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The Relationship between Employee Empowerment, Team Work and Recognition on Company Performance: An Investigation In Malaysian Manufacturing Industry

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ABSTRACT

In current globalization business competition scenario, every organization or company is striving to maximize its earning profits. This study attempts to explore the relationship between employee empowerment, team work and recognition which could potentially influence company performance. Company Performance is the main criteria for a company continue to growth, gain market place, success and survival in near future more or less affecting by the employee involvement and emotional commitment to the company. Through a survey, a total 84 companies representing various industries in Northern Region of Malaysia had responded. The hypotheses involved were tested using correlation and regression techniques. The results of the study support all the hypotheses. The multiple regression analysis indicates that there are significant relationships among the factors on each criterion to manufacturing capabilities.

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INTRODUCTION

Employees may still show up to work and do what is required of them, but ultimately the quality of their work declines, and they are less likely to deliver the performance results the organization has promised. After some duration, employees may choose to leave the organization or company to find new prospect or greener pastures. The organization has to expend more valuable time and money to recruit, hire and train new staff for replacement. Also there's no guarantee that new staff will stay for long, particularly if the original problem with the organization's leadership and management practices was never resolved.

Esra (2010) mentioned that business phenomena characterized such as the globalization, changing customer and investor demands, increasing product-market competition. Organization continually need to improve their performance by reducing costs, innovating products and processes and improving quality, productivity and speed to market in order to successfully compete in the rapidly changed economic environment. People or employee is the most valuable resource to deliver sustainable high performance results. Organization should make the best use of its resources. Every person understands the relationship between performance and the profitability as the bottom line in business world. Customers take their business elsewhere, if they are not satisfied with the organization's performance or results (Young, 2005).

There always reasons why employee leave an organization. This can be due to the company performance, work environment, strategic implemented, stability of the company and management or employee relationship. Their expectations aren't met, such as job or workplace was not as expected, interdepartmental lack of teamwork and cooperation. Level of commitment and involvement towards organizational strategic planning and goal achievement are poor. There are too few growth and advancement opportunities. There are barriers between departments, training focused only on current positions, and lack of help to define career goals. Training or promotions don't come through. Rahman et. al (2012) studied the effect of Teamwork towards jobs satisfaction in hotel industry in Malaysia. The study indicated factors such as recognition and rewards, teamwork and cooperation, working conditions, and relationship with supervisors are variables correlate to employee satisfaction and loyalty. Mohammed (2007) studied the employee strategic alignment relationship between rational strategic planning and firm performance in European. The study mentioned "instruments that assure and favour employees alignment with organizational strategy is the practices of rational strategic planning".

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Company performance influences by employee strategic alignment. Without employee strategic alignment as a mediator, company performance is unlikely to be demonstrated.

Employee felt that they are not provided enough empowerment authority to carry out their job and task assigned to them. Resources had been controlled and permission had to be obtained time to time in order to complete the task on every stages. Research has been conducted in Malaysian automotive industry by Kok (2011) showed empowered employee with autonomy, freedom and opportunities to influence decision making in their jobs or organisation, their performance will improve significantly. The result mentioned much of the literature review focus on service industry.

Good and talents employees feel "devalued and unrecognized." They are overdue for pay increases or are paid the same as poor performers, or new recruits make more than experienced employees in similar jobs. Leader and managements misrepresents pay offers, work hours aren't as promised such as long hours work, bring work back home and work on off days. Ong & Teh (2012) studied showed the intrinsic rewards system strategy of the 105 Malaysian manufacturing companies industry has significant relationship with financial performance. Believed to be able to satisfy and motivate employees to perform better through value creation and continuous improvement to enhance the overall business performance.

Company performance:

Company Performance of this study refers to company profitability, gained market place, and continues to growth. Is also related to organizational or company effectiveness such as service quality, reduce in customer complaints and customer satisfaction. The ability of an company (or organizational) to achieve good performance such as high profit, quality product, large market share, good financial results, and survival at predestined time by important strategy planning (Koontz and Donnell, 1993). Combs *et al.*, (2005) defined company performance as "the economic outcomes resulting from the interplay among an organization's attributes, actions, and environment". Hamann, Frank, Lucia & Thomas (2013 cited Strasser, Eveland, Cummins, Deniston, & Romani, 1981) defined company performance is equal to organizational effectiveness as "the degree to which organizations are attaining all the purposes they are supposed to"

Hamann, Frank, Lucia & Thomas (2013) indicated that common performance indicators for company performance are growth in market share, product quality, patent filings, or marketing effectiveness, measure distinct dimensions of operational performance. Operational performance defined as fulfillment of operational goals within different value chain activities that may lead to subsequent Organization Performance (Combs *et al.*, 2005). The relationship between human resource management practices and organizational performance will allow the human resource managers to design programs that will bring forward better operational results to achieve higher organizational performance. The attention of the human resource management practices would be understand organizational performance processes and outcome variables influence process by design human resource practices (Esra, 2010).

Company performance can be used to benchmark how well an enterprise perform in terms of level of profit, market share and product quality in relation to competition in the same industry. Therefore, it is an indication of productivity of members of industry measured in terms of revenue, profit, growth, development and expansion of the organization.

Combs *et al.* (2005) share another theory of organization performance framework that comes with three dimensions: accounting returns, stock market performance, and growth. Accounting returns is the financial accounting data as published in annual reports compared with historical performance of the organization (Fryxell & Barton, 1990). Stock market performance reflects the organizations' future performance from perception of investors about it (Fryxell & Barton, 1990). Organizational growth is defined as a dynamic change in an organization's construct over time. Common evaluated based on three aspects: sales, employees, and assets (Weinzimmer, Nystrom, & Freeman, 1998).

Economic changes in recent decades have required company to seek more efficient and flexible means of production (Juliette & Jeff, 2005). Tina & Shan (2011, cited Nickell (1996) and Giroud & Mueller (2010)) mentioned competition increases efficiency and productivity, profitability potential decreases. But much of the existing literature focuses on firm performance such as productivity or profitability (Kruse & Blasi, 1997). Wendel (2013) proposed that to efficiently manage a business, company have to frequently measure its performance by followings measurement tools for evaluating a company's performance.

Employee Empowerment:

In empowerment process there will be advantages and disadvantages. David (2013) mentioned empowered employees have an increased sense of ownership, thus create happier employees that tend to be more proactive and willing to embrace change. The group of employees felt in control of their destinies and more eager about their roles and passionate about success, which is all good for the company performance. Emmanuel (2013) stated that empowerment plays significant role in employee's satisfaction thus promoting performance in organizations.

Another benefit of empowerment, Lashon (2013) emphasized employers or leaders using the minds of their employees, this able to help them to meet projected goals and objectives a lot faster because more people working toward them. Ability delegation of certain responsibilities to employees will allow leader more time to focus on the areas needed more attention.

Emmanuel (2013) in his research stated many famous enterprises, such as US Air and Federal Express, applied employee empowerment to improve customer satisfaction. Also their results obviously shown the effects of fully empowered employees produce more customer satisfaction. Similarly, agreed on both positive and negative results aspects especially for service organizations' employees whom being empowered. Ameerah (2013) shared that empowered employees to make decisions can help company to save money, time and prevent employees potential disputes. Decentralizing the decision making process allowed employee more confidence to make minor decisions without consult the manager thus improve the performance of support and service to customers. David (2013) mentioned that if those jobs are done with increased enthusiasm and attention will benefit clients. As clients love to communication with friendly and paying special attention employee, which the employee tend to take more personal approach to focusing on creative ways to solve problem for clients thus Improves customer retention and loyalty. Employee empowerment established relationship between engagement and organization performance, factors behind is increased employee learning and training, less turnover, lower absenteeism, enhances motivation and less argument with change because employees are able to participate in decision making (Ameerah, 2013). Efficiency and Effectiveness also free up managers on supervision, mentors and advisers, use of teams work can increase of annual productivity and reduce cost (Ameerah, 2013) and also employee commitment and team spirit. Reduced Cost able to improve service delivery and cost savings. Empowering employees can also decrease some middle management positions which conserve labor costs (Ameerah, 2013). Other than that, relief of Management Stress – leave more responsibility to employees, management will have less worry about daily operations (Andrew, 2010). Manager should freely delegated important tasks and decisions to employee and this enable the manager to focus less on operations and more on strategy and business planning (David, 2013).

Team Work:

Teamwork is a term that commonly used by organizations or communities to describe that a work effort that done by a team or a group of peoples. Online dictionary.com defined it as “cooperative or coordinated effort on the part of a group of persons acting together as a team or in the interests of a common cause” or “work done with a team”. A research paper of European Foundation for the Improvement of Living and Working Conditions (EFILWC, 2007) mentioned that it is hard to conclude a single definition of teamwork. Researchers and work organization had differs view of teamwork means. It can be refer to wide range of possibilities such as quality circles, cross-functional teams, self-managing teams or virtual teams. Many organizations provide teamwork with varying degrees of autonomy. It has the positive impact on work productivity and company efficiency, greater responsibility and higher job satisfaction for employees.

In the high performance organization, employees are required to understand their responsibilities and contribution to desired results. Open communication and continuous learning believes to promoting quality performance and effective teamwork as well as harmonious working environment among employee (Young, 2005). The challenges for company to delivered performance result such as quickly and flexibly new quality products and services. Standardization and specialization characterize by divided the employees and works in different segments in order to maximize productivity and respond to dynamic demands from clients (EFILWC (2007).

Effective Teamwork without teamwork spirit it is hard for a team to achieve productive results in ignored of an efficient process and standard work flow structure. Effective teamwork involves identifying the necessary characteristics to form excellent and efficient team (Rita, 2011). Otherwise the effectiveness of teamwork is lost. Randy Slechta, President of Leadership Management International, Inc. discussed about teamwork; “Effective teamwork is essential to the success of any business. As “no man is an island,” the positive effects of productive teamwork can energize an entire organization, just as the negative effects of a lack of teamwork can cripple an organization. An essential ingredient to effective teamwork is attracting and keeping the right team members. No matter how hard a group of people try to work together and create an effective team, without the right people for the job, the team will inevitably fail. Whether you are a team leader or a team member, teamwork is important.”

There are four essential components to keep most effective team and team members: 1) Positive Culture, emphasize on managers should always make expectation to team and when delegating must empower and give authority each team member for decision making, support and back up their decision. 2) Give recognition, make as a regularly event as a positive recognition for employee success, rate from improved, continued to outstanding performances 3) Positive Feedback, provide regular basis informal feedback consist of recognition or informal praise and congratulation of the employees, while formal feedback consist of planned report and evaluation that measure outcomes and repeated action of the performance desired, and lastly, 4) Provide

opportunities, help individual employee to plan for career development challenges and share how their career goals can help the organization in the achievement of its long-term goals (Randy Slechta, 2010). Teamwork involves building relationships and working among team members using important skills and practices to achieve effectiveness and commitment toward company performance: 1) Working cooperatively, 2) Contributing to groups with ideas, suggestions, and effort, 3) Communication (both giving and receiving), 4) Sense of responsibility, 5) Healthy respect for different opinions, customs, and individual preferences and 6) Ability to participate in group decision-making.

Procter and Burrige (2008) shared 3 measures of autonomy from The Workplace Employment Relations Survey (WERS) which may lead to communication and commitments of teamwork. Those are 1) whether teams are given responsibility for specific products or services, 2) whether teams can jointly decide how work is done and 3) whether teams can appoint their own team leaders. Teamwork consists of a working team, Annette, Tom & Stefan (2009); Appelbaum *et al.*, 2000) further describe that work team can be divided into 2 functions, online and offline. Online teams are more fully or directly engaged into the company daily operation and share task between each other. Offline teams are those away from the work itself or indirectly meet and discuss potential improvements to working methods.

Recognition:

Recognition can be refers as award, recognition of a piece of work, an acknowledgement of merits and as “the acknowledgment of achievement, service, merit, etc.” Sincere employee recognition is significant for employees and company performance. It helps creating happier employees and they feel good valued is the most important components in operating a successful business. A company needs the help and support from the talents employees, that make every employee enjoyed coming to work every day. Aniruddha, Razeyeh and Divya (2012) described a regularly recognition practices to appreciate employee extra efforts, contribution and outcomes in a company that promoting recognizing and strengthening desirable actions and rewarding cultures. It helps company to create and sustain the “Climate of Appreciation” culture in the performance.

Aniruddha, Razeyeh and Divya (2012) cited from Brun & Dugas (2008) who say “Recognition is first and foremost a constructive response; it is also a judgment made about a person’s contribution, reflecting not just work performance but also personal dedication and engagement. Lastly, recognition is engaged in on a regular or ad hoc basis, and expressed formally or informally, individually or collectively, privately or publicly, and monetarily or non-monetarily”. Esra (2010) suspect some rewards practices had association with stronger organizational performance and firm strategy style which logically complements to serve as to motivate employees and help the organization perform at higher level in her research paper about ‘Employee perception of the relationship between strategy, rewards and organizational performance’.

It is important that company leader and managers give recognition to team members. It has been a key to an employee success. A regularly give out positive recognition for achievement of their success bring significant positive performance to the company. While opposite way, if do not give positive recognition regularly, employees tends to seeking out negative recognition (Randy Slechta). He shared three important elements that provide consistently recognize: *Outstanding performance*, for employees who exceed their goals and what is expected of them (Randy Slechta). *Continued performance*, for employees who are consistent producers and fulfilled their responsibilities and commitments, even though they may not be the best employees (Randy Slechta). *Improved performance*, for employees who have made an effort to increase their performance or demonstrated progress (Randy Slechta). Overall improvement of company performance helps company maintain their important competitive advantages in the global marketing competition.

Reward System:

Rewards are considered as part of the recognition programs, fulfillment for employees on their capabilities, efforts and contribution is become a culture of a rewards organization. Rewards not only exchange relationship between the organization and employees. Employees expect their contribution and individual responses as a return for their performance from company (Ong & Teh, 2012). The intention is to rewarding best and outstanding performance to recognize employees’ contribution and acknowledge their efforts publicly (Ong & Teh, 2012 cited Whitaker, 2010). A fairly rewards system is to implementing rewarding practices with an aim to offer competitive salaries, profit sharing schemes and other human resources management benefits schemes in fair manner (Aniruddha, Razeyeh & Divya, 2012). Again the rewards may tight up with the organization financial for spending depending at good and bad times, as the justification for expenditures will be vary or either cutback (Esra, 2010).

A well establish rewards system structure will recognizes the achievement of employees which bring employee motivation and boost employee interest toward achieving company goals. The implemented system has an influence to employees’ behavior and attitude towards job satisfaction and help to reaching their personal goals. The outcome will be employees change their behavior in order to achieve the minimum requirement of organization performance for the desired rewards (Ong & Teh, 2012 ; Lawler & Worley, 2006).Chartered

Institute of Personnel and Development (CIPD) mentioned that employees reward should in accordance with their value performance to an organization which involved both financial and non-financial rewards. The coverage included strategies, policies, structures and processes used to develop, deliver and maintain reward systems. Employees are valued with the reward has considerable impact to the organization effectiveness and employment relationship spirit. Organizational need to ensure consistency administrative process and professionally manage all employees at all level rewards system and updated in the environments change conditions (Kenneth, 2006).

Johann (2006) shared the research survey found companies that reinforces or tied up with values, encourages strong working relationships and must win battles as strategies in their recognition programs. This make their employee feel more enabled and empowered to succeed and possess stronger understanding of organizational objectives and more capable of achieving the goals. The important of reward and recognition programs primary focus which way organizations determine their reward plan and communication manner that help employee clearly understand the connection between reward and performance (Roshan, 2005 cited Flynn, 1998). Manager should use the rewards and recognition as an appropriate symbol of the employee's contributions and results which reinforce the values and desired behaviors that make department or company operate at its best (Johann, 2006).

Reward is considered as one of the most important aspects influences company performance, very important to focuses on the continued relationship of the organization in pushing employees to work at their best to improve the overall performance of the organization in return.

Employee recognition is describes as an important communication tool that reinforces and rewards people produce significant business result. An effective employee recognition system can be very simple, immediate and powerfully reinforcing by see people repeat of the actions and behaviors (Susan, 2013). Furthermore effective recognition enhances employee motivation and raises employee productivity for contribute to improved organizational performance (Roshan, 2005 cited Deeprose, 1994). Obviously, there are close relationship between motivation and job performance (Roshan, 2005 cited Baron, 1983). SHRM, (2012) research analyzed key metrics found that recognition programs more effective when it directly tied to organizational core values. The programs consistently reinforce company goals and actual scenario of desired behaviors had higher impact to engagement and satisfaction. Almost everyone know that employees not only want good pay and benefits, they also want fairly treated, valued and appreciated for their good work, assigned with important task and opportunities for career advancement and project involvement in the company. Secondly, it make employee or team feel good about their contributions and results they bring to the organization. Lastly, helps organization to attract and retain high performing employees for an important role in organizational success (Teresa & Gary, 2005). An effective recognition program should meet several essential criteria, as outlined below; 1) Management commitment to any incentive programs, 2) link to bottom line result of the company, 3) recognized value of awards to employees, 4) fairness/equity in distribution of awards; 5) simplicity of programs in maintained minimum administrative effort, lastly 6) continuous evaluation/improvement to monitored in order to keep them relevant and current (Teresa & Gary, 2005).

Nothing might be as important as the compensation or reward systems designed to direct employee behavior toward achieving productivity, continuous improvement, and performance in modern lean manufacturing environments and flexible manufacturing strategy (Sim & James, 2003). Total Compensation Process and reward will ensures that individual job performance, unit success, and organization success all play roles in determining employee compensation. This process ensures a good fit among individual goals, strategies, and commitments, and organization's strategic direction. (Kenneth 2006). Non cash awards and incentives, a rewards given other than extra pay, it can be as simple as a "Thank you" card or "Good job" to a gift certificate for a nice dinner. Those companies had higher employee morale, lower stress, lower absenteeism and turnover, and increase in productivity, competitiveness, revenue and profits. Their cost-effective and valuable tool recognized their employees not only tell them that they are doing a great job, but show their appreciation through tangible signals such as incentives, recognition and rewards (Teresa & Gary, 2005). Some other non-financial rewards performance-based incentives to consider include share plans, company profit schemes, bonuses, company car, free private medical care, free pension entitlement, mystery weekends, and gift baskets. Cash awards are a cash bonus or some monetary awards to the performances.

There are many reasons why do some companies not give enough emphasis on rewards and recognition schemes within an organization. According to (cited Brun & Dugas, 2008) research found main bottlenecks that the managers are worried of giving recognition to their subordinates due to: 1) fear of losing control, 2) uneasiness about others' creative power, 3) resistance to more egalitarian relationships, and 4) detachment from employees' actual work often caused by new management constraints. Second reason is the perception of recognition being misconstrued as flattery, and required precise and professional handled to avoid unexpected repercussions (cited Brun & Dugas 2008). Lastly, it may an implication of the lack of time, knowledge or skill of managers for implementation (Aniruddha, Razeyeh & Divya, 2012). In order to consistency in praise effort and publicly on rewards results and criticize privately, Johann (2006); Jim (2013) suggested that managers offer

good rewards that use SMART philosophy; 1) sincere and simple, 2) meaningful, 3) adaptable 4) relevant and 5) timely. Again successful and effectively managing human resources important to recognize in order to sustained and unable duplicated by competitors is often not as visible or transparent as to its source (Esra, 2010).

Based on the discussion it can be concluded that employee empowerment, team work and recognition play an important role in determining company performance. Therefore, it is essential to consider these factors in studying company performance. This study focuses on organizational leadership and strategic alignment. The investigation on the effects of on organizational leadership and strategic alignment on the company performance addressed by the following hypotheses;

H_1 Employee empowerment has significant influence on Company Performance

H_2 Team work has significant influence on Company Performance

H_3 Recognition has significant influence on Company Performance

Methodology:

The Sample and Data:

A survey was conducted to collect cross sectional data in Northern Region of Malaysia which is one of the state introduce as the Silicon Valley of Malaysia. The population of this study was the Top Management and Managers. These grades consist of management and professional employees which identified a group with high potential to engage manufacturing capabilities. The selection of the survey location and the sample was due to the Federation of Manufacturers of Malaysia (FMM). A set of questionnaire was formulated and designed based on the previous literature in the subject area. The questionnaires were emailed to 160 respondents. 87 sets questionnaires received within two weeks giving the response rate of 54.4%. The sample profile of the survey is shown in Table 1.

Table 1: Number of Respondents.

Number of Respondents	Number	Percentage
Respondents	160	54.4%
Total Respondents response	87	

From the 87 respondents, there are 3 categories for company type profile. MNC Corporation 59 companies (67.8%), private enterprise and partnership were 20 (23%) and 8 (9.2%) companies respectively.

Table 2: Company Type.

Company Type	Frequency	Percentage	Cumulative Frequency	Cumulative Percentage
MNC/Corporation	59	67.8%	59	67.8%
Private Enterprise	20	23.0%	79	90.8%
Partnership	8	9.2%	87	100.0%
Other	0	0.0%	87	100.0%

For company origin, the largest is local industry, 34 companies which is 39.1%, follows by North America, 33 companies (37.9%). The remaining are other, 16 companies (18.4%), Europe, 3 companies (3.4%) and Australia, 1 company (1.1%) respectively.

Table 3: Company Origin.

Company origin	Frequency	Percentage	Cumulative Frequency	Cumulative Percentage
Australia	1	1.1%	1	1.1%
Europe	3	3.4%	4	4.6%
North America	33	37.9%	37	42.5%
Local	34	39.1%	71	81.6%
Others	16	18.4%	87	100.0%

Table 4 illustrates there was 53 (60.9%) respondents are come from public listed companies and the remaining 34 (39.1%) respondents are from none public listed company.

Table 4: Frequency of Public Listed Company

Public Listed Company	Frequency	Percentage
Yes	53	60.9%
No	34	39.1%

Reliability Analysis:

An internal consistency analysis was performed separately for the items of each organizational leadership and strategic alignment by using the SPSS version 20, reliability procedure. Hair, Money and Samuel (2007) suggested an acceptable alpha value is greater than 0.6. As show in Table 5, the alpha values of reliability

analysis for this study ranges from 0.838 to 0.866. From the results obtained, all the alpha values are greater than 0.7. Thus it can be concluded that this instrument has good internal consistency and is therefore reliable.

Table 5: Reliability analysis result.

Variables	Number of Item	Cronbach's Alpha
Employee empowerment	8	0.827
Team Recognition	6	0.771
Recognition	6	0.888

Descriptive analyses for the Employee empowerment, team work and recognition are shown in Table 7 and Table 8. The levels of Employee empowerment, team work and recognition are based on the levels of mean score range provided in Table 6 which adopted from Kosnin and Lee (2008).

Table 6: Level of Mean Score Range.

Range of mean score	Level
1.00 – 2.33	Low
2.34 – 3.67	Medium
3.68 – 5.00	High

Findings:

The Level of Company Performance:

Company performance among the manufacturing companies are measured based on the values of means and standard deviations. Table 7 shows the ranking of company performance and the value of mean and standard deviation for each activity.

Table 7: Mean Values of company performance.

Activities	Mean	Standard Deviation
Revenue, Profitability and market shares	3.70	0.687
Customer satisfaction and complaints dealing	3.84	0.634
Performance indicator and goals outcome measurement	3.62	0.643
Increase shareholder satisfaction	3.56	0.732
Training and development	3.89	0.721
Commitment and be prepared	3.67	0.681
Increase employee satisfaction	3.85	0.680
Company performance	3.73	0.698

Mean values explained the propensity of the respondent to involve with manufacturing capabilities (Li, 2000). According to Kosnin and Lee (2008) the mean values in range of 3.10 to 3.84 is categorized as company performance among manufacturing companies is at the medium stage.

The Level of Employee empowerment:

Table 8 gives the mean values for the eight employee empowerment. It is shown that the highest mean values of the employee empowerment which is 3.89. Base on Table 8, the levels of this employee empowerment are considered as medium stage among the employee empowerment.

Table 8: Mean Values of employee empowerment

Activities	Mean	Standard deviation
Respect and Appreciation on Contribution	3.27	0.758
Appropriate level of Authority	3.33	0.767
Understanding Self Roles and Responsibility	3.78	0.647
Appropriate Approval Right	3.74	0.639
Skill and Knowledge Expertise	3.78	0.878
Implementation and Decision Maker	3.89	0.758
Empowering Employee	3.28	0.895
Goals Contributor	3.78	0.732
Employee empowerment	3.60	0.759

The lowest mean of employee empowerment is *respect and appreciation on contribution* and the average mean value of employee empowerment is at medium levels.

The Level of Team Work:

Table 9 gives the mean values for the five team work. It is shown that the highest mean values of the team work which is 3.46. Base on Table 6, the levels of this team work are considered as medium stage among the team work.

Table 9: Mean Values of team work.

Activities	Mean	Standard deviation
Effectiveness on high level Service delivery	3.78	0.741
Effectiveness of resolving customer issue	3.94	0.840
Efficiency of practiced of team work	3.39	0.762
Efficiency of felt in teamwork	3.06	0.727
Goals discussion involvemem Of Colleagues	3.56	0.760
Team work	3.53	0.766

The lowest mean of team work is *efficiency of felt in teamwork* and the average mean value of team work is at medium levels.

The Level of Recognition:

Table 9 gives the mean values for the four recognition. It is shown that the highest mean values of the recognition which is 3.46. Base on Table 6, the levels of this recognition are considered as medium stage among the recognition.

Table 9: Mean Values of recognition.

Activities	Mean	Standard deviation
Corporate Value - Job performance	3.28	0.979
Rewards Employee	3.44	0.904
Recognize Employee	3.44	0.922
Positive impact to Financial Result	3.33	0.840
Fair and Consistent	3.00	0.985
Recognition	3.29	0.926

The lowest mean of recognition is *fair and consistent* and the average mean value of recognition is at medium levels.

Correlation Analysis:

From the results of correlation analysis it is found that organizational leadership and strategic alignment are significantly correlated to manufacturing capabilities. As shown in Table 10, the correlation coefficients are found to be positive and statistically significant at 0.01 level ($p < 0.01$).

Table 10: Pearson Correlation Coefficients between organizational leadership, strategic alignment and company performance.

Correlations					
Variable	F1	Company Performance			
F1	1.00				
Employee empowerment	0.729**	1.00			
Team work	0.651**	0.601**	1.00		
Recognition	0.689**	0.636**	0.647**	1.00	

** Correlation is significant at the 0.01 level (1-Tailed)

* Correlation is significant at the 0.05 level (1-Tailed)

Therefore, Hypothesis 1, hypothesis 2 and hypothesis 2 are supported. There is a significant relationship between Organizational Leadership and strategic alignment with the other variables that is company performance. Hence, Hypothesis 1, Hypothesis 2 and Hypothesis 3 are supported.

Discussion:

This study is to identify empirically the company performance in manufacturing companies, across industry in the northern region of Malaysia. The rationale of the study stems from the major consideration, that is, the emerging concern of shareholders of the manufacturing companies and the directors of the companies in this industry in particular company performance.

The analysis based on the respondents' perception of company performance in manufacturing companies showed that manufacturers took a lot of effort in organizational leadership and strategic alignment in achieved high degree of company performance.

The findings show that employee empowerment, team work and recognition are the important variables that must be consider by the manufacturers in their operation. These findings are supported by previous researchers who have studied in developing company performance (Robert 2013; James 2003; Esra 2010)

The correlation analysis show that employee empowerment, team work and recognition are the priority variables that must be highlight which show the correlations coefficients 0.729 for employee empowerment, 0.651 for team work and 0.689 for recognition at the 0.01 level (1-Tailed).

This research conclusion of the regression hypotheses on employee empowerment, team work and recognition shown positive significant effect on manufacturing companies in Malaysia is important to achieve the financial performance, market share performance and customer satisfaction.

Esra (2010) indicate attention has to be focus to understand organization performance processes and outcome variable influence the relationship between human resource management practices and organizational performance will allow the human resource managers to design programs that will bring forward better operational results to achieve higher organizational performance.

Many companies in recent year have using balanced scorecard methodology to tracked and measured in multiple dimensions such as financial, market share and customer satisfaction. This also indicated by Wendel (2013), proposed that to efficiently manage and frequently measure its performance by measurement tools such as balance scorecard, gap analysis and financial assessment for evaluating a company's business performance.

From the managerial point of view, this research literatures review provides number of helpful fundamentals for managers and leaders to better manage their companies or departments for manufacturing sector. The identification of positive relationship between employee empowerment, recognition and company performance indicates to managers that leadership strategic role is positively contributes to the improvement of organizational performance and effectively challenging situations.

The research showed manufacturing sector employees are felt self-empowered to take control of own destiny in implementation and decision making as well as in the goal contribution. Empowered allows their lower level employee to show their ability to recommend and execution with job issue and problem prior authorization of the management. The managers also agreed that to achieve company performance. Recognition program helps creating happier employees and feel good valued to job they performed. A regularly recognition in fair and consistent manner give out positive effects relationship bring significant positive performance to the company financial result.

The employee also agreed that their job good use of their skills, knowledge and capability. They also allowed to participating in the goals implementation and decision making as well as goals contribution and lastly strongly believe that they are given empowerment on their job to help company achieve the desired performance. Michael (2013) outlined provide direction and allow employee to become part of your vision make them feel was part of the company future growth. Allowing employees to work out the strategy plan and best details to resolved the problem. Provide expertise and knowledge guidance to the team on difficulty and allow any ideas contribution and making it as a team effort. Especially trust on employee involved to getting things done the first time.

In any organization or company, recognition is one of the important elements that cannot be lack off. In this research, employee agreed that their employer appreciate their job performance tied to corporate value. Chartered Institute of Personnel and Development (CIPD) mentioned the same literature about employees reward should in accordance with their value performance to an organization. The employees see the rewards as a motivation and valuable recognition to their contribution to company performance even on small improvement on their job to company performance. Employees agreed that recognition have a positive impact on company financial performance as their employees are happy with job and willing to performed more to achieve objective of company. Lastly, employee also strongly believed that they are rewards fairly and consistently. This tight with Kenneth (2006), literature emphasized ensuring consistency administrative process and professionally managed all employees at all level on rewards system and recognition programs.

The limitation:

This survey has been conducted with the manufacturers in Northern Region of Malaysia. Nevertheless, the result may not be able to generalise the influence of employee empowerment, team work and recognition on company performance for the whole country as there are different focus on their operation. This study focuses solely on the empowerment, team work and recognition towards performance. Future research should consider to down level besides the "top management and managerial level" only for these variables to find if there is a relationship and differences in opinion between these two groups. The same model could be used in a comparative study between the service sector (such as hotel, logistic, banking) and the manufacturing sector in order to test the differences of variables in both sectors and determine whether the model could be more common across different industries rather than representing manufacturing sector.

Conclusion:

This paper has applied empirical analysis on the influence of employee empowerment, team work and recognition on company performance of local manufacturers. Survey on company performance on the local manufacturers reveals that the level of company performance is high level. The results show that the employee empowerment, team work and recognition contributes to the company performance. The results suggest that, all manufacturers must consider employee empowerment, team work and recognition as their focusing aspect to survive in the business. Employee empowerment, team work and recognition towards company performance

relationship has been a visible benchmark among high performing company and organization on individual variable in recent years. An organization should thus focus on strategic planning and alignment between employees, empowered employees for job and goals contribution and recognize employees according to job performance tight to corporate value. More than any other variable, as power contributors to its competition position in the market.

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