Human Resource Practices and Work Environment As Contributory Variables to Employee Morale

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ABSTRACT

This study was a response to the apparent dearth of studies into human resource practices and work environments as predictors of employee morale among multi-purpose cooperatives in Region 11, Philippines. Employee morale is crucial for the overall success and well-being of an organization. It refers to the level of enthusiasm, satisfaction, and overall emotional well-being of employees in the workplace. Studying the influence of human resource practices and work environments on employee morale in cooperatives is beneficial not just to the participants and the cooperatives but also to society as a whole, since cooperatives are practical vehicles for promoting self-reliance and harnessing people's power towards the attainment of economic development and social justice. With the use of survey questionnaires and appropriate statistical methods, findings showed that the level of human resource practices and the work environment were very high, while employee morale was at a high level. Results further exhibited that human resource practices and the work environment in their individual capacities can significantly influence employee morale. Additionally, the results showed that the work environment best predicts employee morale.

KEYWORDS: Business management, employee morale, human resource practices, work environment, multi-purpose cooperative, quantitative, Philippines

INTRODUCTION

Employee morale is a key factor in institutional success (Noor & Ampornstira, 2019). Employee morale plays a major role in setting a healthy work place and achieving high productivity (Fard, Ghatari, & Hasiri, 2010). Employee morale is important in an organization since it improves productivity, performance, creativity, reduces number of leave days, pays higher attention, provides safe workplace and improves quality of work (Millet, 2010).

Low morale can gradually destroy employees' commitment, adversely affect the product or service they offer, and alienate the clients and customers they serve (Millett, 2010). Blankenship (2014) reported that failure to improve morale issues in the workplace may result in the following: decreased productivity, high rates of absenteeism and conflict, employee turnover, loss of competitive advantage in the market, etc. Lee, Scheunemann, Hall and Payne (2012) found that low morale is one of the biggest trends and issues of the Illinois Park and Recreation Association (IPRA) members. Low

productivity and loss of competitiveness are outcomes of low morale and may sometimes lead to further undesired symptoms such as absenteeism and sabotage (Shaban, Al-Zubi, Ali &Alqotaish, 2017).

Therefore, addressing the employee morale of the multipurpose cooperatives can lead to its organizational success and to the attainment of its overall purpose of being a practical vehicle for promoting self-reliance and harnessing people power towards the attainment of economic development and social justice (Republic Act 6938, also known as the Cooperative Code of the Philippines) which will not only be beneficial to the participants, but also to the society as a whole.

The dearth of published studies on the influence of human resource practices and work environments on the employee morale of multi-purpose cooperatives in Region XI prompted the researcher to conduct the study. This is a source for investigating the relationship between human resource practices, work environment, and employee morale in any multi-purpose cooperative.

Study Objective. The objective of the study was to determine the influence of human resource practices and work environments on the employee morale of multi-purpose cooperatives in Region XI.

METHODS

Research Design. The researcher used a correlational research method to determine any relationship between human resource practices and employee morale; and between work environment and employee morale. A correlational research design describes and measures the degree or association (or relationship) between two or more variables or sets of scores (Creswell, 2014). A correlational research design allows for evaluation of variables, which may affect the outcome.

Research Locale. The study was conducted in different Cooperative Development Authority (CDA)- registered multi-purpose cooperatives in Davao region, in municipalities and cities of the said region. Specifically, this study was conducted in 10 multi-purpose cooperatives in Region XI.

Sampling and Respondents of the Study. There were 400 regular employees of multi-purpose cooperatives in Region XI who participated in this study. These employees came from different multi- purpose cooperative that are registered with the CDA. The sample size was based on the maximum sample of 400 using Slovin's formula with a margin of error of .05. Purposive sampling was employed to select the research participant. This method is a sampling technique in which researcher relies on his personal judgement when choosing employees of population to participate in the study (Fraenkel & Wallen, 2010).

Research Instrument. In order to generate the quantitative data, the researcher used a set of survey questionnaire. It was adopted from the studies of Parilla (2013), Manu (2015), and Turner (2013). The survey questionnaires consist of four parts which were answered by the employees of multi-purpose cooperatives in Region XI being the target respondents of this study. Part I focuses on the demographic profile of the respondents; Part II, focuses on the human resource practices; Part III focuses on the work environment; Part IV focuses on the employee morale. Quratulain and Khan

(2015) supported the use of surveys responded by participants to measure variables in a correlational research design. They stated that a quantitative method incorporates scientific methods measured numerically to explain social phenomena.

Furthermore, a pilot test was conducted to test the validity of the instrument.

Data Gathering Procedure. After obtaining the necessary approvals, the researcher made use of enumerators to coordinate with the supervisors or heads of the office in securing an informed consent from the participants as well as during the administration of the survey questionnaires. Questions and clarifications related to the survey were entertained. The survey questionnaires were administered personally by the enumerators. The respondents were given enough time to answer the survey questionnaires on their vacant period. The answered survey questionnaires were retrieved by the enumerators for analysis.

Data Analysis. The researcher analyzed and interpreted the data using the identified statistical tools: mean, standard deviation, Pearson-r, regression analysis in order to determine the contribution of human resource practices and work environment towards employee morale.

Ethical Consideration. To ensure that the respondents were protected in this study, it was submitted to the University of Immaculate Conception Research Ethics Committee (UIC-REC) for full board review on the ethical aspects of the investigation. A strict adherence to the principles of respect for persons, beneficence and justice were considered. Specifically, this study sought to abide with the 10 dimensions of research ethics that include social value, informed consent, vulnerability issues, risk-benefit ratio, privacy and confidentiality of information, justice, transparency, qualification of the researchers, adequacy of facilities and community involvement.

RESULTS AND DISCUSION

Table 1 reveals the status of human resource practices through descriptive statistics of the means and standard deviations. The overall human resource practices of multi-purpose cooperatives in Region XI, in terms of job orientation, compensation and fringe benefits, working condition and motivation, as evaluated by respondents, got a very high overall mean of 4.49. This indicates that human resource practices in multi- purpose cooperatives in Region XI are very highly practiced. In addition, the standard deviation of human resource practices is 0.43 which denotes that there is consistency of responses and homogeneity of results. Table 1 also shows that *Work Environment* has a *very high* descriptive level with a total mean score of

4.32. This means that the *work environment* in multi-purpose cooperatives, as rated by the respondents, is *highly conducive*. In addition, the standard deviation of work environment is 0.49 which denotes that there is consistency of responses and homogeneity of results.

Table 1. Status of Human Resource Practices, Work Environment and Employee Morale

Latent Variables / Observed Variables	SD	Mean	Descriptive Level
Human Resource Practices	**0.43**	**4.49**	**Very high**
Job Orientation	0.47	4.60	Very high
Compensation and Fringe Benefits	0.59	4.40	Very high
Working Condition	0.53	4.42	Very high
Motivation	0.53	4.52	Very high
Work Environment	**0.49**	**4.32**	**Very high**
Physical Work Environment	0.51	4.32	Very high
Psychological Work Environment	0.55	4.34	Very high
Social Work Environment	0.53	4.35	Very high
Administrative Work Environment	0.58	4.27	Very high
Employee Morale	**0.53**	**4.19**	**High**
Workload	0.55	4.17	High
Employee Recognition	0.70	4.16	High
Staff Camaraderie	0.68	4.34	Very high
Staff Professional Development	0.69	4.30	Very high
Residential Climate	0.66	4.23	Very high
Leadership Style of the Supervisor	0.62	4.30	Very high
Stress	0.75	3.73	High
Job Satisfaction	0.62	4.26	Very high

It is also presented in Table 1 that *Employee Morale* has a *high* descriptive level with an overall mean score of 4.19. This means that the employee morale in multi-purpose cooperatives in Region XI, as rated by the respondents, is positive. In addition, the standard deviation of *Employee Morale* is 0.53 which denotes that there is consistency of responses and homogeneity of results.

Table 2. Correlation between Human Resource Practices, Work Environment and Employee Morale

Variables Paired with Employee Morale	r	p-value	Remarks
Human resource practices	.70	.00	Significant
Work Environment	.82	.00	Significant

Table 2 shows the correlation between human resource practices and employee morale and between work environment and employee morale. Correlation is necessary as prelude to regression needed to determine the influence aspect. It can be observed that there is a significant correlation between human resources practices and employee morale and between work environment and employee morale (p<.05) with r value ranging from .70 to .82. The result therefore warrants the use of regression analysis.

In Table 3, the multiple regression analysis on the influence of human resource practices and work environment on employee morale are presented. This is to describe the statistical relationship between the two independent variables and the dependent variable.

It is also presented in Table 3 that the human resource practices and work environment on its individual capacity can significantly influence the employee morale (p<.05). The beta coefficient implies that a unit increase in human resource practices can lead to 0.15 increase in employee morale. Also, for every unit increase in work environment can result to 0.70 increase in employee morale.

Table 3. Multiple Regression Analysis on the Influencers of Human Resource Practices and Work Environment on Employee Morale

Variables	Standard Coefficient Beta	p-value	t	Remarks
Human resource practices	.15	.00	3.51	significant
Work Environment	.70	.00	16.24	significant
r^2= .683				
F= 448.67				
p= .00				

As a model, the r^2 of .683 connotes that 68.3% of the variation of the employee morale can be attributed to the combined influence of human resource practices and work environment. This result implies that other variables equivalent to 31.7% that may significantly influence employee morale was not covered in this study.

Result shows a very high level of human resource practices with the indicators job orientation, compensation and fringe benefits, working condition, and motivation. This means that indicators of this variable are very highly practiced in multi-purpose cooperatives. This supports Jafir's (2012) findings that HR Practices results in different outcomes like improved employee morale.

This result is also similar to the idea of Anand and Balu (2018) that human resource practices have a huge impact on employee morale. Additionally, the study of Jacobs (2014) revealed that if a manager is trying to increase job satisfaction, job performance, and ultimately employee morale, the most direct approach to doing this is to work on the intrinsic, motivating factors. Giving the employee encouragement and recognition helps him or her feel more valued within the organization, as well as giving them a sense of achievement and responsibility.

Also, the result shows a *very high* level of work environment. This means that the employees of multi- purpose cooperatives strongly agree that the working environment of the multi-purpose cooperatives is highly conducive. Furthermore, this means that the work environment plays an essential role in motivating employees to carry out their assigned tasks, as employees operating surroundings significantly influence their productivity and overall job satisfaction.

The result supports the study of Arunchand and Ramanathan (2013), which found that employee morale describes the overall outlook, attitude, satisfaction, and confidence that employees feel at work. When employees are positive about their work environment and believe that they can meet their most important needs at work, their employee morale gets boosted.

Moreover, the result shows a high level of employee morale. This means that the employees agree that their perception of the multi-purpose cooperative is positive. Furthermore, it means that when an employee feels good and satisfied about his or her work environment, he or she will have high employee morale. These findings are consistent with those of Leblebici (2012), who indicated that a positive atmosphere and comfortable physical environment in workplaces are important elements in maintaining and improving employee morale.

The results of the study further revealed that the work environment is the best predictor of employee morale, as evidenced by the statistical results. This implies that employee morale is high if they are provided with a good working environment. The working environment includes the physical, psychological, social, and administrative aspects of the work environment.

The findings are in consonance with the study of Raziq and Maulabakhsh (2014) that businesses need to realize the importance of a good working environment for maximizing the level of job satisfaction, as satisfied employees are reported to have high morale.

CONCLUSIONS

The study participants manifested a very high level of human resource practices and work environment, and a high level of employee morale. This indicates that employees of multi-purpose cooperatives in Region XI have observed the measures of the variables most of the time. When correlated, it was found that, in aggregate and singular capacity, human resource practices and the work environment had a significant statistical relationship with employee morale. It is likewise concluded that the best predictor of employee morale is the work environment, as supported by the high beta coefficient value.

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