay package (i.e., basic salary plus benefits, allowances, or variable pay). |  |
|  | RP15 | Your employer's provision of incentive bonuses/variable pay.                                                |  |
|  | RP16 | Your employer's provision of work/life programs such as flexible working arrangements, flexible hours.      |  |
|  | RP17 | The extent to which your employer supports a balanced lifestyle (between your work and personal life).      |  |
|  | RP18 | Having a manageable workload and reasonable workplace.                                                      |  |
|  | RP19 | Recognition provided to you by your employer, e.g., financial recognition such as a cash, paid travel.      |  |
|  | RP20 | The level of challenge and interest you derive from your job.                                               |  |
|  | RP21 | The extent to which you are provided with challenging targets.                                              |  |
|  | RP22 | The extent to which you believe your contribution and work is valued.                                       |  |

### 3.7 Data Collection

The primary approach employed in this study involves the utilisation of questionnaire surveys as the principal tool for gathering primary data from the participants. One of the notable benefits associated with employing questionnaires is their cost-effectiveness, as they represent a relatively inexpensive research approach. Additionally, the use of questionnaires allows for the preservation of respondent anonymity, which in turn promotes a greater probability of obtaining transparent and honest responses. The survey questionnaires were provided to the respondents and collected in person from the staff. A total of 221 questionnaires have been disseminated

to the participants. In addition to this, the participants were allotted a time frame of 15 minutes to fill the questionnaires. A total of 158 surveys were successfully completed, while 63 questionnaires remained incomplete. The survey questionnaire is presented in Appendix 1.

The online platform was used to disseminate a questionnaire to government servants at the KSRD. The use of personally presented surveys was motivated, in part, by the need to achieve a high response rate and to employ a cost-effective approach for data collecting. According to Sekaran (1992), the utilisation of personally delivered questionnaires allows researchers to present the research issue and simultaneously elicit honest opinions from respondents. The primary objective behind the development of the questionnaire is to obtain precise and reliable data that can be utilised for comprehensive data analysis and to effectively address the research inquiries. The questionnaire was developed in two versions, one in Malay and the other in English. It was then distributed to the respective department personnel through the Whatsapp application and email platforms.

### **3.8 Data Collection Procedures**

Jones et al (2008) emphasised that there exist multiple methodologies for data and information collection. In contemporary times, questionnaires, especially those administered using online platforms, have emerged as a preferred method because to its inherent advantages, such as cost-effectiveness, expediency, and ease of management. In addition, the online platform possesses a broader scope of influence. The present research implements a self-administered technique to collect and distribute survey data from participants. The utilisation of this strategy is deemed optimal for the

present investigation due to its capacity to expedite the dissemination and retrieval of responses.

### **3.9 Techniques of Data Analysis**

The analysis of data is conducted applying Statistical Package for Social Science (SPSS) Version 23.0. The revelations were summarised applying suitable descriptive and inferential statistical methods. Cronbach's Alpha is a commonly utilised and accepted reliability test tool, as acknowledged by Cavana, Delahaye, and Sekaran (2001). According to their assessment, a reliability measure below 0.6 is classified as weak, a measure within the range of 0.7 is deemed moderate, and a measure exceeding 0.8 is considered good.

The Pearson Correlation Coefficient was applied for evaluating the statistical significance of the correlation between independent factors and dependent variables. According to Davis (1971), the application of a scale model is recommended for examining the relationships between independent variables and dependent variables. A correlation coefficient of 0.70 or higher indicates a very strong relationship, while a coefficient ranging from 0.50 to 0.59 suggests a strong relationship. A coefficient between 0.30 and 0.49 indicates a moderate relationship, whereas a coefficient between 0.10 and 0.29 signifies a low relationship. Lastly, a coefficient below 0.09 indicates a very low relationship.

The researcher employed undertaking a multiple regression analysis for evaluating the hypotheses in this research. study. The primary objective of performing the multiple regression analysis was to ascertain the correlation between the independent factors and the dependent variables. The implementation of multiple regression analysis is deemed suitable for the researcher's study, as it allows for the examination of the link between

three independent factors, namely work environment, employee personal values, and reward program, and the dependent variable of employee engagement. Furthermore, according to the research study, both the independent factors and dependent variable were assessed using an interval scale. Multiple regression analysis is employed when both the independent and dependent variables are measured on a metric scale, namely an interval or ratio scale. Therefore, this approach was deemed appropriate for testing the hypotheses put out by the researcher. The hypotheses will be evaluated and analysed in the subsequent chapter.

### **3.10 Summary of the Chapter**

This chapter provides a comprehensive overview of the examination technique, which includes the conceptual study framework, study hypothesis, study design, operational definition of the study, data sampling, and data analysis. This research employed a quantitative approach to examine various tactics through the conduct of questionnaires. The sampling technique implemented had stratified random sampling. The study's sample constituted of 158 employees from the Kedah State Registration Department.



## CHAPTER FOUR

### RESULTS

#### 4.1 Introduction

The present chapter covers the findings of the research. The chapter commences by discussing an overview of the response rate and the demographic features of the participants. Subsequently, The procedure for the collection of assessing data is implemented. The discussions conclude with a comprehensive report on correlation analysis and regression analysis.

#### 4.2 Response Rate

In this study, the complete sum of 221 questionnaires were produced and distributed to the Kedah State Registration Department. As a consequence, the researcher successfully collected 158 completed surveys, while 63 surveys remained incomplete. The rate of response to the research is displayed in Table 4.1.

*Table 4.1 Response Rate*

|                    | No. of Questionnaires | Percentage (%) |
|--------------------|-----------------------|----------------|
| <b>Return</b>      | 221                   | 100            |
| <b>Completed</b>   | 158                   | 71.5           |
| <b>Uncompleted</b> | 63                    | 28.5           |

#### 4.3 Descriptive of variables

This part provided a discussion on the background of the responders. The use of frequency analysis was implemented for the purpose to ascertain the demographic

characteristics of the respondents (Sekaran, 2003). The demographic composition of the KSRD can be described as follows:

*Table 4.2 Respondents' demographic characteristic*

|                             |                             | <b>Frequency</b> | <b>Percentage (%)</b> |
|-----------------------------|-----------------------------|------------------|-----------------------|
| <b>Gender</b>               | Male                        | 75               | 47.5                  |
|                             | Female                      | 83               | 52.5                  |
| <b>Race</b>                 | Malay                       | 153              | 96.8                  |
|                             | Chinese                     | 1                | .6                    |
|                             | Indian                      | 2                | 1.3                   |
|                             | Others                      | 2                | 1.3                   |
| <b>Length of Employment</b> | Below 1 year                | 4                | 2.5                   |
|                             | 1-5 years                   | 16               | 10.1                  |
|                             | 6-10 years                  | 34               | 21.5                  |
|                             | 11-15 years                 | 33               | 20.9                  |
|                             | Above 15 years              | 71               | 44.9                  |
| <b>Size of Organization</b> | Small                       | 7                | 4.4                   |
|                             | Medium                      | 135              | 85.4                  |
|                             | Large                       | 16               | 10.1                  |
| <b>Number of Employee</b>   | Less than 100 employees     | 118              | 74.7                  |
|                             | 101-500 employees           | 28               | 17.7                  |
|                             | 501-1000 employees          | 4                | 2.5                   |
|                             | 2501-5000 employees         | 6                | 3.8                   |
|                             | Greater than 5000 employees | 2                | 1.3                   |
| <b>Department/Branch</b>    | NRD Kedah State             | 57               | 36.1                  |
|                             | NRD District                | 37               | 23.4                  |
|                             | NRD UTC/RTC Branch          | 64               | 40.5                  |
| <b>Grade</b>                | Grade 11-14                 | 12               | 7.6                   |
|                             | Grade 19-26                 | 116              | 73.4                  |
|                             | Grade 29-38                 | 26               | 16.5                  |
|                             | Grade 41-54                 | 4                | 2.5                   |

Table 4.2 provides an overview of the demographic characteristics of the respondents. The information contained inside includes factors such as gender, race, length of employment, size of organisation, number of employees, department, and grade. According to Wyse (2012), the demographic profile is a crucial component that must be taken into account in order to obtain more precise information regarding the characteristics of the group participating in a survey.

Firstly, in relation to gender, the survey results indicate that female respondents constituted a majority, accounting for approximately 52.5% (n=83) of the total participants, while male respondents accounted for approximately 47.5% (n=75) of the total participants. In terms of racial demographics, the majority of respondents identified as Malay, comprising 96.8% (n=153) of the entire sample. Indian and Other respondents each accounted for 1.3% (n=2), while Chinese respondents represented the lowest number of respondents at 0.6% (n=1).

In relation to the length of employment, the majority of respondents (44.9%, n=71) belong to the category of above 15 years. This is followed by 21.5% (n=34) of respondents who have been employed for 6-10 years, approximately 20.9% (n=33) of respondents who have been employed for 11-15 years, 10.1% (n=16) of respondents who have been employed for 1-5 years, and finally, 2.5% (n=4) of respondents who have been employed below 1 year of service.

In relation to organization size, the majority of respondents belong to the medium category, comprising 85.4% (n=135) of the sample. This is followed by 10.1% (n=16) of respondents who are classified as large, and lastly, 4.4% (n=7) of respondents represent the small category. Concerning the employee are counted, the category with

the highest rate is respondents with less than 100 employees, accounting for 74.7% (n=118). This is followed by the category of 101-500 employees, which represents 17.7% (n=28) of the respondents. The category of 2501-5000 employees accounts for 3.8% (n=6), while the category of 501-1000 employees represents 2.5% (n=4). Lastly, the category of respondents with greater than 5000 employees comprises 1.3% (n=2) of the total.

In relation to departmental or branch, the NRD UTC/RTC Branch reveals the highest proportion of respondents at 40.5% (n=64), followed by the NRD Kedah State at 36.1% (n=57). Conversely, the NRD District indicates the lowest percentage of respondents at 23.4% (n=37). In relation to grade, the highest proportion of respondents falls within the grade range of 19-26, constituting a dominant position with a percentage of 73.4% (n=116). This is followed by the grade range of 29-38, which accounts for 16.5% (n=26) of the respondents. The grade range of 11-14 represents 7.6% (n=12) of the respondents, while the lowest proportion is observed in the grade range of 41-54, comprising only 2.5% (n=4) of the respondents.

#### **4.4 Reliability Analysis**

The determination of reliability in research can be accomplished by using of a reliability coefficient, such as Cronbach's Alpha. This coefficient allows for The evaluation of the level to which items are assessed within a study are positively associated with one another. According to Sekaran (2003), Sekaran (2003) states that a Cronbach Alpha value below 0.60 is deemed to be of poor quality, whereas values within the range of 0.80 and above are considered acceptable, and values beyond 0.90 are regarded as exceptional.

All variables indicate a high Cronbach Alpha value, with employee engagement at 0.868, employee personal values at 0.977, and reward program at 0.930, except for the work environment variable. The reliability analysis for the independent variable work environment was poor at first, getting a value of 0.488. After examining all six items, it was revealed that two of the questions, items two (WE2) and three (WE3), had negative elements because the majority of respondents selected disagree and strongly disagree. As a result, this study eliminated those two questions and ran a fresh reliability study, getting a 0.785 score for four items. However after referring the Item Total Statistics in section Cronbach's Alpha if Item Deleted, another item deleted is item one (WE1). As the result, Cronbach's Alpha for work environment is good at 0.812. The findings of the reliability analysis are presented in table 4.3 as below:

*Table 4.3 Reliability Analysis*

|                                 | <b>Cronbach's Alpha</b> | <b>N of Items</b> |
|---------------------------------|-------------------------|-------------------|
| <b>Employee Engagement</b>      | .868                    | 7                 |
| <b>Work Environment</b>         | .812                    | 3                 |
| <b>Employee Personal Values</b> | .977                    | 47                |
| <b>Reward Program</b>           | .930                    | 22                |

#### **4.5 Correlation Analysis**

The Pearson correlation coefficient is utilised for evaluating the relationship between the variables, specifically the independent and dependent variables, in the research analysis. Furthermore, the Pearson correlation coefficient is employed to examine the relationship between the variables under examination, especially the independent and dependent variables.

*Table 4.4 Correlation of Variables*

|                                | <b>Work<br/>Environment</b> | <b>Employee<br/>Personal Values</b> | <b>Reward Program</b> |
|--------------------------------|-----------------------------|-------------------------------------|-----------------------|
| <b>Employee<br/>Engagement</b> | .381**                      | .642**                              | .507**                |

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

Table 4.4 presents the Pearson correlations of variables for the 158 participants. As illustrated in Table 4.3 above, employee engagement has a significant positive relationship on independent variables which are employee personal values ( $r = .642$ ,  $p < 0.01$ ). Lastly, employee engagement has a significant positive relationship with reward program ( $r = .507$ ,  $p < 0.01$ ) and work environment ( $r = .381$ ,  $p < 0.01$ ).

#### **4.6 Regression Analysis**

This section summarises the results of the hypothesis testing conducted in the study. Multiple regression analysis was implemented to examine three hypotheses. This section examines the correlation between the independent variables and the dependent variable.

##### **4.6.1 Relationship between Independent Variables and Dependant Variable**

Three hypotheses were developed to examine the relationship between independent factors, specifically work environment, employee personal values, and reward program, and the dependent variable of employee engagement. The subsequent section aims to examine the correlation between the independent variables and the dependent variable.

*Table 4.5 Multiple Regression Model Summary*

| <b>Model</b> | <b>R</b> | <b>R Square</b> | <b>Adjusted R<br/>Square</b> | <b>Std. Error of<br/>the Estimate</b> | <b>Durbin-<br/>Watson</b> |
|--------------|----------|-----------------|------------------------------|---------------------------------------|---------------------------|
| <b>1</b>     | .697a    | .486            | .476                         | .44204                                | 2.293                     |

a. Predictors: (Constant), MEANRP, MEANWE, MEANEPV

b. Dependent Variable: MEANEE

Table 4.5 illustrates the Multiple Regression Model Summary according to the aforementioned hypotheses. Multiple regression analysis was used to analyse the influence of independent variables, including work environment, employee personal values, and reward programme, on the dependent variable of employee engagement. The R-squared value of 0.486 indicates that approximately 48% of the variance in the dependent variable, employee engagement, could be explained by the independent variables of work environment, employee personality values, and reward programme. The Durbin Watson Test result is 2.293. As a general rule, test statistic levels in the 1.5 to 2.5 range are considered normal. Values that fall outside of this range may be cause for concern. According to Field (2009), values less than one or greater than three are a cause for concern.

The result obtained for the analysis of variance (ANOVA) is statistically significant. The satisfactory resolution of the study questions is evidenced by the F value of 48.558 and Sig.=.000b, as illustrated in Table 4.6.

*Table 4.6 Multiple Regression Result of Independent and Dependent variables (ANOVA)*

|   |                   | Sum of  |     |             |        |       |
|---|-------------------|---------|-----|-------------|--------|-------|
|   | Model             | Squares | df  | Mean Square | F      | Sig.  |
| 1 | <b>Regression</b> | 28.465  | 3   | 9.488       | 48.558 | .000b |
|   | <b>Residual</b>   | 30.092  | 154 | .195        |        |       |
|   | <b>Total</b>      | 58.557  | 157 |             |        |       |

a. Dependent Variable: MEANEE

b. Predictors: (Constant), MEANRP, MEANWE, MEANEPV

Furthermore, Table 4.7 below shows Results of the Multiple Regression Analysis, the findings obtained indicate that the work environment ( $\beta = .156$ ,  $t=2.378$ ,  $sig=.019$ ), employee personal values ( $\beta = .489$ ,  $t=7.170$ ,  $sig=.000$ ), and reward program ( $\beta = .255$ ,

$t=3.580$ ,  $\text{sig}=.000$ ) had significant predictive effects on employee engagement. Therefore, the aforementioned findings provide support for all of the hypotheses.

*Table 4.7 Results of the Multiple Regression Analysis*

| Model               | Unstandardized Coefficients |            | Standardized Coefficients |  | t     | Sig. |
|---------------------|-----------------------------|------------|---------------------------|--|-------|------|
|                     | B                           | Std. Error | Beta                      |  |       |      |
| <b>1 (Constant)</b> | .376                        | .331       |                           |  | 1.137 | .257 |
| <b>MEANWE</b>       | .156                        | .066       | .148                      |  | 2.378 | .019 |
| <b>MEANEPV</b>      | .489                        | .068       | .482                      |  | 7.170 | .000 |
| <b>MEANRP</b>       | .255                        | .071       | .237                      |  | 3.580 | .000 |

a. Dependent Variable: MEANEE

#### 4.7 Hypothesis Testing

In a nutshell, the analysis technique employed in this study, specifically multiple regression, has successfully addressed the research objectives and examined the presented hypotheses. The summary of the hypotheses testing is presented in Table 4.8. as below :

*Table 4.8 Overall Hypotheses Results Table*

| Hypothesis                                                                                                    | Regression Results                                   | Decision |
|---------------------------------------------------------------------------------------------------------------|------------------------------------------------------|----------|
| <b>Work Environment and Employee Engagement</b>                                                               |                                                      |          |
| <b>Hypothesis 1:</b><br>There is a significant relationship between work environment and employee engagement. | $\beta = .156$ ,<br>$t=2.378$ ,<br>$\text{sig}=.019$ | Accepted |
| <b>Employee Personal Values and Employee Engagement</b>                                                       |                                                      |          |
| <b>Hypothesis 2:</b>                                                                                          | $\beta = .489$ ,<br>$t=7.170$ ,<br>$\text{sig}=.000$ | Accepted |



| Hypothesis                                                                                    | Regression Results | Decision |
|-----------------------------------------------------------------------------------------------|--------------------|----------|
| There is a significant relationship between employee personal values and employee engagement. |                    |          |
| <b>Reward Program and Employee Engagement</b>                                                 |                    |          |
| <b>Hypothesis 3:</b>                                                                          | $\beta = .255$ ,   |          |
| There is a significant relationship between reward program and employee engagement.           | $t = 3.580$ ,      | Accepted |
|                                                                                               | $sig = .000$       |          |

#### 4.8 Summary of the Chapter

The aforementioned discourse has successfully achieved three research objectives through the implementation of three hypothesis tests. As a result, there were evident indications of a favourable correlation between the work environment, employee personal values, and reward programme and employee engagement. In essence, it may be inferred that each of the independent factors exhibits a statistically significant association with employee engagement.

## **CHAPTER FIVE**

### **DISCUSSION**

#### **5.1 Introduction**

This chapter is the concluding element of the study and provides a more comprehensive analysis of the research findings. The analysis of the results would clarify the theoretical and practical significance of this research. Additionally, the analysis considers the constraints of the research, which inevitably presents opportunities for more research.

#### **5.2 Discussion**

The primary aim of the intention of the research is to examine and analyse the influence of the work environment, employee personal values, and reward program on employee engagement perception inside the KSRD. The key or fundamental objective of this study is to investigate employee engagement during the Covid-19 pandemic, with a specific focus on the effects of the introduction of the new normal on government employees. In the unfortunate circumstance that COVID-19 remains endemic, it is necessary upon government departments to adhere to any directives, should the severity of the disease persist. Therefore, to establish a relationship between these conditions, an analysis was undertaken to assess the connections between employee engagement and three variables: work environment, employee personal values, and reward program. The primary emphasis of this study was on the employees employed within the KSRD. The present study utilized multiple regression analysis to investigate three hypotheses, and the findings of the Reliability Analysis is all variables indicate a high Cronbach Alpha value variable means the variable are positively associated with one another.

Moreover, the results from the regression analysis between independent variables (work environment, employee personal values, and reward program) presents positive significant relationship between and dependent variable (employee engagement).

### **5.2.1 Relationship between Work Environment and Employee Engagement**

Hypothesis 1 : There is a significant relationship between work environment and employee engagement.

A study by Hewitt (2015), a key characteristic of a key determinant of a prosperous organisation is the notable presence of a high employee engagement index. This indicator is defined by a range of employee activities, such as engaging in positive discourse regarding the business and exhibiting a strong commitment to sticking with the organisation and a sense of motivation to exert additional effort in order to accomplish organisational objectives. Hence, the presence of an ergonomically optimised and productive work environment is contingent upon not only the fulfilment of work facility requirements, but also the possibility of communication and collaboration among employees. Convenient facilities involve various factors that contribute to a conducive work environment. These factors include sufficient workspace, pleasant interior design, appropriate lighting conditions, comfortable surroundings with optimal ventilation and airflow, low levels of disruptive noise, and ergonomic considerations for visual and anthropometric requirements. Debbie et al. (2014) argue that organisations must prioritise the improvement of their workplace spaces in order to foster employee motivation and productivity (Setiyani et al., 2019).

According to Rich et al. (2010), Kohun (1992) defines the work environment as a complex entity encompassing several factors, such as powers, activities, and other influential aspects, that interact with and potentially impact an individual's work engagements and accomplishments. The working environment encompasses the collective interrelationships. According to Harter et al. (2002), the work environment is perceived as a setting that has the ability to attract individuals to join an organisation, motivate them to stay within the organization's workforce, and facilitate their ability to do their tasks efficiently. According to Leshabari et al. (2008), work settings play a crucial role in facilitating optimal performance among employees by allowing them to utilise their skills, competence, knowledge, and available resources to deliver high-quality services. According to the findings of Popli & Rizvi (2016) and Anitha (2014), the establishment of a meaningful workplace environment is considered a crucial factor in determining employee engagement (Nasidi et.al, 2019).

The studies conducted by Hanaysha (2016) and Danish et al. (2013) have provided evidence to support the notion that commitment is influenced by the work environment. Additionally, Dul et al. (2011) discovered that reliability is impacted by several factors of work environment. Moreover, Anasi (2020) posited that the work environment has a significant impact on individuals' levels of fulfilment with work. Yusliza et al. (2020) demonstrated a significant association between a supportive work environment and employee retention, highlighting the importance of the work environment in this context. Generally, a conducive work environment has the potential to provide a beneficial influence on employees, fostering increased commitment, motivation, and contentment among them. An aesthetically pleasing work environment has the potential

to optimise employee motivation and inspire proactive engagement in their professional responsibilities (Judeh, 2021).

In Regression Analysis, work environment has relationship with the employee engagement. Therefore, a careful approach is needed to create a favourable working atmosphere, particularly in KSRD. The design process should be approached with an open mind, flexibility, and employee involvement. It involves figuring out how to make an environment that suits the employee's specific requirements and interests. KSRD is obligated to adhere to a method of operation that is up-to-date and consistent with the most recent national policy. According to our understanding, the government has integrated the implementation strategy of the agency's digital transformation with the public sector digitalization agenda as indicated in the Public Sector Digitalization Strategic Plan 2021-2025. As consequence, KSRD is capable of fulfilling the government's objective, which is to facilitate the provision of online services, enable cashless payment alternatives, and implement cloud computing storage throughout the public sector. It also involves remaining aware of changing requirements and making required adaptations, as exemplified by the KSRD. A dedication to the welfare of employees is necessary for the successful creation of a favourable environment. It involves more than simply physical space; it involves managerial styles and corporate culture. It's important to take consideration of employee input, promote work-life balance, and offer chances for professional advancement.

### **5.2.2 Relationship between Employee Personal Values and Employee Engagement**

Hypothesis 2 : There is a significant relationship between employee personal values and employee engagement.

Mashlah (2015) advocates for experts and intellectuals specialising in the research of values undertake a more comprehensive examination of the ways in which individuals' personal values influence, motivate, and direct their behaviour within professional settings. According to Borman and Motowidlo (1997) as well as Goodman and Svyantek (1999), individuals are more inclined to become part of, remain in, and excel within environments where they think that the organisational practises and work align with and endorse their own beliefs. Harrington, Preziosi, and Gooden (2001) noted that numerous empirical researchers have underscored the importance and benefits of incorporating personal beliefs in the workplace and aligning them with corporate principles. This practise is crucial for fostering a strong sense of collaboration and cultivating personal growth inside the organisation. (Matenga, 2021).

When there is congruence between the personal values of a public servant and the principles represented by the public service organisation, it is more probable that these individuals will exhibit higher levels of motivation, productivity, and engagement in their respective roles. Therefore, it is anticipated when workers see an alignment between their personal principles and the values upheld by their firm, it will motivate them to not only fulfil their job responsibilities proficiently but also exceed expectations. This enhanced degree of engagement towards their job and employer can be regarded as a strong sense of commitment (Matenga, 2021).

Employees' attitudes and beliefs influence their behaviours within the system, according to numerous research cited by Organ & Ryan (1995) and Bolino et al. (2006). Another set of researchers, Cantor & Mischel (1979) and Organ & Konovsky (1989), discovered that individuals' variations resulting from fundamental factors such as personal values and attributes can forecast their capabilities in various circumstances. As a result of their ability to shed light on a wide range of behavioural outcomes and their reputation as a novel and delicate concept in the humanities and social sciences, personal values have recently been evaluated and ranked in order to predict ability, organisational performance, and service quality. Rioux and Penner (2001) described personal values that can enhance an employee's talents in the organisation using the functional behaviour proposed by Clary and Snyder (1991). Due to natural ability, we are able to comprehend the rationale behind reactions and how they affect the quality of services by evaluating the motivations behind each decision that transfers knowledge to action and originates from persons for carrying out a specific behaviour (Kamiab, & Singaravelloo, 2018).

So, enhanced job engagement are expected over KSRD employees who retain a strong sense of purpose that is aligned with their work values. A person must ascertain their drives and how they determine their daily work effectiveness. Knowing the value that employees bring to the workplace empowers the organisation to comprehend its strengths and assists employees to develop and improve themselves. KSRD can also provide more comprehensive programs such as coaching for leadership development; mentoring program; individual and group career counseling; and other suitable training programs. It will be easier for employees to determine whether a career fits with the

broader goals of the organisation if they are aware of their personal values. Evaluating the alignment between those principles and the specific role that are considering can provide valuable guidance for significant career choices. By emphasising on the qualities that are essential most to KSRD employees, achieving those long-term goals and objectives can potentially be simplified easier. In ultimately, engagement and happier employees who make more contribution to the success of any organisation might result from employee being capable of to align their beliefs with their jobs.

### **5.2.3 Relationship between Reward Program and Employee Engagement**

Hypothesis 3 : There is a significant relationship between reward program and employee engagement.

According to the findings of Muliawan et al. (2017), researchers have found a positive correlation between employee engagement and performance. This relationship can be attributed to the fact that highly engaged individuals experience positive emotions and do not perceive their work as burdensome. According to Hariandja (2002), remuneration or rewards is identified as a significant component contributing to the achievement of employee engagement. Compensation refers to a type of remuneration provided to employees as a means of reciprocation for their contributions. According to a study conducted by Kurniawan and Nurtjahjanti (2017), it was shown that employee engagement is highly influenced by compensation or reward. According to Agusta (2019), Muliawan et al. (2017), and Saleh et al. (2020), there exists a notable correlation between employee engagement and employee performance (Siswanto, Maulidiyah, & Masyhuri, 2021).



Research in the field of public management has identified a correlation between employee public service motivation, The following academic references are cited: Bakker (2015), Borst (2018), Borst, Kruijnen, and Lako (2019), De Simone et al. (2016), Levitatz and Vigoda-Gadot (2019), Ugaddan and Park (2017), Freeney and Fellenz (2013) in relation to perceptions of the advantageous impact of their position on community., and Ghosh et al. (2014) in relation to perceptions of fairness in job-related rewards. Additionally, Kumasey et al. (2021) and Strom, Sears, and Kelly (2014) are also mentioned. Not only does it enhance public employee engagement, but it also achieves this by employing comparable mechanisms that reinforce the employee-organization relationship and foster the employee's perception of meaningful achievement. Public Service Motivation (PSM) achieves this by enhancing the overall significance that employees attribute to their work, particularly through an intrinsic inclination to serve the public. On the other hand, positive social influence and job-related benefits contribute to this by emphasising the attainment of successful work outcomes and the consequential value of these outcomes for others (Bashir, Wright, & Hassan, 2023).

Therefore, effective employee reward programmes help an organisation attract, retain, and develop the employees who are essential to its success. Contributing to the development of the organization image, rewards play a major role in the value proposition that organization give. KSRD can also provide overtime work opportunities to its employees, especially for those who serve at the urban transformation center because the working hours are seven out of a week. This opportunity can attract employees at KSRD to work while adding to their income. The trendy effort to draw in

and maintain acquired potential has increased the significance of rewards mindset and strategy. It is essential to explain in detail how the KSRD defines, assesses, and links performance to rewards. This outlines the organization's fundamental beliefs and the resources needed to carry out its plan. An organization's approach will be more probable to be selected over the KSRD if a prospective employee finds it interesting.

### **5.3 Implication of the study**

The implications of the study can be broadly divided into two categories: the first is known as the practical implication, and the other as the theoretical implication. In this context, the term practical implication refers to the tangible outcome of research that enhances or resolves a particular issue within the field of study. On the contrary, theoretical implication highlights the significance and impact of the study in expanding the current knowledge base and enhancing the theoretical comprehension of the subject matter.

#### **5.3.1 Practical Implication**

The study explains the influence of work environment, employee personal values and reward program towards employee engagement perception of employees in KSRD. This study may be used as an overview or indicator for KSRD management, particularly the human resources department, in the future to ensure that the organisation encompasses good performance practises. This is because employee engagement is now recognised as one of the utmost significant issues, ensuring its application among KSRD employees particularly important, as this issue is frequently only given priority to employees from other fields instead of HR.

Furthermore, this study offers valuable insights into the relationship between motivation and achievement of employees inside the organisational framework, highlighting the beneficial impact on overall organisational performance. The study will assist the organization's management in developing policies related to the variables of work environment, employee personal values, and reward system that affect employee engagement inside the organisation. Moreover, the study will also assist the organisation in formulating strategic approaches to work-life balance and organisational commitment, thereby improving the overall performance of the organisation.

In conclusion, the study is beneficial to other regions because of the similar working conditions, aside from the knowledge contribution towards the issues of employee engagement in relation to work environment, employee personal values, and reward programme among employees in the KSRD. The outcomes of this study can be extrapolated to comprehend and elucidate the situation in other governmental agencies in Malaysia. This indicates that the real-world experience is comparable and transferable to other areas outside the study's sample size.

### **5.3.2 Theoretical Implication**

The research contains theoretical implications as it might provide an extra contribution to the study of employee engagement and reward system in describing how organisations operate within the KSRD. First of all, in term of Employee engagement Models, there are six models of engagement and the model which is significant to KSRD is Hierarchy of engagement model. An employee engagement model offers a

structure for interacting with KSRD staff members in order to foster a sense of worth, confidence, and job satisfaction. It serves as the foundation for the organisational culture and influences the development of workplace policies and management practises inside the organisation. Hence, it is obvious that the implementation of effective managerial practises and the development of positive relationships lead to the establishment of employee engagement. The challenge now facing organisations is determining how to remove any obstacles that might be preventing their own employees from being more engaged. While there might not be a single strategy that works for every business or employee, any organisation can turn their disgruntled workforce into a productive, happy team with practise and increasing experience.

#### **5.4 Limitation of the study**

The study focuses on the KSRD employees in Kedah who set a limitation on the response rate. Consequently, the study is limited to KSRD staff in Kedah, which is in Malaysia's northern area. The fact that the study only considers employees in Kedah and excludes those in Northern regions like Perlis and Pulau Pinang is another significant factor that limits the research. Furthermore, the research is restricted to three independent variables: the work environment, the personal values of the employees, and the reward programme; the dependent variable is employee engagement. The time allocated for conducting this research is insufficient to comprehensively cover the entire Registration Department in Malaysia, which limits the scope of the findings. The survey is conducted over a period of three to four months and the researcher is unable to include universities that are not listed. Moreover, the study was also restricted by budgetary

constraints, as the researcher lacked the necessary financial resources to extend the investigation outside the Northern regions. The investigation is limited by the researcher's financial constraints. Based on the aforementioned constraints, the researcher suggests conducting additional studies to examine the factors in other organisations, such as different government departments or local government entities, both within and outside of Malaysia. The investigation can be expanded to include a mediator, and more variables can be included and examined.

### **5.5 Recommendation for the Future Research**

Upon the completion of the study and considering its inherent limitations, the subsequent recommendations can be proposed for future research. Firstly, it is recommended to conduct a similar study with a bigger sample size in order to incorporate a wider range of demographic information from sponsors when comparing the results. The investigation can focus on discerning the distinctions between sponsors of medium and large sizes. It is advisable to employ a probability sampling technique in future research endeavours in order to obtain findings that accurately reflect the characteristics of the entire population. A potential avenue for further research involves doing a comparative study between employee perceptions and consumer perceptions. Similar studies can be undertaken by examining a wider range of customer service aspects or by concentrating on businesses that are associated with the primary core business in KSRD or other departments, such as outreach activities and other services offered in KSRD. In conclusion, it is recommended to undertake a qualitative research

study in order to facilitate the customization of the decision-making process, particularly in the context of sponsorship selection.

## **5.6 Conclusion**

In conclusion, this study has successfully achieved three primary objectives through various analyses, as previously described. Hence, there was a distinct signal that all independent factors exhibited a positive correlation with the dependent variable. This finding implies that there is a notable correlation between employee engagement and factors such as the work environment, employee personal values, and the implementation of a reward program.



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## Appendix 1

### QUESTIONNAIRE

#### Definition

The following definitions have been used operationally in this study.

- **Employee Engagement (EE)**

Employee engagement alludes to the psychological state that impacts an individual's emotional, physical, and cognitive involvement in their everyday employment duties and behaviours.

- **Work Environment (WE)**

The work environment pertains to the physical and psychological area that has been deliberately created to facilitate collaboration and productivity, enabling individuals to effectively carry out their tasks and accomplish desired results.

- **Employee Personal Values (EPV)**

Employee personal values are the fundamental aspect of one's personality, influencing attitudes, assessments, and choices.

- **Reward Programs (RP)**

Incentive programme has been various other titles for it, such as loyalty schemes and reward programmes, have also been used.

#### Notes:

The category of organizational size was based as follows :

| Organization Size/ Saiz Organisasi | Definition/Definisi                                        |
|------------------------------------|------------------------------------------------------------|
| Small and medium organizations     | Less than 500 employees<br>(Nafukho, Graham & Muyia, 2009) |
| Large organizations                | Greater than 500 employees<br>(Ford, 2009; Lluís, 2009).   |

### How to complete the questionnaire?

Please answer the statements overleaf by placing a circle around the number which most closely matches your opinion or to the best of your knowledge

Example of how to use the rating scales :

Every human being has five senses.

| Strongly Disagree  Strongly Agree |   |   |   |   |
|---------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| 1                                                                                                                   | 2 | 3 | 4 | 5 |

By circling the rating 5, therefore you would be saying that you strongly agreed with the given statement.



## SECTION A: DEMOGRAPHIC CHARACTERISTICS

The following questions deals with the basic characteristics of your business and some information about yourself.

### 1.1 Gender

Male ☐ Female ☐

### 1.2 Race

Malay ☐ Indian ☐  
Chinese ☐ Others (Please specify): \_\_\_\_\_

### 1.3 Length of employment:

Below 1 year ☐  
1-5 years ☐  
6-10 years ☐  
10-15 years ☐  
Above 15 years ☐

### 1.4 Size of your organization:

Small ☐ Medium ☐ Large ☐

### 1.5 Number of employees in your organization :

|                         |                          |                             |                          |
|-------------------------|--------------------------|-----------------------------|--------------------------|
| Less than 100 employees | <input type="checkbox"/> | 1001 – 2500 employees       | <input type="checkbox"/> |
| 101 – 500 employees     | <input type="checkbox"/> | 2501 – 5000 employees       | <input type="checkbox"/> |
| 501 – 1000 employees    | <input type="checkbox"/> | Greater than 5000 employees | <input type="checkbox"/> |

### 1.6 In what department (*branch*) do you work?

JPNM Ibu Negeri ☐  
JPNM Daerah ☐  
JPNM UTC/RTC ☐  
JPNM (Please Specify): \_\_\_\_\_

### 1.7 Your Grade position in your organization is:

Grade 11-14 ☐  
Grade 19-26 ☐  
Grade 29-38 ☐  
Grade 41-54 ☐  
Others \_\_\_\_\_

## SECTION B: EMPLOYEE ENGAGEMENT

| No. | Item                                                                                                                              | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|-----|-----------------------------------------------------------------------------------------------------------------------------------|-------------------|----------|---------|-------|----------------|
| 1   | Open and free communication from my supervisor assists in increasing job creativeness and performance.                            | 1                 | 2        | 3       | 4     | 5              |
| 2   | The furniture within the office is flexible and comfortable enough so that I can work without getting tired during working hours. | 1                 | 2        | 3       | 4     | 5              |
| 3   | The physical conditions at work influence my performance positive.                                                                | 1                 | 2        | 3       | 4     | 5              |
| 4   | A good relationship with my fellow colleagues increases my performance.                                                           | 1                 | 2        | 3       | 4     | 5              |
| 5   | The level of feedback received from my supervisor motivated me toward better performance.                                         | 1                 | 2        | 3       | 4     | 5              |
| 6   | The presence of working tools influences my performance in my workplace environment.<br><i>Keberadaan.</i>                        | 1                 | 2        | 3       | 4     | 5              |
| 7   | I have opportunities to provide input into decisions that affect my work.                                                         | 1                 | 2        | 3       | 4     | 5              |

### SECTION C: WORK ENVIROMENT

| No. | Item                                                                              | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|-----|-----------------------------------------------------------------------------------|-------------------|----------|---------|-------|----------------|
| 1   | I feel comfortable to work with latest technologies in the organization.          | 1                 | 2        | 3       | 4     | 5              |
| 2   | I feel insecure in the working environment.                                       | 1                 | 2        | 3       | 4     | 5              |
| 3   | I experience unwelcome verbal and physical conduct from my colleague's employees. | 1                 | 2        | 3       | 4     | 5              |
| 4   | I receive support from my boss, colleagues and juniors.                           | 1                 | 2        | 3       | 4     | 5              |
| 5   | My relationship with colleagues and peers is smooth and cordial.                  | 1                 | 2        | 3       | 4     | 5              |
| 6   | Working environment of team is good for career growth.                            | 1                 | 2        | 3       | 4     | 5              |

### SECTION D: EMPLOYEE PERSONEL VALUES

| No. | Item                                                                                                                                                                                                                                                       | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------|---------|-------|----------------|
| 1   | It is important to me to receive my salary on time.                                                                                                                                                                                                        | 1                 | 2        | 3       | 4     | 5              |
| 2   | It is important to me to receive bonuses that are provided according to my performance.                                                                                                                                                                    | 1                 | 2        | 3       | 4     | 5              |
| 3   | It is important to me that the organization provides all social guarantees (for example, paid vacations, health insurance, pension plan, benefits in the event of accidents, maternity/paternity benefits, benefits in cases of serious illness and etc.). | 1                 | 2        | 3       | 4     | 5              |
| 4   | It is important to me to receive benefits that match my personal needs (for example, participation in health education program, expenses for sports, treatments & various courses).                                                                        | 1                 | 2        | 3       | 4     | 5              |
| 5   | It is important to me to receive cash bonuses for length of my service.                                                                                                                                                                                    | 1                 | 2        | 3       | 4     | 5              |
| 6   | The development of the organization is important to me.                                                                                                                                                                                                    | 1                 | 2        | 3       | 4     | 5              |

|    |                                                                                                                                                                          |   |   |   |   |   |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|---|
|    |                                                                                                                                                                          |   |   |   |   |   |
| 7  | It is important to me to feel like a part of the organization that I work in.                                                                                            | 1 | 2 | 3 | 4 | 5 |
| 8  | It is important to me to work in a team.                                                                                                                                 | 1 | 2 | 3 | 4 | 5 |
| 9  | It is important to me to be able to work individually.                                                                                                                   | 1 | 2 | 3 | 4 | 5 |
| 10 | Friendly and pleasant working relationships are important to me.                                                                                                         | 1 | 2 | 3 | 4 | 5 |
| 11 | It is important to me to have a prestigious-well regarded, by others, job.                                                                                               | 1 | 2 | 3 | 4 | 5 |
| 12 | It is important to me to be recognised at work (for example, for others to notice my accomplishments, receive praise from the manager, receive acknowledgements & etc.). | 1 | 2 | 3 | 4 | 5 |
| 13 | The attention towards me from my immediate superior is important to me.                                                                                                  | 1 | 2 | 3 | 4 | 5 |
| 14 | It is important to me to receive timely and constructive feedback on performance.                                                                                        | 1 | 2 | 3 | 4 | 5 |
| 15 | It is important to me to receive timely help from my superior.                                                                                                           | 1 | 2 | 3 | 4 | 5 |
| 16 | It is important to me to receive help from my colleagues when a problem occurs.                                                                                          | 1 | 2 | 3 | 4 | 5 |
| 17 | It is important to me to be treated with respect.                                                                                                                        | 1 | 2 | 3 | 4 | 5 |
| 18 | It is important to me to be honest at work.                                                                                                                              | 1 | 2 | 3 | 4 | 5 |
| 19 | It is important to me to be dutiful at work.                                                                                                                             | 1 | 2 | 3 | 4 | 5 |
| 20 | It is important to me to take responsibility for the work that is performed.                                                                                             | 1 | 2 | 3 | 4 | 5 |
| 21 | It is important to me to openly share knowledge and information at the workplace.                                                                                        | 1 | 2 | 3 | 4 | 5 |

|    |                                                                                                                                                                                         |   |   |   |   |   |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|---|
| 22 | Tolerance at work is important to me (for example, individual and sectional differences are respected).                                                                                 | 1 | 2 | 3 | 4 | 5 |
| 23 | Self-actualization at work is important to me (for example, to give meaning of oneself/ ones thoughts at work).                                                                         | 1 | 2 | 3 | 4 | 5 |
| 24 | It is important to me to sense the significance of work.                                                                                                                                | 1 | 2 | 3 | 4 | 5 |
| 25 | It is important to me that the organization has an inspiring vision, mission or philosophy.                                                                                             | 1 | 2 | 3 | 4 | 5 |
| 26 | It is important to me to implement meaningful public objectives, while doing my job (for example, to help solve social problems, to contribute to the development of the city/country). | 1 | 2 | 3 | 4 | 5 |
| 27 | It is important to me to contribute to the organization's traditions, help nurture it.                                                                                                  | 1 | 2 | 3 | 4 | 5 |
| 28 | It is important to me to use the skills, which were obtained by education and experience.                                                                                               | 1 | 2 | 3 | 4 | 5 |
| 29 | It is important to me to have the ability to plan my schedule at work.                                                                                                                  | 1 | 2 | 3 | 4 | 5 |
| 30 | It is important to me that my suggestions and ideas are appreciated at work.                                                                                                            | 1 | 2 | 3 | 4 | 5 |
| 31 | It is important to me to be able to achieve higher position.                                                                                                                            | 1 | 2 | 3 | 4 | 5 |
| 32 | It is important to me to receive tasks that are challenging my abilities.                                                                                                               | 1 | 2 | 3 | 4 | 5 |
| 33 | It is important to me to have the ability to achieve higher results in healthy competition with my co-workers.                                                                          | 1 | 2 | 3 | 4 | 5 |
| 34 | It is important to me to mobilize all efforts trying to achieve good performance.                                                                                                       | 1 | 2 | 3 | 4 | 5 |
| 35 | It is important to me to be involved in the organization's operational problem solving.                                                                                                 | 1 | 2 | 3 | 4 | 5 |
| 36 | It is important to me to have clear aim at work.                                                                                                                                        | 1 | 2 | 3 | 4 | 5 |



|    |                                                                                                                                                             |   |   |   |   |   |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|---|
| 37 | It is important to me to have the ability for career improvement.                                                                                           | 1 | 2 | 3 | 4 | 5 |
| 38 | It is important to me that the organization, where I work, has understandable written rules of work policies.                                               | 1 | 2 | 3 | 4 | 5 |
| 39 | It is important to me to uphold verbal agreements.                                                                                                          | 1 | 2 | 3 | 4 | 5 |
| 40 | It is important to me that the products that I sell and/or services that I provide are of high quality.                                                     | 1 | 2 | 3 | 4 | 5 |
| 41 | It is important to me to work in an attractive environment.                                                                                                 | 1 | 2 | 3 | 4 | 5 |
| 42 | It is important to me that the reputation of the organization, where I work, is positive.                                                                   | 1 | 2 | 3 | 4 | 5 |
| 43 | My image at the company is important to me (for example, I wish to look smart, wear a uniform, represent the company with its logo and etc.).               | 1 | 2 | 3 | 4 | 5 |
| 44 | It is important to me to have an adequate physical workplace (for example, to have the necessary tools, comfortable workspace, suitable lighting and etc.). | 1 | 2 | 3 | 4 | 5 |
| 45 | It is important to me to have a secure workplace.                                                                                                           | 1 | 2 | 3 | 4 | 5 |
| 46 | My personal health is important to me.                                                                                                                      | 1 | 2 | 3 | 4 | 5 |
| 47 | It is important to me to have suitable work conditions (for example, not too hot, not too cold, noiseless, and clean and etc.).                             | 1 | 2 | 3 | 4 | 5 |

#### SECTION E: REWARD PROGRAMS

| No. | Item                                                          | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|-----|---------------------------------------------------------------|-------------------|----------|---------|-------|----------------|
| 1   | My salary satisfactory in relation to what I do.              | 1                 | 2        | 3       | 4     | 5              |
| 2   | I earn the same as more than the other people in similar job. | 1                 | 2        | 3       | 4     | 5              |

|    |                                                                                                                                                                               |   |   |   |   |   |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|---|
| 3  | The basic of payment, for example overtime payment is reasonable.                                                                                                             | 1 | 2 | 3 | 4 | 5 |
| 4  | Salary increases are decided on a fair manner.                                                                                                                                | 1 | 2 | 3 | 4 | 5 |
| 5  | The opportunities offered to me by our company for learning and career development outside of our current job, e.g., sabbaticals, coaching, mentoring, leadership training.   | 1 | 2 | 3 | 4 | 5 |
| 6  | The opportunities offered to me by our company for career advancement, e.g., job advancement/promotions, internships, and apprenticeships with experts, internal job posting. | 1 | 2 | 3 | 4 | 5 |
| 7  | The opportunities offered to me by our company for training within our current job, e.g., skills training                                                                     | 1 | 2 | 3 | 4 | 5 |
| 8  | The quality of performance feedback and performance discussions you have had with your supervisor.                                                                            | 1 | 2 | 3 | 4 | 5 |
| 9  | The degree to which your employer encourages and organizes team building or other social networking activities amongst employees.                                             | 1 | 2 | 3 | 4 | 5 |
| 10 | Having social friendships at work.                                                                                                                                            | 1 | 2 | 3 | 4 | 5 |
| 11 | Your employer's provision of employee health and wellness programs, e.g., Employee Assistance Programs, counselling services, fitness centers                                 | 1 | 2 | 3 | 4 | 5 |
| 12 | The provision of recognition via non-financial means, e.g., certificates of recognition.                                                                                      | 1 | 2 | 3 | 4 | 5 |
| 13 | Your employer's provision of medical aid, retirement, and pension benefits.                                                                                                   | 1 | 2 | 3 | 4 | 5 |
| 14 | The provision of a competitive pay package (i.e., basic salary plus benefits, allowances, or variable pay).                                                                   | 1 | 2 | 3 | 4 | 5 |
| 15 | Your employer's provision of incentive bonuses/variable pay.                                                                                                                  | 1 | 2 | 3 | 4 | 5 |

|    |                                                                                                        |   |   |   |   |   |
|----|--------------------------------------------------------------------------------------------------------|---|---|---|---|---|
| 16 | Your employer's provision of work/life programs such as flexible working arrangements, flexible hours. | 1 | 2 | 3 | 4 | 5 |
| 17 | The extent to which your employer supports a balanced lifestyle (between your work and personal life). | 1 | 2 | 3 | 4 | 5 |
| 18 | Having a manageable workload and reasonable workplace.                                                 | 1 | 2 | 3 | 4 | 5 |
| 19 | Recognition provided to you by your employer, e.g., financial recognition such as a cash, paid travel. | 1 | 2 | 3 | 4 | 5 |
| 20 | The level of challenge and interest you derive from your job.                                          | 1 | 2 | 3 | 4 | 5 |
| 21 | The extent to which you are provided with challenging targets.                                         | 1 | 2 | 3 | 4 | 5 |
| 22 | The extent to which you believe your contribution and work is valued.                                  | 1 | 2 | 3 | 4 | 5 |

ALL INFORMATION AND DATA THAT YOU PROVIDE IS CLASSIFIED AS  
**CONFIDENTIAL.**  
 THANK YOU FOR YOUR COOPERATION AND SUPPORT./

Universiti Utara Malaysia

## Appendix 2

### SPSS OUTPUT

#### Frequency Table

| GENDER |        |           |         |               |                    |
|--------|--------|-----------|---------|---------------|--------------------|
|        |        | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid  | MALE   | 75        | 47.5    | 47.5          | 47.5               |
|        | FEMALE | 83        | 52.5    | 52.5          | 100.0              |
|        | Total  | 158       | 100.0   | 100.0         |                    |

| RACE  |         |           |         |               |                       |
|-------|---------|-----------|---------|---------------|-----------------------|
|       |         | Frequency | Percent | Valid Percent | Cumulative<br>Percent |
| Valid | MALAY   | 153       | 96.8    | 96.8          | 96.8                  |
|       | CHINESE | 1         | .6      | .6            | 97.5                  |
|       | INDIAN  | 2         | 1.3     | 1.3           | 98.7                  |
|       | OTHERS  | 2         | 1.3     | 1.3           | 100.0                 |
|       | Total   | 158       | 100.0   | 100.0         |                       |

| LENGTH OF EMPLOYMENT |                |           |         |               |                    |
|----------------------|----------------|-----------|---------|---------------|--------------------|
|                      |                | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid                | BELOW 1 YEAR   | 4         | 2.5     | 2.5           | 2.5                |
|                      | 1-5 YEARS      | 16        | 10.1    | 10.1          | 12.7               |
|                      | 6-10 YEARS     | 34        | 21.5    | 21.5          | 34.2               |
|                      | 11-15 YEARS    | 33        | 20.9    | 20.9          | 55.1               |
|                      | ABOVE 15 YEARS | 71        | 44.9    | 44.9          | 100.0              |
|                      | Total          | 158       | 100.0   | 100.0         |                    |

| SIZE OF ORGANIZATION |        |           |         |               |                    |
|----------------------|--------|-----------|---------|---------------|--------------------|
|                      |        | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid                | SMALL  | 7         | 4.4     | 4.4           | 4.4                |
|                      | MEDIUM | 135       | 85.4    | 85.4          | 89.9               |
|                      | LARGE  | 16        | 10.1    | 10.1          | 100.0              |
|                      | Total  | 158       | 100.0   | 100.0         |                    |

#### NUMBER OF EMPLOYEE

|       |                             | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-----------------------------|-----------|---------|---------------|--------------------|
| Valid | LESS THAN 100 EMPLOYEES     | 118       | 74.7    | 74.7          | 74.7               |
|       | 101-500 EMPLOYEES           | 28        | 17.7    | 17.7          | 92.4               |
|       | 501-1000 EMPLOYEES          | 4         | 2.5     | 2.5           | 94.9               |
|       | 2501-5000 EMPLOYEES         | 6         | 3.8     | 3.8           | 98.7               |
|       | GREATER THAN 5000 EMPLOYEES | 2         | 1.3     | 1.3           | 100.0              |
|       | Total                       | 158       | 100.0   | 100.0         |                    |

#### DEPARTMENT/BRANCH

|       |                    | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|--------------------|-----------|---------|---------------|--------------------|
| Valid | NRD Kedah State    | 57        | 36.1    | 36.1          | 36.1               |
|       | NRD District       | 37        | 23.4    | 23.4          | 59.5               |
|       | NRD UTC/RTC Branch | 64        | 40.5    | 40.5          | 100.0              |
|       | Total              | 158       | 100.0   | 100.0         |                    |

#### GRADE

|       |             | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------|-----------|---------|---------------|--------------------|
| Valid | GRADE 11-14 | 12        | 7.6     | 7.6           | 7.6                |
|       | GRADE 19-26 | 116       | 73.4    | 73.4          | 81.0               |
|       | GRADE 29-38 | 26        | 16.5    | 16.5          | 97.5               |
|       | GRADE 41-54 | 4         | 2.5     | 2.5           | 100.0              |
|       | Total       | 158       | 100.0   | 100.0         |                    |

**Scale: EMPLOYEE ENGAGEMENT SCALE**

**Reliability Statistics**

| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | N of Items |
|------------------|----------------------------------------------|------------|
| .868             | .877                                         | 7          |

**Scale: Work Environment Scale**

**Reliability Statistics**

| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | N of Items |
|------------------|----------------------------------------------|------------|
| .812             | .812                                         | 3          |

**Scale: EMPLOYEE PERSONEL VALUES SCALE**

**Reliability Statistics**

| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | N of Items |
|------------------|----------------------------------------------|------------|
| .977             | .980                                         | 47         |

**Scale: REWARD PROGRAM SCALE**

**Reliability Statistics**

| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | N of Items |
|------------------|----------------------------------------------|------------|
| .930             | .938                                         | 22         |

## Correlations

|         |                     | Correlations |        |         |        |
|---------|---------------------|--------------|--------|---------|--------|
|         |                     | MEANEE       | MEANWE | MEANEPV | MEANRP |
| MEANEE  | Pearson Correlation | 1            | .381** | .642**  | .507** |
|         | Sig. (2-tailed)     |              | .000   | .000    | .000   |
|         | N                   | 158          | 158    | 158     | 158    |
| MEANWE  | Pearson Correlation | .381**       | 1      | .336**  | .301** |
|         | Sig. (2-tailed)     | .000         |        | .000    | .000   |
|         | N                   | 158          | 158    | 158     | 158    |
| MEANEPV | Pearson Correlation | .642**       | .336** | 1       | .467** |
|         | Sig. (2-tailed)     | .000         | .000   |         | .000   |
|         | N                   | 158          | 158    | 158     | 158    |
| MEANRP  | Pearson Correlation | .507**       | .301** | .467**  | 1      |
|         | Sig. (2-tailed)     | .000         | .000   | .000    |        |
|         | N                   | 158          | 158    | 158     | 158    |

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

## Regression

Variables Entered/Removed<sup>a</sup>

| Model | Variables Entered                    | Variables Removed | Method |
|-------|--------------------------------------|-------------------|--------|
| 1     | MEANRP, MEANWE, MEANEPV <sup>b</sup> |                   | Enter  |

a. Dependent Variable: MEANEE

b. All requested variables entered.

Model Summary<sup>b</sup>

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|-------------------|----------|-------------------|----------------------------|---------------|
| 1     | .697 <sup>a</sup> | .486     | .476              | .44204                     | 2.293         |

a. Predictors: (Constant), MEANRP, MEANWE, MEANEPV

b. Dependent Variable: MEANEE

**ANOVA<sup>a</sup>**

| Model |            | Sum of Squares | df  | Mean Square | F      | Sig.              |
|-------|------------|----------------|-----|-------------|--------|-------------------|
| 1     | Regression | 28.465         | 3   | 9.488       | 48.558 | .000 <sup>b</sup> |
|       | Residual   | 30.092         | 154 | .195        |        |                   |
|       | Total      | 58.557         | 157 |             |        |                   |

a. Dependent Variable: MEANEE

b. Predictors: (Constant), MEANRP, MEANWE, MEANEPV

**Coefficients<sup>a</sup>**

| Model |            | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|-------|------|
|       |            | B                           | Std. Error | Beta                      |       |      |
| 1     | (Constant) | .376                        | .331       |                           | 1.137 | .257 |
|       | MEANWE     | .156                        | .066       | .148                      | 2.378 | .019 |
|       | MEANEPV    | .489                        | .068       | .482                      | 7.170 | .000 |
|       | MEANRP     | .255                        | .071       | .237                      | 3.580 | .000 |

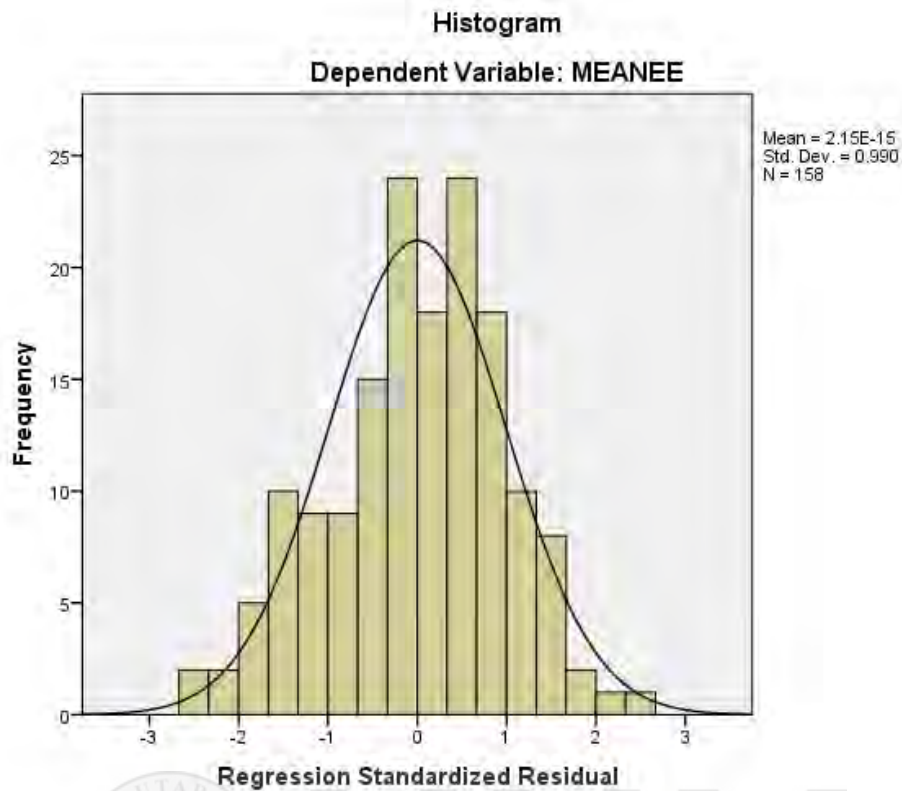
a. Dependent Variable: MEANEE

**Residuals Statistics<sup>a</sup>**

|                                   | Minimum  | Maximum | Mean   | Std. Deviation | N   |
|-----------------------------------|----------|---------|--------|----------------|-----|
| Predicted Value                   | 2.0655   | 4.8750  | 4.1040 | .42580         | 158 |
| Std. Predicted Value              | -4.787   | 1.811   | .000   | 1.000          | 158 |
| Standard Error of Predicted Value | .036     | .200    | .065   | .027           | 158 |
| Adjusted Predicted Value          | 1.9357   | 4.9115  | 4.1023 | .43167         | 158 |
| Residual                          | -1.12680 | 1.14835 | .00000 | .43780         | 158 |
| Std. Residual                     | -2.549   | 2.598   | .000   | .990           | 158 |
| Stud. Residual                    | -2.564   | 2.632   | .002   | 1.003          | 158 |
| Deleted Residual                  | -1.13959 | 1.17875 | .00173 | .44880         | 158 |
| Stud. Deleted Residual            | -2.611   | 2.684   | .001   | 1.008          | 158 |
| Mahal. Distance                   | .043     | 31.065  | 2.981  | 4.442          | 158 |
| Cook's Distance                   | .000     | .106    | .006   | .012           | 158 |
| Centered Leverage Value           | .000     | .198    | .019   | .028           | 158 |

a. Dependent Variable: MEANEE





**Normal P-P Plot of Regression Standardized Residual**  
**Dependent Variable: MEANEE**

