Impacts of Workplace Factors on Employee Engagement in the Public Sector

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Abstract

Employees are an integral part of any organization because of the value they bring, and how they help the organization achieve its goals. Yet, the percentage of employees who are passionate about their jobs and the overall goal of the organization where they work remains in the minority. While workplace factors tend to play a role in determining the extent to which employees are engaged, actively engaged or unengaged, the direct impact on employee engagement remains vague. This paper presents the outcome of a study conducted which evaluates the impact of workplace factors on employee engagement in public sector entity. An online questionnaire was completed by 120 employees of one of UAE public sector entities. Participants were selected through random sampling to ensure fair representation. The primary data was analyzed using structural paths analysis to determine the direct effects of workplace experience as well as workplace conditions on Employee Engagement respectively. The findings indicate that workplace conditions positively influence employee engagement in the public sector entity, while the impact of workplace experience is negative and unsupported in the UAE public entity examined. The implication of these findings is that public sector entities such as the one examined is able to determine the workplace factor to prioritise for sustaining engagement of its employees in order to increase engagement level. This study advances organizational studies in general, particularly the field of employee engagement. The result helps to empirically verify the positive influence of workplace factors such as clarity of work, opportunities at work and support from managers on employee engagement.

Keywords: Workplace Conditions, Workplace Experience, Employee Engagement, Public Sector, UAE
Introduction

Interest in Employee Engagement has grown rapidly with the knowledge that high Employee Engagement levels is crucial for attracting and retaining skilled employees in a competitive business environment (Kompaso & Sridevi, 2010; Lockwood, 2007; Purcell et al., 2003; Wellins et al., 2005). In a meta-analysis by Gallup, organisations with engaged employees were found to have 3.9 times the earnings and growth rate compared to organisations with lower engagement levels in the same industry (Gallup, 2013). The drive for business success and the increasing awareness that employees are the greatest asset in any organisation has led to various human capital empowerment strategies including new leadership styles, fostering teamwork, staff recognition, personnel development and performance management (Wellins et al., 2005). Yet, the percentage of employees who are passionate about their jobs and their organisations remains in the minority (Aon, 2018; Effectory International, 2018; Gallup, 2017; Steelcase Inc, 2016). According to Gallup’s 2014-2016 global survey, businesses with higher levels of Employee Engagement are 17% more productive and 21% more profitable than those with lesser engaged staff. Being able to successfully engage more employees continue to be a challenge despite the benefits of Employee Engagement. For instance, a 2017 global Employee Engagement survey of workers from 155 countries reveal that 85% of employees worldwide were not engaged or were actively disengaged in their job (Gallup, 2017). Employee Engagement has consequently become an elusive ideal for many organisations and the focus of many organisational improvement efforts (Osborne & Hammoud, 2017). The difficulty increasing level of engagements of staff in different sectors including public sector continue to be a daunting task even in the United Arab Emirates (UAE). In 2013, the Gallup research revealed that the percentage of engaged employees working in the UAE was 26 percent, this has dropped to 16% in the 2017 report (Gallup 2013; Gallup 2017). Such report, and decline in engagement level is a concern for the government because of the vision for excellence in government-run businesses. This makes Employee Engagement a topic of interest to the government and public sector scholars in the UAE. Scholars have called for more research on the effect of Employee Engagement on organisational outcomes and the role of contextual-level variables such as clarity of organisational purpose and organisational climate on engagement (Albrecht et al., 2015; Motyka, 2018). Therefore, this study examines the impact of workplace factors on Employee Engagement, in order to determine the work-related factors that can increase level of engagement in the UAE public sector. This focus is important as it may contribute to decision making process especially for improving human capital management in other government entities in the UAE and around the world.
Employee Engagement

The term ‘Employee Engagement’ has been conceptualized in several ways in previous research, scholars and practitioners also do not seem to agree on any one definition of the concept of Employee Engagement (Dalal et al., 2008). Terms such as work engagement (Schaufeli et al., 2006a); personal engagement (Kahn et al., 2013); job engagement (Rich et al., 2010); and organisational engagement (Ruck et al., 2017) have been used to describe similar concepts. Some authors present Employee Engagement as a multi-dimensional psychological state which is beneficial for both individuals and employers (Osborne & Hammoud, 2017; Saks, 2006). Others view it as a unidimensional construct at the team and organisational level (Barrick et al., 2014; Costa et al., 2014). While Bakker (2011) identified energy, and involvement as the two features of engagement, Soane et al. (2012) stated that work-role focus, activation, and positive affect were the three requirements. While these explanations are justified from the standpoint of each author, it is difficult to answer the question of who an engaged employee is without consistent definition of Employee Engagement. Some scholars consider Employee Engagement as a performance construct as well as a behaviour (Macey & Schneider, 2008; Robertson-Smith & Markwick, 2009). Harter et al. (2002) and Schaufeli et al. (2006) view Employee Engagement as an affective commitment involving pride and satisfaction.

Though Saks (2006) presents engagement as the alignment between job satisfaction and job contribution, Robinson et al. (2004) reveal that an engaged employee is aware of organisational context, works with positive attitude with colleagues to achieve organisational goals. Regardless of how Employee Engagement is viewed or defined, Vance (2006) indicate that both the employee and organisation have commitment and responsibility for Employee Engagement. This view aligns with the social exchange theory (SET) which have been used to explain and understand the reciprocity in engagement. SET is one of the conceptual paradigms in organisational behaviour used to identify why some people are engaged and others are not (Croppanzano & Mitchell, 2005). It has also proved useful in explaining why some work relationships evolve over time into the discretionary effort necessary to improve personal and business success (Croppanzano & Mitchell, 2005). The theory explains the volition that individual employees have towards engagement at work and the implications of an implicit social, rather than an explicit economic, contract between an organisation and its employees (Slack et al., 2015). The basic tenet of the SET is that relationships only grow into trusting and loyal ones if the parties stand by the “rules” of exchange. Such basic tenets position relationships within organisation as non-economically driven especially when explained through SET. When applied to Employee Engagement, the basic tenets of SET shows that the pathway to better engagement within an organisation may be based on level of trust and loyalty exhibited between the employee and employer. An effect of the relationship underpinned by trust and loyalty may be better employee performance and
subsequently better performance of the organisation. SET supports the position that engagement increases with reward (Vance, 2006).

Singh and James (2016) reveal that when employees receive rewards and recognition from their organisation, they will feel obliged to respond with higher levels of engagement. These rewards or compensation can either be extrinsic or intrinsic (Ram & Prabhakar, 2011). Extrinsic rewards are financial compensation such as pay raises, bonuses, and benefits, as well as non-financial rewards like extra holiday and recognition schemes given to employees (Ram & Prabhakar, 2011). Intrinsic rewards are the psychological rewards that employees get from doing meaningful work and performing it well (Ram & Prabhakar, 2011). The reward dimension of engagement explains the link between engagement and productivity. If the percentage of engaged employees is low this amount to wasted potential (Gallup, 2017). Gallup estimates that unengaged workers in the United Kingdom cost their companies $64.8 billion (U.S.) dollars a year. In Japan, where only 9 percent of the work-force is engaged, lost productivity is estimated to be $232 billion each year (Gallup, 2017). The report by Gallup further reveal that employees may be engaged, not engaged or actively disengaged. Where engaged employees are described as being highly involved in, and enthusiastic about their work and workplace; those not engaged are psychologically unattached to their work and company; actively disengaged are employees who are unhappy, who demotivate others at work and resentful at work (Gallup, 2017). Therefore, Vance (2006) approach to explaining Employee Engagement is central to understanding the relationship between workplace conditions and employee engagement in public sector as undertaken in this study.

Employee Engagement in UAE

In the UAE, 20 percent of employees were highly engaged and highly satisfied with their workplace making it one of the most engaged and satisfied nations. This high level of engagement report for UAE has been attributed to the fact that the majority of employees work either in a private office or a shared private office, with 52 percent of Emirati employees working in shared private offices, compared to the global norm 37 percent. The Steelcase Global Report is the first to explore the relationship between Employee Engagement and the work environment and findings show that workers who are highly satisfied with various aspects of their workplace also demonstrate higher levels of engagement (Steelcase Inc, 2016). Although there is an awareness of the importance of Employee Engagement, it remains a relatively untested in organisational management literature in the UAE (Krishnaveni & Monica, 2018; Motyka, 2018). With the high rate of foreign investments and innovations in the UAE, there have been significant social changes with increasingly western models of organisational management (Bin Taher et al., 2015). Literature has shown that countries with increasing economic competitiveness will often evolve towards the systems found in Western Europe and the United States with less dependence on the
country’s culture and customs (Varma et al., 2008). During such transitions, national and cultural norms may co-exist with western norms (Varma et al, 2008). However, there has been very little research done to understand how and if western human resource management strategies have been assimilated into the UAE public sector and if these westernized systems produce similar levels of Employee Engagement as observed in the West.

The findings from a UAE study of employees in the public sector found a significant relationship between loyalty and engagement (Ibrahim & Al, 2014). Affective Commitment (AC) was found to be more important in affecting employee’s engagement when compared with Continuance Commitment (CC). Considering that employees today tend to have a much shorter-term view on employment in any organisation (Hewitt, 2012; Collini et al., 2015; Philip & Lindley, 2006), it is crucial for managers to identify what attracts, retains and engages them. The Gallup Workplace Audit (GWA) includes the assessment of 12 work resources and employer practices that have been empirically linked to Employee Engagement (AbuKhalifeh & Som, 2013; Bailey et al., 2017; Bedarkar & Pandita, 2014; Gilboa et al., 2008; Joshi & Sodhi, 2011; Rich et al., 2010; Robinson et al., 2004; Saks, 2006; Slåtten & Mehmetoglu, 2011). Based on extant literature and the role of work conditions on Employee Engagement, the following hypothesis is presented. There are a host of different factors that can influence engagement levels at work. Some of these factors are dependent on the individual but most depend on work conditions and leadership practices (Robinson et al., 2004). These variations in Employee Engagement models make it challenging to extrapolate findings on Employee Engagement drivers from other contexts to the UAE. With the scarcity of literature on the levels and drivers of Employee Engagement within the regional context of the Middle East, there are no guiding model on Employee Engagement for an emerging economy like the UAE. The role of workplace conditions, especially its link with Employee Engagement has, therefore, become a priority for governments entities that want to retain good talents and skills in UAE. In recognition that creating and sustaining Employee Engagement is a vital component in the effort to sustain the current economic growth of the UAE, this study intends to bridge this knowledge gap by investigating the current level of Employee Engagement, and assessing the impact of workplace related factors on Employee Engagement within a public sector organisation.

Relationship between Workplace factors and Employee Engagement

It is also noticed that individuals or human (Kim, 2011; Andrew & Sofian, 2012; Aninkan & Oyewole, 2014; Chandani et al. 2016; Matthews et al. 2018). Other studies have identified that providing opportunities for staff development and advancement, providing clarity on the organisation’s priorities (Coetzer & Perry, 2008; Costa et al. 2014; Anitha, 2014). There were also instances where giving regular feedback, and having avenues for workers to use their kills were the most cited reasons for
Employee Engagement by a majority of employees according to Blessing White (2013). Costa et al. (2014) also found that employees who have close friendships at work are more engaged workers. Differences in the factors of Employee Engagement and those that may potentially influence it have been attributed to the differences in workplace conditions and personalities of workers (Bailey et al., 2017). As there are no two workplaces that are the same, there is a need to identify the relevant antecedents to Employee Engagement for each work environment. When leaders try to create a culture of Employee Engagement, they do so by modifying or creating certain work conditions that favour engagement. There are various aspects of the workplace which authors have found to be responsible for the differences observed among companies in the levels of engagement by their employees. Some of the workplace factors that have been linked to Employee Engagement include leadership, co-worker relations, policies, compensation, and other workplace conditions. According to Blessing White (2013), engagement increases with power and position linked to experience. In the same vein, Robertson-Smith and Markwick (2009) reported that engagement levels vary according to seniority, occupation, and length of service in an organisation. Thus, the accumulated wisdom and experience with increasing length of service in an organisation has been linked to employee’s exerting the discretionary effort required to be engaged at work (Bedarkar & Pandita, 2014). Gallup’s 2013 survey revealed that companies with a highly engaged executive team generally see higher Employee Engagement among those with a tenure of 10 years or more (Gallup, 2013). Against this background, it is important to particularly examine the influence of gender, age as well as work experience in the UAE context. It is therefore proposed that;

**H1: Workplace experience positively influence Employee Engagement**

According to Little and Little (2006), engaged people want to be at work, they work towards the organisation’s goals and expectations, clearly understand their roles and how this links to the success of the organisation. They also have the resources they need to achieve these expectations readily available (Chandani et al. 2016). In addition to their own unique demographics, psychological makeup and experience, these employees depend on their employers to create the conditions that promote engagement and interaction between employees at all levels (Bailey et al., 2017; Harter et al., 2002; Little & Little, 2006). Thus, employees' engagement is driven by the resources they receive from management and a work environment and culture that is conducive to this win-win, employee-employer partnership (Huang et al., 2016). As identified through SET, when employees work in an environment with abundant job resources including support from supervisors, autonomy, strong work relationships, opportunities for advancement, coaching and mentoring, and learning and development opportunities, employees are more likely to reciprocate in productive behaviours and active engagement (Schaufeli & Bakker, 2004). A large study of 50,000 employees in 59 organisations confirmed this information. They
found that employees with lower engagement were four times more likely to leave their jobs than those who are highly engaged. Workplace conditions such as role clarity, availability of work materials, recognition of efforts, as well as opportunities for advancements and growth are all essential workplace conditions that may motivate employees to work hard, stay committed and help the organisation achieve its goals and mission. Therefore, it is proposed that;

**H2: Workplace conditions positively influence Employee Engagement**

Identifying workplace experience and conditions as two core work-related factors that potentially influence employee engagement in the public sector have influenced the two hypotheses formulated to be tested in this study. The method adopted to test these hypotheses in the UAE context is explained next.

**Methodology**

This quantitative study is conducted in the UAE, using one of the public entities. Due to Covid-restrictions in year 2020, data is collected remotely using online questionnaire. Data relating to the hypotheses and explanations for the relationship between workplace factors and employee engagement are gathered over the period of ten weeks. A validated questionnaire is adapted and used for the primary data collection. Containing three main sections with closed-ended questions measured on a five-point Likert scale. Questions in the first section focused on gathering demographic data of the respondents to determine the profile of respondents. Other sections contained questions that focused on measuring workplace factors and employee engagement. Random sampling is used to select respondents to participate from one of UAE public sector entities to participate in this study. 120 respondents completed the questionnaire which is analysed using SPSS Amos which is structural equation modelling software for determining correlation, analysis of variance, factor analysis among others. A preliminary data analysis is conducted to determine the outliers, normality, reliability, common method bias and non-response bias are all done as part of the data analysis process. Due to the small sample size, structural path analysis is done to determine nature of relationship that exists between workplace factors and employee engagement. The SEM is assessed by examining the path coefficients. T statistics was also calculated to assess the significance of these path coefficients. In addition, $R^2$ was used to evaluate the overall predictive strength and utility of the proposed model (Stein et al., 2017). For a significance level of 0.05, critical ratio that exceeds 1.96 were considered significant. Findings from the data analysis are presented and discussed.

**Findings and Discussion**

There was a diversity observed in terms of the participants’ position in the organisation. The majority of the participants were senior officers ($f = 29.7, n = 35$), followed by officers ($f = 16.9%, n = 20$). There were participants who were advisors
(f = 8.5%, n = 10), engineers (f = 4.2%, n = 5), analysts (f = 2.5%, n = 3), directors (f = 7.6%, n = 9), managers (f = 6.8%, n = 8), and graphic designers (f = 0.8%, n = 1). Data provided also reveal that the respondents have a range of experience from 6 to 10 years (f = 39.8%, n = 47) and 11 to 15 years (f = 37.3%, n = 44) is the highest compared to less than 5 years (f = 14.4%, n = 17) and more than 20 years (f = 8.5%, n = 10). The employees who responded to the survey were highly experienced, they tend to sufficient years of experience working in the organisation to explain the workplace factors that may influence employee engagement in the government entity. Following this, the direct effects of the two workplace factors on employee engagement is tested. The findings from SPSS Amos shows the estimates, the standard error and significance values of the two workplace related factors on employee engagement in Table 1.

Table 1: Findings for impact of workplace factors on Employee Engagement

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Estimate</th>
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<tr>
<td>Engagement</td>
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<tr>
<td>Workplace</td>
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<tr>
<td>Experience</td>
<td>H1</td>
<td>.164</td>
<td>.396</td>
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<tr>
<td>Workplace</td>
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<tr>
<td>Conditions</td>
<td>H2</td>
<td>.559</td>
<td>.042</td>
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Data presented in Table 1 shows that H1 has (p = 0.678 > 0.01) which means that the premise that workplace or work-related experience positively influence employee engagement is not supported in the entity assessed. The table further shows that H2 which represents the hypothesis that; workplace conditions positively influence employee engagement has (p = 0.000, p < 0.01). This imply that the hypothesis is supported. The analysis reveals that workplace conditions is a significant factor that positively influence Employee Engagement. Though workplace experience was identified in literature as a factor that may potentially influence Employee Engagement in a positive way, the findings indicate that this factor does not positively influence Employee Engagement. However, this finding is not strange from academic perspectives. As views differ on Employee Engagement so does it on work-related influencing factors. Authors such as Whorton (2014) consider race as one of key factors that influence Employee Engagement while Markos and Sridevi (2010) consider educational attainment as factor with potential to influence Employee Engagement.

Person-job fit is explained as the fit between the knowledge, expertise and skills of the employee with a particular job or task (Lauver & Kristof-Brown, 2001). This is reflected in Employee Engagement which has been linked to the possession of
adequate knowledge and skills by employees who work without much supervision (Anitha, 2014). For employees that have updated themselves by increasing their knowledge and skills through appropriate trainings and educational attainment, this leads to increased confidence which in turn builds self-efficacy and commitment to the job (Markos & Sridevi, 2010). This link between education and Employee Engagement is supported by the findings of Azoury et al. (2013) in a study of over 10,000 employees in the United Kingdom in which higher engagement was found among employees with higher education and talents. Although there is an argument that college-educated employees may have higher expectations of their employers than employees with lower education, this is often a function of the prevalent work environment (Sorenson & Garman, 2013). The lower engagement levels observed among college graduate was attributed to the inability of employers to adequately motivate college graduates. Which allures to the role of work conditions in Employee Engagement as examined in H2 which is supported. Workplace conditions such as the physical, psychological and organisational aspects of a job help employees to complete tasks successfully and achieve work goals; provide basic human needs and foster employee growth, learning, and development (Bakker & Demerouti, 2014, 2017). Based on such further explanations from literature, it is understandable why workplace conditions have positive impact on Employee Engagement in the public sector entities as discovered in this study.

Conclusion and Implications

This study has revealed that all views on Employee Engagement are focus on psychological state, expression and behaviour of employee in a workplace in which its scope centres on involvement of individuals and satisfaction in the workplace as well as their enthusiasm for work. The overwhelming view and consensus on Employee Engagement are that, it is a two-way relationship between employee and employee which goes beyond mere job satisfaction or loyalty to the employer. All explanations in this study support the premise that Employee Engagement is a multidimensional construct with variable antecedents, correlations and consequences as explained by Azoury et al. (2013). This study explored a better explanation for, and understanding of the two-way relationship between Employee Engagement and its influencing work-related factors. By identifying that workplace conditions such as role clarity, availability of work materials, recognition of efforts of employees by the organisation, can positively influence Employee Engagement is an advancement in organisational studies. The result is a contribution to knowledge because the finding indicate that employees give their best efforts and say positive things about the organisation, though the outcome varies based on level of education. This contribution highlights another contribution which reveals organisational input positively influence Employee Engagement, not the factors that relate to the work experience of individual employees.
As a result, it is recommended that future studies examine the influence of other forms of organisational input such as human resources measures such as training and human capital among others on Employee Engagement. It may also be beneficial to knowledge if future studies explore how changes made by public sector organisations post Covid-19 pandemic may have influence Employee Engagement. Such considerations by future researchers may be further enhanced through a comparative study that investigates and compares the public and private sector to identify patterns and similarities. Another recommendation for future studies is to identify and evaluate the workplace conditions that may adequately motivate college graduates, thereby increasing their level of engagement in the public sector. The clarity this study has provided shows and highlights the contribution to knowledge as well as implications for practice. First, it emphasizes the implication for public sector executives who may need to improve their Employee Engagement activities and measures including providing conducive and supportive workplace conditions in order to increase Employee Engagement in their respective units and organisations. There is also implication for human resources department in the public sector to improve their recruit strategies as well as training to include theme so of interests to college graduates who want to work in the public sector. It is important for education level to be better utilized in the public sector rather than recording low engagement levels among such group of people. Therefore, public sector executives and human resources department would do well to explore how best to utilize findings from this study to improve levels of engagement among their staff regardless of their workplace related experiences.

References


