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STUDIES



THE EFFECT OF WORK ENVIRONMENT ON  
ORGANIZATIONAL PERFORMANCE IN WISMA PERKESO  
KUCHING, SARAWAK

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MARCH 2017 – JANUARY 2018

## Abstract

The main purpose of this research is to know whether work environment can affect the performance of the organization. Nowadays, work environment is not being considered as an important element in order to improve the performance of the organization. Thus, we would like to evaluate the perception of the employees towards the environment at their workplace. In the work environment, we divide it into two which is the physical work environment and the non-physical work environment which. Both the physical work environment and the non-physical work environment consist of several elements which were being used in previous study. Hence, we also try to find out which of those two types of work environment give more effect on the performance of the organization. We will conducted this research at the Wisma PERKESO Kuching, Sarawak as the organization are located in the city which quite suitable for our purpose of study. The findings of the study are hoped to provide idea to the employer and the upper level management on how to increase the performance of the organization in term of the work environment.

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# CHAPTER 1:

## INTRODUCTION

### 1.0 Introduction

This chapter focuses the background of the study which is on the effect of work environment. It also emphasize on organizational performance. Section 1.1 discusses the background of the study, Section 1.2 explains the problem statement and Section 1.3 states the research question. Moreover, Section 1.4 states the research objectives and Section 1.5 is on the information regarding the scope of the study. In addition, section 1.6 explains the significant of the study and the lastly Section 1.7 is all about the definitions of terms and concepts.

### 1.1 Background of the study

Every organizations in the world aim to achieve their desired goals or objectives. Hence, employee is the one who is regarded as the most important asset to any organization as they are also known as front-liner. Most of them spend more time in the workplace compare to their home and family. They might consider the workplace as their second home and want to do the best for the organization in order to increase the performance of the organization. However, to do best for the organization is not easy as many factors can affect the performance of the employee where their performance will contribute to the performance of the organization. One of the biggest

## **CHAPTER 2**

### **LITERATURE REVIEW & CONCEPTUAL FRAMEWORK**

#### **2.0 Introduction**

This chapter is about a review of the literature on the determinants of organizational performance. This chapter also consists of work environment which consist of physical and non-physical work environment which is the determinants of the performance of the organization.

#### **2.1 Work environment**

The environment of a workplace give impact on the quality and quantity of work outcomes by employees while poor work environment can lead to ineffective in employee's output as it also can reduce the job satisfaction of the employee (Sarode and Shirsath, 2014).

According to Ajala (2012), the environment in a workplace can give impacts on the morale of the employee, production and work engagement both positively and negatively. Besides, it also can affect largely on both physical and psychological welfare. The environment is a person direct surrounding which he manages for his presence where a wrongful management leads threats that