

EMPLOYEE ENGAGEMENT TOWARD INNOVATIVE BEHAVIOR AND
ORGANIZATIONAL PERFORMANCE IN PUBLIC SECTOR:
EXPLORING THE LINKS

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APPROVAL

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DECLARATION

“I hereby declare that the work of this research is mine except for the quotations summaries that have been duly acknowledged”

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DEDICATION

I would like to dedicate my sincere thanks to my educated lecturer Prof. Madya Dr. Ahmad Rozelan Bin Yunus and to my panel En. Hassan Bin Salleh who always gives a positive comment and feedback to me in completing this research. Millions thanks to my beloved mother Pn. Hasmah Binti Hamzah, my brother En. Zakaria Bin Daud and my sister Pn. Zakiah Binti Daud because always supporting me when I needed help. Thank you very much to my fellow friends Azie Susanti Binti Hussin, Siti Salihah Binti Mohamad, Nur Aini Binti Shari, Nurul Fazieyah Binti Muhammad, Nur Nabilah Binti Mamat and Nur Shahzelim Idayu Binti Abdul Aziz because always together with me in any situation. I really love to all of you. May all of you get well-being in this world and the hereafter, In Shaa ALLAH. Without their sincere and boundless support it would be impossible for me to achieve the completion of this research.

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ABSTRACT

The purpose of this research is to exploring the links between employee engagement toward innovative behavior and organizational performance. The detail concept of employee engagement was explained clearly in this research. The researcher also reviewed the models related employee engagement toward innovative behavior and its effectiveness to the organizational performance in Chapter 2. The researcher also explained more detail theory and proved that components of employee engagement influenced good result in organization. This study has made significant contributions to the knowledge academically and practically. It is expected to extend the knowledge about the employee engagement and also identifying what kind of criteria gives a great influence on the organization. This study used explanatory method to explaining the causal relationship between employee engagement and organization performance. A survey self-administrated structured questionnaire was distributed about 108 employees in Pejabat Tanah & Jajahan Kota Bharu (PTJKB) in Kelantan. The researcher also stated the detailed about research methodology and scientific canons in Chapter 3. Chapter 4 was explained the result obtained after conduct the survey. The result shows the positive relationship between three independent variables and one dependent variable. At the end, the researcher gives the conclusion and recommendation for future research in Chapter 5 after completing the research.

ABSTRAK

Tujuan kajian ini adalah untuk meninjau hubungan antara penglibatan pekerja ke arah tingkah laku inovatif dan prestasi organisasi. Konsep terperinci daripada penglibatan pekerja telah diterangkan dengan jelas dalam kajian ini. Penyelidik juga mengkaji model berkaitan penglibatan pekerja ke arah tingkah laku inovatif dan keberkesanannya kepada prestasi organisasi dalam Bab 2. Pengkaji juga menjelaskan teori lebih terperinci dan membuktikan bahawa komponen penglibatan pekerja mempengaruhi keputusan yang baik dalam organisasi. Kajian ini telah memberi sumbangan yang besar kepada pengetahuan dalam akademik dan praktikal. Ia dapat memperluaskan pengetahuan mengenai penglibatan pekerja dan juga mengenal pasti jenis kriteria yang memberi pengaruh yang besar ke atas organisasi. Kajian ini menggunakan kaedah penerangan untuk menjelaskan hubungan kausal antara penglibatan pekerja dan prestasi organisasi. Soalan kaji selidik yang berstruktur telah diedarkan kepada 108 pekerja di Pejabat Tanah & Jajahan Kota Bharu (PTJKB) di Kelantan. Pengkaji juga menyatakan secara terperinci tentang kaedah penyelidikan dan peraturan-peraturan saintifik dalam Bab 3. Bab 4 telah menjelaskan keputusan yang diperolehi selepas membuat analysis data. Hasil kajian menunjukkan hubungan yang positif antara tiga pembolehubah bebas dan satu pembolehubah bersandar. Pada akhirnya, penyelidik memberi kesimpulan dan cadangan untuk kajian akan datang dalam Bab 5 selepas selesai melakukan penyelidikan.

CONTENT

CHAPTER	TITLE	PAGES
	TITLE	i
	DECLARATION	ii
	DEDICATION	iii
	ACKNOWLEDGEMENT	iv
	ABSTRACT	v
	<i>ABSTRAK</i>	<i>vi</i>
	CONTENT	vii
	LIST OF TABLE	xi
	LIST OF FIGURE	xiii
	LIST OF ABRIDGE	xiv
	LIST OF APPENDIX	xv
CHAPTER 1	INTRODUCTION	1
	1.1 Background of the Study	1
	1.2 Problem Statement	4
	1.3 Research Questions	5
	1.4 Research Objectives	6
	1.5 Research Hypotheses	6
	1.6 Scope of Research	7
	1.7 Limitation	7
	1.8 Key Assumptions of the study	8
	1.9 Importance of the Study	9
	1.10 Summary	10

CHAPTER 2	LITERATURE REVIEW	11
	2.1 Introduction	11
	2.2 Defining Employee Engagement	12
	2.3 The Model	13
	2.3.1 Model of Organizational dynamics Public Sector	13
	2.3.2 Employee toward Innovative Behavior	15
	2.4 Theoretical Framework	16
	2.5 Summary	17
CHAPTER 3	RESEARCH METHODOLOGY	18
	3.1 Introduction	18
	3.2 Research Design	19
	3.2.1 Explanatory Study	19
	3.3 Methodological Choices	20
	3.3.1 Quantitative Method	20
	3.4 Primary Data & Secondary Data	21
	3.5 Location of the Research	21
	3.6 Research Strategy	22
	3.7 Scientific Canons	23
	3.7.1 Internal Validity	23
	3.7.2 Construct validity	24
	3.7.3 External validity	24
	3.7.4 Reliability Analysis	25
	3.8 Summary	26
CHAPTER 4	RESULT AND DISCUSSION	27
	4.1 Introduction	27
	4.2 Description of the Respondents	27

4.3 Result of Reliability Analysis	28
4.3.1 Cronbach's Alpha	29
4.4 Descriptive Studies	29
4.4.1 Gender	30
4.4.2 Age	31
4.4.3 Monthly Income	32
4.4.4 education Level	33
4.4.5 Position	34
4.5 Inferential Analysis	35
4.5.1 Correlation Analysis	35
4.5.1.1 Relationship between Three independent Variables with Organizational Performance	36
4.5.2 Hypotheses Testing using Correlation Analysis	37
4.5.2.1 Hypotheses 1	38
4.5.2.2 Hypotheses 2	39
4.5.2.3 Hypotheses 3	40
4.5.3 Simple Linear Regression Analysis	41
4.5.3.1 Simple Linear Regression Analysis: Recruiting & Retaining the Right Workforce	41
4.5.3.2 Simple Linear Regression: Physical Health, Safety, Wellness and Work Supports	42
4.5.3.3 Simple Linear Regression: Workplace Wellbeing	43
4.5.4 Summary of Simple Linear Regressions Analysis	44
4.6 Summary	45

CHAPTER 5 CONCLUSION AND RECOMMENDATION	46
5.1 Introduction	46
5.2 Summary of Statistical Analysis	47
5.2.1 Descriptive Analysis	47
5.2.2 Inferential Analysis	48
5.3 Discussion on Objectives and Hypotheses	48
5.4 Discussion of Major Findings	49
5.4.1 Recruiting and Retaining the Right Workforce	49
5.4.2 Physical Health, Safety, Wellness & Work Support	50
5.4.3 Workplace Wellbeing	51
5.5 Limitation of the Study	51
5.6 Recommendation for Future Research	52
5.7 Summary	53
REFERENCES	54
APPENDIXES	57

LIST OF TABLE

TABLE	TITLE	PAGE
1.1	Gallup Survey Result	5
4.1	Cronbach's Alpha Ranges	28
4.2	Result of Cronbach's Alpha	29
4.3	Result of Gender Survey	30
4.4	Result of Age Survey	31
4.5	Result of Monthly Income Survey	32
4.6	Result of Education Survey	33
4.7	Result of Position Survey	34
4.8	Correlation Coefficient Range	36
4.9	Pearson Correlation Coefficient between Three Independent Variables	36
4.10	Correlations between Recruiting and Retaining the Right Workforce and Organizational Performance	38
4.11	Correlations between Physical Health, Safety, Wellness & Work Supports and Organizational Performance	39
4.12	Correlations between Workplace Wellbeing and Organizational Performance	40
4.13	Simple Linear Regression Analysis of Recruiting and Retaining the Right Workforce	41
4.14	Simple Linear Regression of Physical Health, Safety, Wellness and Work Supports	42

4.15	Simple Linear Regression of Workplace Wellbeing	43
4.16	Simple Linear Regression between Recruiting and Retaining the Right Workforce, Physical Health, Safety, Wellness & Work Supports, Workplace Wellbeing and Organizational Performance	44

LIST OF FIGURE

FIGURE	TITLE	PAGE
2.1	Model of Organizational Dynamics in Public Sector	13
2.2	Theoretical Framework	17
4.1	Gender of Respondents	30
4.2	Age of Respondents	31
4.3	Monthly Income of Respondents	32
4.4	Education Level of Respondents	33
4.5	Position of Respondents	34

LIST OF ABBREVIATION

WWB Workplace Wellbeing

PTJKB Pejabat Tanah & Jajahan Kota Bharu

LIST OF APPENDIX

APPENDIX	TITLE	PAGE
A	University Letter	58
B	Questionnaire	59

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

This research study focuses on employee engagement toward innovative behavior. The specific purpose is two-fold: to know what are the components of employee engagement involve in public sector as well the innovative behavior of employee, and to identify the effectiveness of employee engagement components on the performance in public sector. Individual innovative behavior in the workplace are the foundation of any high-performance organization; and thus, “the study of what motivates or enables individual innovative behavior is critical” (Scott and Bruce, 1994, p. 580).

The meaning of employee engagement actually comes in variety of definitions, employee engagement typically described as a high level of employee involvement, commitment to the organization and job satisfaction. In case if company do not provide any benefits to the employee, they may be not able to perform better in their work. Abraham (2012) comment that satisfied employees may just meet the work demands, but this will not lead to higher performance. In order to compete effectively, employers need to go beyond satisfaction - employers must do their best to inspire their employee

to apply their full potential and capabilities to their work, if they do not, part of the valuable employee's resources remains unavailable for the company (Bakker and Leiter, 2010).

Controversy exists regarding the definition of employee engagement. Macey and Schneider (2008) note that there are numerous definitions constructed, but they all agree that employee engagement is desirable, has an organizational purpose and has both psychological and behavioral aspects because it involves energy, enthusiasm and focused effort. (Harter, Schmidt and Hayes, 2002) define employee engagement as "the individual's involvement and satisfaction with as well as enthusiasm for work" (p. 269).

This research is vital to know the relationship between employee engagement toward innovative behavior and organization performance within understand the components involve in this research. A positive attitude held by the employee towards the organization and its values and an engaged employee is aware of the business context and works with the colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employee and employer (Robinson, D., perryman S., & Hayday, S. (2004).

In recent years, there has been a great deal of interest in employee engagement. Many have claimed that employee engagement predicts employee outcomes, organizational success and financial performance (Bates, 2004; Baumruk, 2004; Harter et al., 2002; Richman, 2006). Thus, it is possible that the antecedents and consequences of engagement depend on the type of engagement. Employee engagement is defined followed by a discussion of employee engagement components, the theories and studies the hypotheses.

Why should organizations invest in employee engagement? The answer is because employee engagement is interwoven significantly with important performance outcomes. In this research we will see how employee engagement impacts

organizational performance. Study will be measure there is positive relationship between employee engagement and organizational performance.

Research also indicates that engaged employee consistently demonstrates three general behaviors which improve organizational performance: the employee advocates for the organization to co-workers, the employee has an intense desire to be a member of the organization despite opportunities to work elsewhere and strive the employee needs extra time, effort and initiative to contribute to the success of the business (Baumruk and Gorman, 2006).

What will happen to an organization if its employees are disengaged? Employees who are not engaged are likely to be spinning (wasting their effort and talent on tasks that may not matter much), settling (certainly do not show full commitment, not dissatisfied enough to make a break) and splitting (they are not sticking around for things to change in their organization), have far more misgivings about their organization in terms of performance measures such as customer satisfaction (BlessingWhite, 2006; Perrin Report, 2003).

Conclusion, public sector has their own types of employee engagement in their workplace. They offered their own benefits to enhance their reputation and performance management system with consistent provided services. The Towers Perrin study, as reported by Gebauer (2007), identified that it is the senior leadership along with the reputation and culture of the organization, including learning and development opportunities that are the primary influencers of engagement and retention. This term is important because the results of the study connect to the ability for organization to retain and attract employees. This connection aligns with the results of the public sector assessment to increase the organization outcomes (Cadence Human Systems, 2007).

1.2 Problem Statement

The problem in organization comes in various situations. According to Cameron (2005), employee engagement has significant impact in enabling an organization to realize better performance. This simply is as a result of abundance of extraordinary performance by employees. Public sector organizations must beginning to recognize that employee engagement leads to organizational performance. In the context of changing workforce demographic for employees and organizational, it is essential to retain committed on performance in organization.

According to Gallup the State of the Global Workplace, they recognized roughly 180 million employees in the countries are psychologically committed to their jobs and likely to be making positive contributions to their organizations. But, the bulk of employees worldwide results show about 63% are not engaged in 2011-2012, about 13% engaged and 24% are actively engaged. This happen may be lack of motivation and are less likely to invest discretionary effort in organizational goals or outcomes and indicating they are unhappy, unproductive at work and liable to spread negatively to co-workers.

In rough numbers, this translates into 900 million not engaged and 340 million actively disengaged workers around the globe. However, the same problem also happens to the employees in our country. Gallup the State of the Global Workplace also stated the number of employee engaged about 11%, 81% are not engaged and 8% actively disengaged based on their survey about employee in Malaysia (Gallup, 2011-2012). The researcher was clearly known about the level of employees who are truly involved with their job in this country. Hence, the researcher interested to study about the employee engagement among the public sector in this country, the links between employee engagement towards innovative behaviour and organizational performances are recognized but not completely understood. Therefore, the researcher tries to conduct this research in order to examine the extent of employee engagement components influence organizational performance in public sector.

	Engaged	Not Engaged	Actively Engaged
Macedonia	12% ± 7	56% ± 8	32% ± 5
Malaysia	11% ± 3	81% ± 4	8% ± 4
Mexico	19% ± 5	60% ± 6	20% ± 5

Table 1.1: Gallup Survey Result

Source: Gallup 2011-2012

In order to still competitive, organizational use different building concept and tools to improve the performance around the public sector. Some of the links are strongly supported by research and clearly defined in the literature. However, emerging evidence suggest that public sector organization can strategically align employee engagement with performance measures to achieve significant results. The aim of this research is to contribute the research regarding the employee engagement in public sector are significant influence on the performance. This research also will apply the employee engagement theory to identify the level of performance in public sector.

1.3 Research Questions

The research question was what are the components of employee engagement apply in this research to measure the organizational performance?

The following sub-questions assisted in answering the research question.

- i) What are the indicators of employee engagement?
- ii) What are the key components of employee engagement?
- iii) How engagement components will be effect on organizational performance?

1.4 Research Objectives

This study has set out the several of objectives to accomplish research about employee engagement and performance in public sector. The following objectives which is:

- i) To identify the recruiting and retaining the right workforces influence to the organizational performance.
- ii) To identify the physical health, safety and wellness and work support impact to the organizational performance.
- iii) To investigate how far workplace well-being in organization effect on organizational performance.

1.5 Research Hypotheses

The researcher stated the three hypotheses related with research objectives. The hypotheses are important to researcher test the relationship between two variables (independent variables and dependent variables). At the end of the research, the result of hypotheses will be getting through the data analysis. The researcher used only null hypotheses to test the relationship between employee engagement and organizational performance.

Hypotheses 1:

Ho - There is no significant relationship between recruiting and retaining the right workforces to the organizational performance.

Hypotheses 2:

Ho - There is no significant relationship between physical health, safety and wellness and work support impact on the organizational performance.

Hypotheses 3:

Ho - There is no significant relationship between workplace wellbeing and organizational performance.

1.6 Scope of Research

This research study scoping focuses on the link between employee engagement toward innovative behavior and organizational performance and restricted to public sector. Research for this report was based primarily on existing academic literature. The academic literature was refers from other journals and books about employee engagement affected of organizational performance. Other sources of information included private survey of questionnaires for public sector organizations. A complete review of the literature on employee engagement which is discussion of definition and the important components of employee engagement links with performance were includes the scope of this research.

1.7 Limitation

The obvious limitation of this study which implies that the relationships between employee engagement toward innovative behavior and performance need to be