





# e-Proceedings NCTS 2022 NATIONAL CONFERENCE ON TVET FOR UNDERGRADUATE STUDENTS



# E-PROSIDING NATIONAL CONFERENCE ON TVET UNDERGRADUATE STUDENTS 2022

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## FACTORS AFFECTING ON EMPLOYEES' PERFORMANCE IN AN ORGANIZATION

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#### **Abstract**

This survey was conducted to determine the effect of employee performance on the organization. The study used four variables: employee motivation, job design, management style, and working conditions. This survey used a descriptive survey design and used surveys to collect data. The target population consisted of 235 respondents from all selected management levels and categories selected by respondents using stratified random sampling techniques. The sample size was 140 respondents. The findings were analyzed and presented using quantitative methods in the form of charts, tables, and graphs. The results show that employee motivation, work design, management style, and working conditions are positively related to employee performance. The purpose of this study is to recommend the most appropriate strategies to improve the performance of employees in your organization.

**Keywords:** Employee Performance, employee motivation, job design, management style, and working conditions

#### 1. Introduction

In today's corporate world, there are numerous problems. Due to the arrival of new competitors and the implementation of novel business methods by established organizations, corporate houses are facing intense competition in the market. There are many tools that have been used in many organizations in order to manage employee performance such as The 360-Degree Appraisal, Manager Performance Appraisal,



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Employee Self-Assessment, Sales Performance Appraisal, and Management by Objectives (MBO), and many more. This research examines and investigates the factors affecting on employee performance in an organization

Employee efforts are managed by performance management, which is based on measured performance outcomes. As a result, establishing what constitutes good performance and how to measure the various facets of high performance is crucial to the development of an effective performance management strategy.

. Companies must rethink how they hire, train, and reward their personnel in orderorganizenise themselves successfully (Ying, 2012).

Employee performance is critical to the success of a firm. Originally, employee performance was defined as what an employee did or did not do. Quantity of output, quality of output, timeliness of output, presence at work, and cooperativeness are all examples of employee performance.

The reason I chose this research topic is that more oganizationsions today rely on their employees for success and competitiveness especially in a commercial building like all the Ministry building in Putrajaya. Employees, according to the resource-based perspective, are an organization's resources and assets. As a result, organisations must devise strategies for identifying, encouraging, measuring, evaluating, improving, and rewarding employees' work performance. As we all are probably aware, good and efficient facilities management has a lot of advantages. Many of these advantages are self-evident, such as increased health and safety, equipment longevity, reduced chance of shutdown, and greater cost effectiveness. However, there are some benefits that are less evident, such as employee and productivity benefits. According to a study, happy employees might result in a 20 percent improvement in production. Employees will profit as well as the organisation when they feel important and their job has a positive influence. The demand for facility management is more than ever before, thanks to the modern workforce. Workplaces are now being used to attract and retain top personnel while also increasing overall productivity.



#### 2. Literature Review

Performance management is a corporate management technique that assists managers in monitoring and evaluating the performance of their staff. The purpose of performance management is to create an atmosphere in which people can perform to their full potential and deliver the highest-quality work in the most efficient and effective way possible. It is a process of developing and implementing motivational tactics, interventions, and drivers with the goal of transforming human resource potential into performance." Every human being has the capacity to excel in one or more functional domains. However, for a variety of reasons, the exploitation and conversion of this potential into deliverable performances is frequently suboptimal. According (Rindi Nurlaila Sari, 2014) that by reducing intermediate hurdles and encouraging human resources, performance management functions as an agent in converting potential into performance. Performance is defined as deploying and managing the components of the causal model that lead to the timely attainment of stated objectives within constraints specific to the firm and to the situation (Rindi Nurlaila Sari, 2014).

According to the AMO model, employee performance is a product of their ability, motivation, and opportunity to engage. This means that an organisation will benefit the most if it organises the work process in such a way that non-managerial employees have the opportunity (O) to contribute discretionary effort, which can be accomplished by giving them decision-making autonomy, providing good communication, and allowing employees to join self-directed and/or off-line teams. Employees must have the necessary skills and knowledge to be effective in their efforts (A). As a result, businesses can do this by attracting individuals who already have this knowledge or by giving formal and/or informal training to staff. Finally, the corporation must motivate these personnel to put up their best effort on behalf of the company. A general performance management considers such problems: What are the key objectives that are central to the organization's overall future success, and how does it go about evaluating its achievement for each of these objectives? What strategies and plans has the organization adopted and what are the processes and activities that it has decided will be required for it to successfully implement these? How does it assess and measure the performance of these activities? What level of performance does the organization need to achieve in each of the areas defined in the above two questions, and how does it go about setting appropriate performance targets for them? What rewards will managers (and other



employee) gain by achieving these performance targets (or conversely, what penalties will they suffer by failing to achieving them).

Work facilities are a means or vehicle or tool to facilitate the activities of the company and also for the welfare of employees so that employees can carry out their work properly (Pratiwi et al., 2019). A review of literature in FM over recent years indicates a trend towards performance measurement, particularly for strategic development. Performance measurement in FM will be seen in two ways, according to a review of FM literature. The first is as a "critical success factor" in strategic planning, and the second is as a learning process within the FM firm. The latter is a process by which an FM organisation aligns itself with its environment by acquiring information from the marketplace or through scientific knowledge generation and applying it to organisational development activities. Similarly, the satisfaction of a successful performance is an intrinsic reward."" This will be followed by the next performance, and so on. Volunteerism, personal development, the creation of mutually beneficial cooperation, and full engagement must all be cultivated in order to attain professional performance.

#### 2.1 Expectancy theory

Parijat & Bagga, (2014) focused on the mental process that occurs within an individual when it comes to change. This theory places a strong emphasis on self-interest in relation to expected actions, rewards, and organizational objectives. This paradigm separates effort and general performance, as well as the outcome. It interprets the action as the outcome of a subconscious decision to maximize pleasure while avoiding suffering. Expectancy is introduced, which is the strength of an employee's preference for a specific type of reward.

#### 3. Research Methodology

#### 3.1 Research Design

Quantitative research is defined as a systematic investigation of phenomena by gathering quantifiable data and performing statistical, mathematical, or computational techniques. Quantitative research collects information from existing and potential



customers using sampling methods and sending out online surveys, online polls, questionnaires, etc., the results of which can be depicted in the form of numerical. According to Kothari and Garg (2014), research design is an arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure (Kothari & Garg, 2014). For this research will be using the quantitative method and the instrument that is used is questionnaire.

#### 3.2 Population

The research involved 225 respondents randomly selected from a total population of 235 employees of the six building which is Menara Usahawan, Kementerian Perumahan dan Kerajaan Tempatan and Kementerian Pengajian Tinggi, Kementerian Wilayah Persekutuan, Kementerian Pelancongan dan Kebudayaan Malaysia and Kementerian Perdagangan Dalam Negeri dan Hal Ehwal Pengguna Malaysia. 10 respondents were also randomely selected for pilot test. Therefore, only 225 responded were involved in the survey. This sample size has been selected given the limited time and financial constraints of this study.

#### 4. Data Analysis and Findings

#### **Likert Scale Questions**

Respondents were subjected to a number of statements regarding motivation where they were required to indicate their extent of agreement on them using a five-point scale where 1 was Strongly Disagree (SD), 2 was Disagree (D), 3 was Neutral (N), 4 was Agree(A) and 5 was Strongly Agree (SA).

#### **Employee Motivation**

Items	SD	D	N	Α	SA
Recognition by my manager/supervisor for a job well-done is very important to me	0	0	55(25%)	75(34%)	90(41%)
I am motivated by our reward system and it makes me perform better	66(30%)	88(40%)	11(5%)	4(2%)	53(24%)
Our company uses monetary rewards like base pay, commissions, bonus incentives and health allowances to make us perform better	154(70%)	66(30%)	0	0	0
I regularly receive constructive feedback from my superiors	0	0	0	103(47%)	117(53%)
The challenges that my job provides motivates me to perform better	59(27%)	84(38%)	24(11%)	20(9%)	33(15%)

Table 4.1 above shows the results of employee motivation

They were asked to indicate their extent of agreement on whether recognition by my manager/supervisor for a job well-done is very important to them. 55(25%) were neutral, 75(34%) agreed while 90(41%) strongly agreed to it. They were also asked to indicate whether they are motivated by the reward system and it makes them perform better. 66(30%) strongly disagreed, 88(40%) disagreed, 11(5%) were neutral, 4(2%) agreed while 53(24%) strongly agreed. They were to indicate whether the company uses monetary rewards like base pay, commissions, bonus incentives and health allowances to make them perform better. 154(70%) strongly disagreed, while 66(30%) disagreed. They were also to indicate whether they regularly receive constructive feedback from their superiors. 103(47%) agreed while 117(53%) strongly agreed. They were also to agree whether challenges that their jobs provide motivates them to perform better. 59(27%) strongly disagreed, 84(38%) disagreed, 24(11%) were neutral, 20(9%) agreed while 33(15%) strongly agreed.



#### **Working Condition**

Items	SD	D	N	Α	SA
My furniture is comfortable enough to enable me perform my job without getting tired	48(22%)	70(32%)	42(19%)	42(19%)	18(8%)
My workplace provides an undisturbed environment without any noise that gives me alone time to perform my duties	0	0	51(23%)	134(61%)	35(16%)
There are no cases of harassment and bullying at the workplace	0	0	33(15%)	139(63%)	51(23%)
I love my work environment	0	0	68(31%)	101(46%)	48(22%)
The culture and emotional climate of the organization is generally positive and supportive	88(40%)	68(31%)	31(14%)	15(7%)	18(8%)

Table 4.2 above shows the results of working condition

Respondents were asked their extent of agreement on whether their furniture was comfortable enough to enable them perform their jobs without getting tired. 48(22%) strongly disagreed, 70(32%) disagreed, 42(19%) were neutral about it, 42(19%) agreed while 18(8%) strongly agreed. They were also to agree whether their workplace provides an undisturbed environment without any noise that gives them alone time to perform their duties. 51(23%) were neutral, 134(61%) agreed while 35(16%) strongly agreed. They were also asked to indicate their extent of agreement on whether there were no cases of harassment and bullying at the workplace. 33(15%) were neutral, 139(63%) agreed while 51(23%) strongly agreed. They were also asked to agree on whether they love their work environment. 68(31%) were neutral, 101(46%) agreed while 48(22%) strongly agreed with this statement. They were finally asked to indicate their extent of agreement on whether the culture and emotional climate of the organization was generally positive and supportive. 88(40%) strongly disagreed, while 68(31%) disagreed, 31(14%) were neutral about it, 15(7%) agreed whereas 18(8%) strongly agreed with this statement.



#### Job Design

Items	SD	D	N	Α	SA
I am required to use a number of high-level skills while conducting my job	20(9%)	22(10%)	13(6%)	158(72%)	7(3%)
This job involves completing a piece of work that has no beginning and end	0	0	48(22%)	75(34%)	97(44%)
My job gives me the opportunity to organize how I should do it	0	1(0.45%)	57(26%)	154(70%)	7(3%)
The work activities themselves give coordinated and clear data approximately the adequacy of my work performance in terms of quality	0	0	51(23%)	48(22%)	121(55%)
This work barely gives me the chance to characterize it	46(21%)	99(45%)	20(9%)	42(19%)	20(9%)

Table 4.3 above shows the results of job design

They were asked their extent of agreement on whether they are required to use a number of high-level skills while conducting their job. 20(9%) strongly disagreed, 22(10%) disagreed, 13(6%) were neutral, 158(72%) agreed while 7(3%) strongly agreed. They were also asked to indicate their extent of agreement on whether their jobs involve completing a piece of work that has no definite beginning and end. 48(22%) were neutral, 75(34%) agreed while 97(44%) strongly agreed. They were also asked to indicate whether their jobs give them the opportunity to organize how they should do it. 1(0.45%) disagreed, 57(26%) were neutral, 154(70%) agreed while 7(3%) strongly agreed. They were also asked to indicate their extent of agreement on whether the work activities themselves provide direct and clear information about the effectiveness of their job performance in terms of quality. 51(23%) were neutral, 48(22%)agreed while 121(55%) strongly agreed. They were to finally indicate whether their jobs hardly provide them the chance to define it. 46(21%) strongly disagreed, 99(45%) disagreed, 20(9%) were neutral, 42(19%) agreed while 20(9%) strongly agreed.



#### **Management Style**

Items	SD	D	N	Α	SA
The department has a clear division of responsibilities	0	0	68(31%)	121(55%)	29(13%)
Senior management give staff a clear picture of the direction in which the organization is headed hence about it motivating me to perform better	18(8%)	88(40%)	20(9%)	70(32%)	24(11%)
I am actively involved in the decision-making process	88(40%)	66(30%)	22(10%)	26(12%)	20(9%)
The internal dealings of my company with employees are done with integrity	68(31%)	110(50%)	11(5%)	7(3%)	24(11%)
The organization encourages us to always come up with innovative ideas.	84(38%)	92(42%)	11(5%)	11(5%)	22(10%)

Table 4.4 above shows the results of management style

An extent of agreement was required on a statement that asked whether the department had a clear division of responsibilities. 68(31%) were neutral about this, 121(55%) agreed while 29(13%) strongly agreed. They were asked whether senior management give staff a clear picture of the direction in which the organization is headed hence motivating them to perform better. 18(8%) strongly disagreed, 88(40%) disagreed 20(9%) were neutral about it, 70(32%) agreed about it while 24(11%) strongly agreed about it. They were also asked whether they are actively involved in the decision-making process. 88(40%) strongly disagreed, 66(30%) disagreed, 22(10%) were neutral, 26(12%) agreed while 20(9%) strongly agreed. They were asked their extent of agreement on whether the internal dealings of the company with employees are done with integrity. 68(31%) strongly disagreed, 110(50%) disagreed, 11(5%) were neutral 7(3%) agreed while 24(11%) strongly agreed. Finally, they were also asked whether the organization encourages them to come up with innovative ideas. 84(38%) strongly disagreed, 92(42%) disagreed, 11(5%) were neutral, 11(5%) agreed while 22(10%) strongly agreed.

#### 5. Conclusion, Discussion and Recommendation

#### **Discussion**

#### What are the factors that impact on employees' performance?

This research aims to find factors that affect the performance of employees working in facility management. Employee motivation, job design, management style, and working conditions were the factors of this research. The target population for this study was 225, while the sample size was 136 employees at the headquarters of the organization. The data was collected through a self-administered questionnaire sent to respondents. Of the 225 questionnaires, 220 (98%) are often answered as, which is suitable for analysis. The results were presented quantitatively using tables, graphics, and figures.

#### How to analyze the factors that impact on employees' performance?

#### **Employee Motivation**

Respondents were asked to show whether employee motivation impacts the performance of the

employees in the facility management organization. Most of the total of respondents say it actually affects employee performance. This clearly shows that there is a positive relationship between employee performance and employee motivation, which is also consistent with previous study, which reached the same conclusion. Motivation within an organization increases efficiency and enables employees to meet their personal needs, achieve organizational goals, and build good relationships with themselves within the organization.

#### **Working Conditions**

Most respondents said that working conditions affect employee performance. This was consistent with previous researchers who suggested a positive link between management style and employee performance. Companies need to improve the working conditions of their organizations in order to improve employee performance. Such positive attributes include: Good emotional climate and generous work environment for employees.



#### Job Design

Respondents were asked to comment on whether job design impacts employee performance. From the data, we can conclude that most respondents said they were actually affecting employee performance. This is in fact consistent with previous research, suggesting that there is a positive link between employee performance and job design. There were goals for each employee to be achieved in the organizational environment. Some want the to succeed in a rewarding job, some want the opportunity to introduce their innovations to the organization, and some are very familiar with their day-to-day operations. The nature of an individual's work depends on the individual's personality, and productivity is achieved when these needs are met.

#### **Management Style**

Respondents were also asked to show whether their management style had a positive relationship with employee performance. The majority of respondents agreed that it would actually affect the performance of employees. This is consistent with previous researchers who concluded that there was a positive link between management style and employee performance. A balanced management style is critical to an organization's ability to achieve better employee performance and competitive advantage. However, the research also showed that participatory management styles have a more positive relationship to employee performance when compared to other management styles.

### What are the most effective strategy which could be implemented to improve employees' performance?

Most of the respondents are not very satisfy of the reward system that is offer by the company. Therefore, increasing or enhancing the rewarding system like incentives, payfor-performance.

Not only that, employee does not feel motivated due to less involvement in the company and less development activities that is provided by the company. Thus, most of the respondents suggest to enhance the training and development program or activities in the company.



#### Conclusion

From the above survey, it is clear that there is a certain relationship between employee motivation and the performance of employees. The majority of employees find it important for managers to admit that their work was successful. Most employees are not happy with the compensation system. This could be due to management using bonus which does not apply to everyone. Management style has a positive relationship with employee performance. Organizations have a clear division of responsibilities, and their managers are motivated to perform better with clear information and instructions. Working conditions have something to do with employee performance. The environment within the organization is well-enhanced and promotes the performance of people within the organization. Job design is also actively associated with employee performance. Most of the work of employees requires high qualifications and is not routine.

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