

**YANGON UNIVERSITY OF ECONOMICS**

**DEPARTMENT OF COMMERCE**

**DETERMINANTS OF EMPLOYEE ENGAGEMENT**

**IN MAX ENERGY Co., Ltd**


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**NOVEMBER, 2018**

## ACCEPTANCE

Accepted by the Board of Examiners of the Department of Commerce,  
Yangon University of Economics, in partial fulfillment for the requirements of the  
Master Degree, Master of Commerce.


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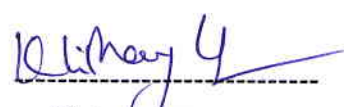
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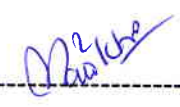
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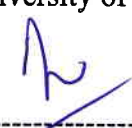
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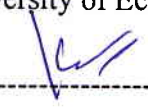
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**DETERMINANTS OF EMPLOYEE ENGAGEMENT  
IN MAX ENERGY Co., Ltd**

This Thesis is submitted to the Board of Examiners in Partial Fulfillment of the  
Requirements for Degree of Master of Commerce (M.Com)

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## ABSTRACT

This study focuses on the employee engagement practices in Max Energy Co., Ltd. It aims to identify the employee engagement practices and to analyze the most influencing factor on employee engagement in Max Energy Co., Ltd. The sample size of 140 employees in gas filling stations of Max Energy Company was interviewed with structured questionnaires and face-to-face interviewed. This study used simple random sampling (SRS) method. Descriptive research method is applied in this study. To analyze the collected data, correlation and the statistical analysis of Statistical Package for Social Science were applied. As a result, the mean values of engagement practices used for employees are round about good situation. Rewards and recognition factor has a strongly correlation with employee engagement on the workplace. It is found that most of the employees have the potential to be engaged persons to the workplace and company focus on reward and recognition to retain employees. There are a few requirements in job characteristics to retain engaged persons. As a result, employees need skill variety to become talent employees.

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## LIST OF ABBREVIATIONS

EE	Employee Engagement
MEC	Max Energy Company
SBU	Strategic Business Units
QMS	Quality Measurement System
SAP	Systems Applications and Products
POS	Point of Sale

# CHAPTER I

## INTRODUCTION

Every organization wanted to success and influence in their industry. So, they found many useful ways to achieve their success and finally they realized that they can be taken out by their human, exactly organization's people or employees. Employees are very important inputs in the service industry. Their skills, roles and satisfaction at the work place influence the competitive edge of the firm within the industry. For employee to play their part effectively, it is important that they are satisfied, motivated and managed in a way that enhances their level of engagement with the employer. The engagement of employee is the competitive advantage of the organization.

The challenge today is not only just retaining talented people, but fully engaging them, capturing their minds and hearts at each stage of their work lives. By engaging their employees they can improve levels of productivity, job satisfaction, motivation, commitment, and reduce turnover rates (Rothmann, 2010). Today, most organizations become noticed that loyal, satisfied, or engaged employees are genuinely the fuel to achieve the goals of organizations.

Employee engagement was firstly introduced by the Khan (1990) that "harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performance". Employee engagement can be defined as a set of positive attitudes and behaviors enabling high job performance of a kind which is in tune with the organization's mission (John Storey et al., 2009). This definition is carefully constructed to reflect the fact that engagement in the sense is different from job satisfaction, which on its own may not be relate to high performance. Employee engagement has become an area of interest over the last number of years; it has become a widely used and popular term (Robinson, et al, 2004). This can be seen to be down to the economic climate, as the current business environment has become unstable and is characterized by change and renewal (Mendes & Stander, 2011).

Valuable employees are important than other resources ever for business success. "Success in business is all about people. Whatever industry a company is in,

its employees are its biggest competitive advantage” (Sir Richard Branson, 2009). This saying point out that today organizations must try to develop the role of engagement in the workplace. Valuable employee just can only to perform the potential of organization. They are required to need the enthusiasm for demonstrating the good future for the organization.

The opposite side of engagement is burnout. Burnout is defined by Maslach and Jackson (1981) as ‘a syndrome of emotional exhaustion and cynicism’. Burnout can take place when individual are placed under too much pressure to perform. It is sometimes called disengagement. Workaholics who put themselves under too much pressure can suffer burnout. Engaged employees free from the effect of burnout and they can create the active workplace. Engaged employees are the real values against other things in organization ever.

### **1.1. Rationale of the Study**

Employee engagement is the key business driver for organizational success. If the employees have no engagement, the high performance of the employee cannot be expected. If the employee engagement is high, they will perceive that their work provides a chance to grow personally and professionally through participation in work activities. Engaged employees experience high levels of energy and strong identification towards their work (Bakker & Demerouti, 2008) which translates to a more sustainable workplace in terms of both individual health and organizational performance (Bakker & Trop, 2012).

According to Saks (2006) there is a few definitions of engagement in used, including the employees who work for its making sure the energies and interests are aligned with the organization’s goals, releases unrestricted effort and delivers the aspirations of the organization by creating an emotional relationship with employees. Employee engagement is also related with the employee retention, employee satisfaction employee turnover rate. So, employee engagement is very essential for the company to success in among the competitors. There are many determinants of employee engagement including job characteristics, and rewards and recognition.

Today, the energy consumption is more expanded and energy requirement is become important more than ever before. So, competition for achieving market share also becomes stronger in the energy market. This effect has impact on Myanmar

energy market and created strong market competition. Max Energy Company is also one of the players of energy market competition in Myanmar. Max Energy Company has the ownership of over 40 filling stations through the length of Myanmar, operating with more than 1000 employees. Max Energy Co., Ltd is one of the most successful energy companies in Myanmar. To maintain its success and develop competitive advantage, the company has to foster their employees' engagement. Max Energy Company needs to possess engaged employees to enhance their success over its competitors. Engaged employees are the pieces of successful organization and have a stronger relationship with the organization (Sir Richard Branson, 2009).

## **1.2 Objectives of the Study**

The objectives of the study are:

- (1) To identify the job characteristics in Max Energy Co ; Ltd
- (2) To identify rewards and recognitions in in Max Energy Co ; Ltd
- (3) To analyze the most influencing factor on employee engagement in Max Energy Co ; Ltd

## **1.3 Scope and Method of the Study**

Descriptive Statistics Method was used to figure out the effect of influencing factors on employee engagement. Simple random sampling method was used in this study. The study was conducted on Max Energy Co; Ltd employees in Yangon included management and non- management staff who provided pertinent information about the research problem. The structured questionnaires were distributed to the employees to collect the primary data. Secondary data is acquired from the relevant books and internet website.

The study focused on the employee engagement practices in Max Energy Company. Data and information are received from Max Energy Company. This study covers 140 employees who have been selected from filling stations of Max Energy Company in Yangon region.

## **1.4 Organization of the Study**

This paper is organized with five chapters. Chapter one includes introduction of the study, rationale of the study, objectives of the study, scope and method of the study, and organization of the study. Chapter two consists of theoretical background of influencing factors of employee engagement. Chapter three contains profile of Max Energy Co., its mission, objectives and policies, and employee engagement practices. Chapter four contains research methodology and the analysis of influencing factors on

employee engagement in Max Energy Co., Ltd. Chapter five is the conclusion that contains findings, suggestion, limitations, and needs for further research.

## CHAPTER II

### Theoretical Background of the Study

This chapter highlights the theoretical background on employee engagement including definition and concepts of employee engagement, importance of employee engagement, literature review, and conceptual framework of employee engagement. In addition, this chapter also includes the relationship between job characteristics, rewards and recognition and employee engagement.

#### 2.1 Concepts of Employee Engagement

Employee engagement has been defined in many different ways and the definitions and measures often sound like other better known and established constructs like organizational commitment and organizational citizenship behavior (Robinson et al., 2004). Most often it has been defined as emotional and intellectual commitment to the organization or the amount of discretionary effort exhibited by employees in their jobs (Frank et al., 2004). In the academic literature, a number of definitions have been provided. Kahn (1990) defines personal engagement's the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances." Personal disengagement refers to "the uncoupling of selves from work roles; in disengagement, people withdraw and defend themselves physically, cognitively, or emotionally during role performances". Thus, according to Kahn (1990, 1992), engagement means to be psychologically present when occupying and performing an organizational role.

Rothbard (2001, p. 656) also defines engagement as psychological presence but goes further to state that it involves two critical components: attention and absorption. Attention refers to "cognitive availability and the amount of time one spends thinking about a role" while absorption "means being engrossed in a role and refers to the intensity of one's focus on a role."

Schaufeli et al. (2002, p. 74) define engagement "as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption." They further state that engagement is not a momentary and specific state, but rather, it is "a

more persistent and pervasive affective-cognitive state that is not focused on any particular object, event, individual, or behaviour”.

Therefore analyzing both academic and practitioner understandings of employee engagement could add to the knowledge of how employee engagement is understood as well as whether or not employee engagement is a meaningful concept and warrants further academic research to strengthen its theoretical foundations and practical application.

Employee engagement has been defined differently by different researchers as well as human resources practitioner and scholars. Each definition reflects the author's conceptualization of the construct.

Kahn(2009) found that people draw upon themselves to varying degrees while performing works tasks and they can commit themselves physically, cognitively, and emotionally in the various roles they perform. They may choose to withdraw and disengage from their work roles and work tasks. Results of Kahn's study suggest that there are three psychological conditions that shape how people perform their roles; meaningfulness, safety, and availability. Kahn's identification of the three psychological conditions now serves as a framework for the study of employee engagement. Specifically, Kahn (1990) describes the state of meaningfulness as one in which workers feel worthwhile, useful, and valuable, and that they are making a difference and are appreciated for the work they do. Safety is described as an environment in which people feel an ability to act as what would be normal for the individual without fear of negative consequences. Safety is found in situations in which workers trust that they will not suffer because of their engagement to their work and where they perceive the climate to be one of openness and supportiveness. Availability is defined by Kahn (1990) as the sense of having the personal physical, emotional, and psychological means with which to engage with their job tasks at any particular moment.

The definitions of employee engagement that the current author found are those by Shaufeli et al. (2002), May et al. (2004) and Saks (2006). Employee Engagement is defined as the level of commitment, involvement and passion as a 'positive, fulfilling work related state of mind that is characterized by vigor, dedication and absorption' (Shaufeli et al., 2002)



Saks (2006) defines engagement as being psychologically present in both job and organization roles. This follows on from Kahn (1990) conceptualization of engagement as being psychologically present, however Saks (2006) does not explain what he mean by psychological presence.

As researcher understand from the definition given by several scholars there is overlap between engagement and an others constructs like job satisfaction, job involvement, organizational commitment and organizational citizenship behavior. According to Kahn (1990) Engagement is more than simple job satisfaction. It can best be described as a harnessing of one's self to his or her roles at work. In engagement, people express themselves cognitively, physically, and emotionally while performing their work roles (Kahn, 1990). This is a widely used engagement definition within the academic literature (e.g. Luthans and Peterson, 2002; Bhatnagar, 2007).

## **2.2 Social Exchange Theory**

According to Saks (2006) stronger theoretical rationale for explaining employee engagement can be found in Social Exchange Theory (SET). The Social Exchange Theory provides a theoretical basis of why employees determine to become more engaged or less engaged in their work. Social exchange theory is a social psychological and social perspective that explains social change and stability as a process of negotiated exchanges between parties (Karen S. Cook and Erick R.W. Rice). Social exchange theory posits that human relationships are formed by the use of subjective cost-benefit analysis and the comparison of alternatives.

According to SET, responsibilities are created through various interactions of parties who are interdependent with each other. SET basic tenet holds that relationships gradually develop into trusting, loyal, and mutual pledges on the condition that the parties to the pledge follow rules of exchange (Cropanzano and Mictchell, 2005). Rules of exchange usually involve reciprocity or repayment rules such that the actions of one party lead to a response or actions by the other party. When individuals receive economic and socioemotional resources from their organization, they feel obliged to respond in kind and repay the organization (Cropanzano and Mitchell, 2005). This is consistent with Robinson et al.'s (2004) description of engagement as a two-way relationship between the employer and employee.

One way for individuals to repay their organization is through their level of engagement. That is, employees will choose to engage themselves to varying degrees and in response to the resources they receive from their organization. Bringing oneself more fully into one's work roles and devoting greater amounts of cognitive, emotional, and physical resources is a very profound way for individuals to respond to an organization's actions. It is more difficult for employees to vary their levels of job performance given that performance is often evaluated and used as the basis for compensation and other administrative decisions. Thus, employees are more likely to exchange their engagement for resources and benefits provided by their organization.

SET provides a theoretical foundation to explain why employees choose to become more or less engaged in their work and organization. In terms of Kahn's (1990) definition of engagement, employees feel obliged to bring themselves more deeply into their role performances as repayment for the resources they receive from their organization. When the organization fails to provide these resources, individuals are more likely to withdraw and disengage themselves from their roles. Thus, the amount of cognitive, emotional, and physical resources that an individual is prepared to devote in the performance of one's work roles is contingent on the economic and socioemotional resources received from the organization.

### **2.3 Importance of Employee Engagement**

There is a psychological relationship between business performance and employee engagement (Harter et al, 2002) and it has a positive impact on both employees and on the organization (Schaufeli and Bakker, 2004). "Managing the workplace in such a way that promotes engagement, employees are said to be happier and organization benefits as a result" Harter et al. (2003) cited in Rich (2006). An organization that wants to keep valued workforce, employee engagement is critical for all other factors like labour, machinery, materials, finance etc. Engaged employees look for challenging work in the organization because they are in a cycle of building skills and knowledge so they are finding work according to their abilities (Csikzentmihalyi & Hunter 2003). Engaged employees think innovatively for the growth of the organization.

Engaged employees perform better than others they think about organizational not personal goals. Employee outcomes, financial performance and organizational success predicted by employee engagement (Saks and Rotman, 2006). There is a link

between leads to customer satisfaction, a satisfied customer uses products again and again that boost organizational profitability. There is also a physical relationship between engaged employees and organization, engaged employee express themselves physically in their roles (Khan 1990).

Engaged employees build the emotional relationship with the organization: emotion plays a vital role in one's performance; emotions energize an employee psychologically for an appropriate action (Rich 2006). They put their emotional commitment at work that enables them to make or deliver better services that can constitutes as a competitive advantage (Katzenbach, 2000). Their attitudes reflect care for organization's customer thereby it improves customers satisfaction.

Organizational commitment has a significant importance in the study of employee engagement. Organizational commitment is an individual's psychological attachment to an organization and desire to remain part of it (Encyclopedia 2006).

Meyer et al (2002) defined three component model of commitment; affective commitment, continuance commitment and normative commitment. Affective commitment refers to employees' perceptions of their emotional and psychological attachment to with their organization. Continuance commitment means employee is commitment to the organization because he or she does not want to leave organization. In Normative Commitment, an employee remains commits because of his or her feelings of obligation. If an employee can find opportunities for growth and job security, he or she would be more committed (Robinson, 2004).

Organizational commitment is directly linked with employee engagement. Storey (2007) referred to the concept of engagement as 'a term that broadly equates with the notion of high commitment'. Few benefits to employee engagement by organizational commitment are demonstrated here; organizational commitment increase job satisfaction (Vandenberg and Lance, 1992), it decreases employee turnover, decrease intension to search for other employers and decrease absenteeism and Balfour and Wechsler (1996) also said that organizational commitment decrease employee intension to leave the organization.

Job satisfaction, like commitment, is regarded by Yalabik et al (2013) as an antecedent of work engagement. Job satisfaction was defined by Locke (1976) as 'a pleasurable or positive emotional state resulting from the appraisal of one's job and job

experiences'. Engaged employees are more likely than not to be satisfied with their job. Positively, it is related to organizational commitment, job involvement, organizational citizenship behaviours and mental health. Job involvement is the degree to which an employee is engaged in and enthusiastic about performing their work. Business managers are typically well aware that efforts to promote job involvement among staff tend to pay off substantially since employees will be more likely to assist in furthering their company's objectives. Organizational citizenship is the extent to which an individual's voluntary support and behavior contributes to the organization's success. Negatively, it is related to turnover and stress.

## **2.4 Influencing Factors of Employee Engagement**

Influencing factors of employee engagement in this paper include job characteristics, and reward and recognition among many other things.

### **2.4.1 Job characteristics.**

According to Hackman and Oldham (1980), there are five job characteristics-

(a) **Skill variety**; the number of diverse activities that compose a job and the number of skills used to perform it. In this part, job holders will experience more meaningfulness in a job that requires several different skills and abilities than the job is elementary and routine.

(b) **Task Identity**; the degree to which an employee performs a total job with recognizable beginning and ending. By the view of task identity, jobholders will experience more meaningfulness in a job when they are involved in the entire process rather than just being responsible for a part of work.

(c) **Task Significance**; the degree to which the job is perceived as important and having impact in the company or consumers. Jobholders will feel more meaningfulness in a job that substantially improves either psychological or physical well-being of others than a job that has limited impact on anyone else.

(d) **Autonomy**; the degree to which the worker has freedom, discretion, and the self-determination in planning and carrying out tasks. For a job with a high level of autonomy, the outcomes of the worker depend on the job holder's own efforts, initiatives, and decisions rather than on the instructions from a manager or a manual of job procedures. Jobholders will experience a sense of ownership of his or her responsibilities which means

jobholders will experience greater personal responsibility for their own success and failure at work.

**(e) Feedback;** the extent to which doing the job provides information back to the employee about his or her performance. If jobholder receives clear, actionable information and constructive feedback about his or her working performance, he or she will be better overall knowledge of the impact of their work activities and what specific actions he or she needs to take improve his or her productivity.

Psychological meaningfulness involves a sense of return on investments of the self-in-role performances (Kahn, 1992). According to Kahn (1990, 1992), psychological meaningfulness can be achieved from job characteristics that provide challenging work, variety, allow the use of different skills, personal discretion, and the opportunity to make important contributions. This is based on Hackman and Oldham's (1980) job characteristics model and in particular, the five core job characteristics (i.e. skill variety, task identity, task significance, autonomy, and feedback). In fact, job characteristics, especially feedback and autonomy, have been consistently related to burnout (Maslach et al., 2001). From a SET perspective, one can argue that employees who are provided with enriched and challenging jobs will feel obliged to respond with higher levels of engagement.

#### **2.4.2 Rewards and recognition**

Reward and recognition are the crucial pieces of engagement process. With proper and thoughtful design, incentive and reward programs can be very effective in providing optimal motivations for driving engagement.

**(a) Reward;** According to Oxford Dictionary, reward definition is "A thing given in recognition of service, effort, or achievement". Rewards serve many purposes in a organizations. They serve to build a better employment deal, hold on to good employees and to reduce turnover. There are two kinds of Rewards: extrinsic reward and intrinsic reward. Recognition is the kind of intrinsic reward. Extrinsic rewards (often called financial reward) are the benefits provided externally. These rewards are provided in term of money and fringe benefits. These rewards are necessary to fulfil physiological and safety needs of the employees. Such rewards are the results of management policies and procedures of the organization. Extrinsic rewards include two types of payment: direct payment and indirect payment. Direct payment consists

of salary, wages, commissions, incentives bonus, allowances etc. Indirect payment includes pensions, medical insurance, paid leaves, paid sick leaves, purchases, discount etc.

**(b) Recognition;** Recognition or intrinsic reward is a process of giving an employee a certain status within an organization. These rewards are the satisfactions that an individual obtains from the job itself. These satisfactions are self-initiated rewards and are fulfilled internally by the employees. These rewards consists of having a pride on works, having a feeling of accomplishment, or being a part of team etc. Preferred lunch hours, preferred office furnishing, parking spaces, impressive job title, desires work assignments, business cards, own secretary etc. are some examples of providing intrinsic rewards. Intrinsic rewards are the very crucial factor towards an employee motivation and job satisfactions and enhance the employee participation in decision making. Doing these will made employees courageous and enthusiastic towards working in the organization.

Kahn (1990) reported that people vary in their engagement as a function of their perceptions of the benefits they receive from a role. Furthermore, a sense of return on investments can come from external rewards and recognition in addition to meaningful work. Therefore, one might expect that employees' will be more likely to engage themselves at work to the extent that they perceive a greater amount of rewards and recognition for their role performances. Maslach et al. (2001) have also suggested that while a lack of rewards and recognition can lead to burnout, appropriate recognition and reward is important for engagement. In terms of SET, when employees receive rewards and recognition from their organization, they will feel obliged to respond with higher levels of engagement.

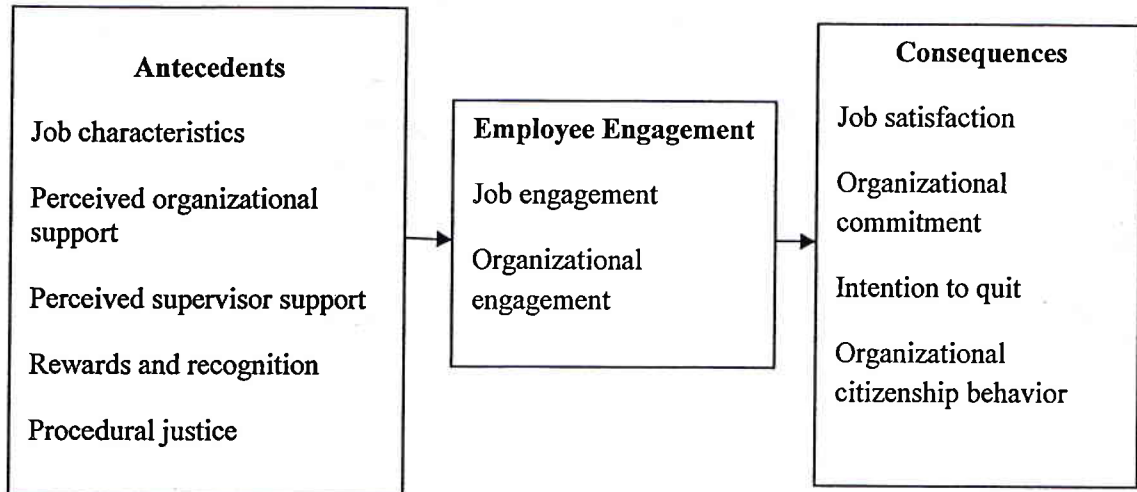
## **2.5 Previous Research Studies**

Previous research studies are mentioned to construct the required conceptual framework for this study.

### **(a) Antecedents and Consequences of Employee Engagement**

The first previous study is the antecedents and consequences of employee engagement written by Alan M. Saks from the University of Toronto, Canada. The purpose of this study was to test a model of the antecedents and consequences of job and organization engagement s based on social exchange theory.

**Figure (2.1) Antecedents and Consequences of Employee Engagement**



Source: Alan M. Saks (2006)

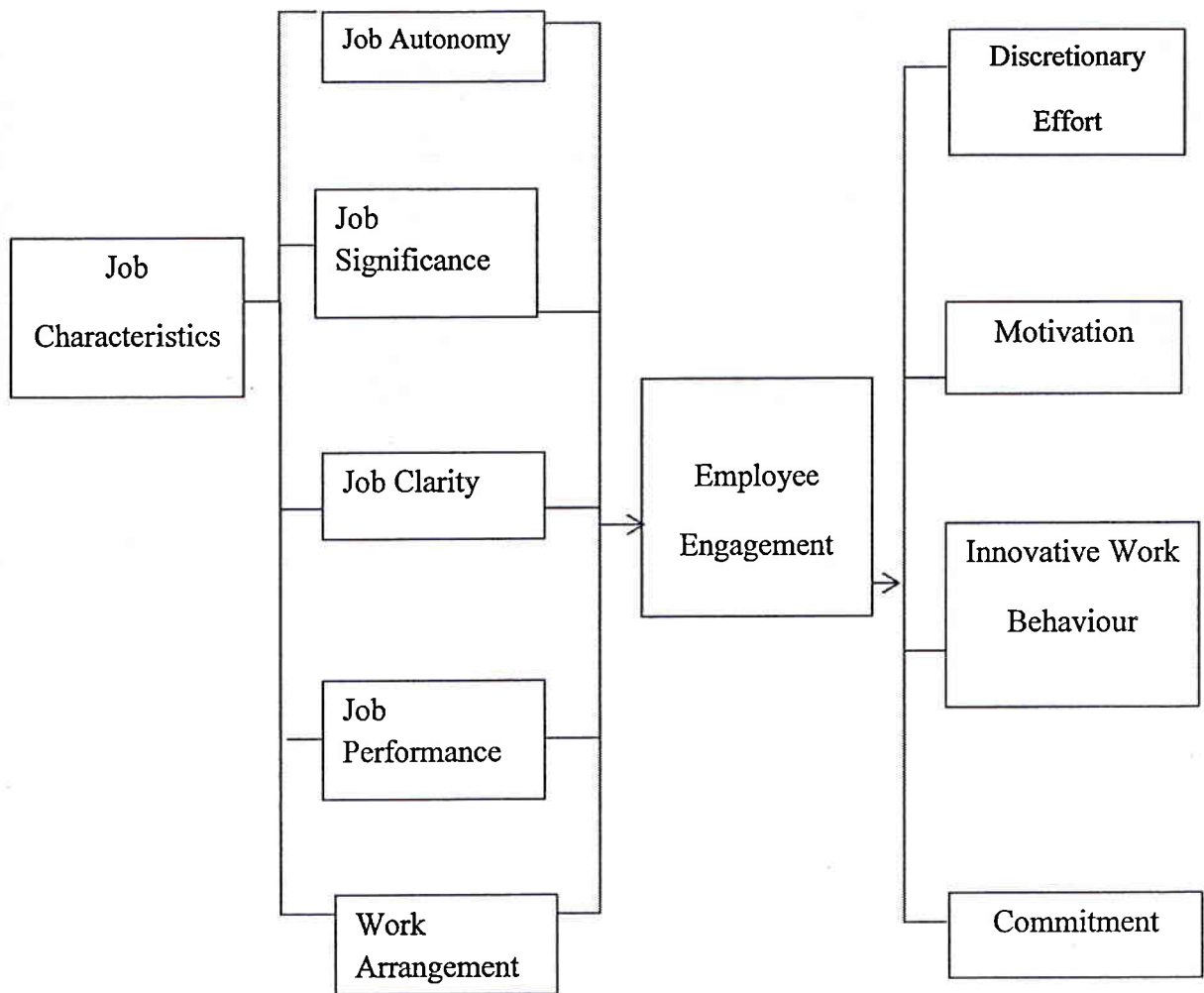
This study is to make a distinction between job and organization engagement and to measure a variety of antecedents and consequences of job and organization engagement. Results indicate that there is a meaningful difference between job and organization engagements and that perceived organizational support predicts both job and organization engagement; job characteristics predicts job engagement; and procedural justice predicts organization engagement. In addition, job and organization engagement mediated the relationships between the antecedents and job satisfaction, organizational commitment, intentions to quit, and citizenship behavior.

#### **(b) Relationship between Job Characteristics and Employee Engagement**

This study was conducted by Kangure, Francis Mugo (2014). In this research, four main dimensions of job characteristics were studied: job clarity, job autonomy, job significance and job performance. The objective of this study was to investigate the relationship between job clarity, job autonomy, job significance, job performance, work arrangement, and employee engagement among state corporations in Kenya.

In this research, employee engagement has the impact on the discretionary effort of employees, their motivation, innovative work behavior, and their commitment on the workplace from the effect of job characteristics.

**Figure (2.2) Job characteristics and Employee Engagement**

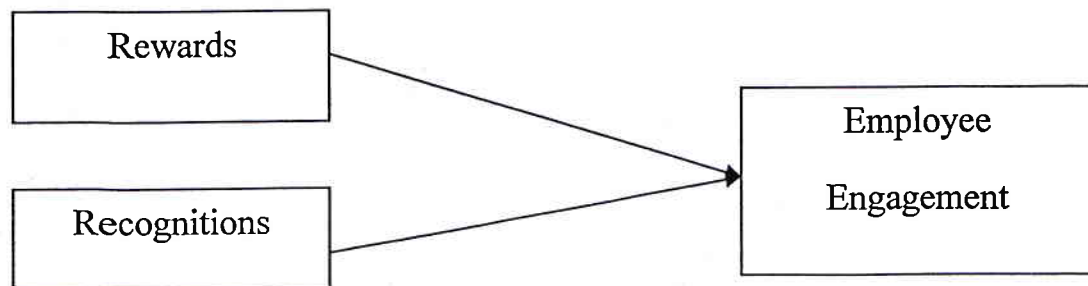


Source: Mugo, F. (2014)

### **2.3 The Impact of Rewards and Recognition on Employee Engagement**

Final previous research study is concerned with rewards and recognition and its impact on the employee engagement.

**Figure (2.3) The Impact of Rewards and Recognition on Employee Engagement**



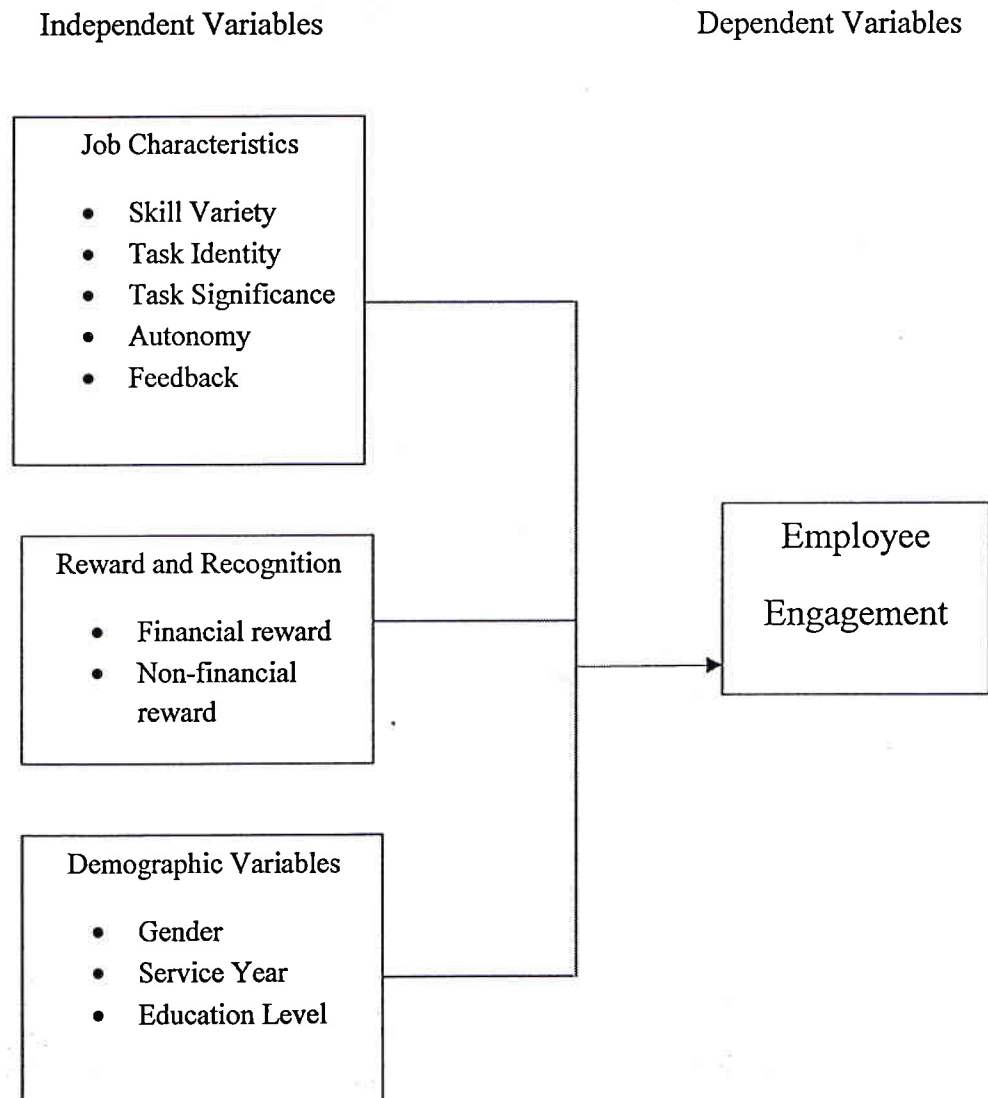
Source; Suri, S (2016)



This study was conducted by the Sharon Suri Mesepey from Sam Ratualan University, Indonesia. This study was conducted to examine the impact of the salary and respect for employee involvement. The objectives of this study are to know the influence of rewards and recognition to employee engagement at P.T Bank Sulutgo, Manado. The conceptual framework of this study is mentioned below;

## 2.6 Conceptual Framework of the Study

**Figure (2.4) Conceptual Framework of the Study**



Source; Own Compilation

Based on the previous research studies, and overall review of related literature and the theoretical framework, the following conceptual model in which this specific is governed was developed. This model was tested in Max Energy Co., Ltd. Independent

variable includes job characteristics and rewards and recognition. Under the job characteristics, skill variety, task identity, task significance, autonomy and feedback are included. Under the rewards and recognition, financial and non- financial rewards are included. These factors effect on the employee engagement which is dependent variable.

## CHAPTER III

### **Employee Engagement Practices of Max Energy Co., Ltd**

This chapter is the profile of Max Energy Company Limited (MEC). In this chapter, profiles of MEC and its mission, vision, objectives, products and services, and organization structure are expressed. This chapter also includes Code of Conduct. Finally, employee engagement practices of MEC are mentioned in this chapter.

#### **3.1 Profiles of Max Energy Co., Ltd**

Max Energy is one of the strategic business units (SBU) of Max Myanmar Group. MEC commenced its operations on 10<sup>th</sup> June 2010 in Myanmar after the formal approval of the National Privatization Commission for private distribution of diesel and petroleum products in the local market. According to the privatization policy, the National Privatization Commission had handed over a number of twelve (12) petrol kiosks that was once state-owned. In the same line of privatization, the Myanmar Economic Commission also transferred two (2) petrol kiosks to Max Energy Co, Ltd for private ownership and distribution. Max Energy Co, Ltd has its own establishment of 31 petrol kiosks throughout the nation and there are 16 kiosks in Yangon. Various products marketed at the petrol kiosks include:

- Diesel
- 92 Ron Octane
- Petroleum
- Gasohol
- Premium Diesel and
- Lubricants

With full utilization of diesel tug-boats or CBs, diesel and other related products from Padauk Chaung Port and Mandalay Shwe-Kyet-Yet Port are transported or sold to work sites operated by the Max Myanmar Group of Companies, and to other private companies and individual businesses on a wholesale basis.

Company is fulfilling the energy requirements of motor vehicles through over 40 filling stations across the breadth and length of Myanmar in order to improve the growth of motor vehicles transportation, to achieve customers' satisfaction and loyalty, as well as to enhance the growing economy of Myanmar. The company focuses on the following:

- Premium Quality
- Precise Quality
- Excellent Service
- Customers' satisfaction.
- **Future Expansion:** Max Energy Co, Ltd has its own plans for expansion in the petrol market by planning to establish more petrol kiosks in the fiscal year of 2012-2013. All are aimed to be fully accomplished by October 2012 and start distribution operations by April 2012.

**Establishment of Convenience Stores in Petrol Kiosks:** Max Energy petrol kiosks facilitate with convenience stores which offer consumer products, medical products as well as other day-to-day utilities.

- **Total Workforce:** The total workforce in Max Energy Co, Ltd amounts to a large number of over one thousand employees, and is expected to grow steadily in the near future.

Company's mission, vision, and objectives are expressed as followings.

**(a) Visions**

- To become a market leader in integrated energy business through sustainable growth, excellent knowledge and good governance practices.
- To provide a high level of customer service with the ultimate aim of achieving customer value and customer satisfaction.

**(b) Missions**

- To be an environmentally responsible organization for future growth and development of community and organization.
- To grow assets and production by employing benefit-based use of technology, resources and young people still in their university years in order to enhance their personal lives and living standards.

**(c) Objectives**

The major objectives for Max Energy Co, Ltd concerning the distribution of diesel-related products include:

- To establish Max Energy Co, Ltd as a strong brand name in the private diesel distribution market within formal guidelines of the National Privatization Commission

- To effectively distribute high-quality diesel-related products imported from abroad to consumers and other users
- To provide a high level of customer service with the ultimate aim of achieving customer value and customer satisfaction
- To provide income and employment to young people still in their university years in order to enhance their personal lives and living standards
- To contribute positively to social causes that would benefit company employees in particular and the society in general

Max Energy's code of conduct is provided from corporate HR policies by Max Myanmar Holding Co., Ltd. Max Myanmar Code of Conduct forms an integral part of the terms of employment of all employee of the Max Myanmar. Code of conduct mentioned from handbook of HR is followed from the next paragraph.

Our code of conduct reflects our commitments to meet the expectation of our stakeholder as a responsible corporate citizen, and contains the fundamental principles and rules concerning transparent and ethical business conduct.

We believe that how we achieve our business results is as important as the achievement itself. Max Myanmar insists all employees on full compliance and will not tolerate any misconduct

**(a) Five Principles of MEC**

1. **Customer;** Customer benefits and satisfaction is our heart of business
2. **Employees;** We treat our employees with dignity, fairness and respect
3. **Shareholders;** We endeavour to outstanding and sustainable business performance with integrity and ethically
4. **Business Partners;** We work with our partners based on mutual trust and mutual growth
5. **Society;** We aspire to be good corporate citizen

There are many policies established by MEC for the well-beings of organization. They are-

- Anti-Corruption Policy
- Communication Policy
- CSR Policy
- Customer Related Information Policy
- Environmental Policy

- Equality and Diversity Management Policy
- Grievance Handling Policy
- Human Right Policy
- Land Acquisition Policy
- Occupational Health and Safety Policy
- Security Personnel Policy
- Social Media Policy
- Whistle Blowing Policy

#### **Products and Services of MEC**

**Products:** All products are imported directly from Singapore, Malaysia and Thailand. The quality test and quantity survey are carried out by reputable surveyor organization such as SGS Singapore/ Intertek Singapore and local government organization MPE (Myanmar Petrol Chemical Enterprise).

- OCTANE 92 RON – products are imported directly from Singapore and Malaysia.
- OCTANE 95 RON – products are imported directly from Thailand.
- DIESEL (500 PPM) - products are imported directly from Singapore and Malaysia.
- PREMIUM DIESEL (50 PPM) - products are imported directly from Singapore and Malaysia.

**Services:** Customer friendly well trained staffs are delivering their best services to the customers at MAX ENERGY filling stations across Myanmar. MAX ENERGY filling stations operate 24 hours in every daily basis for the convenience of customers. Now the company started collaborated with City Express for providing the convenience store service. The company provides cooperate credit sales service to organizations for the convenience of corporate customers.

Max Energy is noted for its

- Safety-first Approach
- Well-trained Staff
- Excellent Customer Service
- Favorable Location
- Cleanliness
- Range of Products

- 24/7 store service
- Convenience Store
- Corporate Credit Sale Service

### **3.2 Organizational Structure of MEC**

Max Energy Company is organized by (11) departments. These departments are-

1. Operation and F.S Sales Management Department
2. Human Resource Department
3. Administration Department
4. Information Technology Department
5. Logistic and Storage Department
6. Auditing and QMS Department
7. Marketing and Branding Department
8. Finance and Accounting Department
9. Sales Department
10. Trading and Procurement Department
11. Thilawa Oil Terminal and Jetty

Operation and F.S Sales Management Department is responsible for organizing the structure of filling stations. This department also includes M & E and is also responsible for health, safety and environment.

Human Resource Department is responsible for recruitment, selection, compensation and benefits, and training and development. This department is mainly responsible to train for the staff of filling station such as orientation, awareness, on-job training.

Administration Department is responsible for general administration for all other department. It is also responsible for regulatory and takes responsible for vehicle management such as ferry, oil boxer, tug-boat and other office-used vehicles.

Information Technology Department is mainly responsible for information-distributing Website blog, Face book page and other social media. It is also responsible for SAP, POS system integration, and software and hardware maintenance and development.

Logistics and Storage Department is responsible for logistics and transportation of fuel, and storage and warehouse management. Transportation

includes not only transporting with ground-vehicles but also with the ship and bower-boat.

Auditing includes station auditing and QMS (Quality Measurement System). Station auditing is for ISO internal auditing for filling stations. QMS includes analyzing the quality of selling oil in the stations and checking the right measurement while selling the products. Finance and Accounting Department is responsible for financial control, management accounting, treasury and taxation.

Marketing and branding Department is responsible for promotion, personal relation, and advertising and sharing information in the social media. Sales Department is responsible for business-to-business selling and wholesales. B2B selling is to sell other SBUs of Max Myanmar Holding Company. Customer service is included in this department.

Thilawa Oil Terminal is the external department for oil shipping and external oil storage. It is responsible for terminal management and distributing other oil ports. Facilities continue to be enhanced, including a new jetty at Thilawa, for the charge and discharge of cargo.

### **3.2.1 Filling Station Structure of MEC**

One filling station is constructed by the following manpower.

- Station Manager (1)
- Assistant Station Manager (1)
- Station Supervisor (3)
- Assistant Station Supervisor (3)
- Filling Attendant (18)
- Account Officer (1)
- General Workers; Security and Cleaner (4)

Positions can be categorized as line job and staff job. Line job positions include except from accountant and general worker. Assignments hours can be classified as three shifts. Shift (1) starts from 6:00 AM to 2:00 PM and includes one station supervisor, one assistant station supervisor, four male filling attendants, three female filling attendants and two security. Shift (2) starts from 2:00 PM to 10:00 PM and manpower is not different from Shift (1). Shift (3) starts from 10:00 PM to 6:00 AM and consists of one station supervisor, one assistant station supervisor, four male



filling attendants and two security. Working hours of accountant officer and cleaner are from 9:00 AM to 5:00 PM. Figures related to organization structure and filling station structure are shown in appendix II.

### **3.3 Determinants of Employee Engagement in MEC**

Max Energy Company presents engagement practices to retain employee and to enhance their commitment to the workplace. As the study is based on the analyzing the filling station employee, engagement practices are concerned with job characteristics, and reward and recognition system of the filling stations.

#### **3.3.1 Job Characteristics**

Job characteristics practices are mentioned below. They are used from the interviewed data

- **Skill Variety:** Filling station has the many filling attendants and they are trained to perform their work skill-fully. They are given on-job training when they enter to the workplace for the first time before performing their duty. They always get the work-related trainings from MEC and holding company. They have different skills and used these anytime, for example; one filling attendant can perform the duty of cashier.
- **Task Identity:** The station employees can perform a total job with the training process from beginning and ending. They can know exactly what kind of task that they need to do and the purpose of their job because of their jobs are always repetitive.
- **Task Significance:** The station employees know that their jobs are perceived as important and having impact on the company or consumers. They also feel that they have the chance to be somebody in the society because of their jobs.
- **Autonomy:** They can present their sense to the supervisor without fear of getting in trouble because their relationship is just like the family member. They also get the considerable opportunity for independence and freedom in their working manner.
- **Feedback:** The job itself provides them many clues and information about their performance. Their supervisors also direct to find out ways to perform their job being well. They receive useful and constructive feedback from both supervisors and co-workers.

### **3.3.2 Rewards and Recognition**

Rewards and recognition is the second objective for the study of engagement practices in MEC.

#### **(a) Rewards**

Rewards can be classified for financial and non-financial rewards. Financial rewards are simple types and usual forms. These include base pay, salary, allowance and fringe benefit. All employees of MEC receive ferry and settlement in hostel. They are free from the charge of electricity and water. Moreover, they also get the free medical annual check and are free from SSB 3% for their health. Free lunch is allowed for not only MEC employees but also all other SBUs of Max Myanmar Company. Every employee who has 5 year service is allowed chairman long service award. All of the staff training expenses are charged from the organization. Every employee who has children can get children education allowance. Moreover, all employees of SBU get various form of insurance. As all above, there are many satisfied allowance for employees.

#### **(b) Recognition**

Although recognition is not as significance as rewards it affects the engagement level of employee. Employees get praise from the supervisor and public recognition (employee of the year). They always get the appreciation and useful, constructive feedback from both supervisor and co-worker. The family member relationship in the workplace is become the good fact to engage employee to the workplace.

In conclusion, all form of reward and recognition practices are seen employee to become engaged workers of the organization.

## CHAPTER IV

### Research Methodology

This chapter described the data collection and analysis on the determinants of employee engagement in Max Energy Co., Ltd.

#### 4.1 Research Design

This study sought to establish the job characteristics factors and rewards and recognition for employees in Max Energy Company. The main objectives are to identify the job characteristics factors and rewards and recognition, and to analyze the most influencing factor on employee engagement in Max energy Company. To support the assessment, the required data were collected through sample survey with detective approach. The survey mainly used descriptive analysis. To support this analysis, the required data were collected through sample survey. The questionnaires are constructive with 5- point Likert scales remaining from 1 (Strongly Disagree), 2 (Disagree), 3 (Neutral), 4 (Agree), 5 (Strongly Agree) to determine employee satisfaction on each statement.

As a sampling method, the simple random sampling method (SRS) was used in this study. The data is randomly collected from 140 respondents who are the managerial and non-managerial employees from gas filling stations of MEC. The data collection is achieved from 40 respondents of the managerial employees and 100 of the non- managerial employees. After collecting the required data, the data were analyzed by using the SPSS (the statistical package for social science) software.

#### 4.2 Profile of Respondents

A structured questionnaire is set to study employee engagement and it includes three sections. Section A is for the demographic data of respondents which include Gender, Service Year, Education Level and Position at the filling stations employees. Section B is intended to analyze the factors affecting employee engagement. Section C is to analyze the situation of engaged level of employee with the workplace.

#### 4.2.1 Gender of respondents

Total respondents of MEC filling stations are 140 people. Total genders of respondent are illustrated in Table (4.1).

**Table (4.1) Respondent by Gender**

Gender	No. of Respondents	Percent
Male	87	62.1
Female	53	37.9
<b>Total</b>	<b>140</b>	<b>100.0</b>

Source: Survey Data (2018)

As shown in Table (4.1), 62.1% are male and total 87 employees. 37.9% are female and total 53 employees. It seen that gender balance is less likely at MEC filling stations. Most of the employees are male.

#### 4.2.2 Service Year of Respondents

Total service years of respondents are categorized into four groups: under 1 year service, between 1 year to 5 year service, between over 5 year to 10 year and over 10 year service. These groups are shown in Table (4.2).

**Table (4.2) Service Year of Respondents**

Tenure	No. of Respondents	Percent
Under 1 years	25	17.9
1 – 5	86	61.4
6 – 10	13	9.3
Over 10	16	11.4
<b>Total</b>	<b>140</b>	<b>100.0</b>

Source: Survey Data (2018)

As shown in Table (4.2), 17.9% respondents are less than 1 year, 61.4% respondents are in 1 year to under 5 years, 9.3% respondents are 5 years to under 10 years, and 11.4% respondents are over 10 years of service.

#### 4.2.3 Education Level of Respondents

In this study, education level of total respondents is classified into four groups: under high school, high school, under graduate and graduate. Table (4.3) shows education level of respondents.

**Table (4.3) Education Level of Respondents**

Education Level	No. of Respondents	Percent
Under High School Level	1	0.7
High School Level	4	2.9
Under Graduate Level	70	50.0
Graduate Level	65	46.4
<b>Total</b>	<b>140</b>	<b>100.0</b>

Source: Survey Data (2018)

It can be seen that 46.4% of respondents are graduated. 0.7% respondents are under high school, 2.9% respondents are high school, and 50% respondents are under graduate levels.

#### 4.2.4 Position Status of Respondents

Position status of respondents is classified into four groups: assistant supervisor and filling attendant. Managerial and non-managerial levels of respondents are classified as assistant supervisors are managerial level and filling attendants are non- managerial level. Table (4.4) shows the position status of respondents. As shown in table, 72% respondents are filling attendants and 28% respondents are assistant supervisors.

**Table (4.4) Position Status of Respondents**

Position	No. of Respondent	Percent
Filling Attendance	100	72
Assistance Supervisor	40	28

Source: Survey Data (2018)

### 4.3 Analysis on Determinants of Employee Engagement

This part is the Section B of structured questionnaire and which is analysis on determinants of employee engagements. Factors of employee engagement are five core job characteristics, and reward and recognition. Job characteristics are skill variety, task identity, task significance, autonomy and feedback. Reward and recognition includes extrinsic and intrinsic reward but these were constructed as one questionnaire. Respondents were asked about these factors and responses are presented as follows:

#### 4.3.1 Skill Variety

Skill variety level of respondents was studied filling stations are provided products and services, and it needs specific skills to provide highly quality products and service. The respondents were asked about level of usage of skill variety which stated by five factors. These are shown in Table (4.5).

Table (4.5) Skill Variety Level of Respondents

No.	Statement	Mean Value	
		Managerial	Non Managerial
1	The job gives me the opportunity to do a number of different things	3.50	3.45
2	The job requires me to use a number of complex or high level skills	4.00	3.70
3	The job is repetitive	4.28	4.10
4	I have a chance to do different things for time to time	3.67	3.76
5	I have a chance to do something that make use of my abilities	3.94	3.84
<b>Overall Mean</b>		<b>3.88</b>	<b>3.77</b>

Source: Survey Data (2018)

As a result from Table (4.5), both managerial and non- managerial level have less opportunity to a number of different things on their job because they have to follow the procedures from head-office. Both respondents see their jobs are repetitive ever and it means they have no chance to do something new. For all statements of skill variety, they have less skill variety and they always do the same job style every day. However, employees are satisfied on their skill variety level.

#### 4.3.2 Task Identity

The task identity level of respondents was studied because of the need of specific and details job content. The respondents were asked about the level of task identity which stated by five factors. These factors are shown in Table (4.6).

**Table (4.6) Task Identity Level of Respondents**

No.	Statement	Mean Value	
		Managerial	Non Managerial
1	I know exactly what kind of task that I need to do	4.28	4.32
2	I need to do other tasks before I finish my first task	3.94	3.65
3	I have a chance to do the job from beginning to end by myself	2.94	3.15
4	I know thoroughly the purpose of my job	4.39	4.34
5	I know how my job is related to others functions	3.72	3.51
<b>Overall Mean</b>		<b>3.85</b>	<b>3.8</b>

Source: Surveyed Data, 2018

As a result from Table (4.6), managerial and non- managerial employees have high level on the knowing the purpose of their job but they have a little chance to do the job from beginning to end by themselves. It means they have to do their job from

the control of upper level. For all statements of task identity, employees are satisfied on their task identity level.

### 4.3.3 Task Significance

The task significance level of respondents was studied because filling stations are providing a wide range of products and services. The respondents were asked about task significance which stage by seven factors. These factors are shown in Table (4.7).

**Table (4.7) Task Significance Level of Respondents**

No.	Statement	Mean Value	
		Managerial	Non Managerial
1	The job itself is important for other related function	3.50	3.54
2	The job itself makes me feel proud to be	4.06	3.98
3	I do not feel that the work I do is appreciated for my colleagues	3.61	3.36
4	I do not feel that the work I do is appreciated for customer	3.28	3.30
5	The task I responsible is relatively significant in the organization	4.39	4.33
6	I have a chance to be somebody in the society of my job	4.00	4.11
7	I have a chance to be somebody in the society because of my job	3.94	3.80
<b>Overall Mean</b>		<b>3.83</b>	<b>3.77</b>

Source: Surveyed Data, 2018

As shown in Table (4.7), all respondents have high level on the knowing that the tasks they responsible are relatively significant in the organization. They often feel that the works they do are appreciated for customer. It means the



respondents prefer the significance of their jobs in their workplace. For all statements of task significance, employees are satisfied on their task significance level.

#### 4.3.4 Autonomy

The autonomy level of respondents was studied to know the freedom on their works. The respondents were asked about autonomy which stated by five factors. These factors are shown in Table (4.8).

**Table (4.8) Autonomy Level of Respondents**

No.	Statement	Mean Value	
		Managerial	Non Managerial
1	I can do my own when performing my job	2.94	3.17
2	The company provides the opportunity for independence thought and action	3.61	3.58
3	The company gives me considerable opportunity for independence and freedom in how I do my work	3.72	3.80
4	I can disagree with my supervisor without fear of getting in trouble	3.83	3.80
5	I can share comfortably my opinions at work	3.78	3.48
<b>Overall Mean</b>		<b>3.58</b>	<b>3.56</b>

Source: Surveyed Data, 2018

From above results, respondents have high level upon disagreement with supervisor without fear of getting in trouble. But they have a little chance to do their own when performing their job. Its means they can explore their own sense on the workplace but they have to do their job with the procedures. For all statements of autonomy, employees are satisfied on their autonomy level in the workplace.

### 4.3.5 Feedback

The level concerned with feedback of respondents was studied because MEC does performance appraisal of employees regularly. The respondents were asked about feedback which stated by five factors. These factors are shown in Table (4.9).

**Table (4.9) Engagement Level on Feedback**

No.	Statement	Mean Value	
		Managerial	Non Managerial
1	The job itself provides me plenty of clues about whether or not am I performing well	4.06	4.18
2	My supervisor provides me with the opportunity to find out what I am doing	4.39	4.12
3	I got the appreciation not only from my supervisor but also from my co-workers when I am performing well	3.94	3.92
4	I receive useful and constructive feedback from my supervisor	4.17	4.09
5	I receive feedback that helps me improve my performance	3.94	3.61
<b>Overall Mean</b>		<b>4.1</b>	<b>3.98</b>

Source: Surveyed Data, 2018

From the result of Table (4.9), managerial employees get support from the supervisors to provide them of the opportunity to find out what they are doing. For the non- managerial employees, their jobs provides them plenty of clues about whether or not they can perform well. For all statements of feedback, employees are satisfied on their feedback level in the workplace.

### 4.2.6 Reward and Recognition

The respondents were asked about reward and recognition they got which stated by seven factors. These factors are shown in Table (4.10).

**Table (4.10) Engagement Level on Reward and Recognition**

No.	Statement	Mean Value	
		Managerial	Non Managerial
1	The organization has not only base pay but also many allowance	3.67	3.98
2	There is some form of public recognition	3.82	3.54
3	Satisfied doing work as getting praise in the workplace	3.67	3.70
4	Employee-care allowance are enough for in the workplace	3.83	3.78
5	There is a reward or token of appreciation	3.39	3.56
6	Training and development opportunities available for me	4.33	4.20
7	There is the recognition from the contribution in the organization	3.67	3.66
<b>Overall Mean</b>		<b>3.77</b>	<b>3.77</b>

Source: Surveyed Data, 2018

Both respondents have good training and development opportunities available for them as a result from Table (4.10). Managerial employees have a few chances to get the reward or token of appreciation. Non- managerial employees have a few chances for public recognition. All respondents satisfy above on the rewards and recognition they get.

#### **4.4 Analysis on Employee Engagement Level compared with Job Characteristics and Reward and Recognition**

This section is intended to analyze the level engagement compared with job characteristics and reward and recognition. This section also includes constructed questionnaire for the level of engagement of respondents on the workplace. This questionnaire is formed with eight factors. These factors are shown in Table (4.11).

**Table (4.11) Employee Engagement Level on the Workplace**

No.	Statement	Mean Value	
		Managerial	Non Managerial
1	I feel like a family member in the workplace	4.00	4.02
2	Satisfied always when my works is well done	4.17	4.11
3	I proud of myself because of being a member of the organization	4.17	4.11
4	I feel myself as the part of the organization	4.11	4.19
5	I feel comfortable doing my job as I think myself as a engaged employee	4.11	3.97
6	There is effectiveness in doing my job because of the support of working system and process	4.00	3.86
7	I give reference other people my organization as a good one	3.94	3.93
8	I feel the organization has a career development for me	3.78	3.52
<b>Overall Mean</b>		<b>4.03</b>	<b>3.96</b>

Source: Surveyed Data, 2018

All respondents feel proud of themselves because they are being a member of the organization and they feel themselves as the part of the organization. But they feel that the organization has a little chance on a career development for them.

#### **4.5 Relationship between Human Resource Management Practices and Employee Engagement**

In this section, relationship between each human resource management practices such as skill variety, task identity, task significance, autonomy, feedback and reward and recognition, and their impact on engagement are conducted. Table (4.11) shows the relationship between human resource management practices and employee engagement.

**Table (4.12) Correlation between Human Resource Management Practices and Employee Engagement**

Employee Engagement Practices	Correlation Coefficient
Skill Variety	.231**
Task Identity	.243**
Task Significance	.527**
Autonomy	.583**
Feedback	.655**
Reward and Recognition	.771**

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

Table (4.11) shows the correlation between human resource management practices and employee engagement. The correlation coefficient between skill variety and engagement is 0.2 at significant at 1% (p-value= 0.006). This shows that there is a weakly and directly relationship between skill variety and employee engagement on the workplace.

The correlation coefficient between task identity and engagement is 0.2 at significant at 1% (p-value= 0.004). This shows that there is a weakly and directly relationship between task identity and employee engagement on the workplace.

The correlation coefficient between task significance and engagement is 0.5 at significant at 1% (p-value= 0.000) .This shows that there is a fairly and directly relationship between task significance and employee engagement on the workplace.

The correlation coefficient between autonomy and engagement is 0.6 at significant at 1% (p-value= 0.000).This shows that there is a fairly and directly relationship between autonomy and employee engagement on the workplace.

The correlation coefficient between feedback and engagement is 0.7 at significant at 1%. This shows that there is a fairly and directly relationship between feedback from job and employee engagement on the workplace.

The correlation coefficient between reward and recognition, and engagement is 0.8 at significant at 1% (p-value= 0.000).This shows that there is a strongly and

directly relationship between reward and recognition, and employee engagement on the workplace.

For the correlation result, rewards and recognition is the most correlated factor to influence on the employee engagement and skill variety is the most weaken factors for engagement.

## CHAPTER V

### CONCLUSION

This study is intended to examine the factors influencing the employee engagement in Max Energy Co., Ltd. This study analyzed how MEC practices the employee engagement factors and which of these factors is influencing the employee engagement in MEC. This chapter highlights conclusion of the thesis with findings, suggestions and limitation of this study.

#### 5.1 Findings and Discussions

The findings and discussions are based on the survey result from the previous chapters. According to survey data, male respondents are more than female respondents. Most of the respondents' education status is under graduated level. Then, most of the respondents are served at MEC for 1 to 5 years. Most of the respondents are filling attendants because they are the main employees to provide customer services at the filling stations. Therefore, most of the employees are educated and they have the enough service years to understand the processing system of organization.

The first objective is to analyze the employee engagement practices in MEC's filling stations. Based on the result of mean values, factors of employee engagement which is practiced by the company is in positive values that indicate the high engagement level of employees on the workplace. In the job characteristics factors, results on the levels of skill variety, task identity, task significance, autonomy and feedback are mentioned. As a result, managerial and non- managerial employees have a less skill variety and task identity because they have a few work variety and their jobs are seen to be repetitive. They did not think that these two factors have no influence on their engagement. For the task significance and autonomy, they see these factors have a fairly impact on their engagement on the workplace because their jobs are significant on the workplace and their society. They also have a chance of disagreement or free to explore with their supervisors about their own sense in the workplace and they see these are the family- typed workplace and the form of autonomy. In the feedback, they get the appreciations from supervisors and co-workers to find out on their work performance. Most of the results are not different for managerial and non- managerial employees because most management employees

were come from the non- managerial employees and their satisfaction level on the workplace are not a significant different.

In addition, MEC practices job rotation method only for filling attendants. It intended to be more efficient and to get more skill variety among employees. Job rotation is usually conducted by the positions of cashier and filling attendants. Almost all of the respondents experienced meaningfulness of their job which can result by having the good use of skill variety, the clear identification of task and the significance of the job on others. The respondents also get the knowledge of actual results of their work activities by getting the constructive feedback from both superiors and the job itself.

In addition to these practices, flexible working hour is conducted for station employees. There are three assignments for 24-hour services, generally classified as morning, noon and night. One assignment takes 8 hours. Assignment duty changes every 15 days. So, employees no need to do their work as the constant working hours, it means morning employee can be noon or night one after 15 days. Flexible working hours can affect the level of engagement over employees.

The second objective is to analyze the most influencing factor of employee engagement practices in filling station. According to survey data, respondents are mostly engaged with reward and recognition because they satisfied on the allowance provided by the company and they always get related training and development affecting their career opportunities as form of allowance. Rewards and recognition factor is the most influencing factor among other factors. Respondents feel that they get enough for allowance, especially free lunch for every employee. Respondents prefer allowances more than salary and pay. This factor is the attractive thing for new and potential workers.

This can be concluded that there are no disengaged facts concerned with engagement factors at MEC filling stations. Moreover, mean values for all engagement practices are around "3". So, it can be concluded that employees are highly engaged on their workplace and they are proud of being MEC employees. Among the engagement factors, reward and recognition is the most influencing factor and which leads employees to experience the sense of meaningfulness of job.



## 5.2 Suggestions

After studying the influence of the MEC's engagement practices on the employee engagement, the followings suggestions are made for the better improvement of its engagement practices.

Reward and recognition is the most influencing factor on the engagement level of employee. The company should consider the reward plan for employee because allowances have stronger effect than financial rewards. It is not enough to retain and encourage employee to become engaged employee. Reward is more significant factor than recognition. The company should develop more significant recognition programs like praise, providing feedback and suggestions from upper management levels. Employees treat friendly each other like a family member. They should have a warmly relationship with management levels. These are the suggestions about reward and recognition. Another part is concerned with core job characteristics.

In terms of core job characteristics, mean scores show good situation for these practices. However, there are the some requirements. Employees have few skill varieties and it may be based on the situation of working style. Repetitive working style leads to the sense of employees that they do not feel there is no career development in this workplace. Management levels should notice the consequence of repetitive style. Moreover, employees can only get little autonomy as the result of analysis. The high level of autonomy creates employees not only to get high satisfaction level but also to be more engaged to the workplace. By allowing them to involve decision making, they can enhance confidence and they will feel that they are the real parts of organization. The company should develop research team or external consultant squad to get freedom advice and to receive freedom requests for the dissatisfaction or feedback from employees. And also, employees need more constructive feedback and appreciation from superior and colleagues. Although feedback is more required for employees, company has good performance appraisal methods. The suggestions are to enhance the frequency of feedback ways and to use more flexible feedback methods. Finally, employees should know their task identity themselves. The company should provide trainings related with task identity.

### 5.3 Limitation and Need for Further Research

This study emphasizes on the determinants of employee engagement in Max Energy Company. Determinants only include job characteristics and reward and recognition. In further studies, it should focus on other determinants such as training and development, organizational justice, organizational support and others. And then, this study focuses on filling stations of MEC. For further studies, Thilawa oil terminal and other ports, process and management structure of MEC should be emphasized. Based on the findings of this study, job characteristics towards job satisfaction should be studied for further research. The further research should study the commitment of employees in job design. Other SBUs under the Max Myanmar Holding Company should be emphasized on further research studies. This study is based only on Human Resource Management. Further studies should emphasize on Marketing, Leadership, Warehouse and Logistics.

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**APPENDICES**

APPENDIX I

YANGON UNIVERSITY OF ECONOMICS

DEPARTMENT OF COMMRC

M.COM PROGRAMME

Questionnaire for Employee Engagement through Job characteristics and Reward and Recognition in Max Energy Co., Ltd

Section A; demographic Data

Please tick (√) the one that matches to your situation.

- 1 Gender                    \_\_\_ Male                    \_\_\_ Female
- 2 Tenure                    \_\_\_ <1 year                    \_\_\_ 1 year- <5 years  
                                  \_\_\_ 5 years- <10 years                    \_\_\_ >10 years
- 3 Education                    \_\_\_ Under High School Level                    \_\_\_ High school Level  
                                  \_\_\_ Under Graduate Level                    \_\_\_ Graduate Level  
                                  \_\_\_ Post-Graduate Level
- 4 Position                    \_\_\_\_\_

Section B; Employee Engagement Practices

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

No	Particular					
<b>Skill Varity</b>						
1	The job gives me the opportunity to do a number of different things	1	2	3	4	5
2	The job requires me to use a number of complex or high level skills	1	2	3	4	5
3	The job is repetitive	1	2	3	4	5
4	I have a chance to do different things for time to time	1	2	3	4	5
5	I have a chance to do something that make use of my abilities					
<b>Task Identity</b>						
1	I know exactly what kind of task that I need to do	1	2	3	4	5
2	I need to do other tasks before I finish my first task	1	2	3	4	5
3	I have a chance to do the job from beginning to end	1	2	3	4	5
4	I know thoroughly the purpose of my job	1	2	3	4	5
5	I know how my job is related to others functions	1	2	3	4	5
<b>Task Significance</b>						
1	The job itself is important for other related function	1	2	3	4	5
2	The job itself makes me feel proud to be	1	2	3	4	5
3	I do not feel that the work I do is appreciated for my colleagues	1	2	3	4	5
4	I do not feel that the work I do is appreciated for customer	1	2	3	4	5
5	The task I responsible is relatively significant in the organization	1	2	3	4	5
6	I have a chance to be somebody in the society of my job	1	2	3	4	5
7	I have a chance to be somebody in the society because of my job	1	2	3	4	5
<b>Autonomy</b>						
1	I can do my own when performing my job	1	2	3	4	5
2	The company provides the opportunity for independence thought and action	1	2	3	4	5
3	The company gives me considerable opportunity for independence and freedom in how I do my work	1	2	3	4	5
4	I can disagree with my supervisor without fear of getting in trouble	1	2	3	4	5
5	I can share comfortably my opinions at work	1	2	3	4	5



<b>Feedback</b>						
1	The job itself provides me plenty of clues about whether or not am I performing well	1	2	3	4	5
2	My supervisor provides me with the opportunity to find out what I am doing	1	2	3	4	5
3	I got the appreciation not only from my supervisor but also from my co-workers when I am performing well	1	2	3	4	5
4	I receive useful and constructive feedback from my supervisor	1	2	3	4	5
5	I receive feedback that helps me improve my performance	1	2	3	4	5
6	My supervisors given I do a good job	1	2	3	4	5
<b>Reward and recognition</b>						
1	The organization has not only base pay but also many allowance	1	2	3	4	5
2	There is some form of public recognition (e.g. employee of the year)	1	2	3	4	5
3	Satisfied doing work as getting praise in the workplace	1	2	3	4	5
4	Employee-care allowance are enough for in the workplace ( Travel allowance, children allowance )	1	2	3	4	5
5	There is a reward or token of appreciation (e.g. lunch for success)	1	2	3	4	5
6	Training and development opportunities available for me	1	2	3	4	5
7	There is the recognition from the contribution in the organization	1	2	3	4	5

### Section C; Questionnaire for Employee Engagement

Section C includes questionnaire for the satiation of how employees engaged with the organization.

1.	I feel like a family member in the workplace	1	2	3	4	5
2.	Satisfied always when my works is well done	1	2	3	4	5
3.	I proud of myself because of being a member of the organization	1	2	3	4	5
4.	I feel myself as the part of the organization	1	2	3	4	5

5.	I feel comfortable doing my job as I think myself as a engaged employee	1	2	3	4	5
6.	There is effectiveness in doing my job because of the support of working system and process	1	2	3	4	5
7.	I give reference other people my organization as a good one	1	2	3	4	5
8.	I feel the organization have a career development for me	1	2	3	4	5

Appendix II

Figure (3.1) Organization Structure of Max Energy Co., Ltd

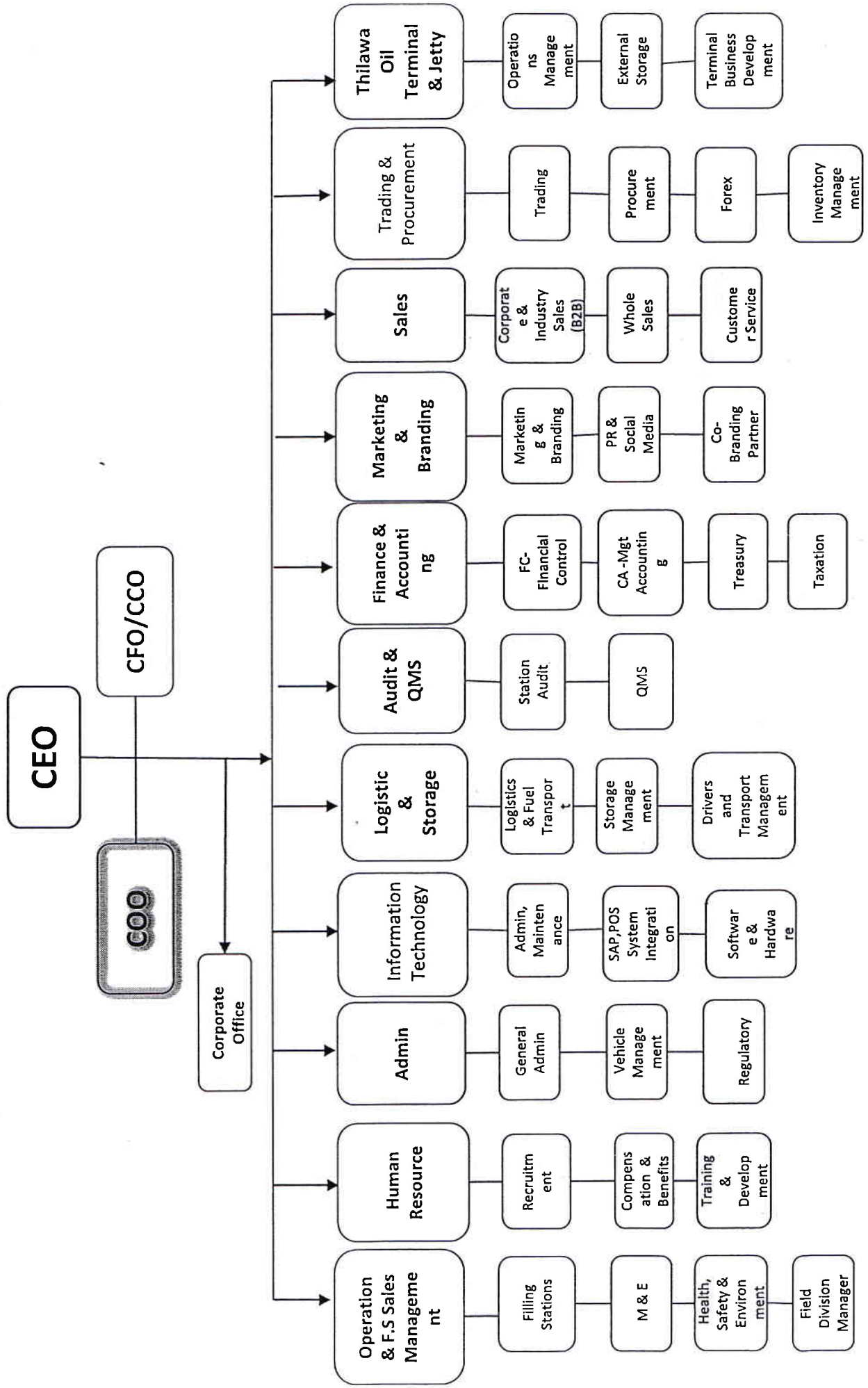
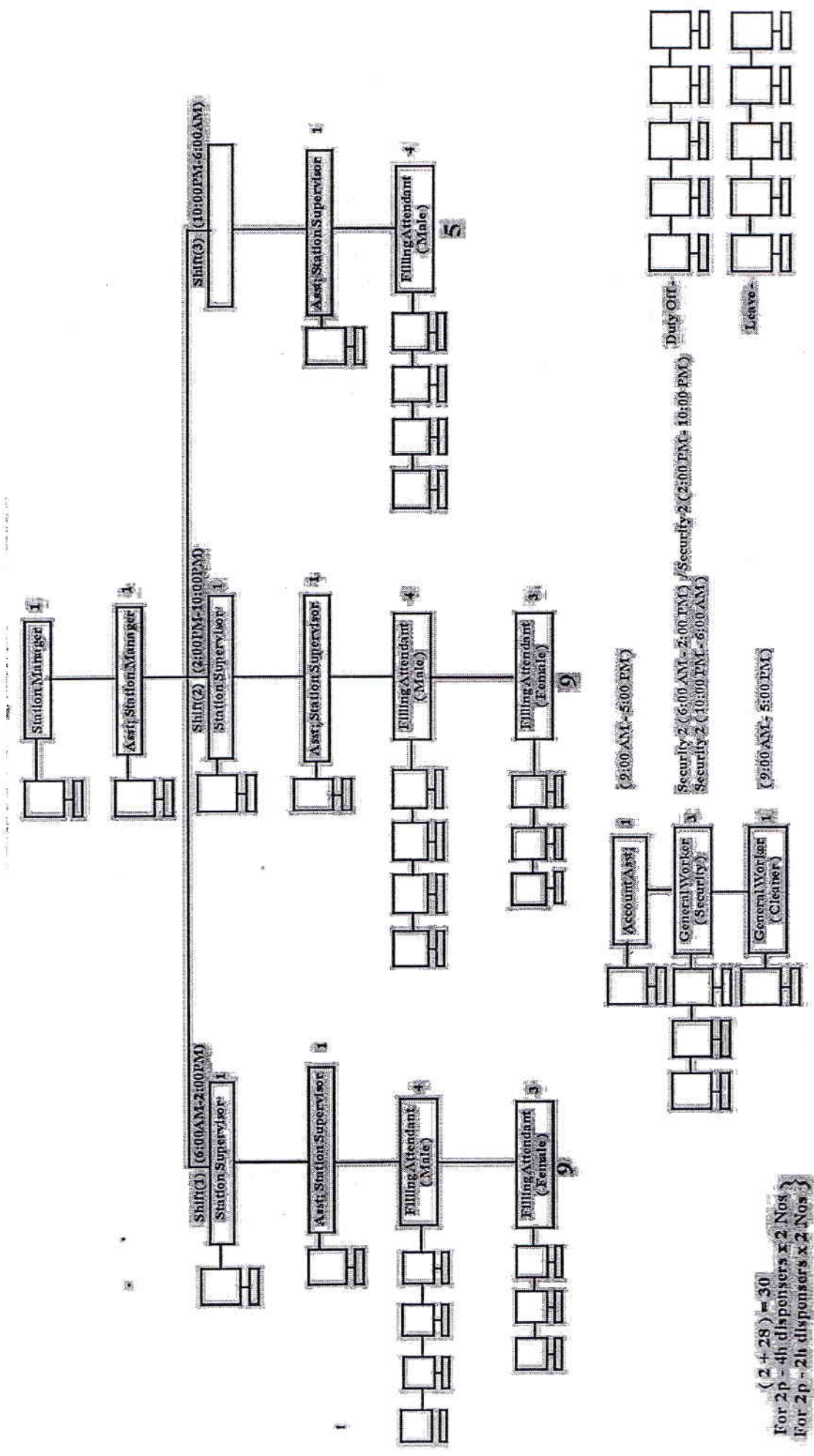


Figure (3.2) Filling Station Structure of MEC



(2 + 28) = 30  
 For 2p - 4h dispensers x 2 Nos }  
 For 2p - 2h dispensers x 2 Nos }