The Factors Influencing Employee Engagement in Recruitment Companies in Thailand

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ABSTRACT: This research investigates the factors influencing employee engagement within recruitment companies in Thailand. The study examines six independent variables: compensation, career advancement, job satisfaction, organizational commitment, leadership, and reward and recognition. Data were collected from 385 respondents employed at various recruitment companies in Thailand using a combination of convenience and snowball sampling methods. Descriptive analysis, and multiple linear regression were used to analyse the data. The findings indicated that compensation, career advancement, job satisfaction, and organizational commitment significantly influenced employee engagement, all with P-values less than 0.05. Combined, these four independent variables accounted for 82.1% of the variation in employee engagement. Of these, job satisfaction had the most profound influence on employee engagement, contributing 39.0%. The study suggests that recruitment companies should prioritize enhancing job satisfaction factors. It's crucial to understand the specific contributors to employee job satisfaction. Implementing regular employee satisfaction surveys and feedback sessions can pinpoint areas needing improvement, such as work-life balance, workload distribution, and acknowledgment of accomplishments. Offering clear career advancement opportunities and professional development can also empower employees, showcasing the organization's commitment to their growth.

KEYWORDS: Employee engagement, Compensation, Organizational Commitment, Job Satisfaction, Career Advancement

I. INTRODUCTION
Employee engagement is pivotal for organizational success and a conducive workplace. Engaged employees experience elevated job satisfaction, finding value in their work, which translates to positive work atmospheres and lower turnover rates (Andrew & Sofian, 2012). For Thailand's recruitment companies, it's imperative to understand these engagement factors to boost organizational performance and worker satisfaction. Vance (2006) suggests that HR practices, including job design, recruitment, and compensation, significantly enhance Employee Engagement.

Thailand's recruitment industry, marked by client engagement and performance metrics, is instrumental in bridging employers and job seekers. As facilitators for both domestic and international firms, these agencies streamline the hiring process, ensuring compatibility between job roles and candidate skills. Given Thailand's economic growth and globalization, many multinational corporations have set up operations, relying heavily on these agencies for talent acquisition (Markos & Sridevi, 2010).

This study's focus on recruitment companies stems from multiple motivations. Firstly, my personal involvement in the recruitment sector renders a deep-seated interest in researching this domain. While ample studies explore employee engagement across different sectors, few spotlight recruitment agencies. This research seeks to address this literature gap, delving into the specific factors affecting engagement in the recruitment sphere. Given my industry positioning, I have immediate access to vital data, which augments the research process's practicality and efficiency.

The crux of this study lies in identifying the significant factors influencing employee engagement within Thai recruitment companies. Employing a quantitative methodology, non-probability sampling will guide data collection. Analytical tools such as descriptive statistics and regression analysis will interpret the gathered data. Additionally, secondary resources like academic journals and prior studies will further refine the insights.

RESEARCH OBJECTIVES
1. To study employee engagement in recruitment companies in Thailand.
2. To study the factors influencing employee engagement in recruitment companies in Thailand.

II. LITERATURE REVIEW
Compensation and Employee Engagement
Compensation is a critical factor influencing employee engagement in organizations. According to a study by Khan and
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Mahmood (2020), employees who perceive their compensation as equitable and aligned with their contributions tend to be more engaged in their work. Additionally, a study by Riaz and Shahzadi (2019) found a significant positive relationship between monetary rewards and employee engagement.

Career Advancement and Employee Engagement
Career advancement opportunities play a crucial role in fostering employee engagement within organizations. Numerous studies have demonstrated a positive relationship between career advancement and employee engagement. For instance, a study by Hong, Liao, Hu, and Jiang (2020) found that employees who perceive significant opportunities for career growth and development are more likely to be engaged in their work. Similarly, another study by Khan and Mahmood (2020) highlighted the positive impact of career advancement on employee engagement through the mediating role of perceived organizational support.

Job Satisfaction and Employee Engagement
Job satisfaction has a strong relationship with employee engagement, as engaged employees tend to experience higher levels of job satisfaction. A study by Saks (2006) found that job satisfaction mediates the relationship between engagement and outcomes such as performance, organizational commitment, and retention. Research by Harter et al. (2002) and Bakker et al. (2011) has also highlighted the positive association between job satisfaction and employee engagement.

Leadership and Employee Engagement
Leadership has a significant impact on employee engagement, as effective leaders can inspire and influence employees to be more engaged in their work. Research by Bakker and Xanthopoulou (2009) has shown that transformational leadership is positively associated with employee engagement, job satisfaction, and organizational commitment. Transactional leadership has also been found to have a positive influence on employee engagement, particularly using contingent rewards and active management-by-exception.

Organizational Commitment and Employee Engagement
Organizational commitment is closely related to employee engagement, as committed employees tend to exhibit higher levels of engagement. A study by Bakker et al. (2008) found that organizational commitment mediates the relationship between engagement and positive outcomes such as job performance and organizational citizenship behaviour. Research by Saks (2006) and Rich et al. (2010) has also highlighted the positive association between organizational commitment and employee engagement.

Reward & Recognition and Employee Engagement
Reward and recognition programs have been widely acknowledged as effective strategies for enhancing employee engagement within organizations. Several studies have explored the relationship between reward and recognition practices and employee engagement. For instance, a study by Ahmad, Qadeer, and Butt (2019) revealed that employees who perceive fair and equitable reward systems are more engaged in their work. Additionally, a study by Raza, Siddique, and Awan (2020) highlighted the positive impact of recognition programs on employee engagement, emphasizing the importance of acknowledging and appreciating employees' contributions.

III. RESEARCH FRAMEWORK
The conceptual model was derived from prior studies examining the factors that influence employee engagement in recruitment companies in Thailand. This research chose six independent variables for examination: compensation, career advancement, job satisfaction, leadership, organizational commitment, and reward and recognition. The dependent variable in this study was employee engagement.
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![Diagram: Research Conceptual Framework]

**Figure 1 – The Research Conceptual Framework**

**IV. RESEARCH HYPOTHESES**

The researchers developed six hypotheses, based on the provided conceptual framework, to investigate the factors influencing employee engagement in recruitment companies in Thailand. The specifics of the hypotheses are as follows:

H1a: Compensation has a significant influence on employee engagement in recruitment companies in Thailand.
H2a: Career advancement has a significant influence on employee engagement in recruitment companies in Thailand.
H3a: Job satisfaction has a significant influence on employee engagement in recruitment companies in Thailand.
H4a: Leadership has a significant influence on employee engagement in recruitment companies in Thailand.
H5a: Organizational commitment has a significant influence on employee engagement in recruitment companies in Thailand.
H6a: Reward and recognition have a significant influence on employee engagement in recruitment companies in Thailand.

**V. RESEARCH METHODOLOGY**

This research examines the factors that influence employee engagement within recruitment companies in Thailand. A quantitative approach was used to gather primary data through an online questionnaire hosted on Google Forms, targeting employees in these companies. This method provided a convenient means to reach participants. The reliability of each variable in the study was ensured using Cronbach’s Alpha. Participants’ responses were measured using a five-point Likert scale, ranging from "Strongly Disagree" (1) to "Strongly Agree" (5). Subsequently, descriptive analysis was employed to interpret the collected data, aiming to provide a comprehensive view of the experiences and perspectives of the participants. This method sought to highlight prevailing trends and patterns within the topic of investigation.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach’s Alpha</th>
<th>Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement</td>
<td>0.931</td>
<td>Excellence</td>
</tr>
<tr>
<td>Compensation</td>
<td>0.873</td>
<td>Good</td>
</tr>
<tr>
<td>Career Advancement</td>
<td>0.938</td>
<td>Excellence</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.938</td>
<td>Excellence</td>
</tr>
<tr>
<td>Leadership</td>
<td>0.929</td>
<td>Excellence</td>
</tr>
<tr>
<td>Organization Commitment</td>
<td>0.939</td>
<td>Excellence</td>
</tr>
<tr>
<td>Reward and Recognition</td>
<td>0.944</td>
<td>Excellence</td>
</tr>
</tbody>
</table>

Table 1 displays the Cronbach’s alpha results for every variable in this study. Based on general guidelines, the overall score exceeded 0.8, placing it in a range that might raise questions regarding value interpretation. As a result, no items were removed from the questionnaire.
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VI. DATA ANALYSIS AND RESULTS

Based on the analysis conducted using SPSS, the demographic information, namely gender, age, educational level, and years of working experience in recruitment companies in Thailand, was examined. The respondents are employees in recruitment companies in Thailand. In terms of gender, out of the total 385 respondents, 104 respondents or 27 per cent were identified as female, while the remaining 281 respondents or 73 per cent were male.

Following that, the analysis of age revealed that the highest number of respondents, 178 in total, fell within the age range of 25-35 years, accounting for 46.2 per cent of the total respondents. The second highest group consisted of 110 respondents, or 28.6 per cent, who were between the ages of 36-45. The third group comprised 62 respondents, or 16.1 per cent, who were below the age of 25. Lastly, there were 35 respondents, or 9.1 per cent, who were between the ages of 46-55.

In terms of educational attainment, the respondents could be categorized into two levels: bachelor's degree and master's degree. Most respondents held a bachelor's degree, with 309 individuals representing 80.3 per cent of the total. Following that, the second-highest educational level was a master's degree, which accounted for 76 respondents or 19.7 per cent of the total.

Regarding the years of working experience in recruitment companies in Thailand, most respondents had less than 3 years of experience, accounting for 174 individuals or 45.2 per cent of the total. The second highest group was those with 3-5 years of experience, with 132 respondents or 34.3 per cent of the total. The third group consisted of individuals with 6-10 years of experience, comprising 52 respondents or 13.5 per cent. The remaining 27 respondents or 7 percent had more than 10 years of working experience in recruitment companies in Thailand.

Table 2: Summary result of Mean and standard deviation of all variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement</td>
<td>4.4400</td>
<td>73027</td>
<td>Agree</td>
</tr>
<tr>
<td>Compensation</td>
<td>4.4904</td>
<td>70307</td>
<td>Agree</td>
</tr>
<tr>
<td>Career Advancement</td>
<td>4.4671</td>
<td>69716</td>
<td>Agree</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>4.4577</td>
<td>71012</td>
<td>Agree</td>
</tr>
<tr>
<td>Leadership</td>
<td>4.5122</td>
<td>66793</td>
<td>Strongly Agree</td>
</tr>
<tr>
<td>Organization Commitment</td>
<td>4.4779</td>
<td>70972</td>
<td>Agree</td>
</tr>
<tr>
<td>Reward and Recognition</td>
<td>4.5018</td>
<td>66475</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

Table 2 showcases the results for both independent and dependent variables. The outcomes, interpreted as "agree" and "strongly agree", encompass employee engagement, compensation, career advancement, job satisfaction, leadership, organizational commitment, and reward and recognition, with mean scores of 4.4400, 4.4904, 4.4671, 4.4577, 4.5122, 4.4779, and 4.5018, respectively. The standard deviation for the dependent variables was recorded at 0.73027. For the independent variables, which include compensation, career advancement, job satisfaction, leadership, organizational commitment, and reward and recognition, the values were 0.70307, 0.69716, 0.71012, 0.66793, 0.70972, and 0.66475, respectively.

Table 3: Model Summary from Multiple Regression Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.907</td>
<td>.823</td>
<td>.820</td>
<td>.30949</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Reward and Recognition, Compensation, Career Advancement, Job Satisfaction, Organization Commitment, Leadership

As shown in Table 3, the adjusted R-square value stands at 0.820, indicating that 82% of the variability in employee engagement within recruitment companies in Thailand can be explained by the independent variables: compensation, career advancement, job satisfaction, leadership, organizational commitment, and reward and recognition. This infers that the unexplained 18% of the variation in employee engagement might be due to factors not included in this study.

Table 4: Model Summary from Multiple Regression Results

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>.004</td>
<td>.114</td>
<td>.035</td>
</tr>
<tr>
<td>Compensation</td>
<td>.169</td>
<td>.163</td>
<td>.381</td>
</tr>
<tr>
<td>Career advancement</td>
<td>.258</td>
<td>.246</td>
<td>.351</td>
</tr>
</tbody>
</table>

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Table 4 employs the P-value as an indicator of the significance level to assess the influence of the six examined variables: compensation, career advancement, job satisfaction, organizational commitment, leadership, and reward and recognition on employee engagement within recruitment companies in Thailand. Among these variables, compensation, career advancement, job satisfaction, and organizational commitment displayed a statistically significant effect on employee engagement, given their P-values were less than 0.05. Conversely, leadership and reward and recognition did not demonstrate a significant impact on employee engagement.

The standardized coefficients (β) shed light on the magnitude of the impact each independent variable has on employee engagement. For instance, a one-unit uptick in compensation correlates with a 16.3% rise in employee engagement (β= 0.163). Likewise, a single-unit increment in career advancement and job satisfaction corresponds to a 24.6% (β= 0.246) and a 41.1% (β= 0.414) surge in employee engagement, respectively. Conversely, a one-unit increase in leadership is associated with a 3.8% dip in employee engagement (β= -0.038). A one-unit growth in organizational commitment accounts for a 22.3% hike in employee engagement (β= 0.223), while a one-unit enhancement in reward and recognition is linked to a 4.3% drop in engagement (β= -0.043).

**VIF - Variance Inflation Factor**

The Variance Inflation Factors (VIF) was the statistical technique employed to detect multicollinearity. As noted by Kim (2019), a VIF value surpassing 5 indicates the presence of multicollinearity. In Table 4, the VIF values for the independent variables: compensation, career advancement, job satisfaction, organizational commitment, leadership, and reward and recognition—were determined to be 3.886, 4.532, 6.006, 7.84, 7.596, and 6.230, respectively. It was noted that job satisfaction, organizational commitment, leadership, and reward and recognition displayed multicollinearity, suggesting a pronounced correlation with other independent variables. In contrast, compensation and career advancement did not exhibit multicollinearity issues, given their VIF values remained under 5.

From the results, it was clear that leadership and reward and recognition were not significant, as the P-values for these independent variables exceeded 0.05. Thus, the null hypothesis couldn't be rejected for these variables. The researcher then opted to re-analyse the independent variables, omitting those that were non-significant. The decision led to minor shifts in the results due to the removal of non-significant variables. The final conclusion underscored that compensation, career advancement, job satisfaction, and organizational commitment wield a significant influence on employee engagement within recruitment companies in Thailand.

### Table 5: Model Summary from Multiple Regression Analysis (Confimation analysis)

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.907a</td>
<td>.822</td>
<td>.821</td>
<td>.0390</td>
</tr>
<tr>
<td>a. Predictors: (Constant), Organization Commitment, Compensation, Career Advancement, Job Satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As shown in Table 5, the second round indicates an adjusted R-squared value of 0.821. This demonstrates that 82.1% of the variation in employee engagement in recruitment companies in Thailand can be explained by the independent variables: compensation, career advancement, job satisfaction, leadership, organizational commitment, and reward and recognition. This leaves 17.9% of the variation in employee engagement potentially attributable to other factors not examined in this study.

### Table 6: Model Summary from Multiple Regression Analysis (2nd round)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
</tr>
<tr>
<td>Compensation</td>
<td>-.035</td>
<td>.109</td>
<td>-.324</td>
</tr>
<tr>
<td>Career Advancement</td>
<td>.165</td>
<td>.044</td>
<td>159</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>.240</td>
<td>.044</td>
<td>229</td>
</tr>
<tr>
<td>Organizational commitment</td>
<td>.401</td>
<td>.051</td>
<td>390</td>
</tr>
<tr>
<td>a. Dependent Variable: Employee Engagement</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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From the results, it was clear that leadership and reward and recognition were not significant, as the P-values for these independent variables exceeded 0.05. Thus, the null hypothesis couldn't be rejected for these variables. The researcher then opted to re-analyse the independent variables, omitting those that were non-significant. The decision led to minor shifts in the results due to the removal of non-significant variables. The final conclusion underscored that compensation, career advancement, job satisfaction, and organizational commitment wield a significant influence on employee engagement within recruitment companies in Thailand.
From the findings in Table 6, subsequent analysis revealed that the significance values for the four variables, namely compensation, career advancement, job satisfaction, and organizational commitment, were all below 0.05. This indicates a statistically significant influence of these variables on employee engagement in recruitment companies in Thailand. The standardized coefficient ($\beta$) values for each of these independent variables are as follows: a 1-unit increase in compensation corresponded to a 15.9% increase in employee engagement ($\beta$= 0.159); for career advancement, a 1-unit increase led to a 22.9% increase ($\beta$= 0.229); a 1-unit increase in job satisfaction resulted in a 39% rise ($\beta$= 0.390); and for organizational commitment, a 1-unit increase contributed to a 19% growth in employee engagement ($\beta$= 0.190).

According to the results of the study, the regression can be defined as an equation below.

$$\text{Employee engagement} = (-0.035) + 0.165 \text{ (Compensation)} + 0.240 \text{ (Career Advancement)} + 0.401 \text{ (Job Satisfaction)} + 0.195 \text{ (Organization Commitment)}$$

**Figure 2: The Factors Influencing Employee Engagement in Recruitment Companies in Thailand, Model**

**VII. DISCUSSION AND IMPLICATION**

This research on the factors influencing employee engagement in recruitment companies in Thailand has yielded valuable insights into the drivers of employee engagement in this context. The study examined six variables, namely compensation, career advancement, job satisfaction, organizational commitment, leadership, and reward and recognition. The results indicated that four variables, specifically compensation, career advancement, job satisfaction, and organizational commitment, demonstrated a statistically significant influence on employee engagement in recruitment companies in Thailand, as evidenced by their $P$ values being less than 0.05. This finding underscores the crucial role of these factors in fostering employee engagement within the recruitment industry.

On the other hand, the variables of leadership and reward and recognition did not show a significant influence on employee engagement in recruitment companies in Thailand. Although these factors may not have exhibited a direct impact on engagement, it is essential to acknowledge that they can still play a vital role in overall employee satisfaction and organizational climate.

Considering the research findings, it is evident that recruitment companies in Thailand can enhance employee engagement by prioritizing and optimizing compensation, career advancement opportunities, job satisfaction, and organizational commitment. These factors are critical in motivating employees, fostering a sense of loyalty, and driving productivity and performance.

However, the non-significant influence of leadership and reward and recognition warrants further investigation. It is possible that other factors or variables, not examined in this research, may interact with leadership and recognition to influence employee engagement. Future studies could explore additional dimensions of leadership and recognition practices, as well as other organizational aspects, to gain a comprehensive understanding of their impact on employee engagement.

In conclusion, this individual research provides valuable insights into the factors influencing employee engagement in the recruitment companies in Thailand. By recognizing the significance of compensation, career advancement, job satisfaction, and organizational commitment, recruitment companies can proactively implement strategies to enhance employee engagement and create a thriving work environment. Additionally, this research opens the door for further exploration into leadership and reward and recognition, offering opportunities for future investigations that can contribute to the overall understanding of employee engagement dynamics.
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