# THE DRIVERS OF EMPLOYEE ENGAGEMENT IN MULTINATIONAL ENTERPRISE IN MANUFACTURING AND SERVICE INDUSTRY IN MALAYSIA

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 $\mathbf{B}\mathbf{Y}$ 

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# A final year project submitted in partial fulfilment of the requirement for the degree of

# **BACHELOR OF INTERNATIONAL BUSINESS (HONS)**

## UNIVERSITI TUNKU ABDUL RAHMAN

# FACULTY OF ACCOUNTANCY AND MANAGEMENT DEPARTMENT OF INTERNATIONAL BUSINESS

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#### DECLARATION

I hereby declare that:

- (1) This undergraduate research project is the end result of my own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) The word count of this research report is 10,586.

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#### DEDICATION

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Tertiary educational institution, Universiti Tunku Abdul Rahman (UTAR) For giving me the opportunity to conduct this research study.

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## LIST OF ABBREVIATIONS

SPSS	Statistical Package for Social Science	
Ν	Number of Respondents	
Std.	Standard	
Sig.	Significant	
β	Beta	
α	Alpha	
IV	Independent Variables	
DV	Dependent Variables	
EE	Employee Engagement	
CSE	Core Self-Evaluations	
L	Leadership	
IC	Information and Communications	
RR	Rewards and Recognition	

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#### PREFACE

Our dissertation is entitled The Drivers of Employee Engagement in Multinational Enterprise in manufacturing and service industry in Malaysia. The reason of conducting this research is because employee engagement becomes an important aspect in an organization. It serves as a main factor for an organization to retain and attract top talent and organized the employees in the organization. Hence, it is crucial to have empirical understanding on the factors that will affect employee engagement. The contributors towards employee engagement in MNE in manufacturing and service industry are identified in the research such as core self-evaluations, leadership, information and communication, and rewards and recognition.

This study able to helps employers to understand and identify which variable able to influence employee engagement among the target population. Companies may attract and retain employees through tailoring their human resource management style based on the needs and value of the employees. Moreover, this research also act as an inspiration for other researcher to carried out the bigger scale research by highlighted the significant issues.

#### ABSTRACT

The main objective of this research was to study the relationships of core self-evaluations, leadership, information and communication, and rewards and recognition toward employee engagement in manufacturing and service industry in multinational enterprise in Malaysia. Employee engagement is an important aspect in an organization due to its influence on organization performance. Employee especially top talent turnover rate was increasing in this contemporary business environment due to lack of engagement in their organization.

The data of this research had been collected by using survey questionnaires with closed-ended question and five point Likert scale. There are 223 sets of questionnaires have been distributed to the employees of MNE in Klang Valley are and there are only 200 sets of valid questionnaires can be analysed by using the Statistical Package for Social Science (SPSS).

The results of the research are beneficial for both employers and employees to understand what is the major drivers of employee engagement in manufacturing and service industry in MNE. Besides, limitation and recommendations also have been suggested for other researchers in the future.

# CHAPTER 1: RESEARCH OVERVIEW

## **1.0 Introduction**

Throughout the introduction chapter, research background, problem statement, and hypotheses research were included. It also provide research objective to be achieved and research question to be answered by conducting this research.

## **1.1 Research Background**

It is easy to get confused with employee engagement and employee satisfaction. Employee might feel happy and satisfied during working, but it does not mean that the employee have passionate towards the job and have high productivity. An engaged employee will care about the company and company's vision, they will have an emotion commitment towards their work and company (Thomas International, 2016). An engaged employee will work on behalf of the organization's goal. According to Thomas International (2016), employee engagement refers to positive relationship that employees have, the role they need to do and the rewards they get in the workplace.

Employee engagement is defined as psychological presence which involves attention and absorption (Rothbard, 2001). Attention is the amount of time spends by the employee to think about the role and their availability of cognitive. Absorption is intensity of employee's focus on the role (Rothbard, 2001). According to Aon (2018), Malaysia is slowly improving in employee engagement, increasing to 63% by 2018. However, Malaysia still ranked the lowest among country in Asia pacific. According to Zainul (2018), 5% of increase in employee engagement will lead to 3% of increment in revenue of a company. Thus, employee engagement is an important topic to discuss.

It is a truism that employees are the foundation of any organizations, the organization are depends on its employees whether to success or failed (Constantin & Baias, 2014). According to research done by academics and consulting organizations, there is substantive proof on positive consequences of engagement. Example of a large scale of studies which studied about 50,000 businesses of 49 industries in 34 countries, involve about 1.4 million of employees in 192 organization, conclude that employee engagement will influence organization performance and act as an important competitive differentiator for an organization (Popli & Rizvi, 2016). There are more researchers claimed the importance of employee engagement and the positive consequences.

However, figured out the determinants of employee engagement will be useful for business environment either employer or employees. According to Macey and Schneider (2008), the notion about employee engagement is considered as new, but Human resource (HR) consulting firms has been heavily marketed it by offering advice on how to create and leveraged the engagement. Academic researchers also join it but both parties have different concept and inconsistent interpretations.

There are a lot of drivers of employee engagement, in this study, core selfevaluation, leadership, information and communication, and rewards and recognition are the construct. According to Chaudhary and Kumar (2016), these drivers are the most related to employee engagement. The research was support by Kahn's three psychological conditions theory. According to Kahn (1990), employee engagement formed when these three conditions are met: psychological meaningfulness, psychological safety and psychological availability.

## **1.2 Problem Statement**

In a contemporary business environment, many company forces to reduce cost and prices by reduce number of employee, simplify organization structure and also redesign their business process (Cartwright and Holmes, 2006). Many practitioners said that employee engagement is a new human resource practice which allows business able to cope with unstable and turbulent industry conditions (Lee & Ok, 2015). When there is economic recession, employee engagement becomes the most important factor for a business to success in the competitive business environment. Engagement of employee has gained tremendous impetus among industry practitioners due to it have possibility link to extensive range of outcome of an individual and organization (Lee & Ok, 2015). According to a research involved 25,000 employees and survey data from human resource director and CEOs, showed that organization that invested in engagement earned higher revenue compare to others in the market ("Malaysia's upward course in employee engagement," 2014).

According to research by Lee and Ok (2015), employee effort level will increase by 6% when there is 10% increase in employee engagement and will make employee performance increase by 2%. The research also show that 87% of an engaged employee will less likely to leave the company, 10% of improvement in employee engagement will reduce 9% of turnover rate of employees. Engaged employee will draw out deeper commitment from themselves, therefore fewer leave apply and, sick absence reduce, conflict and grievances reduce, productivity of the organization increase (Engage For Success, 2019). There is more than a

quarter of employee at about to turnover. More worst is one third of them are talented.

There is much research about employee engagement. According to Karatepe and Demir (2014), positive association with many benefits had make employee engagement well known in practitioner research. However, most of these research are focusing on the positive outcome of employee engagement in an organization due to the research were primarily leading by business consultants and research firms in the practitioner communities (Kim, Murrmann, & Lee, 2009; Kim, Shin, & Swanger, 2009; Shuck & Wollard, 2010). There is few academic studies have focused about determinant of the employee engagement with variables which are job characteristics, rewards and recognition, organizational justice, and supervisor support (Saks, 2006). However, these researches are conducted at oversea such as Canada, not in Malaysia. Therefore, knowing what best predicts employee engagement in Malaysia especially Multinational Enterprise remains elusive.

According to Judge and Bono (2001), studies found that an individual who scored highly on core self-evaluation were more likely to be engaged on role performance and satisfied with their occupation.

After adopt an effective leadership style in the organizational, turnover rate was being controlled and the performance of the organization was improved. This is due to the employee feel more engaged and willing to exert extra efforts to achieve higher goals after influence and motivated by the leader (Asrar-ul-Haq & Kuchinke, 2016).

The Chartered Institute of Personnel and Development (CIPD) survey stated that there are two most crucial supporters of employee engagement. Firstly, opportunity to give feedback to supervisor and secondly is to be well-informed about the organization working (Basbous, 2011; Holton, 2009; Kang & Hyun, 2012; Ruck & Welch, 2012).

According to Holbeche (1998), U.S. Department of Labour has been established the lacks of recognition and appreciation are key factors in employee' decision to quit their jobs in organization.

## **1.3 Research Objectives**

## **1.3.1 General Objective**

The main objective is to study the driver of employee engagement in manufacturing and service industry in multinational enterprise (MNE) in Malaysia. The evaluations are included core self-evaluation, leadership, information and communication, and rewards and recognition.

## **1.3.2 Specific Objectives**

- 1. To investigate the influence of core self-evaluation towards employee engagement in MNE in manufacturing and service industry in Malaysia.
- To examine the influence of leadership towards employee engagement in MNE in manufacturing and service industry in Malaysia.

- To assess the influence of information and communication towards employee engagement in MNE in manufacturing and service industry in Malaysia.
- 4. To determine the influence of rewards and recognition towards employee engagement in MNE in manufacturing and service industry in Malaysia.

## **1.4 Research Questions**

The questions for this research are as below:

- 1. Is there a significant relationship between core self-evaluation and employee engagement?
- 2. What is the relationship between leadership and employee engagement?
- 3. Do information and communication affect employee engagement?
- 4. Is there a significant relationship between rewards and recognition and employee engagement?

# **1.5 Hypotheses of the Study**

H<sub>0</sub>: Core self-evaluation has no significant relationship toward employee engagement.

H<sub>1</sub>: Core self-evaluation has a significant relationship toward employee engagement.

H<sub>0</sub>: Leadership has no significant relationship toward employee engagement.

H<sub>1</sub>: Leadership has a significant relationship with employee engagement.

H<sub>0</sub>: Information and communication has no significant relationship toward employee engagement.

H<sub>1</sub>: Information and communication has a significant relationship with employee engagement.

H<sub>0</sub>: Rewards and recognition has no significant relationship toward employee engagement.

H<sub>1</sub>: Rewards and recognition has a significant relationship with employee engagement.

# **1.6 Significant of the Study**

There is evidence show that employee engagement is related to positive individual and organizational outcomes. Through this study, employer will have better understanding on how Human Resource system can be effectively merged with new processes in order to turn employee engagement become an end to end to practice. This is because employee engagement can create competitive advantage for the organization. Employers understand that an engaged employees will have higher productivity and therefore, a lot of organization will like to figure out and investigate the drivers of employee engagement. By understand the driver of employee engagement; the employer can improve the engagement of employee more effectively.

By determine the driver of employee engagement, employer able to attract and retain top talent in the organization. This study allowed organization to take appropriate steps to create an engaged organization in order to reduce turnover rate. Fierce competition for top talent forces most of the organization to focus on retaining top talent. Retaining top talents is more cost effective compare to training new hires. Therefore, through this study, employer able to have cost saving while improving the effectiveness of an organization.

Besides than above significances, this study brings benefits to employees. Employer understands the factor of employee engagement in currently society therefore, will provide better incentive for the employee. Employee able to enjoy the good welfare in the organization and the living standard will increase. Employer creates a good working environment for employee will increase the employee's psychological quality because majority time of a working person will be in the job.

## **1.7 Chapter Layout**

This study has a total of five chapters with the sequence from introduction, literature review, methodology, data analysis to the last chapter is discussion and conclusion. The concern of each chapter is explained below:

#### Chapter 1: Introduction

In introductory chapter, there is overview of the study context, explanation on research problem, list of research objectives and research questions and hypotheses of the study. The significance of the research will be discussed too.

Chapter 2: Literature review

In this chapter, dependent and all independent variable will discuss by using relevant journals of other researcher. Theoretical framework will developed based on the research objectives and research questions.

#### Chapter 3: Methodology

For methodology, research and sampling design which include sampling frame used, sampling technique, and sample size of the research will be discussed. Data collection method and proposed data analysis tool will be discussed also.

#### Chapter 4: Data analysis

This chapter show the results and analyses of the results which relevant to the research questions and hypotheses proposed. This chapter also include the discussion of descriptive analysis, scale measurement and inferential analyses.

#### Chapter 5: Discussion and Conclusion

In this chapter, summary and conclusion of whole study will be present. There is also discussion of major findings, managerial implication, limitation and recommendation of the study to be discuss in this chapter.

# **1.8 Conclusion**

Chapter one is overview of the research. The purpose of this study is to examine the driver of employee engagement (core self-evaluation, leadership, information and communication and rewards and recognitions) in manufacturing and service industry in MNE in Malaysia. The reader will have better understanding about the study through hypotheses and significance of the study.

# **CHAPTER 2: LITERATURE REVIEW**

## **2.0 Introduction**

After establish the objective of the research, this chapter consist of literature review which outline the constructs involved and review them through past studies by previous researchers. Then, Conceptual framework and hypotheses development needs to be establish in this chapter.

## **2.1 Literature Review**

#### 2.1.1 Employee Engagement

Employee engagement can defined in many different ways. The measure is about other better known and establish construct such as organizational citizen behaviour and commitment to organization (Robinson, Perryman & Hayday, 2004). Besides, it also refers to an emotional and intellectual commitment of the employee toward organization or amount of arbitrary effort exhibited to their jobs (Frank, Finnegan, & Taylor, 2004).

According to Saks (2006), personal engagement defined as harnessing of employee's selves to their work roles; in engagement, they employ and express physically, emotionally and cognitively during role performances. Disengagement refers to employee uncoupling themselves from work; in disengagement, they withdraw and defend physically, emotionally and cognitively during role performance. Employee engagement refer to the employee have psychological presence when doing their job (Saks, 2006).

Organization commitment which refers to attitude and attachment of an individual to their organization is differ from employee engagement. Engagement of an employee is not about their attitude, it is about the employee attentive and absorbed themselves in the role in an organization (May, Gilson & Harter, 2004).

Job involvement refers to cognitive judgement result about need satisfying abilities of the job and is tied to self-image of an individual. This shows that job involvement is differ from employee engagement. Employee engagement is involving the active use of emotion, behaviour and cognitions and refers to how employees employ themselves in their job (May et al., 2004).

According to Kahn (1990), an individual tend to have higher employee engagement when they are psychologically ready and prepared to put their physical, cognitive, and emotional energies into role performance. According to Judge, Erez, Bono, and Thoresen (2003), well adjusted, positive, self-confident, and efficacious are characteristic of an individual with high core self-evaluation. They will also believe in their own agency. When a person with high core selfevaluation, they will appraise demands more positively, able to cope with all the demands effectively, and there will have more resources available to invest in the work performance. Thus, increase the engagement of an employee (Judge & Hurst, 2007).

According to Xu and Thomas Cooper (2010), certain leadership behaviour has positive association with engagement for example organization commitment and proactive behaviour. According to a condition proposed by Kahn, believe in and support from superior and create a blame-free working environment and this can be considered as psychological safety. (Xu & Thomas Cooper, 2010). According to Macey and Schneider (2008), engagement of employee can be indirect affect from leadership behaviour of an organization, by building trust to their staff and provide support for them.

Organization should promote two-way communication in working culture. This is important because employees are more willing to do their works when they are giving a chance to voice out on the issues that relevance to their job and life (Markos & Sridevi, 2010). Involve the employee in the decision making and show respect to their input will make the employee feels sense of belongingness thereby increase the employee engagement.

Kahn (1990) indicated that engagement is vary according to benefits they received from a role. Proper and suitable rewards and recognition is significant for employee engagement; lack of rewards and recognition will cause employee's burnout because they will feel obliged when they received rewards and recognition (Maslach, Schaufeli & Leiter, 2001).

## 2.1.2 Core Self-Evaluation

According to Judge and Bono (2001), core self-evaluation is defined as basic conclusions or bottom-line evaluations that individual hold about themselves. Therefore, as an individual, people hold functionality, worthiness and capability in their environment is the basic assumption of core self-evaluation. Thus, an individual evaluated themselves as worthy and capable are those with positive core self-evaluation (Judge, Locke, Durham & Kluger, 1998). According to Danish, Ahmad, Ramzan, & Khan (2014), when the employee with positive self-regard, they will set higher goals in the work, achievement of these goals is considered as important and they will engage themselves in seeking meaningfulness from the target achievement. With optimistic approach, the employees are more willing to spend more time on job. They will be confidence and enjoyable in more challenging working environment with high anticipation of success. In service sector, core self-evaluation is refer to the spirit of engagement of an employee that can keeps employee's mind in the best and involving state to optimize the performance (Danish et al., 2014).

According to Karatepe and Demir (2014), employees with positive selfregard may set higher work goals, find the achievement of those goals worthwhile, then engage in their work and seek meaningfulness from it. According to Lee and Ok (2014), employee with high core self-evaluation believe that it is worthwhile and meaningfulness to complete a job will have high engagement with provided a dependable and trustworthy work environment, adequate psychological resources to complete the job.

However, there is only studies in services industry especially hotel industry showed that core self-evaluation will influence employee engagement. According to Chang et al. (2012), core self-evaluation will not affect employee engagement. This is further support by an individual will easily influence by environment which is external factors such as leadership and communication in the organization.

#### 2.1.3 Leadership

According to Billsberry (2019), leadership refers to a leader's quality or response to environments or both. The source of employee's motivation and

satisfaction is leader behaviour. Leader behaviour also creates a reliable and trustworthy environment to support employee work engagement in the orgnization. Therefore, exercise different styles of leadership able to enhance level of employee engagement (Bakker, Albrecht & Leiter, 2011).

There is three leadership behaviour identified by the researcher, which are employee development, consideration and performance orientation (Atwater & Brett, 2006). First two behaviours are relationship oriented and the third behaviour is task oriented. According to Bedarkar and Pandita (2014), management and mentoring behaviour such as imparting confidences to subordinate, power sharing and communication are two factors which are positively linked with engagement. This can be characterized as inspirational, visionary, decisive and team oriented. According to studies by Saks (2006) and May et al. (2004), the employee will more engaged when leader exhibiting with relationship-related behaviour.

However, the studies about leadership act as driver of employee engagement are not consistence. According to research conducted by Britt, Thomas and Dawson (2006) indicate that leadership have no significance relationship with employee engagement. Leadership style alone cannot be responsible to employee engagement (McColl-Kennedy & Anderson, 2002). When an individual have good psychological quality, they are able to cope with situation characterized by stress and ambiguity, their engagement and commitment towards the organization will not affect by the leadership style (Ritz et al., 2010).

#### **2.1.4 Information and Communication**

According to Berdarkar and Pandita (2014), the practice of conveying the organizational values to all employees is called internal communication.

According to Ryynanen, Pekkarinen and Salmininen (2012), internal communication is an internal process of the organization. Sense of community among employees and trust between employees can be created when the employee allowed providing and share information. In order to increase engagement of employee, management and employees must build a culture transparency in the organization (Mishra, Boynton & Mishra, 2014).

According to Lee and Ok (2015), when employee see harmonious communication in the organization and sharing of important information among employees within and across teams and departments, they will be more engaged. Employees will able to comprehend their role in the department and lead to higher engagement if there is effective communication (Freitag & Picherit-Duthler, 2014). It is imperative for the employee to keep up-to-date with latest information and concerning the changes in their work group. For example, employees are well prepared when changes introduced, well-informed with clear set of goals, employee will make use with the resources (time and budget). At the end employees will sue of their actions and on track during decision making (Gruman & Saks, 2011; Stein, 2006).

According to Hayase (2009), there is limited empirical research to support that information and communication have significance relationship with employee engagement. Study by Constantin and Baias (2015) claimed that information and communication itself could not be the driver of employee engagement. The employees must have the opportunity to develop their knowledge and skills and being recognised instead of only able to communicate and voice out their thought in order to have greater engagement toward their firm.

## 2.1.5 Rewards and Recognition

According to Armstrong (2009), rewards include financial which is extrinsic and non-financial or both which can be partial or total rewards. Examples for financial rewards are pay and bonuses while holiday and voucher schemes element are non-financial rewards. Rewards system in an organization has great impact on employee engagement. It can cause the staff to be more motivated, excited and ready to engage along with organization's strategies goal and objectives. That is proved by several management theories, when the employees get more pay, recognition and praise, they are willing to put more effort for the organization (Markos & Sridevi, 2010).

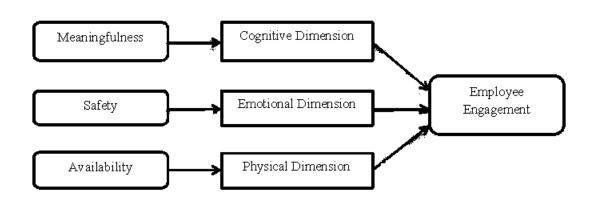
Human being will expect acknowledgement for their valuable offerings and contribution. According to Hofmans, De Gieter & Pepermans (2013), most of the organization offer formal rewards and recognition for employee in exchange for their ideas and contribution, but still there is employees expect to have day-today informal recognition. In order to be more engaged, employees need to be convinced that their contribution being recognized by the management.

Pay and benefits are the most common rewards for employee in an organization. However, according to Markos and Sridevi (2010), employees do not give much importance to pay and benefits in their engagement behaviour. Most of the drivers found for employee engagement are non-financial in their nature.

## 2.2 Review of Relevant Theoretical Model

## 2.2.1 Kahn's Three Psychological Conditions Theory

Figure 2.1: Basic modelling of Kahn's Three Psychological Conditions Theory



Source: Kahn, W. (1990). Psychological Conditions of Personal Engagement and Disengagement at Work. *Academy Of Management Journal*, 33(4), 692-724. doi: 10.5465/256287

The founder of this model was William Kahn at 1990. This model indicated that the employee engagement develops when meaningfulness, safety and availability are met. Psychological meaningfulness means "sense of return on investments" of self in role performance. When employee believe the work load are significance, fit the goal and create value, they will engaged more. Psychological safety refers to employee become more engaged when organization provide reliable working environment, do not create risk for self-image, status or career when conduct their performance. Psychological availability is a belief of an individual well prepared with physical, emotional and psychological resources to complete work are ready to enter into a role.

# 2.3 Proposed Conceptual Framework

Figure 2.2 Drivers of employee engagement in manufacturing and service industry

in Multinational Company in Malaysia.



Source: Develop for this research

# 2.4 Hypotheses Development

# 2.4.1 The relationship between core self-evaluation and employee engagement

According to Danish et al. (2014), there is direct and significant relationship between core self-evaluation and employee engagement. Core self-evaluation with coefficient value 0.305 is significance at 1% level of significance which means that employee self-evaluation have positive impact on employee engagement. An individual should perceived a higher level of availability to invest themselves into their role due to high core self-evaluation tend to make people feel more capable of dealing with work demand (Rich, Lepine & Crawford, 2010). Thus, the hypothesis is as follows:

H1: Core self-evaluation has significant positive relationship to employee engagement.

# 2.4.2 The relationship between leadership and employee engagement

According to Datche and Mukulu (2015), the researcher examine the relationship between transformational leadership and employee engagement, the result showed that there is significance relationship between leadership behaviour and employee engagement. For the research conducted by Wahyu (2014), examine the effect of supportive leadership on employee engagement on the organizational citizenship behaviour (OCB). The researcher has proved that there is direct positive relationship between supportive leadership and employee engagement. Thus, the hypothesis is as follow:

H2: Leadership has significant positive relationship with employee engagement

# 2.4.3 The relationship between information and communication and employee engagement

According to Lee and Ok (2015), information and communication among organization are being positively associated with employee engagement. Kahn's theory was used as the theoretical framework. A study conducted showed that employee communication is antecedent of employee engagement which has significant impact on the level of engagement among employees (AbuKhalifeh & Som, 2013). Thus, the hypothesis is as follows:

H3: Information and communication has significant positive relationship with employee engagement

# 2.4.4 The relationship between rewards and recognition and employee engagement

According to research conducted by Ram and Prabhakar (2011), focused on antecedents and effects of employee engagement. Result of Pearson correlation coefficient indicated that there is positive correlation between employee engagement and rewards and recognition. According to research conducted by Hassan, Hassan and Shoaib (2014), the result indicated from correlation and regression analysis is rewards system has significance positive relationship with employee engagement. Thus, the hypothesis is as follows:

H4: Rewards and recognition has significant positive relationship with employee engagement

## **2.5 Conclusion**

This chapter reviewed the definition of each independent variable and the dependent variable using the collective definition provided or reviewed by past studies. It also explained the relationships between the variables and proposed a theoretical framework to illustrate them. The next chapter will explain the methods the researchers will use in data collection.

# **CHAPTER 3: METHODOLOGY**

## **3.0 Introduction**

This chapter will describe in detail the research methodology, sampling methods and instrument used for this research.

## **3.1 Research Design**

According to Sekaran and Bougie (2016), research design is a basic plan which guides the process to collect, measure and analyse data. In this research, quantitative research method will be used. There are few types of quantitative research but descriptive research and causal research is the one choose to be used in this research.

## **3.1.1 Quantitative Research**

In quantitative research, numerical data is used to measure and evaluate the result from a population and theoretical framework is tested by hypothesis testing. Quantitative research is adopted in this research by using survey questionnaire to identify the driver of employee engagement. All these responses will be collected in numerical data and used to examine the validity of the hypotheses. The data collected from questionnaire is reliable (Maxwell, 1961).

## **3.1.2 Descriptive Research**

According to Salaria (2012), descriptive research used to gather information about current situations, behaviour or phenomenon for description and interpretation. In this research, descriptive research is used in the section about demographic and general profile of the respondent's organization.

## 3.1.3 Causal Research

In this case, causal research used to investigate the causal effect between the independent variables (core self-evaluation, information and communication, rewards and recognition, and leadership) with the dependent variables, employee engagement.

## **3.2 Data Collection Methods**

### **3.2.1 Primary Data**

New information collected directly form source through observation, survey and different types of interview (Kumar, Talib & ramayah, 2013). For this research, internet survey is used to collect data. The self-administered questionnaires which do not require the presence of interviewer are distributed through online. This method is able to obtain a higher response rate and reduce cost and time. Self-administered questionnaire is the most effective way to reach respondents of this

research which are employee of MNE in Malaysia without travelling from state to state.

## **3.2.2 Secondary Data**

This refer to data that has been gathered by others can be found in published or electronic (Curtis, 2018). Availability of the data make the data can be collected faster and less expensive than primary data. In this research, the secondary data used is obtained from past journals related to the topic through University Tunku Abdul Rahman library database and Google Scholar. Related article from internet will be used also.

# **3.3 Sampling Design**

## **3.3.1 Target Population**

The target population is identified prior to the distribution of survey questionnaire. The study is aimed to study the drivers of employee engagement in MNE in manufacturing and service industry in Malaysia. Therefore, the target population will be employees of MNE in manufacturing and service industry in Klang Valley.

## **3.3.2 Sampling Frame and Location**

Sampling frame is not required in this research. The chosen location is Klang Valley.

## **3.3.3 Sampling Elements**

Element is defined as a single member of the population (Sekaran & Bougie, 2016). The respondents that had been targeted in this research are employees of MNE in manufacturing and service industry in Klang Valley. They may from different age, gender, position in the organization and nature of business.

## **3.3.4 Sampling Technique**

The selected technique is convenience sampling. Questionnaire is distributed to those who are working in MNE in Klang Valley, easily to approach and willing to participate in the research. However, those who are not working in MNE are not allowed to fill the questionnaire. According to Alvi (2016), advantages of using this technique is inexpensive and time saving because the sample is convenience, quick and easy to approach.

## 3.3.5 Sample Size

As there is a lot of employee working in MNE in Malaysia, a smaller sample must be selected for this research. Roscoe's rule of thumb (as cited in Hill, 1998) stated that a sample size between 30 and 500 is suitable for most researches. Therefore, 200 respondents will be the sample size in this study. 223 responses are the target responses but only 200 responses will be used as the other 23 sets are invalid responses.

## **3.4 Research Instrument**

In this research, self-administrated questionnaire is used to obtain the primary data from our target respondents. It is relatively cheaper and faster to send survey questionnaire through internet as compared to conduct interview with respondent. Besides, survey questionnaire help to eliminate interviewer bias because respondent can answer the questionnaire without influenced by the presence of interviewer.

## **3.4.1 Questionnaire Design**

There are two sections in this questionnaire. It is English version.

Section A consists of demographic profile and general profile of the respondent's firm. Demographic profile includes gender, age group, education level, working experience, and monthly income. General profile of the respondent's firm includes current industry attached, nature of business, the amount of employee in the organization, age of the organization, department and position of the respondents in the organization. The questions are fixed-alternative questions which several suggested answer are provided and the respondent are asked to select the answer which closest to their viewpoint. There is total of 11 questions in section A.

Section B focused on four independent variables (core self-evaluation, leadership, information and communication, and rewards and recognition) and one dependent variable (employee engagement). It consists of 25 questions and are designed based on the Five Point Likert scale rating. Respondents are requested to select from the range of 1 (Strongly Disagree) to 5 (Strongly Agree) based on their own perception.

## 3.4.2 Pilot Test

Supervisor had check the Grammar and spelling error in the questionnaire before running the pilot test. The pilot test has been conducted on 20 respondents from employees in MNE in Klang Valley. Researchers request the comment from the respondents during the pilot test and amendments have made based on reasonable feedback. All the responses are collected within one week. The responses are input into SPSS software to test for internal consistency of the questionnaire items for each variable using Cronbach Alpha coefficient.

|--|

Construct	Cronbach's Alpha
Core Self-Evaluation	0.850

Leadership	0.888
Information and Communication	0.868
Rewards and Recognition	0.843
Employee Engagement	0.939

Source: Developed for the research

## **3.5 Constructs Measurement**

### **3.5.1 Measurement Scale**

The level of measurement scale is important because it allows the mathematically comparison between variables therefore researchers able to analyse it easily (Zikmund, Babin, Carr & Griffin, 2013). This research use three measurement scale which are nominal scale, ordinal scale and interval scale.

#### 3.5.1.1 Nominal Scale

This scale used to assign items into groups or categories without quantitative information. In this study, nominal scale is used in section A, such as nature of business, department, position and gender.

#### 3.5.1.2 Ordinal Scale

Ordinal scale is a nominal variable with ranking scale and used in the categories that have an ordered relationship to each other (Kumar, Talib & Ramayah, 2013, p. 89). Ordinal scale is used in section A of this research. Examples of ordinal scale in this research are age group and monthly income of the respondents.

#### 3.5.1.3 Interval Scale

This is the higher scale of measurement than ordinal scale (Pagano, 2014). It is used in section B of this survey.

### **3.5.2 Origin of Construct**

The questions for each independent variable (IV) and dependent variable (DV) were adapted from questionnaires used in past studies. Each variable is only adapted from one source to increase the reliability and validity of the questionnaire.

Table 3.2:	Origin	of construct
	-	

Variables	Items	Source
Core Sel	- 1. I am confidence I get success I	Lee, J.H., & Ok, C.
Evaluation (IV	deserve in life.	(2015). Drivers of
		work engagement: An
		examination of core

	2. When I try, I generally succeed.	self-evaluations and
		psychological climate
		among hotel
	3. I complete tasks successfully.	employees.
		International Journal
		of Hospitality
	4. Overall, I am satisfied with	· · · ·
	myself	Management, 44(1),
		84-98.
	5. I determine what will happen in	
	my life.	
	6. I am capable of coping with most	
	of my problems.	
	of my problems.	
Leadership (IV)	1. I like my supervisor very much as	Liden, R. C., &
Leadership (1+)		Maslyn, J. M. (1998).
	a person.	-
		Multidimensionality of
	2. My approximation is a lat of function	leader-member exchange: An
	2. My supervisor is a lot of fun to	
	work with.	empirical assessment
		through scale
		development. Journal
	3. I am willing to apply extra efforts,	of management, 24(1),
	beyond those normally required,	
	to further the interests of my work	43-72.
	group.	
	4. I respect my supervisor's	
	knowledge of and competence on	
	the job.	

	5. I admire my supervisor's professional skills.	
Information and Communication (IV)	1.Peopleinmyworkunit/team/departmentareadequately trained to handle theintroduction of new products andservices.	Lee, J.H., & Ok, C. (2015). Drivers of work engagement: An examination of core self-evaluations and psychological climate among hotel
	2. I have access to strategic information I need to do my job well.	employees. International Journal of Hospitality Management, 44(1),
	3. I understand management's vision of the organization.	84-98.
	4. My work unit/team/department asks our customers to evaluate the quality of our work and service.	
Rewards and	1. Job security.	Lee, J.H., & Ok, C.
Recognition (IV)	2. Praise from your supervisor.	(2015). Drivers of work engagement: An examination of core self-evaluations and
	3. Training and development opportunities.	psychological climate among hotel employees.

	4. Some form of public recognition (e.g. employee of the month).	International Journal of Hospitality Management, 44(1), 84-98.
	5. A rewards or token of appreciation (e.g. lunch).	
Employee	1. At my work, I feel energetic.	Lee, J.H., & Ok, C.
Engagement		(2015). Drivers of
(DV)	2. My job inspires me.	work engagement: An examination of core self-evaluations and
	3. I am enthusiastic about my job.	psychological climate among hotel
	4. I am proud of the work that I do.	employees. International Journal of Hospitality Management, 44(1),
	5. I am engrossed in my work.	84-98.

## **3.6 Data Processing**

## **3.6.1 Data Checking**

It is conducted before the questionnaire being distributed and after collecting feedback from respondents during pilot test. Before distributing, researcher ensures that there is no error in the questionnaire. Therefore, pilot test is important before distribute the questionnaire.

## **3.6.2 Data Editing**

This is done to make sure the data collected and information are ready to be analyse. The data collected must be error free and complete (Singleton & Straits, 2015). Inaccurate data will be rejected and removed to ensure the accuracy of result.

## **3.6.3 Data Coding**

The following step will be data coding. Data coding is assigning a number to the responses by respondents in order to enter into database (Sekaran & Bougie, 2016). For example in section A, the answer for highest education level is coded as "1" for SPM, "2" for STPM/Foundation, "3" for Diploma, "4" for Degree, "5" for Master and "6" for Phd. For example in section B, the answer is coded as "1"

for strongly disagree, "2" for disagree, "3" for neutral, "4" for agree and "5" for strongly agree.

## **3.6.4 Data Transcribing**

The final step which is transferring data collected into SPSS. Result can be obtained from SPSS.

## 3.7 Data Analysis

## **3.7.1 Descriptive Analysis**

This analysis is transforming the raw data into a form so that reader easy to understand and interpret (Singh & Singh, 2015). Descriptive data consists of measure of central tendency, distribution and variability of data. The central tendency of data can be describe in mean, mode and median (Zikmund, Babin, Carr & Griffin, 2013, p. 484). Descriptive analysis is applied in section A of this research. Pie chart is used to display the summary of the data collected for question of nominal scale such as nature of business, department and gender. Bar chart is used to describe question of nominal scale such as age group and monthly income.

## 3.7.2 Scale Measurement - Reliability Test

Reliability test as scale measurement of questionnaires to assists in determining the reliability of data. Reliability is the degree of internal consistency of the data collected (Zikmund, Babin, Carr & Griffin, 2013, p. 301). In this research, Cronbach's alpha is used to evaluate the internal consistency of data. Cronbach's alpha is a popular test for inter-item consistency.

Cronbach's alpha (a) value	Internal Consistency
a > 0.9	Excellent
0.9 > a > 0.8	Good
0.8 > a > 0.7	Acceptable
0.7 > a > 0.6	Questionable
0.6 > a > 0.5	Poor
0.5 > a	Unacceptable

Table 3.3: Rules of Thumb of Cronbach's Alpha

Source: Adapted from Sharma, B. (2016). A focus on reliability in development research through Cronbach's Alpha among medical, dental and paramedical professionals. Asian Pacific Journal of Health Science, 3(4), 271-278.

### **3.7.3 Inferential Analysis**

#### 3.7.3.1 Pearson Correlation

Pearson correlation is used to determine the strength and direction of relationship among the variables in the study. The correlation coefficient is known as R-value, range from -1.0 to 1.0. When there is no correlation, the r will be zero. If r is negative, it indicates a perfect negative correlation between two variables while if r is positive, it indicate a perfect positive correlation between two variables.

#### 3.7.3.2 Multiple Linear Regression Analysis

The analysis used to determine the relationship of dependent variable with multiple independent variables (Uyanik & Guler, 2013). By using this method, researcher able to figure out which independent variables among core self-evaluation, information and communication, rewards and recognition and leadership have the highest significant impact on the dependent variable (employee engagement). Higher  $\beta$  value indicate the independent variable have higher influence toward dependent variable.

The multiple linear regression equation is as follows:

 $Y=\alpha+\beta^1X^1+\beta^2\;X^2+\beta^3\;X^3+"\;\beta^nX^n$ 

#### Whereby

Y = dependent variable

 $\alpha = \text{constant} / \text{intercept}$ 

 $X^n$  = independent variable

 $\beta^n$  = regression coefficient associated with independent variable

# **3.8** Conclusion

In this chapter, research method used and data collection process in collecting 200 responses are discussed clearly. Data processing is defined and data analysing is done using SPSS software.

# **CHAPTER 4: DATA ANALYSIS**

## **4.0 Introduction**

The data were collected from questionnaire and outcome of SPSS version 23 will be analyse in this chapter. Table, pie chart and histogram used to present the data and findings. This chapter include these elements: descriptive analysis, scale measurement, and inferential analysis.

## **4.1 Descriptive Analysis**

# 4.1.1 Respondent's Demographic Profile and General Profile of the Firm

A total of 200 sets of questionnaire had been analysed. The six questions about general profile of the respondent's firm including industry, nature of business, number of employees, operation period, department and position of respondent. The five questions about demographic including gender, age group, highest education level, work experience, and monthly income.

#### 4.1.1.1 General Profile of the Firm

### 4.1.1.1.1 Industry

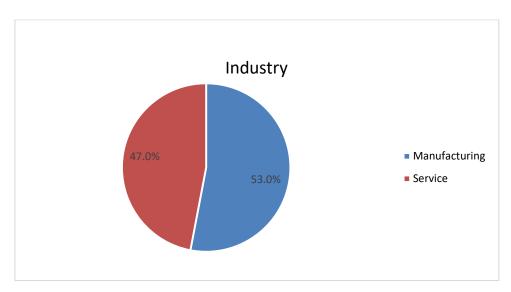


Figure 4.1: Industry

Source: Developed for the research

Table 4.1 Industry

		_		Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Manufacturing	106	53.0	53.0	53.0
	Service	94	47.0	47.0	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.1 and table 4.1 showed the industry of the firm. There are 106 respondents attached to manufacturing industry which is 53% and the other 94 respondents attached to service industry which is 47%.

#### 4.1.1.1.2 Nature of Business

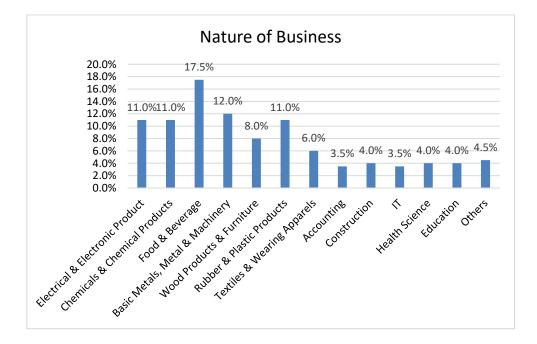


Figure 4.2: Nature of Business

Table 4.2 Nature of Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Electrical & Electronic Product	22	11.0	11.0	11.0
	Chemicals & Chemical Products	22	11.0	11.0	22.0
	Food & Beverage	35	17.5	17.5	39.5
	Basic Metals, Metal & Machinery	24	12.0	12.0	51.5

Wood Products & Furniture	16	8.0	8.0	59.5
Rubber 8 Plastic Products	22	11.0	11.0	70.5
Textiles 8 Wearing Apparels	12	6.0	6.0	76.5
Accounting	7	3.5	3.5	80.0
Construction	8	4.0	4.0	84.0
IT	7	3.5	3.5	87.5
Health Science	8	4.0	4.0	91.5
Education	8	4.0	4.0	95.5
Others	9	4.5	4.5	100.0
Total	200	100.0	100.0	

Source: Developed for the research

Based on figure 4.2 and table 4.2, majority of the respondents involve in food and beverage industry which is 17.5%, followed by basic metals, metal and machinery industry which is 12%. There are three industries with 11% which are electrical and electronic products, chemicals and chemical products, and rubber and plastic products. There are 8% of respondents in wood products and furniture while 6% in textiles and wearing apparels. Education, health science and construction are 4% and accounting firm and IT industry are 3.5% each. Respondent from others industry is 4.5%.

### 4.1.1.1.3 Number of Employee in Organization

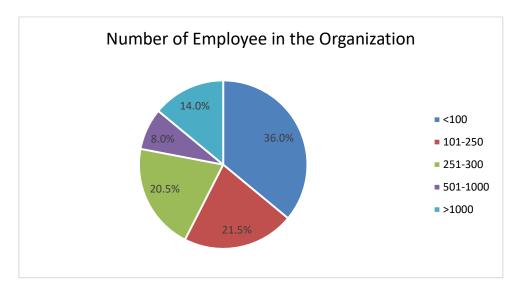


Figure 4.3 Number of Employee in Organization

Source: Developed for the research

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	<100	72	36.0	36.0	36.0
	101- 250	43	21.5	21.5	57.5
	251- 300	41	20.5	20.5	78.0
	501- 1000	16	8.0	8.0	86.0
	>1000	28	14.0	14.0	100.0
	Total	200	100.0	100.0	

#### Table 4.3 Number of Employee in Organization

Source: Developed for the research

From table 4.3 and figure 4.3, firm which have less than 100 employees and 101 to 250 employees are 36% and 21.5% respectively. Firm with 251 to 300

employees is 20.5% while firm with number of employees 501 to 1000 is the least, 8%. Lastly, 14% of the firms are with more than 1000 employees.

#### 4.1.1.1.4 Organization's Operation Period



#### Figure 4.4 Organization's Operation Period

Source: Developed for the research

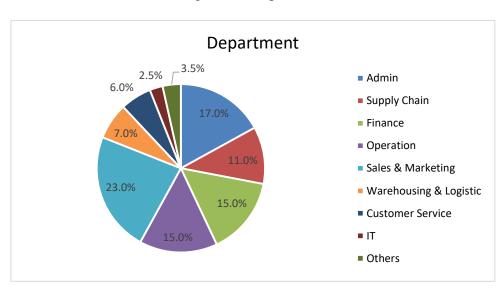
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<10 years	56	28.0	28.0	28.0
	11-20 years	57	28.5	28.5	56.5
	21-30 years	51	25.5	25.5	82.0
	>30 years	36	18.0	18.0	100.0
	Total	200	100.0	100.0	

#### Table 4.4 Organization's Operation Period

#### Source: Developed for the research

Table 4.4 and figure 4.4 showed that firm operate for more than 30 years is 18% and operate for 21 to 30 years is 25.5%. There are 28% of firms operating for less than 10 years and 28.5% of firm operate for 11 to 20 years.

### 4.1.1.1.5 Department



#### Figure 4.5 Department

Table 4.5	Department

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Admin	34	17.0	17.0	17.0
	Supply Chain	22	11.0	11.0	28.0
	Finance	30	15.0	15.0	43.0
	Operation	30	15.0	15.0	58.0

Sales & Marketing	46	23.0	23.0	81.0
Warehousing & Logistic	14	7.0	7.0	88.0
Customer Service	12	6.0	6.0	94.0
IT	5	2.5	2.5	96.5
Others	7	3.5	3.5	100.0
Total	200	100.0	100.0	

Source: Developed for the research

From figure 4.5 and table 4.5, most respondents are in sales and marketing department which is 23% and the least is in information technology (IT) department which is 2.5%. 6% of respondents work as customer service, 7% in warehousing and logistic department and 11% work in supply chain department. Both finance and operation department are 15% of the respondents each. There is 17% of respondents work as admin and 3.5% are others department.

#### 4.1.1.1.6 Position in Organization

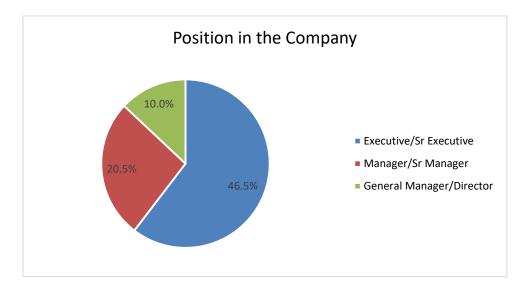


Figure 4.6 Position in Organization

Source: Developed for the research

Table 4.6	Position	in Or	ganization

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Admin/Clerk	46	23.0	23.0	23.0
	Executive/Sr Executive	93	46.5	46.5	69.5
	Manager/Sr Manager	41	20.5	20.5	90.0
	General Manager/Director	20	10.0	10.0	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.6 and table 4.6 showed the most respondents are executive or senior executive in the company which is 46.5% while the least are general manager or

director which is 10%. There is 20.5% are manager or senior manager and 23% are clerk or admin in the company.

#### 4.1.1.2 Demographic Profile

### 4.1.1.2.1 Gender

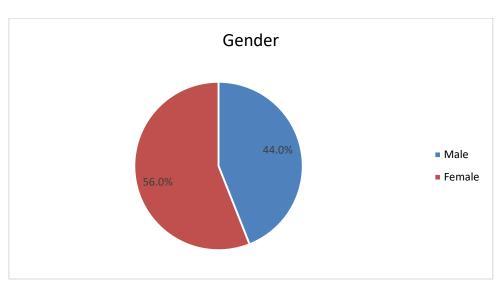


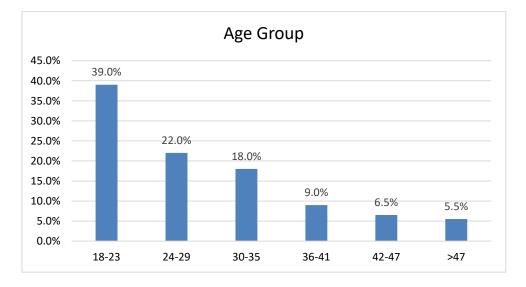
Figure 4.7 Gender

 $\underline{Source}:$  Developed for the research

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Male	88	44.0	44.0	44.0
	Female	112	56.0	56.0	100.0
	Total	200	100.0	100.0	

From figure 4.7 and table 4.7, female respondents are slightly more than male which is 56% and 44% respectively.

#### 4.1.1.2.2 Age Group



#### Figure 4.8 Age Group

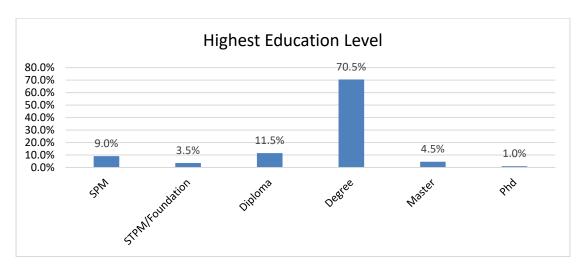
Source: Developed for the research

#### Table 4.8 Age Group

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	18-23	78	39.0	39.0	39.0
	24-29	44	22.0	22.0	61.0
	30-35	36	18.0	18.0	79.0
	36-41	18	9.0	9.0	88.0
	42-47	13	6.5	6.5	94.5
	>47	11	5.5	5.5	100.0
	Total	200	100.0	100.0	

Based on figure 4.8 and table 4.8, majority of the respondents are 18 to 23 years old, 39%. 22% of the respondents in age group of 24 to 29 while 18% of respondents in 30 to 35 years old. There are 9% of respondents in 36 to 41 age range, 6.5% in 42 to 47 age range and the least respondent are more than 47 years old, 5.5%.

#### 4.1.1.2.3 Highest Education Level



#### Figure 4.9 Highest Education Level

Table 4.9 H	ighest Education Level

			Valid	Cumulative
	Frequency	Percent	Percent	Percent
SPM	18	9.0	9.0	9.0
		••••	••••	
STPM/Foundation	7	3.5	3.5	12.5
Diploma	23	11.5	11.5	24.0
Degree	141	70.5	70.5	94.5
Master	9	4.5	4.5	99.0
	Diploma Degree	SPM18STPM/Foundation7Diploma23Degree141	SPM189.0STPM/Foundation73.5Diploma2311.5Degree14170.5	FrequencyPercentPercentSPM189.09.0STPM/Foundation73.53.5Diploma2311.511.5Degree14170.570.5

Phd	2	1.0	1.0	100.0
Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.9 and table 4.9 showed that majority of the respondents is degree holder which is 70.5%. Diploma consists of 11.5%, followed by 9% of SPM then 4.5% of master. Furthermore, there is 3.5% of STPM or foundation and the least, which is 1% of Phd holder.

#### 4.1.1.2.4 Working Experience

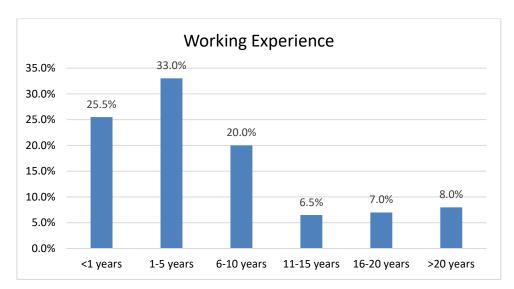


Figure 4.10 Working Experience

Table 4.10	Working	Experience
	-	

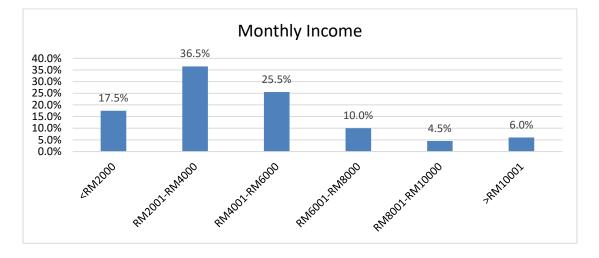
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid <1 yea	ars	51	25.5	25.5	25.5

1-5 years	66	33.0	33.0	58.5
6-10 years	40	20.0	20.0	78.5
11-15 years	13	6.5	6.5	85.0
16-20 years	14	7.0	7.0	92.0
>20 years	16	8.0	8.0	100.0
Total	200	100.0	100.0	

Source: Developed for the research

Figure and table as shown showed the working experience of respondents. There is 33% of respondents work for 1 to 5 years, followed by 25.5% of respondents work less than 1 year. 20% of respondents work for 6 to 10 years, 8% is work for more than 20 years. Respondents who work for 16 to 20 years and 11 to 15 years are 7% and 6.5% respectively.

#### 4.1.1.2.5 Monthly Income





Source: Developed for the research

Table 4.11	Monthly	Income

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	<rm2000< td=""><td>35</td><td>17.5</td><td>17.5</td><td>17.5</td></rm2000<>	35	17.5	17.5	17.5
valiu		55	17.5	17.5	17.5
	RM2001-	70	00 F	00 F	54.0
	RM4000	73	36.5	36.5	54.0
	RM4001-	51	25.5	25.5	79.5
	RM6000				
	RM6001-				
	RM8000	20	10.0	10.0	89.5
	RM8001-	9	4.5	4.5	94.0
	RM10000				
	>RM10001	12	6.0	6.0	100.0
			0.0	0.0	100.0
	Total	200	100.0	100.0	

Table 4.11 and figure 4.11 showed that least respondents with RM8001 to RM10000 income which is only 4.5% followed by 6% of respondents with more than RM10001 income. There is 10% of respondents with income of RM6001 to RM8000 and 17.5% of respondents with income less than RM2000. 25.5% of respondents have income of RM4001 to RM6000. The most respondents have income of RM2001 to RM4000 which is 36.5%.

## **4.1.2 Central Tendencies Measurement of Constructs**

Variables	Ν	Mean	Std. Deviation
Core Self-Evaluation	200	3.917	0.64884
Leadership	200	3.953	0.72790
Information and Communication	200	3.944	0.68106
Rewards and Recognition	200	3.920	0.74510
Employee Engagement	200	3.899	0.81271

Table 4.12: Descriptive Statistics on Variables

Source: Developed for the research

Table 4.12 present mean of leadership is 3.953, which is the highest among all variables followed by information and communication with 3.944, rewards and recognition with 3.920, and core self-evaluation with 3.917. The lowest mean is 3.899 which is employee engagement. This result indicated that most of the respondents agreed with leadership play an important role to influence employee engagement while core self-evaluation is the least important. Besides, among all the variables, employee engagement has the highest standard deviation, which is 0.81271 and the lowest is core self-evaluation with 0.64884. Standard deviation of leadership, information and communication, and rewards and recognition are 0.72790, 0.68106 and 0.74510 respectively.

# **4.2 Scale Measurement**

#### 4.2.1 Reliability Analysis

Construct	Cronbach's Alpha	Number of Items
Core Self-Evaluation	0.877	6
Leadership	0.880	5
Information and Communication	0.787	4
Rewards and Recognition	0.859	5
Employee Engagement	0.929	5

Table 4.13: Reliability Analysis

Source: Developed for the research

Table 4.13 showed that information and communication with Cronbach's alpha value 0.787 which between 0.7 and 0.8 is under acceptable range. Core self-evaluation, leadership, and rewards and recognition are good and reliable with Cronbach's alpha value 0.877, 0.880 and 0.859 separately which are in between

0.8 and 0.9. Employee engagement is considered as excellent because is falls above 0.9 which is 0.929.

# **4.3 Inferential Analyses**

# 4.3.1 Pearson Correlation Analysis

		CSE	L	IC	RR	EE
	Pearson Correlation	1	.544**	.670**	.631**	.724**
CSE	Sig. (2- tailed)		.000	.000	.000	.000
	Ν	200	200	200	200	200
	Pearson Correlation	.544**	1	.580**	.640**	.624**
L	Sig. (2- tailed)	.000		.000	.000	.000
	Ν	200	200	200	200	200
IC	Pearson Correlation	.670**	.580**	1	.747**	.711**
IC	Sig. (2- tailed)	.000	.000		.000	.000

Table 4.14: Pearson Correlation

	Ν	200	200	200	200	200
	Pearson Correlation	.631**	.640**	.747**	1	.756**
RR	Sig. (2- tailed)	.000	.000	.000		.000
	Ν	200	200	200	200	200
	Pearson Correlation	.724**	.624**	.711**	.756**	1
EE	Sig. (2- tailed)	.000	.000	.000	.000	
	Ν	200	200	200	200	200

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

Source: Developed for the research

(CSE=Core Self-Evaluation, L=Leadership, IC=Information and Communication, RR=Rewards and Recognition, EE=Employee Engagement)

Table 4.14 showed the significance value all the independent variables (CSE, L, IC and RR) are smaller than 0.01 (two tailed) which indicated that the correlations of all these variables are significant to dependent variables (EE).

Besides, all the independent variables (CSE, L, IC and RR) have a positive relationship with EE showed by the positive value of correlation coefficient. RR has strongest influence to EE with correlation coefficient of 0.756, followed by CSE (0.724), and IC (0.711). L with correlation coefficient value of 0.624 has the weakest influence to EE among all the independent variables.

### **4.3.2 Multiple Linear Regression Analysis**

				-			
			Adjusted R	Std.	Error	of	the
Model	R	R Square	Square	Estim	ate		
1	.833 <sup>a</sup>	.694	.687	.4544			

Table 4.15: Summary of Multiple Linear Regression Analysis

a. Predictors: (Constant), Rewards and Recognition, Core Self-Evaluation, Leadership, Information and Communication

Source: Developed for the research

Table 4.15 showed that the value of R is 0.833, R square is 0.694 and adjusted R square is 0.687. This indicated that 68.7% of the model can be contributed by the core self-evaluation, leadership, information and communication and rewards and recognition.

Table 4.16: ANOVA Test

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	91.171	4	22.793	110.372	.000 <sup>b</sup>
Residual	40.269	195	.207		
Total	131.440	199			

a. Dependent Variable: Employee Engagement

b. Predictors: (Constant), Rewards and Recognition, Core Self-Evaluation, Leadership, Information and Communication

Source: Developed for the research

Table 4.16 demonstrate F-test value (4, 195) = 110.372; significant value smaller than 0.05 which is 0.000. Therefore, the overall regression results indicated that employee engagement can be well explained by the core self-evaluation, leadership, information and communication, and rewards and recognition.

			Standardized		
	Coefficier	nts	Coefficients		
		Std.			
Model	В	Error	Beta	t	Sig.
1 (Constant)	512	.219		-2.332	.021
Core Self- Evaluation	.412	.070	.329	5.843	.000
Leadership	.148	.060	.133	2.479	.014
Information and Communication	.181	.078	.152	2.331	.021
Rewards and Recognition	.383	.072	.351	5.345	.000

Table 4.17: Coefficients

a. Dependent Variable: Employee Engagement

Source: Developed for the research

(CSE=Core Self-Evaluation, L=Leadership, IC=Information and Communication, RR=Rewards and Recognition, EE=Employee Engagement)

Table 4.17 illustrated that CSE, L, IC and RR have a significant relationship with EE because the significant value of CSE, L, IC and RR are 0.000, 0.014, 0.021 and 0.000 respectively are all smaller than 0.05 (p-value).

The beta of CSE is 0.412, this showed that increase in one unit of CSE, level of EE will raised by 0.412 units, other variables are constant. Increase in one unit of L while other variables remain constant, the level of EE will raised by 0.148 units. Increase in one unit in IC, other variables constant, the level of EE will raised by 0.181 units. When increase in one unit in RR, the level of EE will raised by 0.383 while all other variables remain constant.

The equation of the multiple regressions can be formed as below:

 $Y=\alpha+\beta^1X^1+\beta^2\;X^2+\beta^3\;X^3+\beta^4X^4$ 

Whereas:

Y = Employee Engagement (EE)

 $\alpha$  = as constant, value of Y when X become zero

 $\beta$  = dimension of employee engagement

 $X^1$  = Core Self-Evaluation (CSE)

 $X^2$  = Leadership (L)

 $X^3$  = Information and Communication (IC)

 $X^4$  = Rewards and Recognition (RR)

Employee Engagement

= (-0.512) + 0.412 (CSE) + 0.148 (L) + 0.181 (IC) + 0.383 (RR)

# **4.4 Conclusion**

In short, this chapter summarized the data analysis for the study. The statistical measures used in this research are multiple linear regressions, Pearson Correlation and Cronbach's alpha. As conclusion, all the independent variables of this research have significance relationship with dependent variables.

# CHAPTER 5: DISCUSSION, CONCLUSION AND IMPLICATIONS

## **5.0 Introduction**

In this chapter, discussion, conclusion and implication of findings in previous chapter will be emphasized. There are some limitations and recommendations will be proposed in this chapter.

# **5.1 Summary of Statistical Analysis**

#### **5.1.1 Summary of Descriptive Analysis**

#### 5.1.1.1 Respondent Demographic Profile

223 set of questionnaire are distributed and 23 sets of them are invalid, therefore, total sample size will be 200. There are few general information which classified the respondents. For industry, there are 47% of respondents in service industry and 53% of respondents in manufacturing industry. For nature of business, majority of the respondents are in food and beverage industry which is 17.5% while the least will be accounting firm and IT department which is 3.5% each. Most of the firm have less than 100 employees which is 36%, followed by

21.5% of firm with 101 to 250 employees, 20.5% with 251 to 300 employees, and 14% have more than 1000 employees. The least will be company with 501 to 1000 employees. For organization operation period, the proportion for operate 11 to 20 years are 28.5%, followed by 28% which operate less than 10 years. There is 25.5% of firm operating for 21 to 30 years and 18% operate for more than 30 years. For department of respondents, proportion for sales and marketing department is largest which is 23%, the lowest proportion is IT department which is 2.5% and there is 3.5% of others department. Majority of the respondent is executive or senior executive which is 46.5%, followed by 20.5% of manager or senior manager and 10% of director or general manager.

For gender, majority respondents are female which is 56%. For age group, most of the respondents are in between 18 to 23 years old while respondents who elders than 47 years is the least, 5.5%. Majority of the respondent are degree holder, 70.5% while only 1% is Phd holder. For working experience of respondents, 33% of respondents work for 1 to 5 years and only 6.5% work for 11 to 15 years. The largest proportion for respondents with monthly income is RM2001 to RM4000, 36.5%. The smallest proportion is RM8001 to RM10000.

#### **5.1.1.2 Central Tendencies Measurement of Constructs**

Leadership has the highest mean, 3.953 while lowest mean, 3.899 is employee engagement. This indicated that leadership was playing a significant role to influence the employee engagement. Besides, employee engagement has highest standard deviation of 0.81271 whereas the core self-evaluation has the lowest standard deviation which is 0.64884.

#### **5.1.2 Summary of Scale Measurement**

#### 5.1.2.1 Reliability Test

In the table 4.13 in Chapter 4 showed that employee engagement has the highest Cronbach's Alpha value which is 0.929 followed by leadership (0.880), core self-evaluation (0.877), and rewards and recognition (0.899). Information and communication has the lowest value which is 0.787.

#### **5.1.3 Summary of Inferential Analysis**

#### 5.1.3.1 Pearson Correlation Analysis

Table 4.14 illustrate the correlations of core self-evaluation, leadership, information and communication, and rewards and recognition are all significant to employee engagement because the significance values of these independent variables are smaller than 0.01 (two tailed). These independent variables also have strong influence to the dependent variable with correlation value near to +1.

#### 5.1.3.2 Multiple Linear Regression Analysis

Table 4.17 showed that core self-evaluation (0.000), leadership (0.014), information and communication (0.021), and rewards and recognition (0.000)

have significant relationship with employee engagement because the significance values are all smaller than p-value 0.05.

# **5.2 Discussion of Major Findings**

Hypothesis	Significant	Conclusion	
H <sub>0</sub> : Core self-evaluation has no significant relationship towards employee engagement in MNE in service and manufacturing industry.	$\beta = 0.412$ p = 0.000 < 0.05	$H_0$ is rejected, $H_1$ is accepted.	
industry.			
H <sub>1</sub> : Core self-evaluation has a significant relationship towards employee engagement in MNE in service and manufacturing industry.			
$H_0$ : Leadership has no significant	$\beta = 0.148$	$H_0$ is rejected,	
relationship towards employee engagement	p = 0.140	1101510jeeteu,	
in MNE in service and manufacturing industry.	p = 0.014 < 0.05	$H_1$ is accepted.	
H <sub>1</sub> : Leadership has a significant relationship towards employee engagement in MNE in service and manufacturing			

Table 5.1 Major Findings on Hypothesis Testing

	I	1
industry.		
H <sub>0</sub> : Information and communication has no	$\beta = 0.181$	H <sub>0</sub> is rejected,
significant relationship towards employee		
engagement in MNE in service and		
manufacturing industry.	p = 0.021 < 0.05	$H_1$ is accepted.
H <sub>1</sub> : Information and communication has a		
significant relationship towards employee		
engagement in MNE in service and		
manufacturing industry.		
H <sub>0</sub> : Rewards and recognition has no	$\beta = 0.383$	$H_0$ is rejected,
significant relationship towards employee		
engagement in MNE in service and		
manufacturing industry.	p = 0.000 < 0.05	H <sub>1</sub> is accepted.
manufacturing mousily.		
$H_1$ : Rewards and recognition has a		
significant relationship towards employee		
engagement in MNE in service and		
manufacturing industry.		

# 5.2.1 Relationship between core self-evaluation and employee engagement in MNE in service and manufacturing industry

H<sub>0</sub>: Core self-evaluation has no significant relationship towards employee engagement in MNE in service and manufacturing industry.

H<sub>1</sub>: Core self-evaluation has a significant relationship towards employee engagement in MNE in service and manufacturing industry.

Based on the result from multiple regressions, core self-evaluation has a significant relationship towards employee engagement. The significance value of core self-evaluation is 0.000 which is smaller than the p-value of 0.05. Hence,  $H_1$ is supported. Positive core self-evaluation will make the employee to focus on positive and stimulating aspects of their work (Judge et al., 1998). Positive selfevaluation will minimize an avoidance motivation to prevent negative outcome and trigger an approach motivation toward positive outcome. This indicated that core self-evaluation relates positively to employee engagement (Ferris et al., 2011). According to Judge and Hurst (2007), employee will have higher level of psychological availability to invest themselves in performing their work roles because employees with high generalized self-efficacy are confident of meeting the demand of jobs, thus core self-evaluation is positively related to employee engagement which is consistent with this research's result. An individual with high core self-evaluation appraise job demand in more positive way and more ability to handle the demand. Employees with high core self-evaluation able to find meaning in their work and feel more confident in work field. These positive aspects will motivate the employee exhibit engagement (Rich et al., 2010).

# 5.2.2 Relationship between leadership and employee engagement in MNE in service and manufacturing industry

H<sub>0</sub>: Leadership has no significant relationship towards employee engagement in MNE in service and manufacturing industry.

H<sub>1</sub>: Leadership has a significant relationship towards employee engagement in MNE in service and manufacturing industry.

Based on the result of multiple regressions, leadership has significant relationship toward employee engagement. The significant value of leadership is 0.014 which is smaller than p-value of 0.05. Hence,  $H_1$  is supported. According to Solomon and Sridevi (2010), any organization who has committed leadership can achieve the desired level of employee engagement with less cost. According to Rama Devi (2009), if the employees believe that their organization focuses on good leadership, they are more likely to be committed, which is precursor to engagement. There are few other studies attempt to support the relationship between leadership and employee engagement. Different leader behaviours will associate with engagement in different levels; those enhance follower performance and which enable followers to relate with organizational goals will strongly associate with leadership. This indicated that leadership have influence on employee engagement (Xu and Thomas Cooper, 2010).

5.2.3 Relationship between information and communication and employee engagement in MNE in service and manufacturing industry

H<sub>0</sub>: Information and communication has no significant relationship towards employee engagement in MNE in service and manufacturing industry.

H<sub>1</sub>: Information and communication has a significant relationship towards employee engagement in MNE in service and manufacturing industry.

As illustrated in the result of multiple regressions, information and communication obtained a significance value of 0.021 which is smaller than pvalue of 0.05. Hence,  $H_1$  is supported. According to studied from Sarangi and Srivastava (2012), information and communication facilitating in employee engagement. According to the research done by Karanges, Johnston, Beatson and Lings (2015), management and supervisor can achieve optimal level of employee engagement through communication that ensures the employee feel part of the organization. Communication encourages employees to share their ideas and opinions in works. By involving the employee in discussions about their individuals roles and organizational goals can increase their engagement. According to Welch (2011), effective communication strategies can well delivered information in an organization which having a crucial role in the development of positive employee engagement. MacLeod and Clarke (2009) argue that good communication can enhance engagement and emphasize that employee need clear information and communication from supervisor to understand how their role fit with organization' goal. Poor communication act as barrier to employee engagement and cause of disengagement

# **5.2.4 Relationship between rewards and recognition and employee engagement in MNE in service and manufacturing industry**

H<sub>0</sub>: Rewards and recognition has no significant relationship towards employee engagement in MNE in service and manufacturing industry.

H<sub>1</sub>: Rewards and recognition has a significant relationship towards employee engagement in MNE in service and manufacturing industry.

This result showed the significance value of rewards and recognition is 0.000, smaller than p-value of 0.05 which means that relationship between rewards and recognition and employee engagement is significant hence H<sub>1</sub> is supported. Feeling belongings of employees is very important. The emotional link of an employee and as a human being, expected to being accepted and valuable inside the organization will influence the employee engagement (Rodrigues da Costa & Maria Correia Loureiro, 2019). From the research of Rodrigues da Costa and Maria Correia Loureiro (2019), the power of recognition is being proved and significance of this factor to retain talent by increases the employee's engagement. Veerabramham and Kolla (2014) claimed the importance of compensation, benefits, and formal recognition in instilling employee engagement. In addition to meaningful work, sense of return on investment can come from external rewards and recognition. Therefore, employees will more engage if they received a greater rewards and recognition for their role performance (Maslach et al., 2001). These were consistent with the result of the research which is rewards and recognition will influence the engagement the employee.

# **5.3 Implication of the Study**

#### **5.3.1 Managerial Implications**

This study is useful for employer because it provide the employer information and data in order for them to have better understanding to develop a more effective human resource system in the organization. Employers able to develop a HR system focused on the four variables in order to improve the employee engagement. Thus, increase the organization performance. The study also provides a concept and idea for employer to attract and retain their top talent. Determining the drivers of employee engagement and strongly improve in the respective drivers able to prevent employees to leave the company especially top talents which have a fierce competition in the market. Therefore, the company turnover rate can be reduced by using this study through improve in employee engagement.

Employee also can enjoy the benefits through this study. When the employer understands the drivers of employee engagement, they will implement it and the employee can get a better working environment and welfare. Example of rewards and recognition will be increment of salary or bonuses of the employees. Both employer and employee can gain benefits from the action. Therefore, better working environment and relationship between employer and employees are formed.

This study was focusing among employee of MNE in Klang Valley as it was the primary step for the researcher which this population was most accessible in this stage with all the available resources. However, the findings have highlighted the significant issues and might enhance more studies with bigger scale to be carried out among other population in the future.

#### 5.4 Limitations of the Study

#### 5.4.1 Shortage of Convenience Sampling

This study use convenience sampling as sampling method. This was a method of collecting data from ways that were accessible to the researcher. Hence, sample bias might happen due to over-represented or under-represented of certain groups.

Besides, the current study was focusing among employees of MNE in Klang Valley which the findings might not applicable or generalize to other population in Malaysia.

### **5.4.2 Shortage of Close Ended Questions**

Questionnaires as the tool of this study might restrict the accuracy of data collected as the questions were being designed in closed ended mode which the participants will need to allocate themselves into the specific categories. These does not give the clear presentation of the respondents on whether they clearly understood the items or whether they had choose the option that fully explain their exact responses choice.

### **5.4.3 Questionnaires Development**

The respondents took some time to complete the survey and there was possible of bias in the result as the result is based on respondent's perception only. The respondents also might made choices on the responses spontaneously without fully understanding of the items.

# **5.5 Recommendations**

#### 5.5.1 Improve in Sampling Method

Bigger scale of research should be done by broader the research geographical area to every state of Malaysia instead of only in Klang Valley. More effective sampling method can be used for data collection such as cluster sampling which required longer time to complete. Therefore, the study can generalizable.

# **5.5.2** Combination of Close and Open Ended Questions (Mixed Method)

The researcher should include some open ended questions. By doing this, the respondents able to deliver answer that fully explain their exact responses instead of choose the best fit answer from the choice given. Therefore, the researcher able increases the accuracy of the data.

#### 5.5.3 Questionnaire

The questionnaires can be modified become shorter and more precise. Those questions which do not affect much on the result or similar can be removed. Therefore, it can be utilized in the future research to increase the response rate and also the quality of the result.

# **5.6 Conclusion**

The researcher has accomplished the main objective which is to examine the drivers of employee engagement in manufacturing and service industry in MNE in Malaysia. The determinants included core self-evaluation, leadership, information and communication and rewards and recognition have been identified. Effects of independent variables on dependent variable have been determined by the researcher. Lastly, recommendation also included in the chapter for future study purposed.

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#### **Appendix A: Survey Questionnaire**



#### UNIVERSITI TUNKU ABDUL RAHMAN

#### FACULTY OF ACCOUNTANCY AND MANAGEMENT

#### **BACHELOR OF INTERNATIONAL BUSINESS (HONS)**

#### FINAL YEAR PROJECT

#### Title of Research:

#### The Drivers of Employee Engagement in Multinational Enterprise (MNE) in Manufacturing and Service Industry in Malaysia

#### **Survey Questionnaire**

Dear Respondents,

I am student from University Tunku Abdul Rahman (Sungai Long Campus) conducting my final year research project. I am conducting this survey to research about the "Drivers of Employee Engagement in MNE in Manufacturing and Service Industry in Malaysia".

This questionnaire contains two sections and will take no longer than 15 minutes to complete. The information collected in this survey will strictly remain private and confidential as protected by the Malaysia Personal Data Protection Act 2010.

Thank you for your participation in this research.

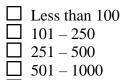
#### Section A - Demographic Profile

INSTRUCTION: You are required to answer the questions below. Please mark (/) for your answer in the boxes provided or fill in the blank for each of the following question.

1. Please select the industry you are currently attached to:

Manufacturing Industry
Service Industry

- 2. What is the nature of your business?
- Electrical and Electronics Products
- Chemicals & Chemical Products
- Food & Beverage Products
- Basic Metals, Metal & Machinery
- Wood Products & Furniture
- Rubber & Plastic Products
- Textiles & Wearing Apparels
- □ Others
- 3. How many employees currently are working in your organization?



- $\Box$  More than 1000
- 4. How long has your organization operate in this business?

	Less	than	10	years
--	------	------	----	-------

- $\Box$  11 20 years
- $\square$  21 30 years
- $\Box$  More than 30 years
- 5. Department:



- L Supply Chain
- Finance
- Operation
- □ Sales & Marketing

Warehousing & Logistics

Customer Services

□ Others

- 6. Position in the company:
- Admin / Clerk

Executive / Sr. Executive

Manager / Sr. Manager

General Manager / Director

□ Other

7. What is your gender?

☐ Female

8. What is your age group?

- 9. What is your highest level of education?
- SPM
- **STPM** / Foundation
- Diploma
- Degree
- ☐ Master
- 🗌 Phd
- 10. Work Experience?
- $\Box$  Less than 1 year
- $\Box$  1 5 years
- $\Box$  6 10 years
- □ 11 -15 years
- $\Box$  16 20 years
- $\Box$  More than 20 years

11. Monthly Income

□ Less than RM2000 □ RM 2001 − RM 4000 □ RM 4001 − RM6000

□ RM 6001 – RM 8000 □ RM 8001 – RM 10000

 $\square$  More than RM 10001

#### <u>Section B – Drivers of Employee Engagement in Manufacturing and</u> <u>Service Industry in MNE in Malaysia</u>

In this section, I would like to examine the drivers of employee engagement in MNE in Malaysia. Please use the following scale to indicate the extent to which you agree or disagree with the following statements.

Please circle your answer for each statement listed below to indicate the extent to which you agree or disagree with the following statements.

Statements	SD	D	Ν	Α	SA
1. I am confidence I get success I deserve in life.	1	2	3	4	5
2. When I try, I generally succeed.	1	2	3	4	5
3. I complete tasks successfully.	1	2	3	4	5
4. Overall, I am satisfied with myself	1	2	3	4	5
5. I determine what will happen in my life.	1	2	3	4	5
6. I am capable of coping with most of my problems.	1	2	3	4	5

#### A. Core Self-Evaluation

#### **B.** Leadership

Statements	SD	D	Ν	Α	SA
1. I like my supervisor very much as a person.	1	2	3	4	5
2. My supervisor is a lot of fun to work with.	1	2	3	4	5
3. I am willing to apply extra efforts, beyond those normally required, to further the interests of my work group.	1	2	3	4	5

4. I respect my supervisor's knowledge of and competence on the job.	1	2	3	4	5
5. I admire my supervisor's professional skills.	1	2	3	4	5

#### C. Information and Communication

Statements	SD	D	Ν	Α	SA
1. People in my work unit/team/department are adequately trained to handle the introduction of new products and services.	1	2	3	4	5
2. I have access to strategic information I need to do my job well.	1	2	3	4	5
3. I understand management's vision of the organization.	1	2	3	4	5
<ol> <li>My work unit/team/department asks our customers to evaluate the quality of our work and service.</li> </ol>	1	2	3	4	5

#### **D.** Rewards and Recognition

Statements	SD	D	Ν	А	SA
1. Job security.	1	2	3	4	5
2. Praise from your supervisor.	1	2	3	4	5
3. Training and development opportunities.	1	2	3	4	5
4. Some form of public recognition (e.g. employee of the month).	1	2	3	4	5

5. A rewards or token of appreciation (e.g. lunch).	1	2	3	4	5
appreciation (e.g. lunch).	1	Z	3	4	5

#### E. Employee Engagement

Statements	SD	D	N	Α	SA
1. At my work, I feel energetic.	1	2	3	4	5
2. My job inspires me.	1	2	3	4	5
3. I am enthusiastic about my job.	1	2	3	4	5
4. I am proud of the work that I do.	1	2	3	4	5
5. I am engrossed in my work.	1	2	3	4	5

End of questionnaire.

Thank you for your participation.

All responses will be kept private and confidential.

#### Appendix B – SPSS Output

Appendix 3.1: Pilot Test

Construct	Cronbach's Alpha
Core Self-Evaluation	0.850
Leadership	0.888
Information and Communication	0.868
Rewards and Recognition	0.843
Employee Engagement	0.939

Appendix 4.1: Industry

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Manufacturing	106	53.0	53.0	53.0
	Service	94	47.0	47.0	100.0
	Total	200	100.0	100.0	

#### Appendix 4.2: Nature of Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Electrical & Electronic Product	22	11.0	11.0	11.0
	Chemicals & Chemical Products	22	11.0	11.0	22.0
	Food & Beverage	35	17.5	17.5	39.5
	Basic Metals, Metal & Machinery	24	12.0	12.0	51.5
	Wood Products & Furniture	16	8.0	8.0	59.5
	Rubber & Plastic Products	22	11.0	11.0	70.5
	Textiles & Wearing Apparels	12	6.0	6.0	76.5
	Accounting	7	3.5	3.5	80.0

Construction	8	4.0	4.0	84.0
IT	7	3.5	3.5	87.5
Health Science	8	4.0	4.0	91.5
Education	8	4.0	4.0	95.5
Others	9	4.5	4.5	100.0
Total	200	100.0	100.0	

#### Appendix 4.3: Number of employee in organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<100	72	36.0	36.0	36.0
	101- 250	43	21.5	21.5	57.5
	251- 300	41	20.5	20.5	78.0
	501- 1000	16	8.0	8.0	86.0
	>1000	28	14.0	14.0	100.0
	Total	200	100.0	100.0	

Appendix 4.4: Organization's operation period

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<10 years	56	28.0	28.0	28.0
	11-20 years	57	28.5	28.5	56.5
	21-30 years	51	25.5	25.5	82.0
	>30 years	36	18.0	18.0	100.0
	Total	200	100.0	100.0	

#### Appendix 4.5 Department

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Admin	34	17.0	17.0	17.0
	Supply Chain	22	11.0	11.0	28.0
	Finance	30	15.0	15.0	43.0
	Operation	30	15.0	15.0	58.0
	Sales & Marketing	46	23.0	23.0	81.0

Warehousing & Logistic	14	7.0	7.0	88.0
Customer Service	12	6.0	6.0	94.0
IT	5	2.5	2.5	96.5
Others	7	3.5	3.5	100.0
Total	200	100.0	100.0	

# Appendix 4.6: Position in Organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Admin/Clerk	46	23.0	23.0	23.0
	Executive/Sr Executive	93	46.5	46.5	69.5
	Manager/Sr Manager	41	20.5	20.5	90.0
	General Manager/Director	20	10.0	10.0	100.0
	Total	200	100.0	100.0	

#### Appendix 4.7: Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	88	44.0	44.0	44.0
	Female	112	56.0	56.0	100.0
	Total	200	100.0	100.0	

#### Appendix 4.8 Age Group

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-23	78	39.0	39.0	39.0
	24-29	44	22.0	22.0	61.0
	30-35	36	18.0	18.0	79.0
	36-41	18	9.0	9.0	88.0
	42-47	13	6.5	6.5	94.5
	>47	11	5.5	5.5	100.0
	Total	200	100.0	100.0	

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SPM	18	9.0	9.0	9.0
	STPM/Foundation	7	3.5	3.5	12.5
	Diploma	23	11.5	11.5	24.0
	Degree	141	70.5	70.5	94.5
	Master	9	4.5	4.5	99.0
	Phd	2	1.0	1.0	100.0
	Total	200	100.0	100.0	

# Appendix 4.9: Highest education level

#### Appendix 4.10 Working experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<1 years	51	25.5	25.5	25.5
	1-5 years	66	33.0	33.0	58.5
	6-10 years	40	20.0	20.0	78.5
	11-15 years	13	6.5	6.5	85.0
	16-20 years	14	7.0	7.0	92.0
	>20 years	16	8.0	8.0	100.0
	Total	200	100.0	100.0	

#### Appendix 4.11: Monthly Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<rm2000< td=""><td>35</td><td>17.5</td><td>17.5</td><td>17.5</td></rm2000<>	35	17.5	17.5	17.5
	RM2001- RM4000	73	36.5	36.5	54.0
	RM4001- RM6000	51	25.5	25.5	79.5
	RM6001- RM8000	20	10.0	10.0	89.5
	RM8001- RM10000	9	4.5	4.5	94.0
	>RM10001	12	6.0	6.0	100.0
	Total	200	100.0	100.0	

Variables	N	Mean	Std. Deviation
Core Self-Evaluation	200	3.917	0.64884
Leadership	200	3.953	0.72790
Information and Communication	200	3.944	0.68106
Rewards and Recognition	200	3.920	0.74510
Employee Engagement	200	3.899	0.81271

Appendix 4.12: Descriptive Statistics on Variables

#### Appendix 4.13: Reliability Analysis

Construct	Cronbach's Alpha	Number of Items
Core Self-Evaluation	0.877	6
Leadership	0.880	5
Information and Communication	0.787	4
Rewards and Recognition	0.859	5
Employee Engagement	0.929	5

#### Appendix 4.14: Pearson Correlation

		CSE	L	IC	RR	EE
	Pearson Correlation	1	.544**	.670**	.631**	.724**
CSE	Sig. (2- tailed)		.000	.000	.000	.000
	Ν	200	200	200	200	200
	Pearson Correlation	.544***	1	.580 <sup>**</sup>	.640 <sup>**</sup>	.624**
L	Sig. (2- tailed)	.000		.000	.000	.000
	Ν	200	200	200	200	200
IC	Pearson Correlation	.670***	.580**	1	.747**	.711***
	Sig. (2-	.000	.000		.000	.000

	tailed)					
	Ν	200	200	200	200	200
	Pearson Correlation	.631**	.640***	.747**	1	.756**
RR	Sig. (2- tailed)	.000	.000	.000		.000
	Ν	200	200	200	200	200
	Pearson Correlation	.724**	.624**	.711***	.756 <sup>**</sup>	1
EE	Sig. (2- tailed)	.000	.000	.000	.000	
	Ν	200	200	200	200	200

#### Appendix 4.15: Summary of Multiple Linear Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.833 <sup>a</sup>	.694	.687	.4544

#### Appendix 4.16: ANOVA Test

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	91.171	4	22.793	110.372	.000 <sup>b</sup>
Residual	40.269	195	.207		
Total	131.440	199			

#### Appendix 4.17 Coefficients

	Unstandardized Coefficients		Standardized Coefficients		
		Std.			
Model	В	Error	Beta	t	Sig.
1 (Constant)	512	.219		-2.332	.021
Core Self- Evaluation	.412	.070	.329	5.843	.000
Leadership	.148	.060	.133	2.479	.014
Information and Communication	.181	.078	.152	2.331	.021

Rewards and Recognition	.383	.072	.351	5.345	.000