THE INFLUENCE OF EMPLOYEES COMMUNICATION, REWARDS AND RECOGNITION AND EMPLOYEE DEVELOPMENT ON EMPLOYEES ENGAGEMENT IN NEWFIELD EXPLORATION (MALAYSIA)

A thesis submitted to the Faculty of Business Management in partial fulfillment of the requirements for the degree Master of Human Resource Management,
Universiti Utara Malaysia

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OTHMAN YEOP ABDULLAH GRADUATE SCHOOL OF BUSINESS, UNIVERSITI UTARA MALAYSIA, APRIL 2012 **DECLARATION**

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ABSTRACT

The main purpose of this study is to examine and to better understand on the drivers influencing employee engagement in Newfield Exploration (Malaysia). This study was done on 99 employees of Newfield Exploration (Malaysia) and data obtained from questionnaires and were being analyzed by using Statistical Package for Social Science (SPSS) version 16.

The statistical method of Pearson Correlation was used to determine the existence of the relationship between the independent variables which are Employee Communication, Rewards and Recognition and Employee Development with the dependent variable: Employee Engagement. Regression Analysis was conducted to examine the most important independent variable among the employees in Newfield Exploration (Malaysia), and Cronbach Alpha was used to further illustrate the reliability test. Throughout the statistical analysis of correlation analysis, it is found that there is a significant relationship between the three independent variables, which are Employee Communication, Rewards and Recognition and Employee Development with the dependent variable: Employee Engagement.

Among all three independent variable, employee communication is found to be the most independent variable in driving the employee engagement in Newfield Exploration (Malaysia).

This study will assist and help Newfield Exploration (Malaysia) to improve on its current employee engagement initiatives, also further enhance and develop more employee engagement initiatives to improve the overall employee engagement level in Newfield.

ABSTRAK

Tujuan utama kajian ini adalah untuk meneliti dan memahami dengan lebih mendalam tentang asas yang mempengaruhu penglibatan pekerja di Newfield Exploration (Malaysia). Kajian ini dilakukan keatas 99 orang pekerja di Newfield Exploration (Malaysia) dan data yang diperolehi daripada soal selidik dan dianalisa dengna menggunakan "Statistical Package for Social Science (SPSS)" versi 16.

Kaedah korelasi Pearson telah digunakan untuk menentukan kewujudan hubungan antara pembolehubah Komunikasi pekerja, Ganjaran dan pengiktirafan dan Pembangunan pekerja dengan pembolehubah bersandar – Penglibatan pekerja. Analisis regresi digunakan utnutk memeriksa pembolehubah bebas yang paling penting dikalangan perkerja di Newfield Exploration (Malaysia). Alpha Cronbach digunakan untuk menguji ketetapan data.

Sepanjang analisis ini, didapati bahawa terdapat hubungan yang signifikan antara tiga pembolehubah, iaitu Komunikasi pekerja, Ganjaran dan pengiktirafan dan Pembangunan pekerja dengan pembolehubah bersandar – Penglibatan pekerja.

Antara ketiga tiga pembolehubah ini, didapati Komunikasi pekerja adalah yang paling penting dan mempengaruhi Penglibatan pekerja keseluruhan nya di Newfield Exploration (Malaysia). Kajian ini dapat membantu Newfield Exploration (Malaysia) untuk meningkatkan initiatif initiatif dalam Penglibatan pekerja dan seterusnya meningkatkan taraf penglibatan pekerja terhadap Newfield Exploration (Malaysia).

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CHAPTER 1

INTRODUCTION

1.1 Background

"Companies with high levels of employee engagement earn returns that are more than double those of the overall market" (Heskett, 2011)

"Engagement is about creating opportunities for employees to connect with their colleagues, managers and wider organization. It is also about creating an environment where employees are motivated to want to connect with their work and really care about doing a good job...It is a concept that places flexibility, change and continuous improvement at the heart of what it means to be an employee and an employer in a twenty-first century workplace." (Truss et all, 2006)

"A positive attitude held by the employee towards the organization and its values. An engaged employee is aware of the business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organisation must work to develop and nurture engagement, which requires a two-way relationship between employee and employer." (Robinson D, Perryman S, Hayday S. Report 408, Institute for Employment Studies, 2004)

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