

The Model of Employee Engagement for the Electronics Factories Group in Northern Region Industrial Estate (Thailand)

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Abstract: *Employee engagement is an important tool for all organizations because employees are valuable assets and important factors influencing organizational achievement. The objectives of this research were 1) to study the level of opinions on leadership, human resource management, and employee engagement, and 2) to investigate the pattern of employee engagement in the electronics industry in Northern Region Industrial Estate (Thailand). The sample group included 500 employees having lower positions than managers from the factories of the Northern Region Industrial Estate (Thailand). The questionnaire was a research tool for data collection and data were analyzed by percentage, mean, standard deviation and analysis of structural equation models using statistical software program.*

Index Terms: *Transformational Leadership, Transactional Leadership, Human Resource Management, Employee Engagement.*

I. INTRODUCTION

Nowadays, the operations of each organization are affected by changes in both internal and external environments, including business competition, an increase of customer demand, politics, economy, society, culture, policies, concepts, management guidelines and working practice. They inevitably affect labor, both directly and indirectly, and lead to the consequences. Finally, the employees have to leave the organizations and each resignation of the individual employee will affect human resource expenses due to the loss of talented people, good people with full capabilities. It is not only difficult to hire good, talented people with high potential to substitute for work immediately, but the organizations also have a high cost for the recruitment and selection process, training provision according to the basis and requirements of each organization. In addition, the organizations have to lose in various aspects as follows: productivity and effectiveness, as well as a decrease in employee's morale. Based on the results of the employee turnover survey in 2017, Willis Towers Watson found that the overall staff turnover rate in Thailand is at 12 percent or it can be said that the employee engagement in the organizations is at the level of 88 percent. The top 3 reasons for the resignation of employees are higher salary requirements, career progress opportunities, and relationships with supervisors or managers [1].

Employee engagement in every organization is as a key important factor influencing the employees in deciding to continue working in the organization. On the other hand, if there is no engagement with the organizations, the employees would have to resign from that organization. Problems of employees who do not have an engagement both work and organization are derived from many factors: whether it is the result of human resource management in various areas, including compensation and benefits management, performance evaluation for salary, bonus, or promotion, training and development in knowledge, attitude towards work, and higher or challenging positions as well as creating good relationships between supervisors and subordinates to reduce conflicts that will occur through various activities to create mutual support. The significance of leadership in human resource management as mentioned above will have an effect and relationship to employee engagement since the human resource management process will integrate strategies and link the concept of employment, personnel development and welfare of employees in the organization [2]. As for effective and efficient leadership in organizations, the leaders must be visionaries, powerful or motivated, have virtue and use appropriate

reward or punishment procedures to meet the needs of employees depending on each situation [3] and employee engagement is a representative of those employees having both work and organization engagement by expressing behavior while performing tasks that include enthusiasm for work with dedication to work and is determined to focus on work [4]. Referring to the relationship in the context mentioned above, the researcher, therefore, is interested in studying the pattern of employee engagement in the electronics industry, Northern Region Industrial Estate (Thailand) so that these industries can perform their tasks efficiently and effectively. These industries play an important role in the country's economic and social systems, which is an important source of income for both exports and job creation as well as improving the skills of skillful employees to be accepted in the region of the country and can also help reduce the amount of labors that will flow from the region in the central part. It will help reduce many social problems leading to various sequences.

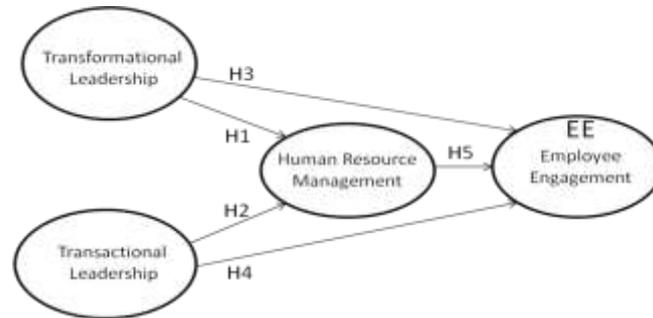
II. OBJECTIVES OF THE RESEARCH

- 1) To study the level of opinions on leadership, human resource management, and employee engagement.
- 2) To investigate the pattern of employee engagement in the electronics industry, the Northern Region Industrial Estate (Thailand).

III. CONCEPTUAL FRAMEWORK AND RESEARCH MODEL

The researcher studied the theory related to concepts in order to explain the relationship of variables in leadership, human resource management, and employee engagement. This all variables brought to the creation of a conceptual framework for this research, comprising 1) Theory of Transformational Leadership and Transactional Leadership, 2) Human Resource Management, and 3) Employee Engagement. From a review of relevant literature about Transformational Leadership and Transactional Leadership for this research will apply the theory developed by Bass and Avolio [5], Transformational Leadership is a process by which leaders influence colleagues and followers by changing the efforts of colleagues and followers to be higher than they expect, developing the ability of colleagues and followers to reach to higher levels and more potential. Moreover, it enhances the awareness in the mission and vision of groups and organizations, motivates the colleagues and the followers to look beyond their interests to benefit the group of organizations and societies. The process with leaders influencing colleagues or followers will be worked through 4 specific behavioral factors: 1) having idealized influence or charisma leadership with the classification of elements and this ideological influence is divided into two elements: elements of idealized influence for behavior and influence with attribute, 2) inspiration motivation, 3) intellectual stimulation, and 4) individualized consideration. As for the Transactional Leadership, it is as a process that rewards leaders or punishes followers depending on the performance of the followers. Leaders have used the reinforcement process according to the situation, motivate followers to perform according to the expected level, help the followers achieve the goal, give the followers the confidence to perform the roles and see the value of the expected result which the leaders must know how the follower must do to reach the desired result. The leaders motivate the followers by linking the needs and rewards for achieving goals and most prizes are external awards Transactional Leadership consists of 1) contingent reward and 2) managed-by exception which can be divided into 2 types: active management-by-exception and passive management-by-exception. Human Resource Management is the process of personnel management in organizations for achieving the objectives of the organizations. It includes activities such as manpower planning, recruitment and selection, training and development, compensation and benefits management, performance evaluation, good relationship maintenance between employees themselves and with the organizations as well as the health and safety of employees [6]. Employee engagement is an expression of both physical, mental and intellect towards the work, colleagues including the organizations they belong to. As a result, the organizations benefit from the productivities of employees and the employees themselves will work with pride and happiness. This research applied the concept of Schaufeli, Salanova, Gonzalez Roma and Bakker includes: 1) Vigor is as the power of work and high mental flexibility while working, 2) Dedication is as behavior showing the feeling of fullness, pride, inspiration and having a challenge in the work, and 3) Absorption in the work is a feeling of commitment focused on work [7].

According to the review of the concepts, theories, and related research, the researcher could extract variables for applying in this study. There are a total of 4 variables with interconnectedness and can present the conceptual framework as follows:



Research hypothesis

H1 :Transformational Leadership has a relationship with human resource management.

H2 :Transactional Leadership has a relationship with human resource management.

H3 :Transformational Leadership has a relationship with employee engagement.

H4 :Transactional Leadership has a relationship with employee engagement.

H5 :Human resource management has a relationship with employee engagement.

IV. METHODOLOGY

A. Sample, Population and Sampling Methods

The population selected in this research is employees working in each factory of the electronic industry group in the Northern Region Industrial Estate (Thailand), a total of 24,297 people. The samples were 500 employees with the position lower than the manager level from each factory of the electronic industry group in the Northern Region Industrial Estate (Thailand) [8]. This amount of samples was obtained by calculating the proportion of the population and samples of each factory according to the stratified proportion [9].

B. Research Instrument

The researcher studied and reviewed the literature and related research results in order to create a conceptual framework and guidelines for developing questionnaires to collect data from the sample by a survey research method. The research instrument was created from the study of concepts, theories, documents and research both locally and internationally. The questionnaire was divided into 3 sections with the following details: Part 1) Questionnaire about demographic data of respondents, including gender, age, work duration, status, education level, and the characteristics of work. The nature of the question will be a multiple choice questions, by choosing only one answer that is most realistic, Part 2) Measures of variables used in data collection to study the level of opinions and structural equation model (SEM) consisting of transformational leadership, transactional leadership, human resource management, and employee engagement. In addition, the researcher has adapted various measures to be adapted to suit the context of the electronics industry group in the Northern Region Industrial Estate for easier understanding. The 5-point Likert scale questionnaire [10] has 5-part questions, and Part 3) the open-ended questionnaires were for the respondents to express their opinions about the pattern, other practices affecting employee engagement.

C. Validation of the Research Instrument

The research instrument was a questionnaire with the test of validity and reliability as follows: 1) the questionnaire was tested by applying the draft questionnaire to check for content validity by presenting to 5 experts who are experts. It included checking the appropriateness of wording in research by item-objective congruence: IOC and found reliability to measure internal consistency model. Consideration of expert opinions was based on finding the consistency index. (IOC) in every question: once analyzed If there was a value between 0 and 1. The question with the IOC value from 0.50-1.00 would be selected and for the questions that had an IOC value lower than 0.50, would consider

improving or may be eliminated. The discriminates validity measured whether the question should go into that group by analyzing the correct corrected item-total correlation and having the correct corrected item-total correlation not less than 0.50 [11], and 2) the questionnaire was tested by checking for reliability. The researcher used the questionnaire that was created and modified and then proceeded to try out with employees in the factory that was not a sample of this research with the qualifications and work in a similar manner to the 100 samples. This method helped to validate the questions whether they can convey meaning to the needs as well as being appropriate or without any difficulty. Then, they questionnaires were tested for the reliability using the statistical package to find reliability with the criteria of Cronbach's alpha coefficient for the acceptance criteria at alpha (α) greater than or equal to 0.70 [12]-[14].

The validation of research instrument for quality, The researcher has set the guidelines for the operation to make the results of the study to be accurate, reliable and can be found in the 3 issues as follows: 1) Data validation and accuracy with triangulation [15], 2) Verification of accuracy in summarizing and interpreting data, the researcher will proceed with processing the data obtained from the analysis of the document content and recording the results of the interview to write about the situations as in the descriptive form, and 3) validation of accuracy according to the theoretical framework, the researcher attempts to collect information in both the analysis and opinion information obtained from the questionnaire. The opinions are used to compare results and lead to improvement of conclusions

with precise explanations about research results.

Research Ethics and Protection of the Rights of Informants. The researcher defended the rights of the sample group by writing a letter requesting for ethical certification and human research, proposing to the Human Ethics Research Committee, Hospital, Lamphun Province, before the research conduction.

D. Data collection

Data collection in this research the researcher has taken the following steps. Step1) the researcher has adopted a questionnaire that has already been approved by qualified experts and then collects data with 500 samples by asking the cooperation from the Human Resource Management officers, Step 2) the researcher gathers the questionnaires back, Step 3) the researcher checks the information received and collected additional information in the incomplete section for the complete information in the amount specified, and Step 4) the researcher analyzes the data and confirms the results with information obtained from interviews with the sample group of the electronics industry group in the Northern Region Industrial Estate, then synthesize and summarize the results.

For qualitative research, it is conducted by applying an in-depth interview model with semi-structured questions. The sample group is interviewed in order to find the structural relationship of leadership, human resource management, and employee engagement. As the data collection, the researcher contact for making appointments and interviewed with key informants, including employees of the electronics industry group in the Northern Region Industrial Estate. The samples are interviewed with in-depth interviews using the outlined interview form. The researcher will note down the information and record sounds like evidence for confirmation in order to use for detailed analysis of leadership, human resource management, and employee engagement. Each interview takes about 30-60 minutes.

E. Data analysis

Quantitative research conducts as the following steps:

Step 1) Preliminary data analysis is an analysis to show the characteristics of the data distribution of variables by using descriptive statistics such as frequency, percentage, mean and standard deviation in explanation of general characteristics of the sample group and step 2) Data analysis with structural inference statistics is to answer research objectives.

Data analysis for qualitative research will analyze from interviews and data from the audio recorder for content analysis. Then, the data will be regulated into categories in order to summarize and interpret the findings to link with the quantitative research results.

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