PUNNEE PIMAPUNSRI

Faculty of Management and Tourism, Burapha University, Thailand

RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND EMPLOYEE SATISFACTION ON SUPERVISION IN MANUFACTURING INDUSTRY, THAILAND

Abstract:

With a sample of 1,007employees from thirteen companies in 3 provinces of Thailand, the relationships between employee engagement and employees' satisfaction with supervision were examined. Purposive sampling was used to select only companies implementing employee engagement program to participate in this study. Gallups Q 12 questionnaire and a sub scale of Hackman and Oldman Job Diagnostic Survey were used as survey instruments. The results show high level of employee engagement in four engagement dimensions namely give, get, grow, and belong. The study also shows that correlations between employee satisfaction with supervision and the four engagement dimensions are also at high levels. This demonstrates the satisfaction of employees on the supervisor's practices on the companies' engagement programs. High relationships among the three dimensions of engagement as give and belong, grow and belong, and grow and give were revealed.

Keywords:

Employee engagement, Employee satisfaction, Retention

Introduction

Economic and technology changes lead to changes in labor markets and employees switching from job to job and have left employers with turnover costs. With the implementation of ASEAN free trade area or AFTA, free movement of workforce is one of the benefits that will take place. Companies are aware of the fact that employees will be eligible to massive job choices and are trying to find way to retain them. Organizations place great attention on retention because of the strategic value of intellectual capital and the costs of replacing valued employees (Conger & Ready, 2007; Eleftheriou, 2007; Glen, 2006). The price and companies have to pay when loosing employees is enormous since human resources are known to be a crucial source of company's competitive advantages that several studies have stated that the firm's intellectual capital is critical for sustained competitiveness (Boudreau & Ramstad, 2003; Shawn, 2005). Another reason, that employee retention should be a center of attention of organizations, is the fact that there are empirical evidences from several research studies that show positive correlations between employee and customer attitudes (Yee, Yeung, & Cheng, 2010; Brown & Lam, 2008; Casey & Warlin, 2001; Schneider & Bowen, 1985). Satisfied employees possess ability to satisfy customers. The fact that employees with valuable work skills are becoming scarce and difficult to retain is undeniable.   High skills workers realize their bigger job opportunity. If they are not satisfied with their current jobs, they are able to get new job easily. So, retention of employees with high skills and competency will become even more critical in the future. The result in organizations with satisfied employees is that they will have higher levels of customer retention, which leads to overall profitability (Kennedy & Daim, 2010; Loveman, 1998).

Human resource challenge today is not only about how to retain talented people and increase organizational commitment, but to fully engage their minds and hearts at every stage of their working lives (Kaye & Jordan-Evans, 2003). Chris Traynor, the director for Whip-Smart Management Consulting, stated that work engagement is when work has gone from the state of necessary burden to the area of self-actualization, expression, and fulfillment. He declared that employee engagement is found to be a key driver for total organizational success because a high level of engagement builds remarkable competitive advantage by promoting the retention of a firm's talent performers. In fact, according to one consultant firm that has done much research into the area, Tower Perrin (2003), stated that such engagement is the ultimate tool for employers due to the fact that the concept seems to integrate so many different aspects of HR, such as employee motivation, commitment, satisfaction, job design and involvement (Stairs, 2005).

To successfully engage the employee, it requires more than just setting policy. Johnson (2009) stated that there are three factors that encourage employees to be engaged, "appropriate work environment, retention of skill to perform the assign tasks and the motivation to perform at the optimum level" (p.82). As such, managers are key players in engagement process due to the fact that they work closely with employees to have influence on work environment, employee development and employee motivation.

Research Objectives

The purpose of this study was to discover subordinates' perceptions of their organizations' employee engagement program by investigating the four dimensions of engagement by Gallup (2005). Another aim of this study was to explore employee satisfaction on supervisor's engagement practices by investigated the impact of employee engagement leadership on subordinates' satisfaction with supervision.

This study is guided by the following research questions:

1. What is the level of Employee Engagement implemented in organizations?

2. What impacts does Employee Engagement have on employee satisfaction with supervision?

Literature Review

The theoretical foundation for this study is comprised of conceptualizations of Gallup's 4 dimensions of Employee Engagement.

Employee Engagement

The concept of employee engagement has emerged as one the most useful ideas for HR practitioners in the 21st century (McBain, 2007). However, most of what has been written about employee engagement can be found in practitioner journals. There has been little academic and empirical research on the topic that has become popular, so employee engagement has been talked about as if it is old wine in a new bottle (Robinson et. al., 2004). The matter has become worse when employee engagement has been defined in many different definitions and measures similar to other constructs like organizational commitment and organizational citizenship behavior (Robinson et. al., 2004).

Kahn (1990, p. 694) defined personal engagement as "the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances." Schaufeli and Bakker (2004) defined employee engagement as "a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication and absorption" (p. 295). Rultledge (2005, p. 14) stated that engaged employees are attracted to, and inspired by, their work ("I want to do this"), committed ("I am dedicated to the success of what I am doing"), and fascinated ("I love what I am doing").

There are some studies linking engagement with various variables like in Kahn's (1990) qualitative study on the psychological conditions, summer camp counselors and organizational members of an architecture firm were interviewed about their moments of engagement and disengagement at work. The study found that there were three conditions associated with engagement and disengagement at work: meaningfulness–feeling worthwhile, useful, and valuable; safety–being able to show and employ oneself without fear of negative consequences; and availability–possessing the physical, emotional, and psychological resources required to employ oneself in the role (Kahn, 1990).

The Gallup consulting firm conducted hundreds of focus groups consisting of thousands of workers. Out of hundreds of potential variables, 12 key employee expectations that, if satisfied, employees will develop strong feelings of engagement were identified. The 12 engagement questions are answered by employees on a scale of one to five, based on their weak or strong agreement to answer 4 questions: what do I give?, what do I get?, do I belong? and how can I grow? (Gallup, 2005). The survey results showed a link between high survey score and worker performance. Gallup Q 12 is different from others in that it links values that affect worker morale and employee engagement, such as recognition and desire to contribute to the organization with measurable outcomes (Thackray, 2001).

Employee Satisfaction

There are many studies supporting the existence of a relationship between employee job satisfaction and supervisor leadership behavior (Bartolo & Furlonger, 2000; Spinelli, 2006). Job satisfaction has been defined as a positive emotional state consequential from the pleasure a worker gains from the job (Locke, 1976; Spector, 1986). Job satisfaction is one factor to establish strong organization; rendering effective services depends on the human resource (Fitzgerald et al., 1994) and job satisfaction experienced by employees will affect the quality of the service render in the hotel. The sub-scale of Job Diagnostic Survey (JDS) (Hackman & Oldham, 1990) to measure the dependent variable of subordinates' satisfaction with job and supervision. The JDS measures several job characteristics, employees' experienced psychological states, employees' satisfaction with their jobs and work context, and the growth need strength of respondents (Hackman & Oldman, 1990).

Research Methodology

Instruments

This study employed quantitative method using survey questionnaire that consists of three parts:

(1) Employee Engagement: Gallup 12 Employee Engagement questionnaire is used to investigate 4 dimensions of employee engagement; give, get, belong and grow. The result of this study shows an overall reliability of .89 using Cronbach alpha.

(2) Satisfaction: the Job Diagnostic Survey (JDS) (Hackman & Oldham, 1990) is used to measure satisfaction with an overall reliability Cronbach alpha of .92.

Population and Sample

Population of this study is front line employee working in companies implementing employee engagement program, in industrial estates located in Chonburi and Kabinburi provinces that agree to participate in this study. There were 13 companies

agreed to participate in this study. Out of 1,400 survey questionnaires distributed to front-line employees of the participating companies, 1,007 sets were completed and returned with the response rate of 71.93%.

Findings

The relationships among the four dimensions of employee engagement were significantly related with satisfaction with supervision. The findings show high levels of employee engagement in all four dimensions namely give (3.5), get (3.6), grow (3.5), and belong (3.7). Table 1 shows relationship among all the dimensions, give (.561, p < .01), and belong (.550, p < .01) with high relationship with satisfaction with supervision. There is a lowest relationship between satisfactions with get (.539, p < .01), grow (.526, p < .01). The results demonstrated high relationships among the three dimensions of engagement such as give and belong (.754, p < .01), grow and belong (.751, p < .01), and grow and give (.747, p < .01), but grow and get (.539, p < .01) demonstrates low relationship.

Table 1 Correlations

Pearson Correlation	Sat	Grow	Get	Give	Belong
Sat	1	.526[**]	.539[**]	.561[**]	.550[**]
Grow	.526[**]	1	.539[**]	.747[**]	.751[**]
Get	.539[**]	.539[**]	1	.666[**]	.631[**]
Give	.561[**]	.747[**]	.666[**]	1	.754[**]
Belong	.550[**]	.751[**]	.631[**]	.754[**]	1

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

Discussion and Recommendations

This study assessed a model with 2 constructs, employee engagement and satisfaction with supervision using 1007 managers' front-line subordinates of thirteen companies of three provinces in Thailand as the sample.

Findings indicate that employees are satisfied with managers' supervisions when viewing through employee engagement program conducted in the company. Managers play crucial role in implementing employee engagement program. Even thou, in some cases, line managers are not involved in the design and implementation of employee engagement program, but it cannot be denied that managers are directly involved by their routine works with their subordinates. Therefore, in the employee's viewpoint, manager plays big part in engaging employees. It is recommended that company must involve line managers in the employee engagement program from the beginning to ensure the success of the program.

The engagement levels in the participated companies are at the moderate level with means of 3.5 - 3.7. This disturbing result reveals the fact that participated company engagement programs are not working as expected. Employees perceive that company engagement levels; in term of what they give, what they get, do they belong, and how they can grow; are not high. Therefore, company needs to review and their engagement program. This study focused on four dimensions proposed in Gallup Q 12 which might not fit with each company context. Company needs to conduct engagement key driver analysis to detect engagement drivers that fit with each company.

Recommendation for Future Research

Like the other studies, the present study had its own limitations. The sample in this study is department managers' front-line subordinates in manufacturing companies located in Eastern provinces of Thailand. It is suggested that future study should be conducted in other industry in Thailand to examine different viewpoint. This study investigated subordinates perception on the two constructs employee engagement and employee satisfaction with supervision. This demonstrated subordinates' viewpoint. Managers perception should be addressed in the future research to observe both subordinate and manager perspectives.

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