

Relationship Between Employees' Performance and Workplace Environment

Farah Shaikh*

ABSTRACT

This research study inspects, how various theories are observed to develop the relationship between workplace environment and job performance. For this, it has been examined the relationship in the workplace environment on the job performance of the employees. It has been analyzed as a case study on public and private sectors in Hyderabad city of Pakistan that significantly influence the performance of individuals working in those organizations. The cross-sectional survey has been adopted with the sample size of the organization's employees for analysing the study thought, whereas outcomes have been observed by the statistical computational software. It's findings show that there had been a significant impact of environment on employees' performance as a comfortable zone motivates competent employees to remain loyal to the organization. Therefore, management seeks to create a positive environment and enhance the performance of their employees.

Keywords: *Employees' Performance, Workplace Environment, Motivation, Profitable*

INTRODUCTION

In the current competitive environment, organizations strive to be successful in the world market. The workplace environment is the major key factor that exists in the organization environment and its employees. The environment of an organization involves surroundings, employees' relationships, location, rules & regulations, culture, resources, and operations, these factors will have an impact on the employees' productivity and commitment to their work (Rachman, 2021). The environment of the organization for the employee will either motivate or demotivate. Whereas a positive and better physical environment will give better outputs and

* Department of MUISTD, Mehran University of Engineering & Technology, Jamshoro, Sindh, Pakistan. Email: farahshaikh@outlook.com

boost the productivity level and subsequently influences organization competitiveness (Rodríguez-Escudero et al., 2010). A positive and healthy environment supports the workers to be highly engaged and creates a innovative and creative culture. It results in higher productivity, less employee turnover, efficient processes, increased output, better safety practices, high morale, job satisfaction, and attracted qualified and highly skilled employees to their organization.

In order to grow to their full extent organizations need to implement strategies or policies that provide the workplace quality as their competitive advantage. People always prefer working and staying in organizations providing positive and good working environment, where employees are fairly awarded for their efforts, feel safe and secure, achieves career growth, and feels that they are valued most.

This research will suggest improving the workplace environment that will help to increase the employee's performance in their work.

LITERATURE REVIEW

This section comprises of various literatures that are related to workplace environment which has impact on how employees conduct their work and their overall performance. It also presents the theoretical structure on which this study is based. Numerous workplace environmental aspects which affect the performance of employee have been investigated.

Significance of Influences of Working Environment on Performance of the Employees

Organizations believed that “Quality Human Resource” is essential to sustain and grow in the competitive marketplace and an important part to achieve the business goals and objectives. The organizational environment in which individuals work is always the prime consideration of owners of the company because it is the key factor that is determining the quality of work and the level of productivity.

Organizations faced challenges in today's competitive environment. One of the main challenges for businesses is to keep their workers happy and satisfied to achieve success and have a competitive advantage in the market (Femi, 2014). To get the maximum return on the invested capital the firm needs to provide a positive and healthy working environment hence increasing the employees' productivity, performance, interest, job commitment and job engagement. Workers need to meet the standards outlined by the organization for making sure that the quality of work is

achieved and to meet those standards, all employees require a positive working environment that permits them to work independently and involves them in the decision making (Dziuba et al., 2020).

Employees value organizations that provide an encouraging environment, where each employee is encouraged and applauded for their work so that they contribute, grow and develop themselves and work as a team towards the achievement of goals (Ali et al., 2015). Employees work better and produce more when environmental conditions are right for their performance and they tend to be healthier as well. The more positive environmental business has, the more motivated its employees are.

Workplace Environment of the Organization

The workplace environment is made up of various significant factors which are presently and potentially related to the performance of employees. The place of employees' work environment is made up of interrelationships that exist within the environment in which they carry out their work-related actions and the employees themselves (Samadi & Emamgholizadeh, 2016). It is used to express the surrounding circumstances in which employees work, carry out their day-to-day activities and is composed of office equipment, temperature, fixture and furniture, etc.

According to the opinion of (Ali et al., 2015) "the ability to share information all over the organization rests upon the design of the workplace environment that enables organizations to develop work surroundings to their benefit (Antara, 2020). This facilitates organizations in improving their overall efficiency and permits workforce to take advantage of combined knowledge". Additionally, the researcher stated that an atmosphere in which employees are free to exchange their ideas and the design of their working environment suits employee satisfaction and is a good way of inspiring employees to increase productivity. Rodríguez-Escudero et al. (2010) describe that the working atmosphere is made up of three main sub atmospheres, including Organizational, Human and Technical working environments.

Organizational Working Environment

The organizational working environment includes processes, procedures, infrastructure, practices, standards, values and philosophy, which have controlled by the management (Ali et al., 2015). These Workplace components deal with the issue that affects employee's productivity.

Human Working Environment

The human working environment refers to peers, supervisors, subordinates, teams and groups of work, etc. It is designed in a way that supports casual interactions between employees in the workplace so that knowledge sharing and exchange of ideas could be enhanced (Femi, 2014).

Technical Working Environment

The technical working environment includes physical or technical elements like tools, types of equipment and technological infrastructure. The technical atmosphere contains factors that allow employees to carry out their tasks and responsibilities.

Employee's Performance

Performance of employee is stated as; the work-related tasks expected from an employee and how good those tasks are carried out by the employee. Researchers declared that the performance of employees depends on the readiness and openness of the workforce itself in performing their work (Amin, 2015). It was also said that while performing their job, this eagerness and ingenuousness of the employees will enhance their output which ultimately directs to improved performance. Abolade (2018) also clarifies that to have a normal performance, employers need to set targets and ensure that the task of the employees is done according to those targets so that organizational goals and objectives can be achieved. By having performance standards and targets, employers could be able to observe their employees, assist them in improving their performance and also helps to fill the gap between targeted output and actual output. Furthermore, in order to motivate employees to perform more on their tasks, a reward system should be implemented that should purely be based on employees' performance. Mehrsadeh and Moomyaee (2013) portrays numerous things for the accomplishment of employees' performance. (Donley, 2021) described that the performance of an employee depends upon inner inspiration but the existence of inner features such as essential talent, intellectual capability and resources to conduct the job evidently have an impact on employees' performance.

There had been many theories that clarify the connection between workplace atmosphere and the performance of employees. Employees' performance is straightforwardly connected to employees' inspiration. This declaration was confirmed by different administration theories. The study is grounded on the following theory:

Mc Gregor X and Y Theories

Theory X and Theory Y were formulated by Douglas Mc Gregor, and explain two views of employees at the job: Theory X is considered negative and Theory Y is considered positive.

- Theory X

The workers who unlike work and keep themselves away from work wherever is possible, employees who do not like responsibility, and employees who want safety (McGregor & Tweed, 2001). Implications of management for Theory X employees were that, if organizational objectives are to be achieved, a controlled management system should be imposed by businesses.

- Theory Y

Employees that predict their work as peaceful and comfortable and the external threat or control is not required for these employees to perform work, but if they are dedicated and sincere to achieving the organizational goals and objectives then they will use self-direction (Buckley et al., 2021). If the job is satisfying and rewarding then the employee's dedication and commitment are gained.

Organizational success depends upon workforce productivity. Employee output is the driving force behind an organization's growth and profitability. Researchers analyzed the impact of the Workplace environment on employees' performance and commitment. McGregor and Tweed (2001) observed the degree to which worker predict their work environment as satisfying their internal, external, and shared needs are more likely to stay with the organization. Environmental factors such as noise absenteeism, adequate light and availability of proper furniture and fixture, office design, appropriate safety and security measures, and arrangement of layout significantly boost workforce performance (Donley, 2021). These studies showed that an efficient and effective work environment plays an important role in boosting employees' productivity and making the workforce effective.

RESEARCH METHODOLOGY

The quantitative method is focused in this research as it is one of the efficient approaches to congregation data for characteristics of the population that is taken as a sample, current conditions, needs, or practices. The phenomenon of the quantitative research approach is focused on

mathematical reasoning and numerical data that are analyzed (Winberry, 2018). The large-scale needs assessment is useful in the quantitative research method. The office employees that were selected from different institutes are from the public and private sectors.

Conceptual Framework

Independent Variables		Dependent Variable
• Job satisfaction	→	• Employee's productivity
• Supervisor support		
• Workplace environment incentives		
• Communication		
• Training and development		
• Physical environment		
• Furniture		
• Lighting & ventilation		
• Noise		

Fig. 1: Conceptual Framework

Research Hypothesis

H_0 : The Workplace environment does not affect the performance of employees.

H_1 : The Workplace environment affects the performance of employees.

Data Collection

For purpose of the study, the criteria used for selecting the population sample are public and private employees of Hyderabad, Pakistan. By focusing on the purpose, the sample that is used is stratified. The reason for using this approach is to allow individuals to be bifurcated into different groups. The first strata consisted of public sector employees and the second strata consists of private-sector employees. The reason to use this technique is that it gives equal chance to every individual in the population. The sample of our research study consisted of 70 samples of which 39 are from the public sector, 28 are from the private sector employees and 3 are unanswered.

The questionnaire described in Table 1 is used for the collection of data and it is designed in a manner so that meaningful data can be collected from the sample. The questionnaires are consists of 21 questions,

which are divided into three parts, including the questions related to the performance of the employees, the questions related to the Workplace environment and the last is the rating.

It is argued that the questionnaire is simple and precise, therefore, the respondents did not feel any difficulty understanding the questionnaire. The questionnaire is designed, keeping in view the research objective and literature review. The questionnaire is closed-ended and designed in a way in which the respondents are given a scale from strongly agreeing to strongly disagree. The rating questionnaire Table 2 also occupies a rating from 1 to 10 in which 1 is the worst and 10 is the best.

Reliability and Validity of Questionnaire

Validity of a research paper is essential and it gives the result about the credibility and accuracy of the questionnaire while reliability is used to check the frequency of results at different periods. Cronbach alpha is used to estimate the reliability as it is the coefficient of internal consistency. The reliability of the survey/questionnaire is checked by using Cronbach alpha and the reliability of the questionnaire used in this research is 0.924 which is suitable for administration and the value is recommendable.

RESULTS AND DISCUSSIONS

Reliability Test of Questionnaire

The reliability of the questionnaire is checked by using Cronbach alpha and the reliability of the questionnaire used in this research is 0.924 which is suitable for administration and the value is recommendable. Hence the below results show that the questionnaire is reliable.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.924	.919	22

Univariate Analysis of Variance

Table 2: Between Subject Factors

Employees Performance	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
N	1	2	1	6	7	3	10	7	8	10	5	1	3	1	1	1

Employee Performance

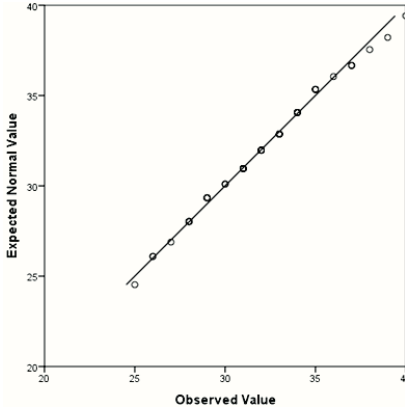


Fig. 2: Normal Q-Q Plot Employees Performance

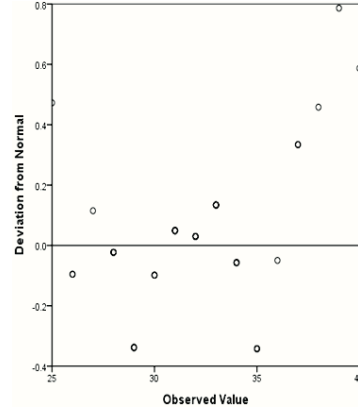


Fig. 3: Detrended Normal Q-Q Plot Employees Performance

Workplace Environment

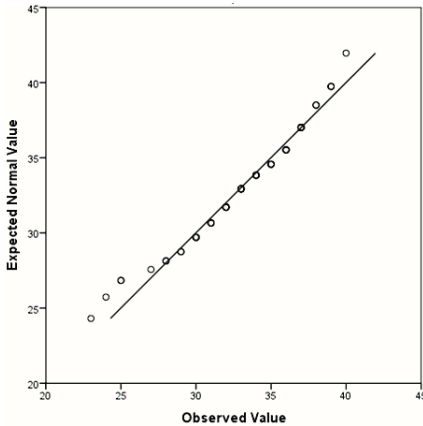


Fig. 4: Normal Q-Q Plot Workplace Environment

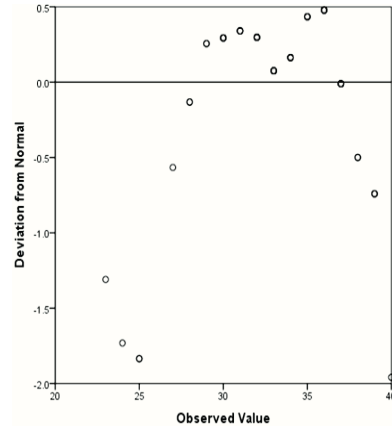


Fig. 5: Detrended Normal Q-Q Plot Workplace Environment

Analysis

The data is normally distributed due to which Pearson Correlations used and we were able to perform linear regression. Which shows that there is strong relation of workplace environment and employee behavior.

Correlations

Table 3: Correlations between Employee Performance and Workplace Environment

		Employees Performance	Workplace Environment
Employees Performance	Pearson Correlation	1	0.472**
	Significance (2-tailed)		0.000
	N	67	67
Workpace Environment	Pearson Correlation	0.472**	1
	Significance (2-tailed)	0.000	
	N	67	67

Where ** correlation is significant at the 0.001 level (2-tailed)

Analysis

It is analyzed that employee performance and workplace environment are correlated to each other which means that both factors are affecting each other. Table 3 shows the significance of 0.472, which shows a strong correlation.

Regression

Table 4: Entered/Removed^a Variables

Model	Entered Variables	Removed Variables	Method
1	Workplace Environment ^b		Enter

a. Dependent Variable: Employee Performance.

b. All requested variables are entered.

Table 5: Model 1 Summary

R	R ²	Adjusted R ²	Std. Error Estimation
0.472 ^a	0.223	0.211	2.80924

Where a. Predictors: (Constant), workplace environment.

Table 6: Model 1 ANOVA^a

	Sum of Squares	df	Mean Square	F	Significance
Regression	146.972	1	146.972	18.623	0.000 ^b
Residual	512.968	65	7.892		
Total	659.940	66			

a. Dependent Variable: Employee Performance.

b. Predictors: (Constant), workplace environment.

Table 7: Model 1 Coefficients ^a

	Unstandardized		Standardized	t	Significance
	B	Std. Error	Beta		
Constant	18.782	3.075		6.108	0.000
Workplace Environment	0.398	0.092	0.472	4.315	0.000

a. Dependent Variable: Employee Performance.

Model Obtained

$$\text{Employee performance} = 18.78 + 0.398\text{WPE}$$

Where WPE is defined as Workplace Environment.

CONCLUSION

There is a competitive environment currently working globally, where monetary compensation is not only the motivation of employees' performance. Comfort in the organization has become an essential part of the intellect of management. The employees working in government and private organizations were focused. This information reveals how environmental factors affect the level of performance of employees.

As the research reveals that there is a positive significant relationship between workplace environment and employees' performance. The result discloses that the physical components of the workplace environment have a strong relationship with the level of performance of employees. Factors, such as level of distraction (noise), availability of proper furniture, lighting, channels of communication, work interaction, supervisory support and privacy are considered important factors in employees' productivity. The working environment has a powerful impact on employees while

performing their assigned job. However, the study also tells that if the problems are handled in the best interest of employees by the organization, then it can be improved only the employee's performance.

The future direction for the researchers who want to explore more in particular field is that this study is only based on Hyderabad which have small number of public and private institutes. So it is recommended to increase the scope and can also use more enhanced softwares to drive the results.

RECOMMENDATIONS

It is recommended that the working environment had a significant effect on employees' productivity. Therefore, it is the organizations' responsibility to provide a comfortable environment to their employees to make them productive, efficient, and sustain a competitive marketplace. According to the findings following recommendations are the presented:

- The working conditions of organizations should be improved because it has a direct impact on employees' performance. The employees must be productive and it is possible when the execution environment is comfortable and satisfying.
- The supervisor's support also places an important impact on the employees' performance and the supervisor must be supportive.
- Employees' should be provided with the proper equipment, resources, and feedback that is needed to carry out their work in the most efficient way.
- The physical environment including lighting, furniture, and the fixture should be according to the work environment so that employees can be more productive and work efficiently.
- There should be proper channels of communication throughout the organization so that employees do not face any difficulty in communicating with their supervisors and peers.
- The training and development enhance the skills and knowledge of employees' which eventually increases their productivity, so it is recommended that proper training should be given to employees.

Disclosure Statement

There is no conflict of interest.

REFERENCES

- Abolade, D. A. (2018). Impact of employees' job insecurity and employee turnover on organisational performance in private and public sector organisations.
- Ali, A. S., Chua, S. J. L., & Lim, M. E. L. (2015). The effect of physical environment comfort on employees' performance in office buildings: A case study of three public universities in Malaysia. *Structural Survey*.
- Amin, M. (2015). Relationship between job satisfaction, working conditions, motivation of teachers to teach and job performance of teachers in Mts, Serang, Banten. *J. Mgmt. & Sustainability*, 5, 141.
- Antara, G. P. W., Landra, N., & Agung, A. A. P. (2020). The effect of performance appraisal and work environment towards employee performance mediated by job satisfaction. *International Journal of Contemporary Research and Review*, 11(5), 21798-21806.
- Aquino, P. G., Le, D. H., & Jalagat, R. (2020). Accounting for job satisfaction and job performance via Herzberg's two-factor theory: The case of overseas Filipino workers (Ofws) in Vietnam. *Journal of Advanced Research in Dynamical and Control Systems*, 12(3), 1173-83.
- Behan, C. M., Meldrum, J. T., Pinel, B., & Code, J. (2020). Reciprocating coach-athlete relationship model (R-CARM): Trustworthiness for a useful tool. *International Journal of Contemporary Research and Review*, 11(5), 20227-20266.
- Böckerman, P., & Ilmakunnas, P. (2008). Interaction of working conditions, job satisfaction, and sickness absences: Evidence from a representative sample of employees. *Social Science & Medicine*, 67(4), 520-528.
- Bowen, B. (2021). The matrix of needs: Reframing Maslow's hierarchy. *Health*, 13(5), 538-563.
- Buckley, M. G., Austen, J. M., Myles, L. A., Smith, S., Ihssen, N., Lew, A. R., & McGregor, A. (2021). The effects of spatial stability and cue type on spatial learning: Implications for theories of parallel memory systems. *Cognition*, 214, 104802.
- Donley, J. (2021). The impact of work environment on job satisfaction: Pre-COVID research to inform the future. *Nurse Leader*, 19(6), 585-589.

- Dziuba, S. T., Ingaldi, M., & Zhuravskaya, M. (2020). Employees' job satisfaction and their work performance as elements influencing work safety. *System Safety: Human-Technical Facility-Environment*, 2(1).
- Femi, A. F. (2014). The impact of communication on workers' performance in selected organisations in Lagos State, Nigeria. *IOSR Journal of humanities and Social Science*, 19(8), 75-82.
- Ferguson, L. M. (2019). Expectancy-value theory of achievement motivation: How perceived racial prejudice can influence ability beliefs, expectancy beliefs and subject task value of Metis post-secondary students. *Aboriginal Policy Studies*, 8(1).
- Lartey, F. M. (2021). Impact of career planning, employee autonomy, and manager recognition on employee engagement. *Journal of Human Resource and Sustainability Studies*, 9(2), 135.
- Lin, S., Döngül, E. S., Uygun, S. V., Öztürk, M. B., Huy, D. T. N., & Tuan, P. V. (2022). Exploring the relationship between abusive management, self-efficacy and organizational performance in the context of human-machine interaction technology and artificial intelligence with the effect of ergonomics. *Sustainability*, 14(4), 1949.
- Moghaddam, G. G. (2010). Information technology and gender gap: Toward a global view. *The Electronic Library*.
- Radosevich, D. J., Allyn, M. R., & Yun, S. (2007). Goal orientation and goal setting: Predicting performance by integrating four-factor goal orientation theory with goal setting processes. *Seoul Journal of Business*, 13.
- Rodríguez-Escudero, A. I., Carbonell, P., & Munuera-Aleman, J. L. (2010). Positive and negative effects of team stressors on job satisfaction and new product performance. *Journal of Product Innovation Management*, 27(6), 856-868.
- Samadi, R., & Emamgholizadeh, S. (2016). The relationship between emotional intelligence, organizational commitment, and job satisfaction on job performance of employees (Case study: Oil pipeline and telecommunication company of Iran). *Asian Journal of Research in Business Economics and Management*, 6(2), 100-109.
- Suarez Puyen, S. M. (2022). Clima laboral y productividad de los recursos humanos del control de vectores en una institución de salud, Amazonas.

Tasneem, S., Cagatan, A. S., Avci, M. Z., & Basustaoglu, A. C. (2018). Job satisfaction of health service providers working in a public tertiary care hospital of Pakistan. *The Open Public Health Journal*, 11(1).

Winberry, T. (2018). A method for solving and estimating heterogeneous agent macro models. *Quantitative Economics*, 9(3), 1123-1151.

APPENDIX:

Table 1: Questionnaire

Sr. No.	Questions
EMPLOYEES PERFORMANCE	
1	Recreation and refreshment facilities increase the employees' productivity.
2	Takes initiative to orient new employees to the department even though not part of his/her job description.
3	Rewarded for the quality of my efforts.
4	Makes innovative suggestions to improve the overall quality of the department.
5	Performs well in the overall job by carrying out tasks as expected.
6	Plans and organizes to achieve objectives of the job and meet deadlines.
7	Organizations handle grievances in the best interest of employees.
8	Proper health and safety measures are taken for employee's productivity
WORKPLACES ENVIRONMENT	
9	You believe the workplace environment influences occupant's productivity.
10	The physical environment is essential for employee satisfaction.
11	The culture and emotional climate of the organization are generally positive and supportive.
12	The environment provided in the organization is safe and secure.
13	Comfortable furniture has a significant impact on employee productivity.
14	Comfortable furniture has a significant impact on employee productivity.
15	Good lighting has a significant impact on employee productivity.

16	Training and development enhance your skills and help you to achieve your target output.
RATING QUESTIONNAIRE	
17	Your performance in the organization.
18	Comfortable furniture in organization.
19	Lighting in the organization.
20	Health and safety measures in an organization.
21	The cultural and emotional environment in the organization.