

# WORK ENVIRONMENT AND EMPLOYEE PERFORMANCE OF SELECTED HOSPITALITY FIRMS IN PORT HARCOURT, RIVERS STATE

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## **Abstract**

*The study examined the relationship between Work Environment and Employee Performance in selected hospitality firms in Port Harcourt. The study adopted a cross-sectional survey method. The target population consists of registered hotels with the Rivers State Tourism Board. The accessible population are the employees of 45 registered hotels. The study adopted simple random sampling technique and the sample size of 277 was chosen out of a population 710 using Taro Yamen formula. A total number of 277 questionnaire were distributed to the hotels. 240 questionnaire were correctly filled and returned indicating 86.6% return rate. Spearman Rank Order Correlation Coefficient was used as a statistical tool to test the hypotheses with the aid of SPSS. The study found that work environment is positively significantly associated with employee performance. The study concluded that work environment is very critical to the employee performance in the hospitality industry and other service organizations. The study recommended that practitioners in the hospitality industry*

*should strive to design a better work environment for their employees so as to improve their performance.*

**Keywords:** Work Environment; Employee Performance; Supervisors' Support; Organizational Culture

## **1.0 Introduction**

Every organization comprises of employees as well as the environment of work where these employees carry out their various tasks. The work environment plays a vital role in the performance of the employees in the organization. Several studies have shown that the work environment is crucial in the performance of the employees, and by extension the organization. (Naharuddin & Sadegi, 2003); (Chandra Sekar, 2011). Some of the dimensions associated with work environment includes physical work environment, effective communication, supervisor's support, furniture arrangements, office illumination, noise level etc. These considerations contribute greatly to the way and manner employees

carry out their duties and thus determine their performance. The work environment is that space where employees carry out their work together in order to achieve set goals and objective of the organization. They include the processes, structures, tools, etc. that are put in place which interacts with the employees in carrying out their duties. The work environment can also be viewed as that location or surrounding of the work place where factors such as noise level, lighting conditions, general arrangements of work settings comes into play.

The human resource is the most important resource of that organization. Without the human resource, all other factors of production will cease to exist or function properly. Therefore, there must be concerted effort for organizations to properly design their work environment to be user friendly for their employees. Incentives should be put in place to motivate the employees, and these could be in the form of well-designed and organized work environment. This have the tendency of reducing employee turnover and enhance their performance in the organization.

The hospitality industry in Port Harcourt have continued to evolve over time, with standards rising at a steady rate, and this come along with stiff competition among the practitioners. This industry is quite challenging because it deals primarily with people that are rendered services. This simply means that the management of the organization must strive to ensure that employees are well catered for in their place of work. One of the ways of achieving this is for the organization to provide conducive work environment for the employees. The

hospitality industry in Port Harcourt is faced numerous challenges, especially in the recent past. Therefore, the need for management of these hospitality firms to provide a conducive work cannot be overemphasized (El – Zeiny, 2013). When work environment is properly put in place, there is boost in the morale of employees, and this enhances their performance (Shikdar & Shawaqed, 2003). Boles et al (2004), posited that when employees have physical and emotional desire to work, they perform very well in the organization.

However, several studies have been carried out in the area of work environment as it affects the employee performance. A study on the factors of workplace environment that affects employee performance: A case study of Miyazu Malaysia was carried out by Naharuddin and Sadegi (2013). They found out that only supervisor's support is not sufficient enough for employee performance, but job and physical workplace environment had significant relationship with employee performance. Also, Gitahi (2014) did a study on the Effect of Work Environment on the Performance of Commercial Banks Employees in Nakuru Town. His findings show that psychological aspects are important factors that propel employee performance as compared to the work environment. In the works of Amusa et al: Work summit and work performance of librarians in public universities in South-West Nigeria, they found out that there is a significant correlation between work environment and job performance in south west Nigeria. These studies however did not address the topic under study via: Work Environment and Employee Performance of Hospitality Firms in Port Harcourt. This

study therefore is intended to find out the relationship between the Work Environment and Performance of Employees of Hospitality Firms in Port Harcourt. The findings of this study will help policy makers in the hospitality industry make policies that will create good working environment and relationship for employees in this sector.

## **2.0 Literature Review**

### **2.1 Work Environment**

Work environment is used to describe the surrounding conditions where an employee carries out his or her duties in the workplace. It can be in the form of physical conditions such as office equipment e.g. computers, the lightings in the office environment and temperature. It can also be perceived as work processes and procedures that are used in the organization. The work environment can also be viewed as social interactions at the workplace with subordinates, managers as well as peers. It is the surrounding in the workplace that comprises of the outside, the inside, tables, umbrellas, etc. (Razaul, 2014). It is also seen as the mental state of the employee weather positive, negative or friendly. The work environment involves physical, geographical, locations and also the surrounding of the workplace of employees in an organization (Beiz 2001). In his position, he added security, employment benefits as well as additional motivation in the workplace.

Therefore, the physical layout and design of the workplace have a way of influencing the attitude of the employee. According to Brill (1992), a properly designed physical workplace can boost employee productivity

up to 5% to 10%. Therefore the importance of work environment cannot be overemphasized because it affects the performance of the employee positively or negatively, depending on the nature of the work environment. In the works of Bakotic and Babic (2013), they found out that employees work better in an environment that is safe. Also, Ollukkaran and Guraseelan (2003) when employees are comfortable with their work environment, their performance in the organization is enhanced because there will be job satisfaction in the part of the employees.

In the works of Mcguire and McLaren (2007), they also found that a satisfaction, environment of work is critical to employee wellbeing, and this helps the employees to connect and collaborate with each other and thus increases their performance in the organization. The productivity of the employees in an organization will increase when the working condition and the work environment is kept at a certain threshold level and the productivity will also decrease when this threshold gets to an unacceptable level (Yasin Sheikh Ali et al, 2013). Also, the layout of the office where employees carry out their duties plays a very critical role in the performance of the organization (Sehgal, 1995). The work environment is thus very crucial in the productivity and performance of the organization. Researchers have shown that well organized work environment can increase the productivity level of the employee to as high as 5%, and if it involves a team, the team productivity can be increased to as much as 11%. Therefore where the work environment is supportive, the employee

does well in carrying out their work activities.

## **2.2 Employee Performance**

This is referred to as the accomplishment of works as outlined by the employer to the employee. It is defined as the actions by employees that contribute to the organizational goals, and these actions must be under the control of the employees (Rotundo, 2002).

Another scholar Sinha (2004) sees employee job performance as being related to the readiness and acceptability to accept new aspects of the jobs as indicated by the organization which will in turn brings about productivity of the employee. Employee performance measure the level of job accomplishment both in the main tasks and social objectives and responsibilities as may be expected from the employer (Hersey, 1993). These can only be achieved when the employee have the acquired skills, competence and ability to deal with the role conflict that may arise while carrying out the job role (Howell & Higgins, 1990).

Also, job performance involves a small level of contribution by the individual employees towards the achievement of the goal of the organization (Murphy, 1989; Campbell, 1990).

Employee performance is the willingness and openness of the employees in trying to accomplish given tasks which in turn will lead to the general organizational performance (Sinha, 2004). Employee performance can also be defined as a measure via the level of business accomplishments and social objectives and responsibilities as may be outlined by the employer. It is also the combined result of

attempts, wherewithal and perception of tasks (Platt, 2010). The performance of the employees and organization at large depends largely on the work environment. The work environment must be designed in such a way as to stimulate employee performance because when the environment is not okay, it demotivates the employee and thus decreases his output in the organization. The employee performance is determined by job appraisals, where time management, leadership skills, social objectives and responsibilities plays a major role. Three dimensions of employee performance have been identified by previous scholars which include outcomes, personal traits as well as behaviours (Mtlkovich & Wigbor, 1991). Among other factors that affect the employee performance, work environment is one very important aspect that when properly designed and implemented, improves employee performance in the organization. We shall state our hypotheses thus:

**H<sub>01</sub>:** There is no significant relationship between physical work environment and employee performance of Hotels in Port Harcourt.

**H<sub>02</sub>:** There is no significant relationship between supervisor's support and employee performance of Hospitality firms in Port Harcourt.

**H<sub>03</sub>:** Organizational culture does not moderate the relationship between work environment and employee performance of hospitality firms in Port Harcourt.

In this work, we shall be looking at some dimensions of work environment such as physical work environment, supervisors

support and job aids as they enhance performance of the employees.

**2.2.1 Physical Work Environment** – The work environment also known as ergonomics of workplace, is the physical surrounding where the employee carries out this activities in the work place. This includes physical conditions such as office equipment, the illumination, the temperature of the environment and so on. The way the physical work environment is arranged could lead to employee's fit or misfit into the organization. It has been found that the nature of the work environment is very important in determining the way and manner the employee performs in the organization (Vischer, 2007). If the physical work environment is not conducive for the employee to carry out his work, it slows down the performance of the employee (McCoy & Evans, 2005). Also, Ismail et al (2010) believes that the way and manner the work environment is structured, tends to influence the output of the employee and by extension, that of the organization. When the temperature of the work environment is very high or very low, it leads to a decrease in the performance of the employee (Niemela et al, 2002). This also applies to the spatial orientation of the office environment. A well arranged environment encourages employees to carry out their work well as opposed to a poorly arranged work environment (Al – Anzi, 2009).

**2.2.2 Supervisor Support** – Supervisor support is the extent to which managers values their employees' contributions to the organization, and also care about the employee well-being. When the level of the supervisor support is high, the employee

feels some sense of belonging as it were in the organization. The supervisors are directly responsible to the employees in their tasks, weather as individuals or as a group (Elangovan & Karakowsky, 1999). A good supervisor will support his employees in all aspects so as to encourage them to excel in their given responsibilities. When employees are supported by their supervisors, they tend to put in their best and enhance their performance in the organization. (Gagnon & Michael, 2004). In a study carried out in the United Kingdom on supervisor's role with a sample of 45 trainees (Axtell et al, 1997); and another study carried out in North Kuching City hall in Malaysia using 100 technical employees, in both studies, supervisor 's role well implemented improved the employee performance to a great extent.

**2.2.3 Organizational Culture:** This is a system of shared beliefs, assumptions, values etc. that governs how people behave in the organization. This culture is of great influence on the way and manner the employees in the organization conduct themselves in the way they perform their jobs. According to Purcell et al, (2003), it is a system of shared belief about what behaviours are important, and about the internal and external feelings and relationships. Employees tend to know the operations of the organization both from historical perspective as well as current realities through the understanding of organizational culture. A well understood organizational culture that is carefully adhered to by the employee of an organization will yield a better performance.

### 3.0 Methodology

The test for correlation between the dimensions of work environment and employee performance was carried out on 45 registered hotels with the Rivers State Tourism Board. The population of the employees in these selected hotels was 710, which represented the sample frame. Out of this, 277 was gotten as the sample size using the Taro Yamen Formula. These respondents were then selected randomly in order to give equal chance of selection to all members of the sample size. 277 numbers of questionnaires was administered to the respondents and 240 was correctly filled and returned, which represents 86.6% return rate. For the test for correlation, we used the spearman rank order coefficient, which is the statistical tool for this analysis. Face and content validity was used to determine the validity of the questionnaire, while Cronbach Alpha was used to determine the reliability. Data on Work Environment indicators (Physical Work Environment, Supervisors' Support) were captured on a five-point Likert-type scales which are: 1 = "Strongly Disagree" 2 = "Disagree" 3 = "Neutral" 4 = "Agree" 5 = "Strongly Agree."

### 3.1 Tests for Validity & Reliability of Instruments.

#### Cronbach Alpha Test Result

S/n	Variables	Cronbach Alpha Coefficient
1	Physical Work Environment	0.98
2	Supervisor's Support	0.98
3	Employee Performance	0.97
4	Organizational Culture	0.97

Source: SPSS Output (2019)

Validity deals with the degree to which you are measure what you intend to measure in your study. It is the accuracy of the measurements you carry out in the study (Adams et al, 2007). To confirm the validity of the instrument, a pilot survey was done using 40 selected hotels, as well as 10 scholars from the Faculty of Management sciences so as to ensure that the objectives of the study is in line with the questions captured in the questionnaire. The instrument was considered valid because the contents of the questions are in tandem with the issues under investigation. Reliability gauges the consistency of the measuring instrument or more essentially, how much an instrument estimates a similar way each time it is utilized under similar conditions with similar subjects (Adams et al, 2007).The reliability of the instrument was determined using the Cronbach alpha test. Below is the result of the Cronbach Alpha Test for each construct. The Cronbach coefficients of the items in the instrument are above the rule of thumb bench mark of 0.70 (Hatcher, 1994) which suggests that the items are internally related to the dimensions and measures they are expected to measure.

**Summary of Test Hypotheses as Captured By SPSS**

Final Result	Significance	Hypotheses
Rejected	Significant	<b>H<sub>01</sub></b> : There is no significant relationship between Physical Work Environment and Employee Performance of Hospitality Firms in Port Harcourt
Rejected	Significant	<b>H<sub>02</sub></b> : There is no significant relationship between Supervisor’s Support and Employee Performance of Hospitality Firms in Port Harcourt
Rejected	Significant	<b>H<sub>03</sub></b> : organizational Culture does not moderate the Work Environment and Employee Performance of Hospitality Firms in Port Harcourt

**Correlations Result**

			Physical Work Environment	Employee Performance
Spearman's rho	Physical Work Environment	Correlation Coefficient	1.000	.831**
		Sig. (2-tailed)	.	.000
		N	240	240
	Employee Performance	Correlation Coefficient	.831**	1.000
		Sig. (2-tailed)	.000	.
		N	240	240

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

**Correlations**

			Supervisor Support	Employee Performance
Spearman's rho	Supervisor Support	Correlation Coefficient	1.000	.846**
		Sig. (2-tailed)	.	.000
		N	240	240
	Employee Performance	Correlation Coefficient	.846**	1.000
		Sig. (2-tailed)	.000	.
		N	240	240

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

**Correlations**

			Organisation al Culture	Employee Performance
Spearman's rho	Organisational Culture	Correlation Coefficient	1.000	.825**
		Sig. (2-tailed)	.	.000
		N	240	240
		Employee Performance	.825**	1.000
		Correlation Coefficient	.000	.
		Sig. (2-tailed)	240	240
		N		

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

**4.0 Discussion of Findings**

Bivariate analysis was employed in the test of stated hypotheses to see if there is a relationship between the variables. The study employed the Spearman Rank Order Correlation Coefficient with the aid of SPSS version 23 to ascertain the relationship between two variables. Decision rule for accepting and rejecting null hypotheses. Mehran et al, (2014) highlighted the threshold for rejecting and accepting null hypotheses using SPSS as follows: (a) when the significant level of correlation (Sig., 2-tailed) is less than the coefficient of error (0.05), reject the null hypothesis. (b) When the significant level of correlation (Sig., 2-tailed) is greater than the coefficient of error (0.05), accept the null hypothesis.

In hypothesis one, the SPSS output showed a significant relationship between physical work environment and Employee Performance of hospitality firms in Port Harcourt. The respondents believes that when the physical work environment is conducive enough for the employee to work, they tend to put in more effort to the work, and this improves their work

performance. This finding is in line with the study carried out by Naharuddin and Sadegi (2013), i.e: A study on the factors of workplace environment that affects employee performance: A case study of Miyazu Malaysia. They found out that only supervisor’s support is not sufficient enough for employee performance, but job and physical workplace environment. The result is also in line with the works of Ajala (2012), who argued that the physical workplace environment influences the employee performance.

In hypothesis two, the SPSS output showed a significant relationship between supervisors support and Employee Performance of hospitality firms in Port Harcourt (P-value = 0.000). The respondents believes that with friendly and responsible supervisors, they are willing to go the extra mile in getting the job with little or no supervision, and this improves their work performance. This finding is in line with the study carried out by Gitahi (2014), in his study: The Effect of Work Environment on the Performance of Commercial Banks Employees in Nakuru

Town. His findings show that psychological aspects (Supervisors support inclusive) are important factors that propel employee performance in the work place. The finding is also in line with the works of Leblebisi, (2012) who argued that supervisor's support is helpful in developing an environment that increases the employee performance.

The analyses of the moderating role of organisational culture, the result revealed that organisational culture moderately influence the relationship between work environment and employee performance in the hospitality firms in Port Harcourt. This shows that the culture of a firm enhances the relationship between work environment and employee performance. This is in line with the works of Medina (2012) who argued that that been satisfied with the culture of the organisation has a moderate influence on job performance. This shows that the presence of a conducive organizational culture, strengthen the relationship between work environment and employee performance.

### **Conclusion**

From the study, it was shown that there is a significant relationship between physical work environment, supervisor's support and employee's performance. A conducive work environment in terms conducive physical work environment like lightings, furniture, office space, and general ergonomy enhances job performance of the employees in the hospitality firms in Port Harcourt. Also, supervisor's support is helpful in developing an environment that increases the employee performance. Furthermore, organisational culture significantly moderate the relationship between work

environment and employee performance, hence a good organisational culture is very important for employees to perform.

### **Recommendations**

- i. The equipment and facilities with which the employees carry out their functions should be designed in way to align with the needs of the employees. Therefore the management general practitioners in the hospitality industry should ensure that the work environment be designed in a manner as to reduce stress and improve employee performance.
- ii. It was also shown that the supervisor's support is very important in enhancing the performance of the employee in the hospitality industry. The simple reason that the hospitality industry deals primarily with customers shows that the employees must be up and doing in carrying out their assignments. This is especially with the stiff competition in that industry. Therefore it is imperative for supervisors to act in a manner that will instill self-confidence, excellent inter personal relationship between the employees and build good organisational citizenship behavior.
- iii. Management should invest more on building a culture in the organisation that motivates employees to carry out their tasks with little or no supervision.

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