The Relationship between Employee Engagement and Employee Performance in Manufacturing at Pasir Gudang

Siti Rahayu Makwal[1], Shahrul Nizam Salahudin[1]*

[1] *Department of Management and Technology, Faculty of Technology Management and Business, Universiti Tun Hussein Onn Malaysia, 86400 Batu Pahat, Johor. MALAYSIA*

*Corresponding Author: shahrulns@uthm.edu.my

Abstract

In this era of globalization, employee engagement is recognized as one of the important variables that drive success organization in maintaining competitive advantage. Insignificant consideration has been given to employee engagement and its relationship with employee performance. Moreover, the limited studies that looking at employee performance does not integrate all dimensions of employee involvement. The focus of this study is to examine the level of employee involvement, identify the level of employee performance in the manufacturing field and examine the relationship between employee involvement in the manufacturing field and employee performance in a manufacturing company which is Kiswire Sdn Bhd, Kiswire Cord, Kiswire Dies and Kiswire Neptune located in Pasir Warehouse. This study uses quantitative techniques by submitting a questionnaire to obtain data using SPSS with a study sample of 375 respondents. The results of the study show that all objectives and hypotheses have been achieved and accepted. There is a significant positive relationship between employee engagement and employee performance. A suggestion for improvement for future studies is the scope of the study, which includes a larger population to obtain more descriptive validity and results. In conclusion, the important findings in this study can help the manufacturing sector in improving and reprogramming strategies to improve employee performance.

1. Introduction

1.1 Research Background

For the purpose of carrying out firm business, employees are necessary. This implies that employees play a part in overseeing business operations (Annalia, 2020). Human resource managers are constantly developing innovative, creative, and effective methods to engage employees in a healthy manner especially during challenging period which is Covid-19 (Chanana & Sangeeta, 2020). Employees are typically split up into different member compositions according to the person holding each role. Employees can be split into two categories: leaders and subordinates. To achieve exceptional and effective staff performance, leaders must be able to manage their subordinates. The tendency of a corporation will increasingly be towards good employee performance. Employees can demonstrate their abilities through cooperation and responsibility in the

organizational structure of the business as it is built and developed, resulting in the production of workers who have quality, quantity, and satisfy established requirements (Aziez, 2022).

Employee engagement is a crucial element that motivates employee performance, accomplishment, and steady growth over the course of a full year (Adhitama, 2020). Employee involvement in engagement activities in Malaysia is of major concern, with only 11% of employees showing involvement, 8% showing no involvement, and the remaining 81% showing less involvement (Jian *et al.*, 2020). Simsek and Ozturk (2018) found that leadership style has a significant and advantageous impact on organizational success and worker performance. Performance can be significantly impacted by employee engagement.

1.2 Problem Statements

Despite the widespread belief that employee engagement positively affects employee performance, empirical studies have produced mixed results, leaving gaps in our understanding of the relationship in the manufacturing industry (Kular *et al.*, 2018; Shuck *et al.*, 2020). Therefore, it is essential to investigate the relationship between employee engagement and employee performance in the manufacturing industry to provide valuable insights for managers.

According to (Ryba, 2021) manufacturing organizations are struggling to engage and retain employees. Industrial worker engagement rates and quit rates are higher than since 2010. Labor shortages and limited capacity to handle change threaten the future success of many established manufacturing companies across the country refer to (Ryba, 2021). This happens because of not enough workplace transparency. According to (Cooks-Campbell, 2022) transparency in the workplace refers to open dialogue between management and workers. Leadership pledges to be transparent about goals, oversights, failures, feedback, revenue, and other metrics. Employees agree to provide comments, ideas, and challenges in exchange for the right to ask questions.

Besides, based on (Riyanto *et al.*, 2019) Work-life balance (WLB) is very important, can affect employees' performance, and can serve as a catalyst for employee turnover in many different industries. When the responsibilities of work increase due to competitive pressures, while simultaneously having to complete their personal activities, employees find it challenging to balance life at work and at home. It is because Unbalances at all levels are a result of the workplace's complexity and changing employee demographics over the past ten years (Jaharuddin and Zainol, 2019). When you're worn out and overworked, it's challenging to produce your finest work. Employee engagement also suffers when work-life balance is out of balance for an extended period of time.

Next, lack of rewards and recognition. One reason why extrinsic rewards and recognition are important even in the public sector is that their influence depends on the economic value of rewards to incentivize work engagement (Hossain, 2021). Hence, the perception of the caliber of relationships between employees and organizations can also be influenced by rewards and recognition (Hassan, 2021). Effective tactics for staff engagement and high levels of retention must include employee awards and recognition. On the other hand, a lack of an employee appreciation programme will lead to demotivation and discontent among the workforce. This is because everyone desires to be acknowledged.

Therefore, to achieve the research objectives the level of employee engagement and performance among manufacturing workers are determined. Consequently, the relationship between employee engagement and employee performance among manufacturing workers is identified.

1.3 Scope of the Study

The purpose of this research is to find out the relationship between employee involvement and employee performance in manufacturing. This study only involved employees at Kiswire Sdn Bhd in industrial area at Pasir Gudang. Johor has 143 industrial sites to draw more investment and generate job opportunities, according to data from Invest Johor (Othman, 2023) and one of the most popular industrial in Johor is Pasir Gudang. After the Klang Valley and Pulau Pinang, Johor State is the third largest contributor in terms of production and total employment in the manufacturing sector (Haji Ramli, 2007). Kiswire is one of the companies with many branches in Pasir Gudang. The company has 4 branches in Pasir Gudang namely Kiswire Sdn Bhd, Kiswire Cord, Kiswire Dies and Kiswire Neptune.

1.4 Limitation of the Study

In an effort to complete this study, the researcher faced limitations with limited time, to interview or make a questionnaire to the respondents. This is said because the researcher is also a student who is caught up with other subject classes. Also, respondent who is also a student who refuses to meet during class or holidays. The allocation of time to complete this study is very little if compared to completing other subject assignments that contribute to the current high CGPA score for the researcher.

1.5 Significance of the Study

Overall, studying the relationship between employee engagement and employee performance in manufacturing is significant for several reasons. The study will help Kiswire Sdn Bhd have a clear understanding of the degree of employee engagement and take appropriate action to increase or reinforce that level. Other than that, organizations can strengthen engagement processes that appear to be functioning or improve employee engagement thanks to study findings. Because the workers at this manufacturing company contribute to the national economy, the government can also profit from this study by learning more about Malaysia's level of employee engagement. To address this issue, the government may run a relevant programme.

2. Literature Review

2.1 Manufacturing

According to (Maddali, 2019) manufacturing is the process of transforming unfinished commodities into finished ones using tools, machinery, and labour. Next, utilising resources like labour, materials, and information to create things and services is known as manufacturing (Gupta, 2019). Other than that, manufacturing is the process of converting unfinished products that are sold to consumers or corporations into finished products according to (Hopp & Spearman, 2020). There are a lot of manufacturing companies in Malaysia. This manufacturing industry is also one of the industries that use many workers. Therefore, it is normal if there is a problem in an industrial company

2.2 Employee Engagement

Employee engagement is the emotional dedication of employees to the company and its objectives, which leads to greater discretionary effort and well-being (Kahn, 2019). The level of employee's positive or negative emotional attachment to, identification and interest in the organization where they work is known as employee engagement (Wang, Hall, & Zhao, 2020). Employee engagement is a term used to describe how enthusiastic and committed. Employees towards their jobs, their colleagues, and the organization as a whole (Robinson, Perryman, and Hayday, 2021). Therefore, if the employee's emotions are very good, they will definitely be good in the involvement in their work. They will engage with focus when doing work and have good relationships with colleagues and clients.

2.2.1 Work Environment

Work environment can be defined as Workplace ambiance, culture, and atmosphere are referred to as the "work environment" and are produced by the physical, psychological, and social aspects of the working environment (Haines-Saah *et al.*, 2020). Other than that, Workplace elements that affect employees' productivity and well-being include the physical environment, organizational culture, social environment, psychological climate, and job demand and control issues (Sripalawat & Nakamura, 2021) and refer to (Rosenblatt, 2020) he conditions, situations, and surroundings in which someone performs work are referred to as the work environment and include physical, cultural, and social elements.

2.2.2 Leadership

Leadership is the capacity to motivate and inspire people to attain shared objectives while displaying moral character and personal integrity (Northouse, 2021, p.16). Other than that, (Gupta & Singh, 2020, p. 2) said leadership is the practise of directing others' actions towards the overall success of the organisation while persuading them to achieve a goal or aim. Leadership also the process by which a person gathers resources and support in order to accomplish a group objective. It is the responsibility of leaders to foresee a better future and to motivate people to work towards that goal refer to (Day & Antonakis, 2020, p. 7). In conclusion, a leader needs employees to be together in developing a company. Therefore, the relationship between leaders and employees must be good and all employees must be involved in all things at work so that they can work together to solve problems or help give ideas to advance the company.

2.2.3 Teamwork

According to (West, Sacramento, & Young, 2021, p. 25), teamwork is the collective process by which members assist, communicate with, and work together to accomplish common goals. Next, refer to (DeChurch & Mesmer-Magnus, 2019, p. 294), in order to achieve a shared purpose or objective, a group of people must coordinate their efforts is known as teamwork. Other than that, working cooperatively towards a shared objective while exchanging resources, skills, and information within a supporting structure is the process of teamwork. Overall,

to achieve a common goal and goal, employees in an organization will form a group and work in a team to provide ideas and opinions to get great results.

2.2.4 Training and Career Development

According to (Van Buren & Greenwood, 2020, p. 2), training is the process of acquiring competences, abilities, and knowledge that help workers do their jobs more successfully. Next, refer to (Baruch, 2019, p. 99), the process of developing a plan for managing one's professional progression and achieving one's job goals is known as career development. Other than that, by offering opportunities for learning and advancement, training and career development are crucial procedures that boost employee performance, satisfaction, and retention (Li & Lu, 2021, p. 14). Therefore, training can make a person more efficient and can correct every mistake so that they do not make mistakes later on.

2.2.5 Compensation

According to (Ahmad & Riaz, 2020, p. 7), all monetary rewards and material benefits that an employee receives as a result of their working relationship with an organization are referred to as compensation. Besides that, a company's employees receive compensation as a package of benefits for their contributions to the accomplishment of its goals and objectives according to (Budiarto, Mustofa, & Purwanto, 2020, p. 92). Next, the benefits—both monetary and nonmonetary—that company gives an employee in exchange for the work they do are referred to as compensation (Dessler, Griffeth, & Kolb, 2021, p. 261). Overall, the payment made to an employee in exchange for their skills or unique contributions to your company is known as compensation. Contributions can include their time, expertise, abilities, and dedication to your business or a project. Simply said, compensation is the sum of money that a person receives as a pay or wage from their company.

2.2.6 Organizational Practices

According to (Risse, 2020, p. 23), organizations use a set of processes, regulations, and protocols known as organizational practices to control employee behavior and decision-making, organize work tasks, and achieve the mission and objectives of the organization. Next, organizations manage their stakeholders, people, resources, goods, and services through a variety of activities, processes, and systems known as organizational practices refer to (Tricker, 2021, p. 46). Besides that, according to (Jacobs & Campbell, 2019, p. 58) organizations utilize organizational practices as both physical and intangible tools to drive employee engagement and retention, nurture a high-performance culture, encourage ethical behavior, and increase organizational effectiveness. Overall, an organization must adhere to good practices in order to put things in order, ensure that processes are effective, and guarantee that problems are promptly identified so that improvements may be made.

2.3 Employee Performance

The productivity and efficiency of employees in performing activities and achieving job objectives are measured according to standards and objectives that have been set to determine their success as employees (Gupta, 2022). Next, employee efforts, abilities, expertise and incentives in achieving organizational goals come together to generate employee performance (Mobley, 2020). Other than that, employee performance is a measure of an individual's contribution to the success of an organization as well as the quality and quantity of their work output refer to (Al-Abrrow, 2021). Most notably, when employees do not perform well, customers may be dissatisfied. As a result, poor performance and difficulty achieving goals can harm the entire company.

2.4 Relationship between employee engagement and employee performance

From the past study, according to Anitha (2013), there is a direct correlation between employee performance and the success of the firm. In other study, Adziba, A., & Tengeh, R. K. (2021) focused on the insurance sector in a developing country and found that employee engagement had a significant positive effect on employee performance. They also uncovered that employee motivation partially mediated the relationship between employee engagement and employee performance.
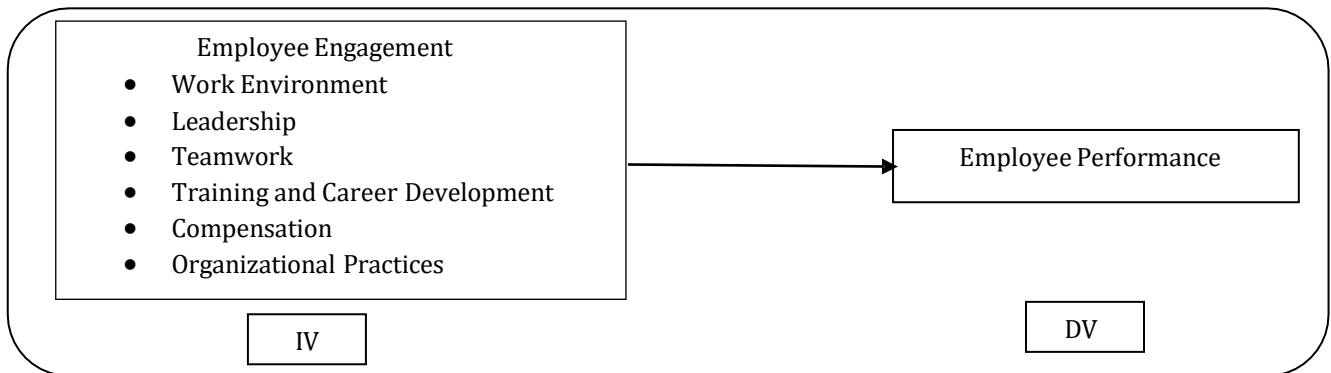
2.5 Conceptual Framework

Figure 1 *Conceptual frameworks*

2.6 Hypothesis

H1: Work environment is positively linked to employee performance in Kiswire
H2: Leadership is positively linked to employee performance in Kiswire
H3: Teamwork is positively linked to employee performance Kiswire
H4: Training and career development is positively linked to employee performance in Kiswire
H5: Compensation is positively linked to employee performance in Kiswire
H6: Organizational practice is positively linked to employee performance in Kiswire

3. Research Methodology

This chapter will explain the research methodology used for this study. First, this chapter will explain the study design that is the population, sampling, instruments chosen to address the problem and the study flow process. Second, it will explain how the research design and instruments selected are used to collect population data. Finally, this chapter will explain the data analysis used.

3.1 Research Design

Research design is a procedural plan adopted by researchers to answer questions in a very objective and accurate way (Nor & Bin, 2021). Usually, the research design will determine the type of analysis that the researcher uses to obtain the desired results. In fact, research design is also a systematic way of doing research studies. This is because the methodology used is to achieve the objective of the study. The researcher used quantitative analysis by conducting a survey on employee engagement problems in Malaysia to measure the level of employee performance. The quantitative method is to investigate the relationship between the two variables and study the factors that affect the quality of work in a company. Numbers and graphs are used in quantitative studies to find statistical correlations between factors in order to obtain accurate results.

In this study, the researcher did not use the qualitative method because it is not appropriate in studying the relationship between the two variables. Data collection procedures will use survey formats such as questionnaires, online surveys and mobile surveys. Therefore, the main focus of this study will be focused on the questionnaire given to the respondents to collect data and fulfill the research objectives. Research design is important to ensure that the goals of the study are achieved and that the research questions are answered. Before starting the research, the researcher should decide on the research design that will be used by the researcher to conduct this study. As a result of the references made by the researcher, there are three types of design that are often used by researchers quantitative, qualitative and mixed methods (Abutabenjeh & Jaradat, 2020). Technique guidelines and study steps will be prepared according to the method chosen for the research.

3.2 Population and Sampling

3.2.1 Population

A population is a unique group of individuals, whether it is a country or a group of people with similar characteristics (Pritha, 2020). The population of this study is based on workers who serve in the manufacturing industry. The researcher will select employees who are currently working in the manufacturing industry at Kiswire Sdn Bhd. The total number of employees at Kiswire Sdn Bhd in 2023 will be 1,300 people according to a study from the company's human resources executive. In order to obtain more accurate and authentic data

results, a total of 297 respondents who use the media have become the target group to answer this research questionnaire.

3.2.2 Research Sampling

In this research, the type of non-probability sampling chosen is simple random sampling. A simple random sample is a subset of a statistical population in which each member of the subset has an equal chance of being selected. A simple random sample aims to represent the group in an unbiased manner (Hayes, 2021). This is said to be so because the respondents who will be selected are random and focused on employees of Kiswire Sdn Bhd.

3.2.3 Sample Size

A sample is a part of the population from which the research will be selected and conducted. The sample size is smaller than the total population (Amalia, R. N., Dianingati, R. S., & Annisaa, E. (2022) Before starting any research, the researcher must first determine the population and the sample size to ensure that the goals of the study can be achieved. This shows that the researcher will select a subset of the population shown by the sample. Based on the Krejcie and Morgan (1970) sampling table, this research has set a target of 297 respondents to fill out the questionnaire that will be distributed.

3.2.4 Pilot Study

A pilot study was carried out to evaluate the respondents' comprehension of the questions the researcher had asked in the questionnaire before the main data gathering process began. Thirty respondents will receive the questionnaire. The validity and reliability of the questionnaire's items are also goals of this study. Without a pilot study, the entire study may become invalid and unreliable. A pilot study can help ensure the validity and reliability of the study as a whole.

3.3 Research Instrument

Research instruments are methods used to collect, evaluate and analyze data from respondents related to the objectives of the study. To meet the needs of the study, a questionnaire was developed as one of the data collection instruments for this study. A questionnaire is an instrument that includes several types of questions about the survey conducted. The data collected from the questionnaire will be used to determine the factors that influence employee engagement at Kiswire Sdn Bhd Pasir Gudang, Johor and its relationship to employee performance within the company. Questionnaires were used in this study and the content of the instrument was made based on employee engagement problems at Kiswire Sdn Bhd. The types of questions used are likert scale style and open questions. The measurement scale is a 5-point Likert scale, starting from strongly disagree, less agree, neutral, agree, strongly agree. The questions in the questionnaire have 3 parts, namely part A, part B and part C. Part A related to demographics of respondents. Part B relates to service quality which is divided into 6 sub-sections namely work environment, leadership, teamwork, training and career development, compensation and organizational practices and part C related to overall respondent satisfaction to understand the relationship between the two variables.

3.4 Data Collection Procedure

Quantitative methods are primary data because they use numbers that are the number of respondents. The researcher used the method of collecting primary data through a questionnaire in this study. The researcher distributed a questionnaire made in Google Form. The questionnaire will be distributed to employees who work at Kiswire Sdn Bhd. The distribution and collection of data from respondents took three months. The form distributed to respondents is in English and requires 10 minutes to answer the questions completely. The data was collected from employees at Syarikat Kiswire Sdn Bhd located in Pasir Gudang, Johor as many as 297 respondents were required to answer the questionnaire.

3.5 Data Analysis

The data that has been obtained will be analyzed using the Statistical Package for Social Science (SPSS) software. The researcher used SPSS 27 to analyze all the data received from the questionnaire.

3.5.1 Descriptive Analysis

A descriptive analysis is required for part A's demographic study. Sekaran (2019) claims that descriptive analysis uses frequency, percentage, mean, and standard deviation to assess data. The normality test can be used

to determine whether a sample or any collection of data is distributed normally. According to Kunz (2019), the descriptive analysis might reveal interesting trends regarding the development of the body of literature.

According to Wiersma's interpretation of Min, Table 3.4 displays the level of agreement. The average Min value ranges from 1.00 to 2.33, referring to weak, while 2.34 to 3.67, referring to moderate, and 3.68 to 5.00, referring to high. In this study, descriptive analysis was applied to describe the respondent profile, which includes gender, age, educational attainment, and more.

3.5.2 Reliability and Validity

Reliability refers to the consistency or stability of assessment results. This means that an individual will get the same score with an instrument if the individual's abilities are the same or the element to be measured does not change even if measured many times with the same instrument. The reliability of a measure is to find the alpha coefficient or known as Cronbach Alpha for each construct and the entire instrument. The closer the value of Cronbach's Alpha (α) is to 1.0, the more reliable Cronbach's Alpha is. If the value of α is greater than 0.7, the scale is acceptable.

3.5.3 Correlation

The statistical technique of correlation analysis is used to determine whether or not there is a link between two variables or datasets and the potential strength of that association. Besides that, correlation analysis also can be defined as a used to analyze quantitative data collected from research methods such as polls and surveys. to determine whether the two variables have any meaningful correlations, patterns, or trends. Correlation analysis is essentially used to seek for patterns within a data collection. When two variables are correlated positively, it indicates that they grow together, however when they are correlated negatively, one variable fall while the other grows.

4.   Data Analysis and Results

4.1 Reliability analysis

In this study, we used Cronbach's Alpha to assess the reliability or internal consistency of the data. Theoretically, Cronbach's Alpha values should fall between 0 and 1, but they can also show a negative number, indicating incorrect data. The general guideline is that a Cronbach's alpha of 0.70 and above is considered good, 0.80 and above is better, and 0.90 and above is the best value for Cronbach's Alpha.

4.1.1 Pilot test

Table 1 *Reability test of pilot study*

Variable	Cronbach's Alpha	N-Items in Scale	N-Respondents
Work Environment	0.748	4	30
Leadership	0.760	4	30
Teamwork	0.733	4	30
Training and Career Development	0.728	4	30
Compensation	0.780	3	30
Organizational Practices	0.819	4	30
Employee Performance	0.822	4	30

Table 1 shows the reliability test of pilot study. In this study, pilot test has been conducted for 30 respondents to test the reliability of the data. There are six independent variable which are work environment, leadership, teamwork, training and career development, compensation and organizational practices while dependent variable is employee performance. Based on table 1, the Cronbach's Alpha for are work environment, leadership, teamwork, training and career development, compensation and organizational practices are 0.748, 0.760, 0.733, 0.728, 0.780 and 0.819 respectively. While the value of Cronbach's Alpha for employee performance is 0.968. The result show that the Cronbach's Alpha for all variable is excellent since the value of Cronbach's Alpha is more than 0.7. Hence, the researcher can proceed with collection.

4.1.2 Actual Test

Table 2 *Reability test of actual study*

Variable	Cronbach's Alpha	N-Items in Scale	N-Respondents
Work Environment	0.758	4	297
Leadership	0.806	4	297
Teamwork	0.832	4	297
Training and Career Development	0.886	4	297
Compensation	0.730	3	297
Organizational Practices	0.811	4	297
Employee Performance	0.840	4	297

Table 2 shows the reliability test for the actual study for each variable. In this study, a total of 297 respondents which consists employee in Kiswire at Pasir Gudang, Johor was conducted for the actual study. Based on the table for actual study, the value of Cronbach's Alpha for are work environment, leadership, teamwork, training and career development, compensation and organizational practices are 0.758, 0.806, 0.832, 0.886, 0.730 and 0.811 respectively. While the value of Cronbach's Alpha for employee performance is 0.840. The results shows that the reliability test for actual study is moderately acceptable and good, which reflects the actual study is reliable.

4.2 Demographic background

Table 3 *Summary of demographic background*

Item	Frequency	Percentage (%)
Age		
Below 20 years old	11	3.7%
20 to 30 years old	137	46.1%
31 to 40 years old	124	41.8%
41 to 50 years old	25	8.4%
Total	297	100%
Male	127	42.8%
Female	170	57.2%
Chief Executive Officer (CEO)	1	0.3%
Chief Marketing Officer (CMO), Chief Human Resources Officer (CHRO), Chief Financial Officer (CFO	1	0.3%
Vice President (VP), Assistant Vice President (AVP)	2	0.7%
Manager, Assistant Manager	3	1.0%
HR Manager	2	0.7%
Staff	285	96.0%
Others	3	1.0%
Below 1 year	46	15.5%
1 to 5 years	143	48.1%
6 to 10 years	92	31.0%
10 years and above	16	5.4%

4.3 Descriptive Analysis

Table 4 *Summary of employee engagement*

Variables	Mean	Standard Deviation	Level
Work Environment	4.27	.632	High
Leadership	4.31	.617	High
Teamwork	4.40	.603	High
Training and Career Development	4.33	.602	High
Compensation	4.35	.697	High
Organizational Practices	4.33	.608	High
Total	4.33	0.627	High

Table 4 shows the summary employee engagement consists of work environment, leadership, teamwork, training and career development, compensation and organizational practices. Based on the table, teamwork has highest value of mean which is 4.40, followed by compensation, training and career development and organizational practices which the level of mean is 4.35 and 4.33 respectively. Next, the lowest value of mean with 4.31 which is leadership. This reflects the level of employee engagement in manufacturing sector at Pasir Gudang is high level.

4.4 Normality Test

Table 5 *Normality test*

	Kolmogorov-Smirnov			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig
Work environment	.156	297	.000	.929	297	.000
Leadership	.159	297	.000	.933	297	.000
Teamwork	.163	297	.000	.915	297	.000
Training and career development	.176	297	.000	.909	297	.000
Compensation	.177	297	.000	.906	297	.000
Organizational Practices	.145	297	.000	.938	297	.000
Employee Performance	.163	297	.000	.922	297	.000

Table 5 shows the result of normality test using Kolmogorov-Smirnov to see whether the data of the study is normal distribution or not. In this section, there are 297 respondents to test the data analysis. The result of normality indicates that the data collected for all independent variable which are work environment, leadership, teamwork, training and career development, compensation and organizational practices are not normal because the significant value below 0.05. While the dependant variable which is employee performance is also not normal where the significant value 0.000 which means that it is below than 0.05. Therefore, all variables for normality test are assumed as a not normal distribution and non- parametric test was used.

4.5 Correlation analysis

Table 6 *Summary of correlation analysis*

		Employee Performance
Work Engagement	Correlation	.639**
	coefficient	.000
	Sig. (2-tailed)	297
Leadership	Correlation	.719**
	coefficient	.000
	Sig. (2-tailed)	297
Teamwork	Correlation	.616**
	coefficient	.000
	Sig. (2-tailed)	297
Training and Career Development	Correlation	.634**
	coefficient	.000
	Sig. (2-tailed)	297
Compensation	Correlation	.657**
	coefficient	.000
	Sig. (2-tailed)	297
Organizational Practices	Correlation	.686**
	coefficient	.000
	Sig. (2-tailed)	297

The correlation analysis reveals noteworthy associations between employee performance and the measured variable. Work engagement, teamwork, training and career development, compensation and organizational practices exhibit moderate and statistically significant positive correlations, indicating a predisposition for individuals with higher levels of employee performance to positively engage with the variable. Leadership demonstrates a strong and highly significant positive correlation, emphasizing a pronounced connection between leadership to experiences and the measured outcome. These findings shed light on the relationships between employee performance and the measured variable, contributing valuable insights into the interplay of individual characteristics in influencing the observed outcomes.

5. Discussion

The results of the study shows that the level of employee engagement in terms of teamwork is at a high level with a mean value of 4.40 and a standard deviation of 0.603. Teamwork has significant positive effect on employee performance stated by Ahmad and Manzoor, (2017). Thus, if the employee has good relationships with his co-workers, his work performance is expected to be high.

    The results also shows that the level of employee performance among employees in manufacturing sector is at the high level. In overall, the total average mean and standard deviation for employee performance are 4.33 and 0.614 respectively. These results show that it is very important to improve employee performance in an organization in the manufacturing sector because the individuals involved will generate new ideas and set goals by using creative and innovative employee methods. The results support the notion that According to Motowidlo etal. (1997), it is "the degree to which employees help the organization achieve its goals". The core purpose of every organization is to improve its overall performance which can only be achieved through efficiency employee performance (Tahir *et al.*, 2014). Moreover, innovative behavior of employees is considered as self-initiated activities, which aim to improve existing conditions or create news. The result is better performance and the growth of innovative solutions.

    The results of this study found that there is a strong relationship between teamwork and employee performance. The correlation coefficients for all independent variables are strongly positive correlations. By showing the average value for the entire correlation coefficient is 0.616. Overall, all hypotheses were accepted. These results show that the Cognitive Behavioral Model (CBM) on teamwork can help employees to improve their performance. Employee job performance can only be achieved at its best when all the working elements of the organization perform together. Teamwork is an important element for improving the performance of an

organization. Innovation and advancement in technology has made most of the organizational activities complex Khan, Dr. S. (2015, December). Therefore, it is important to develop teamwork spirit among the employees.

6. Conclusion

The most significant limitation of this study is the time constraint to collect data from respondents. This is because, questionnaires take a long time to collect data from respondents by using an online and face-to- face approach. Because this study needs to be completed in a short period of time. The researcher has distributed the questionnaire a month early to get the number of respondents meeting the target of the study which is 297 respondents. However, the process analyzing the data can only be done after obtaining the entire number respondents to get accurate data according to the number of respondents set.

The future studies are recommended to use mix of the method which are qualitative and quantitative method. This is because, in this study, quantitative method only involves numerical data for the questionnaire. But in qualitative method, it can deal with words which more subjective. When the future researcher using qualitative method such as interview, the respondents will be giving chance to provide their own opinion towards the research. In short, the mix of methodmay add more details and valuable information in the research.

As a conclusion, this study determined the relationship between two variables. Besides that. this study has been carried out to achieve the objectives of the study as required by researchers to determine the relationship between employee engagement and employee performance in manufacturing. In overall, 6 hypotheses been supported. Specially, work environment, leadership, teamwork, training and career development, compensation and organizational practices have a significant relationship between employee performance in manufacturing sector.

Acknowledgement

Conflict of Interest

Authors declare that there is no conflict of interests regarding the publication of the paper.

Author Contribution

The authors confirm contribution to the paper as follows: **study conception and design:** S.R.M. and S.N.S.; **data collection:** S.R.M.; **analysis and interpretation of results:** S.R.M.; **draft manuscript preparation:** S.R.M. and S.N.S. All authors reviewed the results and approved the final version of the manuscript.

References

Adhitama, J., & Riyanto, S. (2020). The influence of work environment on employee engagement and employee motivation at PT Koexim Mandiri Finance. Academia. edu-Share research. Available online at: https://www. academia. edu/42818538/The_~ Influence_of_Work_Environment_on_Employee_Engagement_ and_Employee_Motivation_at_PT_Koexim_Mandiri_Finance.

Aziez, A. (2022). The effect of employee engagement on employee performance with job satisfaction and compensation as mediating role. Journal of Social Research, 1(3), 221-230.

Bedarkar, M., & Pandita, D. (2014). A study on the drivers of employee engagement impacting employee performance. Procedia-Social and Behavioral Sciences, 133, 106-115.

Chanana, N., & Sangeeta. (2021). Employee engagement practices during COVID-19 lockdown. Journal of public affairs, 21(4), e2508.

Cohen, R. (2021, May 6). *Employee Engagement in Manufacturing: 9 Ways To Improve*. Connecteam. https://connecteam.com/employee-engagement-in-manufacturing/

Cooks-Campbell, A. (2022, August 29). *Transparency in the Workplace: What It Is (and What to Avoid)*. Www.betterup.com. https://www.betterup.com/blog/transparency-in-the-workplace

Firmansyah, Y. (2021, October). Impact of the governor's regulation No. 79 the year 2020 as effort to prevent and control corona virus disease 2019 in East Jakarta Administrative City. In ICCD (Vol. 3, No. 1, pp. 474-478).

Frost, J. (2022). Cronbach's alpha: Definition, calculations & example. *Statistics by Jim*.

Ramli, A. R. (2007). Kesan pembangunan perindustrian di kawasan Pasir Gudang Johor terhadap tahap sosio-ekonomi penduduk perkampungan tradisional di sekitar (Doctoral dissertation, Universiti Teknologi Malaysia).

Jian, O. Z., Yin, K. Y., & Awang, M. (2020). The extent of blue ocean leadership, employee engagement and team performance during Covid-19 pandemic. International Journal of Academic Research in Business and Social Sciences, 10(11), 926-937.

Harun, M. Z. M., & Ling, N. S. (2020). Employee engagement and employee performance: a conceptual framework. IOSR Journal of Business and Management (IOSR-JBM), 22(2), 63-67.

Long, H. (2023, April 11). *Employee Engagement in Manufacturing Companies | Celayix*.Www.celayix.com. https://www.celayix.com/blog/employee-engagement-manufacturing-companies

O'Donnell, L. (2022, January 14). *The Link Between Employee Engagement and Performance*. Great Place to Work. https://www.greatplacetowork.ca/en/articles/the-link-between-employee-engagement-and- performance

Othman, E. (2023, March 20). *143 kawasan perindustrian mampu tarik pelabur ke Johor - Exco*. MalaysiaGazette. https://malaysiagazette.com/2023/03/20/143-kawasan-perindustrian-mampu-tarik- pelabur-ke-johor-exco/

Raharjo, D. S., & Sulistiasih, S. (2019). The model of manufacturing industries employee performance. International Review of Management and Marketing, 9(5), 82.

Riyanto, S., Ariyanto, E., & Lukertina, L. (2019). Work life balance and its influence on employee engagement "Y" generation in courier service industry. International Review of Management and Marketing, 9(6), 25.

Ryba, K. (2021, December 30). *15 Strategies to Increase Employee Engagement in Manufacturing Companies*. Www.quantumworkplace.com. https://www.quantumworkplace.com/future-of- work/employee-engagement-manufac