MultiNational Corporations work environment of brewing firms and employees productivity

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Abstract
This study examined the multinational work environment and employee productivity by examining if the elements conducive work environment assists MNCs (multinational corporations) employee to be motivated at work and if the provision of infrastructural facilities have a significant relationship on employee satisfaction that affect employee productivity. The data required for this study was gotten through the instrument of questionnaire. One hundred and twenty four (124) copies of questionnaire were administered out of which one hundred and thirteen (113) were retrieved for analysis. Three hypotheses were formulated from the structured research questions. Regression and correlational analysis were used to test the hypotheses through the statistical package for Social Sciences (SPSS 18.0). The result showed that conducive work environment assists MNCs employee to be motivated at work (R2 = 0.546, at P < 0.05) and that provision of infrastructural facilities have a significant relationship on employee satisfaction (0.699, at P < 0.05). The study therefore recommends among others that that organization should see conducive environment and infrastructural development as a way of helping
them to continue being in businesses rather than seeing it as a means of luxury
to achieve their desires because it has been proven that infrastructural facility
development has assisted in enhancing employee satisfaction.

**Keywords**
Conducive Environment; Infrastructural facilities; Motivation; Satisfaction

**Introduction**

Employee productivity is critical for a company’s overall performance, creating a Work environment in which employees are productive is essential to increased profits in an organization, corporation or small business. The concept of productivity can be viewed from two perspectives; an employees’ personal motivation and the work environment; employees’ personal motivation refers to motivation that is driven by an interest or enjoyment in the task itself, and exists within the individual rather than relying on any external pleasure. This is called intrinsic motivation and it is based on taking pleasure in an activity rather than working towards an external reward and it has been observed that employees that are motivated personally are more likely to engage in task willingly as well as work to improve their skills, which will increase their capabilities and productivity, working environment according to [1] refers to all the immediate task and national environment where an organization drawn its inputs, processed it and returned the output inform of product or services for public consumption.

The work environment is sometimes called the support environment or the infrastructure. It is the work environment for both development and operations and may include facilities, tools, communication systems, procedures, office equipment etc. It is of importance to know that a good or healthy work environment must take into consideration the culture of the work place, which in turn reflects the attitudes and behaviours of its employees. Providing employees with the right acknowledgement and allowing tractability in their agenda leads to increased feelings of control and sense of belonging in the work environment.

In Nigeria today, the state of workers is far from ideal. Employees in the private companies (foreign) have good offices and facilities, health care and wages, but it is not the
same for most of the others especially the public sector. Strikes and industrial actions are frequent in Nigeria arising from leadership struggles, ideological differences and improved working conditions. Clement [2] and Stanley [3] reported that worker’s perception of work itself and interpersonal relations of workplace tend to influence their morale.

This study examines the comprehensive analysis between the work environment and Workers’ productivity. It is observed that workers tend to be more productive in a well facilitated work environment; the quality of comfort gotten from the work environment influences the level of utility and productivity. Therefore workers cannot be productive if the state of the work environment is not favourable or acceptable.

**Statement of research problem**

The performance of an organization which determines its survival and growth depends to a very large extent on the productivity of its manpower. There are lots of unattended problems regarding workers’ productivity in organizations today. One of these problems is the inability to provide and secure a good and conducive work environment for the employees. This has been a serious issue in many organizations in Nigeria today, due to that the fact the organizations expect increased productivity from employees but lack the adequate incentive to drive that. The employee’s perception of a work environment is an environment with tranquillity; they should feel safe and secure while working. Lighting, adequate windows, air circulation, and privacy are other elements that constitute an adequate work environment; workers are happier and are likely to feel respected and appreciated when they have private, adequate workspace. The inability of such work environment to provide these decreases the motivation of employees in the organization; that is the willingness to do something, such organization finds themselves disfavoured because the work environment doesn’t provide enough motivation to enhance the productivity of the workers thereby reducing organizational productivity.

Provision of infrastructural facilities in these organizations by management, government or business owners has not been fully met. Infrastructural facilities can be regarded as a building or place that provides a particular service without difficulty or a service that an organization or piece of equipment offers. It is provided to ease work load or task in the work environment. Provision of plants and machinery is one way of adding liveability, hominess and improve the quality of air in the workplace. When management or business
owners can’t provide adequate facilities, employees are displeased with work and job satisfaction is reduced. This research therefore seeks to examine the effect of conducive work environment and infrastructural facilities provision on employees’ job satisfaction.

Based on the above-mentioned objectives, the following hypotheses were developed for the purpose of this research:

H01: There is no significant effect of conducive work environment on employee motivation.

H02: There is no significant relationship between infrastructural facilities and employee satisfaction.

Material and method

Conceptual framework - overview of work environment

The environment is man’s immediate surrounding which he manipulates for his existence. Wrongful manipulation introduces hazards that make the environments unsafe and impede the productivity rate of the worker. Therefore, the workplace entails an environment in which the worker performs his work [4] while an effective workplace is an environment where results can be achieved as expected by management [5,6]. Physical environment affect how employees in an organization interact, perform tasks, and are led. Physical environment as an aspect of the work environment have directly affected the human sense and subtly changed interpersonal interactions and thus productivity. This is so because the characteristics of a room or a place of meeting for a group have consequences regarding productivity and satisfaction level. The workplace environment is the most critical factor in keeping an employee satisfied in today’s business world. Today’s workplace is different, diverse, and constantly changing. The typical employer/employee relationship of old has been turned upside down. Workers are living in a growing economy and have almost limitless job opportunities. This combination of factors has created an environment where the business needs its employees more than the employees need the business [7].

Longman dictionary of contemporary English (2003) defines work environment as “all the situation, events, people etc that influence the way in which people live or work” while “work” is defined as “a job you are paid to do or an activity that you do regularly to earn
money”. Accordingly, Kohun [8] defines work environment as “an entirely” which comprises the totality of forces, actions and other influential factors that are currently and, or potentially contending with the employee’s activities and performance. Work environment is the sum of the inter relationship that exists within the employees and between the employees and the environment in which the employees work. Brenner [9] was of the opinion that “the ability to share knowledge throughout organizations depends on how the work environment is designed to enable organizations to utilize work environment as if it were an asset. This helps organizations to improve effectiveness and allow employees to benefit from collective knowledge”. In addition, Brenner [9] argued that work environment designed to suit employee’s satisfaction and free flow of exchange of ideas is a better medium of motivating employees towards higher productivity. Work environment when appropriately designed, motivates employees toward higher productivity. To attain the objective, management of any organization must identify those factors both in employment situation and in the psychology of the workers that best motivated them and to see to the provision of such factors in order to boost productivity. The work environment according to [10] is a composite of three major sub environments viz: the technical environment, the human environment and the organizational environment. Technical environment refers to tools, equipment, technological infrastructure and other physical or technical elements. This environment creates elements that enable employees perform their respective responsibilities and activities. The human environment refers to peers, others with whom employees relates, team and work groups, interactional issues, the leadership and management. Human environment is designed in such a manner that encourages informal interaction in the work place so that the opportunity to share knowledge and exchange ideas could be enhanced. This is a basis to attain maximum productivity. Organizational environment include, systems, procedures, practices, values and philosophies. Management has control over organizational environment. For instance, measurement system where people are rewarded on quantity hence workers will have little interest in helping those workers who are trying to improve quality.

There are two types of work environment according to [11], which are conducive and toxic work environments. Conducive work environment gives pleasurable experience to employees and enable them to actualize their abilities and behaviour. This type of environment also reinforces self-actualizing behaviours. For instance, an irresponsible employee can change into a responsible employee in conducive work environment. Toxic
work environment gives unpleasant experiences and at the same time, affects employees’ behaviour. This environment reinforces low self-actualizing behaviours and it leads to the development of negative traits of the employees’ behaviour. In toxic work environment, responsible and sensible employee can change into irrational and irresponsible employee as a survival strategy.

Kyko [11] identified six factors which contribute to a toxic work environment hence contributing to low productivity of workers. The factors are: opaque management, biased boss, and company’s policies, working conditions, interpersonal relationship and pay. Mali [12] sees productivity as “the measure of how resources are brought together in organizations and utilized for accomplishing a set of results. Productivity is reaching the highest level of performance with least expenditure of resources. The term employee productivity is commonly used to refer to the volume of goods and services produced or rendered per employee within some specific unit of time (year, month, week, day or hour). Productivity is seen as the power of employees, that is, ability of employee to turnout used values (goods and services) which can be normal at a given state, technique and organization [13]. Lambert [14] was able to show in his findings that” it is the number of management functions in the work environment which appear to have been the key factor inhibiting higher productivity”. Accordingly, he identified the management functions as: provision of adequate fringe benefits, supervision, work method and organization. Nwachukwu [13] also identified supervision, subordinates, the environment and outcome as the major variables that influence productivity. According to Cecunc [15], productivity is referred to as “an index expressed as the ratio of output over input [16,17]. Lambert [14] opines that “labour productivity is rarely measured directly but inferred from changes in employees’ attitude and behaviour such as organizational commitment, organizational citizenship behaviour and job satisfaction”.

Work environment includes some factors, which either contributes positively or negatively to achieving maximum employee productivity [18]. We cannot measure the effectiveness of a job design without the knowledge of the working environment in which the design is place it is part of total picture. The factors which either contributes positively or negatively to employee productivity are: temperature, humidity and air flow, noise, lighting, employee personal aspects, contaminants and hazards in the working environment, types of sub environment. Brenner [9] in a work place index survey conducted for steel case itemized what employees want and perceived to help their productivity in the work environment as
better lighting, creative methods for assessing space, personalization, more impromptu meeting for work well done and involvement in the decision that impact their day to day lives at work. An organization that want to ensure employee productivity improvements will exploit those tools used for managing the work environment in which such employees work. An effective work environment management entails making work environment attractive, creative, comfortable, satisfactory and motivating to employees so as to give employees a sense of pride and purpose in what they do. The following are some of the tools used to manage work environment to improve productivity. Noise control, contaminants and hazard control, enhancing friendly and encouraging human environment, job fit, rewards, feedback, work environment modelling, creating qualitative work life concepts and making physical working conditions favourable [10,15,18]. Brenner [9] argued for modelling of work environment to improve employees’ productivity calls for management responsibilities of holding everything together, improving motivation and creating commitment in the work environment.

**Theoretical framework**

The following theories are related to the concept of work environment which refers to a sum of the inter relationship that exists within the employees and between the employees and the environment in which the employees work. The theories include:

a. Holland’s Person Environment Fit Theory: Holland’s theory describes the nature or disposition of the individual worker. He uses six basic personality-interest types and classifies the composition of the work environments in which those individuals function, according to a parallel set of constructs. The interaction of certain types (and subtype combinations) with specific environments predicts and explains the behaviour and interactions that occur in those environments (satisfaction, stability, performance, and so on). This model of person-environment fit implies some change and adjustment in people and in the environments in which they work [19-20]. The individual is viewed as a relatively stable entity [21] who moves in and out of environments rationally when the perceived fit is no longer optimal.

b. Herzberg-Hygiene Theory of Motivation: Herzberg hygiene theory of 1966 identified satisfaction/no-satisfaction factors and dissatisfaction/no-
dissatisfaction factors as the determinants of staff motivation and staff contentment at work respectively. Satisfaction/no-satisfaction related factors motivate and/or de-motivate workers, while dissatisfaction/no-dissatisfaction factors provide hygienic and conducive working environment or non-hygienic and non-conducive working environment, which could either eliminate or encourage workers’ complaints about working conditions. Jaafar, Jaffar, Ramayah and Zainal [23] affirm that hygiene issues can minimize dissatisfaction if handled properly and can only dissatisfy if they are absent.

**Empirical framework**

Akinyele [24] on the influence of work environment on workers’ productivity in Nigeria Oil and gas industry pointed that the need to provide a safe work environment for employees has had a long history in human resource management. It is acknowledged that work systems cannot only affect commitment, competence, cost effectiveness and congruence but also have long term consequence for workers’ well being; there is some evidence to indicate that work systems designs may have effects on physical health, mental health and longevity of life itself. Conducive work environment ensures the wellbeing of employees which invariably will enable them exert themselves to their roles with all vigour that may translate to higher productivity.

A large number of work environment studies have also shown that workers/users are satisfied with reference to specific workspace features. These features preference by users are highly significant to their productivity and workspace satisfaction, they are lighting, ventilation rates, access to natural light and acoustic environment [25-26]. Lighting and other factors like ergonomic furniture has been found to have positive influence on employees health [25-27] and consequently on productivity.

Evidences by (Keeling and Kallaus 1996), the office environment in which employees work and undertake most of their activities can impact on their productivity. The quality and quantity of work generated by employees are influenced by the office environment while Quible [28] points out that poor environmental conditions can cause inefficient worker productivity as well as reduce their job satisfaction, which in turn will impact on the financial well-being of the organisation. Extensive research concerning the effect of an unfavourable workplace environment on employee productivity has been undertaken worldwide. The
majority of research found that there were several elements known to contribute both positively and negatively to productivity.

**Methodology**

The study adopted a survey design technique and drafted a series of questions for the corporations involved. However, for this research, the Yard’s formula was used to determine the sample size. This is calculated below:

The Yard’s Formula: \( n = \frac{N}{1 + Ne^2} \)

where: \( n \) = sample size, \( N \) = population, \( e \) = margin of error (0.05)

Therefore to determine the sample size of this research, the researcher made use of the estimated population of 180 employees. Substituting in the formula above, we have the sample size determination:

Therefore:

\[
N = \frac{180}{1 + 180 (0.05)^2}
\]

\[
n = 124
\]

The sample size of this research is 124 respondents from the population. This is because the nature of this research seeks to collect data from the direct participants of the research project.

The Cronbach’s Alpha coefficient is .782 for the 25 items that were analyzed together. It therefore indicates that the research instrument used for this study is reliable as it is more than generally accepted reliable score of 0.7.

**Results and discussion**

113 (91%) of the respondents filled and returned the questionnaire administered, whereas 11 (9%) of the respondents did not return the questionnaire.

**Hypothesis one**

H01: There is no significant effect of conducive work environment on employee motivation. The results related with this hypothesis are given in Table 1-3.
Tabel 1. Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.739(^a)</td>
<td>0.546</td>
<td>0.542</td>
<td>0.49538</td>
</tr>
</tbody>
</table>

**Predictors:** (Constant), Plc employment policies have effect on my motivation at work

**Table 2. ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>32.770</td>
<td>1</td>
<td>32.770</td>
<td>133.534</td>
<td>0.000(^a)</td>
</tr>
<tr>
<td>Residual</td>
<td>27.240</td>
<td>111</td>
<td>0.245</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>60.010</td>
<td>112</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Predictors:** (Constant), employment policies have effect on my motivation at work

| Dependent Variable: WORKMOTIVATION |

The results from the model summary table above revealed that the extent to which the variance in conducive work environment can be explained by work motivation is 54.6% i.e. (R square = 0.546). The ANOVA table shows the Fcal to be 133.534 at 0.0001 significance level. The implication is that conducive work environment significantly affects work motivation.

**Table 3. Results on correlation analysis**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>2.240</td>
<td>0.151</td>
<td>14.825</td>
<td>0.000</td>
</tr>
<tr>
<td>employment policies have effect on my motivation at work</td>
<td>0.460</td>
<td>0.040</td>
<td>0.739</td>
<td>11.556</td>
</tr>
</tbody>
</table>

**Dependent Variable:** WORKMOTIVATION

The coefficient table above shows the simple model that expresses the extent to which conducive work environment affects work motivation. The model is shown mathematically as follows;

\[ Y = a + bx \]

where \( y \) is work motivation and \( x \) is conducive work environment, ‘a’ is a constant factor and \( b \) is the value of coefficient. From this table therefore, WORKMOTIVATION = 2.240 +0.460 conducive work environment. This means that for every 100% change in work motivation, conducive work environment is responsible for 46% of the change.

The significance level below 0.01 implies a statistical confidence of above 99%. This implies that conducive work environment affects work motivation. Thus, the decision would
be to reject the null hypothesis (H0), and accept the alternative hypothesis (H1).

**Hypothesis Two**

H02: There is no significant relationship between infrastructural facilities and employee satisfaction.

Job satisfaction proved significantly correlated with the infrastructural facilities in the organization generates job satisfaction for me \((R=0.699, p<0.0001, n=113)\).

The significance level below 0.01 implies a statistical confidence of above 99%. This implies that infrastructural facilities in organizations have significant relationship on the job satisfaction of employees. Therefore, the decision would be to reject the null hypothesis (H0), and accept the alternative hypothesis (H1).

**Theoretical findings**

The theoretical findings reveal that the conducive work environment of organizations enhances the productivity of employees by making the work place convenient for employees. This conducive work environment relating to performance has transformed many businesses and as resulted into more adoption of the technique by production companies. The advantages of using conducive work environment have given new impetus in dimensions of product quality and efficient service delivery. Companies are offering new choices to customers. In addition to this, the following were also revealed in the theoretical findings given below.

According to [19,20], “The The individual is viewed as a relatively stable entity, the more he/she feels fit for the work the more they will be convinced that the corporation now knows his/her expectations and neglects them intentionally when necessary”. Research also shows that employees always have a perception of an organization product and their desired expectations and also base judgement of satisfaction on such attribution behaviour.

 Employees act like amateur (“naïve”), psychologists have been trying to understand why people do the things they do. The presumption of the theory is that the way in which one interprets the actions of others will determine how one interacts with others. Operating in the brewery industry is about interactions and relationship building between the organization and the customers through brand loyalty. Management of this relationship processes is essential in the management of employees in production capacities.

Jaffar et al. [23] affirm that hygiene issues can minimize dissatisfaction if handled
properly and can only dissatisfy if they are absent. They perceive discrepancies between performance and prior beliefs and they tend to adjust perceptions to their expectations in order to minimize, or even remove, that tension. In these circumstances, expectations are a driver of satisfaction, that is to say, the association of high expectations with a slight positive disconfirmation (satisfaction slightly exceeds high expectations and does not reach low expectations) because it could lead to underestimations or overestimations of employees satisfaction. Contrast theory suggests that when consumers perceive a discrepancy between product expectations and outcome, they will magnify the difference.

DeSanctis & Poole [29] also pointed that resources and constraints afforded by the organizational environment (such as budgets, political pressures, history of task accomplishment, and cultural beliefs) also affect the overall design of work. An unfavourable policy will be perceived as unfair and create low satisfaction with employees. A favourable policy in the organization will be perceived as fair and thus create positive satisfaction with employees to perform better.

**Empirical findings**

These findings were gotten from the data analyzed from the different sections apart from that of the bio-data. These findings are explained below as the following:

The study found that conducive work environment has significant impact on motivation of employees in the brewery company to increase sales turnover of their business. Indicating that when employees are motivated, customers are treated well and they have the tendencies of introducing the product of purchase to other customers that needs such products and the way customers are treated have a long way of creating good relationship that makes customers give good impression about the company.

Becker and Huselid [30] have proposed that intervening variables such as employee skills, employee motivation, job design and work structure link operating performance, which in turn influences profits and market value. Boudreau [31] has found capability, opportunity and motivation as intermediary variables for individual performance, which results in organizational success. This is tangential to the findings of this study that favourable policies that make employees to develop themselves affects the progress of the company.

Veitch et al. has proven that workers/users are satisfied with reference to specific workspace features [32]. These features preference by users are highly significant to their
productivity and workspace satisfaction, they are lighting, ventilation rates, access to natural light and acoustic environment which is also reflected in the hypothesis testing of this work that infrastructural facilities in organizations has a significant relationship on employee job satisfaction. Therefore the work place is expected to be a place where employees would find suitable to achieve corporate objectives.

**Conclusion**

Businesses in today’s competitive environment cannot succeed as desired without the consideration of a conducive work environment for employees, customers in the brewery line of business like to be treated as friend with empathy and confidentiality and dignity. This study is an important study that helps to evaluate the effects of ‘conducive work environment’ on organizational performance considering brewery employees in Nigeria. The study found that business enterprises that have conducive work environment have the tendencies of performing better in business than other competitors.

This study provides framework for brewery business organizations to know the basis of adopting certain environmental safe keep strategies to encourage the loyalty of employees and enhance market share of the organization to be on profit in other to sustain market growth and leadership that would make the firm be in business perpetually.

Based on the findings of the study, the following recommendations can be summarized;

The findings in this study have shown that conducive work environment have a convincing way of impacting on the motivation of employees at work to increase sales turnover of their business. Therefore it is important for brewery firms to learn more innovative ways of pleasing and satisfying the needs of employees.

This study also recommends that organization should see infrastructural development as a way of helping them to continue being in businesses rather than seeing it as a means of luxury to achieve their desires because it has been proven that infrastructural facility development has assisted in enhancing employee satisfaction.

Leadership styles should be seen as an integral part of an organization and must give room for personal development of staff to offer their best services to customers because
Leadership styles has been proven to boost employee morale at work which could in turn increase profitability.

Organizations should ensure that their corporations adopt innovative employment policies to increase the efficiency and speed of operations in order to be able to deal with the large numbers of customers that the organization will be dealing with as they grow further.

References


