Effects of Recreational and Entertainment Activities on Employees Job Satisfaction: A Case Study

Sobia Shujat
Lecturer at the Bahria University Karachi Campus

Farah Ameer
MBA scholar at the Bahria University Karachi Campus

Farooq-E-Azam Cheema
Dean Management Sciences at the Institute of Business & Technology (IBT)

ABSTRACT

Purpose - This study aims to determine the effect of recreational activities including indoor and outdoor games, contests, competitions, festivals and celebrations of various events etc. conducted by organizations on job satisfaction of employees.

Methodology/Sample - For this paper, survey and interview method has been used. Structured questionnaire were administered through e-mail to sixty respondents from two companies in the telecommunication sector. Hypothesis testing has been done through 'Regression Analysis' and ANOVA.

Findings - The research showed that companies have started changing their old methodology of operating. Because of the swift changes and the highly competitive environment; companies are considering the idea of putting fun and entertaining activities at work. It further shows that fun-filled activities not only results in better interpersonal relationships but also lighten up the traditional work environment while making workplace comfortable and a less stressful place. Recreational and entertainment activities may bring a positive change in job satisfaction level but it is not the sole contributor of job satisfaction. Moreover, it can be implied that employees at different level have different needs and desires. For middle and higher level, recreation and entertainment may be important but lower level management may have different aspirations so fulfilling personal needs of employees is a highly significant aspect that should be taken care of.

Practical Implication - The findings of the research is beneficial for the management of organizations to design recreational activities in such a way that fosters the work environment and increase the job satisfaction among employees in Pakistan.

Keywords: Employee Job Satisfaction, Recreational Activities, Entertainment Activities.

Jel classification: 

* The material presented by the author does not necessarily portray the viewpoint of the editors and the management of the Institute of Business & Technology (Biztek) or Bahria University Karachi Campus.
* Sobia Shujat: sobiashujaat@bimcs.edu.pk
* Farah Ameer: farah.ameer@yahoo.com
* Farooq-E-Azam Cheema: dr.cheema@ibt.edu.pk

© JMSS is published by the Institute of Business and Technology (Biztek). Main Ibrahim Hydri Road, Korangi Creek, Karachi-75190, Pakistan.
1. INTRODUCTION

The concept recreational and entertainment activities in the organizations gradually penetrated into the corporate America and it later spread into other regions of the world. This trend started during mid-to-late 1990's and now indoor and outdoor games, contests, competitions, social events and celebrations of special occasions with the objective of engaging the employees as well as for reducing stress and increasing the job satisfaction are gradually becoming a common place. Integrating recreational and entertainment activities results in a kind of environment where work is done in a constructive, collaborative and encouraging manner, where employees are passionate about their work, where people laugh and enjoy with each other, where employees are valued and respected, their ideas are welcomed and even stressful situations are dealt creatively, with an open mind in a light environment, where customers wants to do business due to the positive atmosphere and where special events are celebrated and fun activities are made part of the company culture.

There are many disadvantages associated with the workplace that are not stimulating and thriving. Without the inspirational and exciting workplace, company will not be able to attract the brightest and the most qualified applicants. Company will have to bear the cost of hiring new employees because of the greater turnover rate at the workplace. There will be high absenteeism rates and greater number of work-related grievances. Such an environment will have a negative impact on the physical and mental health of the employees. It will not be only devastating for the employees but also for their families. Company will suffer when an experienced employee who has immense knowledge, creativeness and intellectual capital quits the company because of the monotonous environment. Furthermore, high turnover is always costly for the companies. Hence, company will suffer greatly as a whole when they will not be able to innovate and change rapidly according to transformations in the environment and failing to keep up with the competitors in this highly competitive world.

So, this study would be beneficial for the organizations as it would enhance their knowledge about what recreational and entertainment activities are all about and their impact on job satisfaction. Moreover, this study would be important for those organizations that are facing problems of declining job satisfaction of employees. If alternative hypothesis is accepted, the study will suggest organizations that introduction of recreational and entertainment activities would help them increase the job satisfaction of employees which will ultimately improve productivity and profitability of a company.

Study has been conducted on two companies: Mobilink and Axact. Mobilink is a market leader with more than 31.6 million subscribers, has a network in more than 10,000 cities and towns nationwide and provides International Roaming Facility in more than 140 countries. Company maintains an investment of over US $3.3 Billion in Pakistan up till now. Over 4,500 people are directly employed at Mobilink. It has an advantage over its competitors because of the leading-edge integrated technology infrastructure; largest strong brands and therefore, provides value-added services and uninterrupted connectivity. There are more than 200,000 retail outlets of Mobilink across Pakistan which makes it having the largest distribution network.

Axact is a technology-based organization which offers an extensive range of services all over the world to businesses and consumers providing superior commendable service and ensuring customer satisfaction. It is involved in the provision of various types of software products and solutions that assist companies in improving their efficiency and bring a reduction in operating costs. It started its operations in 1997. In 2000, its global businesses were launched. The company operates in Karachi, Islamabad and Dubai. Furthermore, Axact has a worldwide presence in more than 100 locations.
1.1 Hypothesis

H1 = There is an impact of recreational and entertainment activities on employees job satisfaction.

H0 = Recreational and entertainment activities have no effect on job satisfaction.

2. LITERATURE REVIEW

Recreation can be defined as an activity that a person chooses to do for relaxation and amusement and to get energized. It not only stimulates and motivates individuals but also refreshes them to perform their day-to-day activities with maximum thrive and energy. (Oak, 2012) In the past, play and work was separated by clearly defined boundaries and it was assumed that both of these notions have neither connection nor linkage to each other but now every upcoming year successful managers are realizing that this is most powerful tool to meet the modern day-to-day challenges in today's era (McGhee, 2010).

Though there are numerous researchers and professionals who oppose presence of such culture in the organization as wastage of time, chances of equipment damage and increase in work errors but according to SHRM reports, companies that do not endorse and do not encourage fun have higher incidence rates in each one of these domains (Arthur, 2006).

Michael Kerr is of the view that in order to add enjoyment and excitement in the work environment on a constant basis, Entertainment activities such as Traditions and customs are generally thought to be the most effective ways. This creates liveliness and happiness into the workplace as well as feeling of interconnection among all members of the organization (Kerr, 2011) Most of the businesses these days fail to recognize that involving their employees in playoffs is a fundamental component in order to have a strong and growing business. In fact, it has been recognized that Playoff's promotes cooperation and strategy skills. (Darell, 2011)

According to John. (2011), job satisfaction can be defined as an attitude that reflects what a person feels about his or her job, co-workers and the working conditions. This feeling can be positive or negative. According to (Huffmon, 2011), Integrating recreational and entertainment activities in the company culture can be termed as an untraditional approach to keep the employees contented. In the past, monetary rewards like bonuses, Perquisites, incentives like paid vacations were used by managers to keep the workforce motivated and satisfied. These approaches worked but achieve success on temporary basis.

Now, in recent years, efforts have been made by managers to create a more permanent and enduring motivation for all the employees. Huffmon, (2011) says this can be achieved by modifying the culture and working environment of the company). She (ibid) further elaborated that this approach can bring benefits for the employees, customers and the company. Research shows that when employees are satisfied with the job and the work environment, it is estimated to bring an increase in operating income by at-least 19%.

This positive relationship between recreational and entertainment activities and job satisfaction can be explained with the help of various theories that symbolizes what motivates and energizes individuals. These theories include David McClelland's Three Need Theory, Abraham Maslow's hierarchy of needs theory and Frederick Herzberg's two factor theory (Pattanayak, 2005).
3. RESEARCH METHOD

Research work is of cause and effect nature. Job satisfaction is the dependent variable whereas recreational and entertainment activities are independent variables. The sample size was 60 respondents, 30 from each company, selected on convenient sampling basis. 46 respondents were male and 14 were female. 39 respondents belonged to executive level and 21 belonged to operational level. 46 respondents were less than 30 years old, 11 respondents fell in the bracket of 30-39 years, and 3 belonged to the range of 40-49 years. 49 respondents had less than 4 years work experience in the organization, 8 respondents were having 4 to 7 years working experience, 3 respondents had 8 to 11 years experience. 14 of the respondents had Bachelor's degree, 42 respondents were having Master's degree and 4 respondents had higher than master's degree.

Respondents were asked matters related to types of recreational and entertainment activities, frequency with which these activities are followed in a company, advantages of conducting these activities and its effect on job satisfaction. Survey questionnaire comprised of twelve closed-ended questions with predetermined set of responses i.e. Strongly Agree, Agree, Disagree, and Strongly Disagree as well the open-ended questions where no specific options are given.

For interview data, two managerial level respondents were resorted to; an Assistant Manager Operations at Mobilink, and an Associate Manager Brand at Axact. Interviews were mainly structured containing thirteen open-ended questions. The last sections of the survey and interview questionnaires comprise open-ended questions providing the qualitative information.

4. DATA ANALYSIS

| Table 2: Survey Information Regarding Recreational and Entertainment Activities |
|-----------------------------|----------------|---------------|----------------|----------------|
|                             | 1              | 2             | 3              | 4              |
|                             | Strongly Agree| Agree         | Disagree       | Strongly Disagree |
| 1. Recreational and entertainment activities are very important to me. | 38 63.3% | 10 16.7% | 10 16.7% | 2 3.3% |
| 2. While on job, I get the chance to engage myself in recreational things from time to time. | 32 53.3% | 14 23.3% | 12 20.0% | 2 3.3% |
| 3. I am satisfied with the recreational activities company provides such as indoor and outdoor sports, gym, etc. | 33 55.0% | 15 25.0% | 12 20.0% | 0 0.0% |
| 4. I am satisfied with the entertaining activities such as socialization, annual events, birthdays celebrations, festivals, picnics etc. | 37 61.7% | 13 21.7% | 10 16.7% | 0 0.0% |
| 5. I feel the sense of accomplishment and satisfaction from my job. | 37 61.7% | 9 15.0% | 14 23.3% | 0 0.0% |
4.1 Hypothesis Testing

- $H_1$: There is an impact of recreational and entertainment activities on employees job satisfaction.
- $H_0$: Recreational and entertainment activities has no effect on job satisfaction.

Through 'Regression Analysis', hypothesis testing has been done. Two statements i.e. statement 2 and statement 11 have been selected from the survey questionnaire based on the topic that needs to be verified. The regression analysis has tested the relationship between recreational and entertainment activities and job satisfaction. Recreational and entertainment activities have been taken as an independent variable while job satisfaction has been taken as a dependent variable.

5. SUMMARY OUTPUT

<table>
<thead>
<tr>
<th>Regression Statistics</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple R</td>
<td>0.97469174</td>
</tr>
<tr>
<td>R Square</td>
<td>0.950023988</td>
</tr>
<tr>
<td>Adjusted R Square</td>
<td>0.925035983</td>
</tr>
<tr>
<td>Standard Error</td>
<td>0.081715056</td>
</tr>
<tr>
<td>Observations</td>
<td>4</td>
</tr>
</tbody>
</table>

**Table 2: Survey Information Regarding Recreational and Entertainment Activities**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. I believe that if these recreational and entertainment activities are absent and are not part of company culture, then I would seek out another job.</td>
<td>18 30.0%</td>
<td>12 20.0%</td>
<td>19 31.7%</td>
<td>11 18%</td>
</tr>
<tr>
<td>7. Those organizations that encourage such fun-filled activities are more effective than those who do not.</td>
<td>42 70.0%</td>
<td>8 13.3%</td>
<td>10 16.7%</td>
<td>0 0.0%</td>
</tr>
<tr>
<td>8. These activities result in maintaining friendly and close interaction with each other in our company.</td>
<td>43 71.7%</td>
<td>17 28.3%</td>
<td>0 0.0%</td>
<td>0 0.0%</td>
</tr>
<tr>
<td>9. I believe that these activities reduce absenteeism and turnover intentions.</td>
<td>43 71.7%</td>
<td>12 20.0%</td>
<td>5 8.3%</td>
<td>0 0.0%</td>
</tr>
<tr>
<td>10. My company is exciting and amusing place to work.</td>
<td>39 65.0%</td>
<td>11 18.3%</td>
<td>10 16.7%</td>
<td>0 0.0%</td>
</tr>
<tr>
<td>11. These activities help in enhancing our job satisfaction.</td>
<td>41 68.3%</td>
<td>12 20.0%</td>
<td>6 10.0%</td>
<td>1 1.7%</td>
</tr>
<tr>
<td>12. Each individual employee is valued by my organization.</td>
<td>15 25.0%</td>
<td>29 48.3%</td>
<td>16 26.7%</td>
<td>0 0.0%</td>
</tr>
</tbody>
</table>
The correlation value of 0.974 shows strong positive correlation between recreational and entertainment activities and job satisfaction. Since the value of R Square, coefficient of determination is greater than 0.80, there is a good fit to the data. It suggests that 95.00% of the variation in job satisfaction can be explained by recreational and entertainment activities.

Interpretation of ANOVA

As Significance of F = 0.025, there is only a 2.5% chance that the Regression output was just a probability occurrence. Degree of freedom (DF) given in table is exactly 4 so its critical value is found to be 0.90000. The 'R' correlation coefficient formerly calculated was 0.97469174. The calculated figure for 'R' is higher than the critical value given in the table; this suggests that calculations that have been done possess statistical significance.

5. CONCLUSION

The findings from this research indicate that recreational and entertainment activities, more than ever before, are becoming highly important for organizations at present and in the future. Despite economic downturn, acknowledging and responding to personal needs of employees continue to be significant. Presence of fun-filled activities such as games, picnics, celebrations of special events not only help the employees get engaged with each other resulting in better interpersonal relationships but also lighten up the traditional work environment while making workplace comfortable and a less stressful place.

According to respondents, benefits of integrating recreational and entertainment activities include increase in motivation and improvement in health and relationships. Another important aspect associated with such activities is that they may provide firms a competitive staffing advantage. Results of the research indicate that recreational and entertainment activities are very important to employees and they believe that they should exist in the organization. This implies that employees may now expecting work to be more enjoyable and pleasing.
Job satisfaction is about compensation, the work itself and the work environment. First of all, attention should be given to make the basics right - good amount of salary, suitable positive conditions, etc. Each factor has its own significance for keeping the employees contented. Compensation packages should be well-designed in accordance of the industry averages. Employees should consider them as safe and secure in their employment. Management focus should be on creating and maintaining a high-quality superior work ambiance while trying to incorporate the employee's suggestions. Perhaps the major factor for making workplace pleasant and enjoyable is the organization itself. If individuals are always overworked or running behind the deadlines, they will remain strained and tensed so Management needs to set sensible and rational production targets and offer proficient guidance and direction, as well as the resources to support attainment of the objectives. Having such arrangement in place, even the most challenging work can be entertaining and not traumatic. Thus, provision of ample amount of recreational and entertaining activities along with satisfactory work schedule is needed in order to make employees contented. Furthermore, Work/life balance must be ensured to keep the employees in high spirits. Work/life balance should not be restricted for couples with young children which is a common tendency rather it should equally pertain for all employees. Work/life balance should be relevant to all young, single individuals and older people looking for shorter working hours.

6. REFERENCES