

INFLUENCE OF WORK ENVIRONMENT ON EMPLOYEE PERFORMANCE: A CRITICAL REVIEW

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ABSTRACT

The work environment is an important area of management research, which plays an important role for the employees in the organisation to determine the working condition. Work environment affects the employee morale, productivity and engagement - both positively and negatively. The employees working in the poor work environment are prone to stress, which reduces employee's performance. Hence, performance is affected badly due to the work environment. Establishing a better work environment is essential, in which the employees are productive in raising the profits for the organisation, corporation as well as small business. The present study is to determine the impact of work environment on the performance of the employees. The paper also highlights some of the key elements of work environment and their relative impact on the employee performance. It is the responsibility of the management to understand and recognize changing work preferences of employees and address them cordially in order to retain and develop them properly. So, the organizations must build up such work environments that are conducive and should meet the dynamic need of the employees. It will help the organization in reducing job dissatisfaction, employee's turnover and absenteeism, and will increase their performance.

Keywords: Environment, Workplace environment, performance, job satisfaction and motivation.

INTRODUCTION

Environment literally means the surroundings and all those things that influence human being during the lifetime. The work environment or workplace is the physical location where the employees perform their task in achieving the goals of organisation, although an effective workplace is an ambience where the goals expected by the management are achieved (Mike, 2010; Shikdar, 2002). The work environment involves the physical geographical location as well as the immediate surroundings of the workplace (office building). In general, it involves other factors relating to the place of employment such as the quality of the air, noise level and additional perks and benefits of employment. Work environment is the employer's premises and other locations where employees are engaged in work-related activities, which can have substantial impact on the ability of the employees to tackle their tasks, can lead to their being either productive or unproductive, and at the end affecting both their health and general well-being (Ctdol, 2009). An effective work environment management means making the work environment attractive, creative, comfortable, satisfactory and motivating the employees, so as to give them a sense of pride and purpose in what they do (Taiwo, 2009). The work environment is the form of organization's rules, management practices, policies and reward systems, which can increase the employees' motivation (Phillips and Gully, 2012). The work environment is the sum of the interrelationship that

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exists within the employees and between the employees and the environment in which the employees work (Kohun, 1992). Work environment is the combinations of factors (social support, physical working conditions, job characteristics, training and development and communication process) that influence work (Greenhaus and Parasuraman, 1994), and the level of the motivation and performance of the employees. In addition to motivation, employees need the skills, ability to do their job more efficiently, and effectively (Chandrasekar, 2011). The physical characteristics of the workplace directly influence the health and safety, job satisfaction, concentration morale and performance within the organisation. The quality and the quantity of the work generated by the employees are mesmerized by the work environment and the poor workplace conditions can reduce the job satisfaction of the employees, which successively affects the financial well-being of the organisation. A poor work environment is associated job dissatisfaction, absenteeism, somatic complaints, burnout and depression phenomena (McCowan, 2001). The people mostly spend fifty percent of their lives within indoor environments, which deeply influence their psychological status, actions, abilities and their performance (Sundstrom, 1994). The good results and increased output can be acquired by catering the better workplace, which will boost the employees and ultimately their productivity will improve (Carnevale, 1992). The employees attempt to work in the organisation where the positive and good work environment is provided, and where they feel that they are more valued (Ramlall, 2003). The work environment is one of the most important social spaces other than the home, which demonstrates a fundamental concept for many things like the workers and their family, the employing organization, the customers of the organization, and the society as a whole" (Paul and Reima, 2004). Work environment is an essential element for employee performance that helps them to focus on their work properly (Gonzalez, 1999). It also influences the job satisfaction of the employees, because they like to work in that workplace which is less dangerous (Bakotic and Babic, 2013). The performance among the employees is influenced by the environment in which they work, because the workplace decides how well the employees are engaged with the organization, especially with their immediate environment, their error rate, level of innovation and collaboration with other employees and also their absenteeism rate and finally, how long they stay in the job (Business Performance, 2006). An employee's performance can also be determined by a person's ability to perform also including the opportunity and willingness to perform as well. The meaning of willingness to perform means that the desire of the employees in putting as much effort towards their job (Eysenck, 1998). Sinha (2001), expressed that the employee's performance depends on the willingness and the openness of the employees itself on doing their job. He also stated that by having this willingness and openness of the employees in doing their job, it could increase the employee's productivity that also leads to the performance.

REVIEW OF LITERATURE

Work environment has an effective impact on the employee's well-being and develops interaction, collaboration and innovation and increase job satisfaction (McGuire and McLaren, 2007). A good workplace will lead to better fit between the workspace and employees which results in improving the behaviour and stress related emotions (Vischer, 2006). The indoor environment has a great impact on the job performance and the level of performance can be increased from 5 to 15 percent by improving the working conditions (Roelofsen, 2007). The factors like compensation, rewards, job security and

working environment increase level of commitment and sense of belonging with the organization (Arokiasamy, 2013). A working environment in an organization increases level of job satisfaction which ultimately will lead to achievement of organization goals (Noah & Steve, 2012).work life balance, motivation level, psychological conditions, social dialogue, management and leadership coherence, transparency develop a good working environment, and which in turn leads to increase organization productivity (Klein and Goudswaard, 2012).

Employee performance is a major multidimensional construct aiming to achieve the results and have a strong connection with planned goals of an organization (Abbas and Yaqoob, 2009). Performance is the key multi character factor intended to attain outcomes that has a major connection with planned objectives of the organization (Sabir et al. 2012). The organization should build the attractive workplace so that they are able to retain its employees and also attract others to join the organization, but also ascertain that the employees within it would not want to leave and would instantly feel proud to be associated with the organization (Williams, 2000). A system (review system) should be implemented to monitor the employees' performance effectively, which system usually consists of on-the-job coaching, performance appraisals, counseling session, interviews and also the performance improvement plans which shows the improvement of employees performance (Stark & Flaherty, 1999).

FACTORS AFFECTING THE PERFORMANCE OF EMPLOYEE

Environmental factors represent the immediate job environment that contains skills required to perform a job, authority, autonomy, relationship with supervisors and co-workers and other working conditions (Abdulla et al., 2010). Work environment includes some factors, which contributes to achieving maximum employees' productivity either positively or negatively (Elywood, 1999). Some of the factors that contribute either positively or negatively to employee productivity are temperature, humidity and air flow, noise, lighting and effective communication in the working environment. Noise is a component of work environment which plays an important role in affecting the employee productivity. Excess noise prevents the employee's concentration towards their job, and creates a distraction, which reduces productivity and increases job stress. The workplace distraction reduces employee's productivity by 40 % and increases the errors by 27% (Bruce, 2008). However, employees cannot achieve good performance in a silent environment, because at some level sound may develop a healthy background and can also assist employees to accomplish their job. The workplace with dim or over bright can lead to eyestrain, headaches, irritability and inevitably reduced productivity. A poor lighting system reduces the employee performance as well as productivity, because those who have to work related with reading might have a serious problem with their vision, which in turn may cause fatigue or eyestrain. In addition, those employees who work in a better quality of lighting are likely to create faster work with fewer errors, compared to those work in a poor lighting. Effective workplace communication is a key to the development of success and professionalism (Canadian Centre for Communication, 2003). The organisations which communicate in an effective way are more likely to avoid problems in completing the routine process, which will generate strong morale and a more positive attitude towards work. When employees communicate effectively with each other, productivity will increase because effective communication means less complains and more work getting done (Quilan, 2001), removes confusion and saves the time that would have been otherwise spent on explanation or argument (Fleming &

Larder, 1999). It makes the workplace more enjoyable, less anxiety among colleagues which successively turns positive attitude towards work and increased productivity (Makin, 2006). Nowadays the offices are designed with air conditioning systems, so that the level of temperature at all the time can constantly maintained in the offices. The employee performance is affected by the quality of air. Poor quality of air has a negative impact on employee health in the form of headaches, respiratory problems and fatigue, which in long period of time will reduce performance. The air quality contains four factors that are temperature, humidity, ventilation, and cleanliness (Sarode and Shirsath, 2014). What temperature works best for one’s productivity depends on one’s body. Still, certain factors should be kept in mind for establishing the appropriate temperature level: viz-obese employees will work best with lower temperature levels, whereas the thin employees will work in high temperature (Parveen et al., 1996). High temperature Levels: The employee lethargy and tiredness because of increased body temperature lead to possible efficiency decreases. Low temperature levels decrease inefficiency due to cooler body heat and shivering. High humidity, in itself may not be a direct problem, but it does increase our susceptibility to high temperature levels as evaporation of body sweat is impeded. Low humidity Levels have a debilitating effect on our ability to breathe and swallow without discomfort as our mouths and noses can become dry due to the increased level of evaporation in the surrounding environment (Sehgal, 2012). The employees can perform their work properly in the workplace when it neat and clean, with a proper range of temperature, enough ventilation, and an adequate humidity (Sarode and Shirsath, 2012). A proposed theoretical model of work environment is aiming to explain the important factors of work environment that influence the performance of employees in the organisation, and is expressed graphically at figure 1.

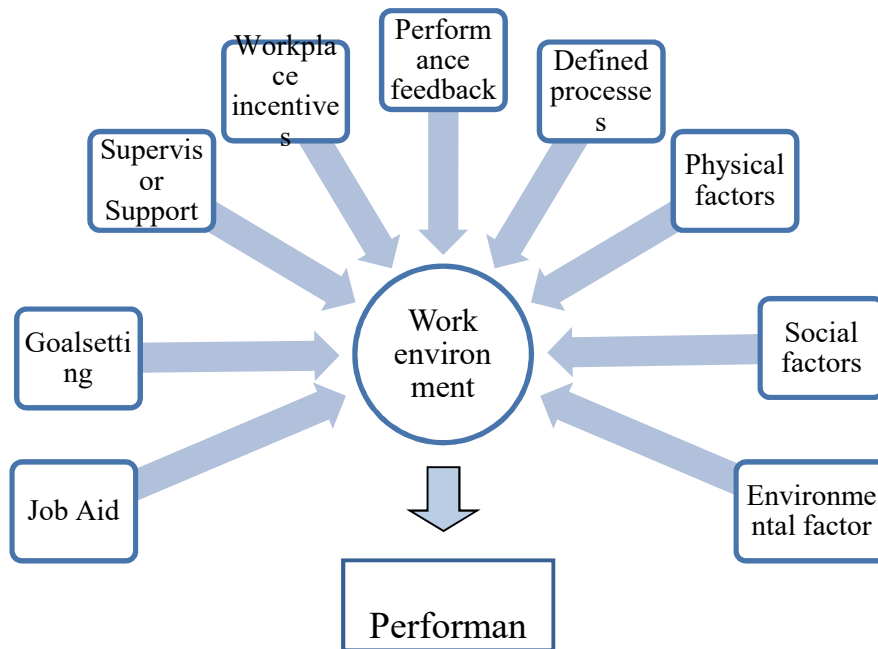


Figure 1: A conceptual model of work environment factors affecting performance

Job aids:

A job aid is called a repository to gain the information, the process and the perspectives. A job aid is an external aid to an individual. Job aid helps in term of providing a procedure for the employees towards their task (Pipe, 1986). The aim of job aid is to support the work activity (Rossett & Downes, 1991). Merely, the study has expressed that a job aid is not information until a person who gets the job aid had gained knowledge from the job aid itself (Wurman, 1989). Job aid aims at providing templates, guides, soft training, checklists, etc. to the health worker to assist in improving their performance. This is to make their work easier, minimize error rate, and improve patients' satisfaction (Chandrasekar, 2011; Pepple et al., 2017).

Goal-setting:

When health workers are being involved in setting meaningful goals and key performance indicators (KPI) for their work. This can be done informally between the health worker and their immediate supervisor or as part of an organization's formal performance management process (Chandrasekar, 2011; Pepple et al., 2017)

Supervisor support:

The immediate supervisors act as advocates for the employees, gathering and distributing the resources needed by the employees for them to be able to do a good job and providing positive encouragement for a job well done (Chandrasekar, 2011; Pepple et al., 2017).

Workplace incentives:

The organization determines what motivates its employees and sets up formal and informal structures for rewarding employees behaving in the way required (Chandrasekar, 2011; Pepple et al., 2017).

Performance feedback:

A feedback process where the health worker's performance assessment is fed back to them. This consists of both positive feedback on what the health worker is doing right as well as feedback on what requires improvement (Chandrasekar, 2011; Pepple et al., 2017).

Defined processes:

The organization constrains the variability of how work is actually performed through documenting processes and communicating such expectations to employees (Chandrasekar, 2011; Pepple et al., 2017).

Physical factors:

Physical factors in the workplace such as poor layout or overcrowding can lead to common types of accident such as tripping or striking against objects (Chandrasekar, 2011; Pepple et al., 2017).

Social factors:

The relationship between the health worker and the employers and the patient is considered. Poor interpersonal skill and attitude among the colleagues can affect performance (Chandrasekar, 2011; Pepple et al., 2017).

Environmental factors:

Environmental factors such as temperature, lighting and ventilation can have a direct impact on health, e.g., very high temperatures can lead to heat stress and heat exhaustion, which in-turn affects the performance of the health worker (Chandrasekar, 2011; Pepple et al., 2017).

SUGGESTIONS AND CONCLUSION

From the above study, it is concluded that work environment is a major epitome of the employee's performance, which plays an important role in motivating the employees to perform their assigned task. The employees are the important asset of the organisation. Most of the employees spend their time in generating the activities in the office. The ability to attract and motivate the employees for high performance is becoming essential in nowadays-competitive working environments. The factors like job aid, goalsetting, supervisor support, workplace incentives, performance feedback, defined processes, physicals factors, social factors, and environmental factors play a vital role in employee's performance. The employee's performance will improve only when they would be credited by paying more attention to the work environment. The organisations should create conducive workplace so that the employee feels that they are well cared. Therefore, it is the responsibility of the management to furnish a favourable working environment which will influence the employees to work prosperously and will encourage them to increase their performance.

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