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"The Motivational Formulation of Employee Happiness, Job Involvement, Work place Climate and its impact on Organizational Performance."

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Keywords:

Employee Wellbeing, Job Involvement, Workplace Climate, Organizational Performance.

In the present competitive times, it is imperative for an Organization to be successful. According to Dessler and Varkkey (2011) it is HR of the Organization which can gear the organization towards success. However, factors like Employee Happiness, Job Involvement and workplace Climate play an important role in Organization performance. The present study analyzed the interrelationship between Employee Happiness, Job Involvement, workplace Climate and Organization performance, using data collected from 158 respondents from a private Organization through a cross sectional survey. Structural Equation modelling was used to analyze the data. It was observed that a significant positive relationship exists between Employee Wellbeing and Workplace Climate, Employee Wellbeing and Job Involvement, Workplace climate and Job Involvement and Job Involvement and Organizational Performance. This research can be helpful for HR Practitioners for policy decision making.

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1. Introduction:

The success of an enterprise is believed to rely on many factors ranging from internal to external. From the internal factors the people or the employees are ones which bring competitive advantage for most organizations Ulrich (1998). Researchers opine that organizational success is a function of employee satisfaction and happiness. Thus, creating a pleasant work environment is imperative not only to attract talented manpower but also for organizational success. Romano (2011) had also emphasized in her research article that the best solution to solve various managerial issues in an enterprise is employee happiness. Report had shown that the higher the level of employee happiness index of an enterprise, the better the productivity it has as quoted by Yuan - Ho Chen,Wei-Chun Lee, and Kuei - Wen Tseng (2012). Job involvement is defined & explained as an employee's response to the psychological perception of his work assignment, job accomplishment and values.With a higher job involvement, one will put more efforts and energies in the work as self-employment, and will also have better self-expression in organizational character performance.Bowen & Ostroff (2004) conceptualized workplace climate as two types: organizational climate and psychological climate. Employees could be affected by organizational climate, which is derived from perceptions of how the enterprise is regarding policies, routines, practices, and rewards. Psychological climate applies to employees in theirown specific work contexts, on the basis of the experiential-based evaluation of what people "see" and notify occurring to them as they are aware of their environment.Burke & Litwin (1992) regarded workplace climate as one of the transactional determinants that has a profound impact on motivation, and in turn affects job performance.According to Holloway (2012) and Suliman & Obaidli (2013), a positive work climate triggers off motivation and high performance. Measuring organizational performance is important because it strongly affects the behaviour of managers and employees. The ultimate goal of any business is to attain remarkable improvements and benchmarks in organizational performance.For this study we consider the conceptual part of Organizational performance which talks about employee retention and longetivity in the organization and getting monetary and non-monetary benefits for the employee performance in terms of annual increments and performance bonus.

2. Review of Literature

2.1. Employee Well Being

Positive psychology introduces the concept of well-being as individual valued experiencein which people become more efficacious in their work and other activities (Bandura, 1986;Seligman and Csikszentmihalyi, 2000). Employee well-being is defined broadly as the overallevaluation of one's life, as the overall quality of an employee's experience and functioningat work, including life satisfaction and positive affect which influence individualperformance (Grantet al., 2007; Li et al., 2014; Lu, 2001; Taris and Schreurs, 2009). Being happy is of great importance to most people,and happiness has been found to be a highly valuedgoal in most societies (Diener 2000). In the past two decades, a number of new constructshave emerged which reflect some form of happinessor positive affective experience in the workplace.What these constructs have in common is that allrefer to pleasant judgments (positive attitudes) orpleasant experiences (positive feelings, moods, emotions, flow states) at work.Job Demands-Resources theory as a reference point, it can be assumed that job resources (physical, psychological, social, or organizational characteristics of a job) stimulate positive attitudes such as engagement or organizational commitment (Schaufeli and Bakker, 2004). Warr (2007) laid out a series of motivational factors which relate to and interact with the work environment and which

influence happiness at work. Such factorsinclude the opportunity for personal control of one's own work, opportunity for personal skill use, variety, environmental clarity, contact with others, supportive supervision, career outlook, andequity.In a nutshell, employee well-being is defined broadly as the overallevaluation of one's life, as the overall quality of an employee's experience and functioningat work, including life satisfaction and positive affect which influence individualperformance (Grantet al., 2007; Li et al., 2014; Lu, 2001; Taris and Schreurs, 2009).

From the above discussion it was hypothesized that

H1: Employee Wellbeing has a significant and positive relationship between Work place climate.

H2: Employee Wellbeing has a significant and positive relationship between Job Involvement.

2.2. Job Involvement

Kahn (1990) highlighted this concept and defined job involvement as "organization member restrains himself to cope with job function and to match organizational character", so a person is constantly switching between his / her roles as an individual vs. a part of the organization. With a higher job involvement, one will put more efforts and energies in the work as self-employment, and will also have better self-expression in organizational character performance. Kahn had further classified job involvement into three domains. The first is the physical involvement, the second is cognitive involvement, and the last is emotional involvement. Thus, Job involvement can be simply defined as the degree towhich one values and identifies with his/her current job (Kanungo, 1982; Lodahl and Kejner, 1965; Riipinen, 1997). With higher degrees of job involvement, individualswould put more time and effort into their jobs. It is believed that whenemployees are happy and satisfied with their workplace including the work itselfas well as the surrounding environment, they would show higher levels of jobinvolvement. Earlier studies suggested that people with higher well-being tend to putmore efforts and engage more on their pursuit goals (Schaufeliet al., 2008).

From the above discussion it was hypothesized that:

H3: Job involvement has a significant and positive relationship between Organizational Performance.

2.3. Workplace Climate

Verbeke, Volgering, & Hessels (1998) claimed that there are 32 different definitions of workplace climate. Dutton & Dukerich (1991) stated that climate appears to be a more intimate set of attitudes, values, and beliefs that embraces a work unit. Bowen & Ostroff (2004) conceptualized workplace climate as two types: organizational climate and psychological climate. Employees could be affected by organizational climate, which is derived from perceptions of how the enterprise is regarding policies, routines, practices, and rewards. Psychological climate applies to employees in theirown specific work contexts, on the basis of the experiential-based evaluation of what people "see" and notify occurring to them as they are aware of their environment. According to Burke & Litwin (1992), a psychological state of workplace climate is a set of employees' perceptions on the local work unit, the way it is managed, and the interconnectedness of them to others. According to previous research, it is suggested that climate has positive impacts on performance regardless of various dimensions of climate across studies. Burke & Litwin (1992) regarded workplace climate as one of the transactional determinants that has a profound impact on motivation, and in turn affects job performance. Likewise, Griffith (2006) concluded that warm and supportive climate enhances job performance at the organizational level. As stated by Robert (2007), many studies by a plethora of scholars were indicative that workplace

climate not only correlates to but also has a crucial part to play on job performance. According to Holloway (2012) and Suliman & Obaidli (2013), a positive work climate triggers off motivation and high performance. Hence:
H 4: The better the workplace climate is, the higher is the job involvement.

3. Research Methodology:

3.1 Instrument Design

The measures of Employee wellbeing were adapted from questionnaires used in the studies from literature. The variables used in the Employee wellbeing measure were taken from Oxford Happiness Questionnaire (α = 0.908) by P. Hills and M. Argyle (2002) study which contained 10 items. The items on these construct indicated overall measure of happiness, with high scores indicatinggreater happiness. The variables in the Workplace Climate measure were taken from a short version of Organizational Climate Scale (CLIOR) (α = 0.821) with 5 items developed by Elsa et al. (2013). The Job involvement measures were taken from Kanungo's (1982) Job Involvement Questionnaire (JIQ) which contained five items from the JIQ scale. The scale reliability was (α= 0.814).The variables in the Organizational Performance measure are taken from Zohurul and Sununta (2009) and Lau and May (1998) which contained five items. For answers to the statements of the survey, a 5 point Likert scale ("1= strongly disagree, 2=Disagree, 3= no opinion, 4= agree, 5= strongly agree"). Judgment sampling, a non- probability sampling technique was used to select the respondents. There were 5 demographic questions pertaining to gender, age, education and experience added to the questionnaire.

3.2 Sample:

A self-administered questionnaire was used to collect data from a private concern. Employees were selected through convenience sampling from across various departments. Respondents were requested to participate in the survey. Data collection was done over a period of one month in February 2019. Out of 200 questionnaires distributed only a total of 172 completed questionnaires were collected back. However, there were some unfilled 14 unfilled questionnaires which were illegible and removed. So, finally 158 complete questionnaires were considered for the analysis.

3.3 Sample Profile:

The sample consisted of 31 percent females and 69 percent males. The age profile of the respondents was mostly younger aged where 57 percent of the respondents belonged to the age group of 31 to 40, 31.6 percent belonged to the age group of 21 to 30 years, and 8.9 percent belonged to the group of 41 to 50 whilst 2.5 percent belonged to the age group of 51 years and above. Most of the respondents were Post graduates (73.4 Percent) and graduates (19.6 percent) whereas 6.3 percent were professionally qualified and the other 6 percent were high school passed. Majority of them (46.8 percent) had an experience working since 5-8 years, 34.2 percent had the experience of working since 1-4 years, 13.3 percent had an experience of working since 9-13 years and 5.7 percent of the employees had an experience of working for more than 14 years.

4.0 Findings and Discussions:

To understand the applicability of Employee wellbeing measures, Job involvement, Workplace Climate, and Organizational Performance measures, exploratory factor analysis was run on the scales. Factor analysis identifies relevant factors **(Churchill et al, 2010)**. The result of factor analysis for employee wellbeing revealed six factors. Workplace Climate revealed three factors, similarly Job Involvement identified three factors and Organizational Performance identified five main factors. All the factor loadings were greater than > 0.5.and were able to meet Nunnally's (1978) desired score for scale development.

Confirmatory Factor Analysis (CFA) using SEM is used very widely foe refining and testing other sub-dimensions of construct validity (Graver and Mentzer, 1999). The **table II** gives the results of reliability test and CFA and the values are all within the threshold levels prescribed by Hair et al (1998). CFA indicated that all factor loadings and corresponding t- values were statistically significant ($p < 0.001$) and provided support for convergent validity. Cronbach Alpha values for scales ranged from 0.908 to 0.806 (**See Tables II).** Chi square significance level (p) for all factors is) 0.000. Goodness of fit indices were within the acceptable range (Hair Et al.1998). These outcomes confirmed the adequacy of the analysis. Following this procedure, a structural model was established in which the relationship between the identified factors could be tested as input variables. The objective of the research was to examine the relationship between Employee wellbeing measures, Workplace Climate, Job Involvement and Organizational Performance.

4.1 Structural Equation Model Analysis

SEM enables the estimation of a series of separate but interdependent, multiple regression equations simultaneously by specifying the structural model used by the statistical program (Hair et al, 1998). SEM provides information about the hypothesized impact both, directly from one variable to another ad via other variables positioned between the other two. The dimensions obtained through the validation process were carried forward as independent variables of the proposed model. In the model, relationships between all the factors obtained from factor analysis were considered independently. The analysis enabled causal relationships that existed between dimensions to be assessed. Standardized residual values for the model were around 0.09 suggesting a good model fit. The Chi square represented a significance level of ($X2 = 2.378$; $p = 0.00$) below the threshold of 0.05. Regarding goodness of fit parameters, the comparative Fit Index (CFI), and the Goodness of Fit Index (GFI) of).884> 0.90, implied strong uni-dimensionality (Hair et al, 1995). The Root mean square Error of Approximation (RMSEA) takes, into account the error of Approximation in the model (Byrne, 2010). This fit index ranges from 0.05 to 0.08 indicating good model fit. In the current study RMSEA = 0.09, GFI = 0.807, CFI = 0.884 (>0.90). These fit indices suggested good fit for the model to the data. (**Table no. IV**)

4.2 Causal Relationship findings:

Based on standardized path coefficients and significance levels, the hypothesized relationship between Employee Wellbeing and Work place climate is significant and positive. ($\beta = 0.535$, $p < 0.001$) the standardized path coefficients are significant. **H1 is thus accepted**. The second hypotheses states that Employee Wellbeing has a significant and positive relationship between Job Involvement. The standardized path coefficients and significance levels are significant. ($\beta = 0.294$, $p < 0.001$). **H2 Hypotheses also holds true and so is accepted.** The third hypotheses states that Job involvement has a significant and positive relationship between Organizational Performance. The standardized path coefficients and significance levels are significant ($\beta = 0.\ 498$, $p < 0.001$). Thus, **Hypotheses H3 is accepted**. The fourth hypotheses states that the better the workplace climate is, the higher is the job involvement. The standardized path coefficients and significance levels are significant ($\beta = 0.\ 599$, $p < 0.001$). Thus, **Hypotheses H4 is accepted**. (**Table no. V**)

4.3 Discussion

The previous research studies on Employee wellbeing and Workplace Climate signify a significant positive relationship. This research study also signifies a significant positive relationship in line with the previous researches. As employees work within a social

system, their mental and physical wellbeing is of utmost importance. This research study has helped to identify the relationship between employee wellbeing, workplace climate, Job involvement and Organizational Performance. Employee wellbeing positively influences work place climate and indirectly influences Job involvement. Workplace Climate directly influences Job Involvement and Job involvement in turn influences Organizational Performance. In terms of empirical contribution, it is for the first time that a research is carried out on employee wellbeing and its importance in a developing country. Employee wellbeing and work place climate have recently become important issues. Adopting employee friendly policies and creating a better working environment fosters higher employee wellbeing and highly satisfied employees in the Organization. In addition, earlier line of work holds true that happy employees are more productive (Harrison, 2006). Thus, this research paper highlights the importance of employee wellbeing on Organizational Performance.

5.0 Limitations and Future Research

These findings are very insightful for HR practitioners and Top managers. However, some limitations of the research study which can be noted are that the sample size is limiting the wider generalizability. Future research can be conducted with larger samples. There is a scope for further studies by adding more variables like Organizational Citizenship behaviour, employee commitment and also taking into account different aspects of employee wellbeing to provide a more holistic view of employee wellbeing.

Table I: Sample profile of the study QWL and is impact on OP

Variable	Categories	Frequency	%
Gender	Male	109	69
	Female	49	31
Age	21-30	50	31.6
	31-40	90	57.0
	41-50	14	8.9
	51 and Above	4	2.5
Marital status	Single	47	29.7
	Married	109	69
Education	High School	1	0.6
	Graduate	31	19.6
	Post-Graduate	116	73.4
	Professional	10	6.3
Experience	1-4 years	54	34.2
	5-8 years	74	46.8
	9-13 years	21	13.3
	More than 14 years	9	5.7

Table no. II Reliability of scales

Variable	Item	Corrected Item-to-total correlation	Cronbach's α	λ	AVE	Composite Reliability
EWB	EWB2	0.603	0.908	0.623	0.56	0.88
	EWB4	0.803		0.801		
	EWB5	0.816		0.821		
	EWB6	0.801		0.761		
	EWB7	0.687		0.689		
	EWB8	0.784		0.762		
Workplace Climate	WC1	0.628	0.821	0.746	0.54	0.78
	WC2	0.708		0.694		
	WC3	0.704		0.754		
Job Involvement	JI3	0.715	0.814	0.652	0.36	0.63
	JI4	0.7		0.625		
	JI5	0.586		0.523		
Organizational Performance	OP1	0.642	0.905	0.6	0.55	0.86
	OP2	0.777		0.759		
	OP3	0.846		0.817		
	OP4	0.769		0.719		
	OP5	0.835		0.801		

Table III Discriminant Validity				
	Sum_EWB	**Sum_WC**	**Sum_JI**	**Sum_OP**
Sum_EWB	**0.748**			
Sum_WC	.424**	**0.734**		
Sum_JI	.424**	1.000**	**0.6**	
Sum_OP	.415**	.500**	.500**	**0.707**

** Correlation is significant at the 0.01 level (2-tailed).

(Table IV)

Explanatory power and fit indices of models.

Fit Indices and R2	Recommended Value
X^2	420.937
df	177
X^2/df	2.378
GFI	0.807
CFI	0.884
TLI	0.862
RMSEA	0.094
R^2	0.56

(Table V) SEM Results of the Model

Paths	Coefficients (β)	t-Value	Direct Effect	Indirect Effect	Total Effect	Hypothesis Supported
EWB-WC	0.535	5.836	0.535	-	0.535	**Supported***
EWB-JI	0.294	2.949	0.294	0.266	0.561	**Supported****
WC-JI	0.498	4.533	0.498	-	0.498	**Supported***
JI-OP	.599	5.639	0.599	-	0.599	**Supported***

*supported at 0.001 percent significance level

**supported at 0.005 percent significance level

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