

Exploring the Roles of Benefits, Practices, Digitalization, and Sustainability on Employee Satisfaction in the Malaysian Oil and Gas Industry

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Abstract

This study assesses the impact of benefits and rewards, new working practices, digitalization, and sustainability on employee satisfaction and expectations in the Malaysian oil and gas industry. A quantitative research methodology was employed, utilizing a structured survey distributed to 391 industry professionals. Statistical analyses were used to evaluate the relationships between the independent variables (benefits and rewards, new working practices,

digitalization, and sustainability) and the dependent variable (employee satisfaction and expectations). The findings revealed that all four hypotheses were supported, indicating a strong and positive impact of each independent variable on employee satisfaction and expectations. Benefits and rewards were found to have the most substantial influence, followed closely by new working practices, sustainability, and digitalization. This research contributes significantly to the understanding of employee satisfaction dynamics in the post-pandemic era within this critical sector. It provides actionable insights for organizational leaders seeking to enhance work environments and align with evolving employee expectations. The study highlights the importance of a holistic approach to employee engagement, emphasizing the need for comprehensive strategies that address diverse aspects of the work environment.

Keywords: benefits and rewards, new working practices, digitalization, sustainability, employee satisfaction and expectations, Malaysian oil and gas industry.

1. Introduction

The post-pandemic era has brought significant changes in employee expectations and job satisfaction in Malaysia's oil and gas industry, necessitating a deeper understanding of these shifts. This study investigates how new working norms and competitive market conditions influence employee attitudes, motivation, productivity, and retention. The industry's transformation, particularly post-COVID-19, underscores the need to understand changes in workplace dynamics and employee expectations, including the increased demand for flexibility, job security, and technological integration (Raghavan et al., 2021; Bolodeoku et al., 2022). The adoption of digital work environments and the emphasis on sustainability practices have become pivotal, impacting on employee satisfaction and retention rates (Nazari & Musilek, 2023; Pang et al., 2023).

The pandemic accelerated digital transformation, posing challenges such as data security, reduced interpersonal communication, and the need for digital training. These issues highlight gaps in current HR policies, potentially leading to dissatisfaction and higher turnover rates. Additionally, global economic pressures and fluctuating oil prices exacerbate these challenges, making it crucial for HR strategies to address both macroeconomic factors and employee concerns. Moreover, the integration of sustainability practices has become increasingly important, with employees valuing long-term corporate responsibility alongside traditional compensation and career growth opportunities.

Moonyati Yatid (2021) emphasized the talent crunch in the industry, driven by factors like declining oil prices and socioeconomic changes, leading employees to seek better career security and development in other industries. Uthiyasuriyan et al. (2017) observed that employee dissatisfaction and loyalty were declining even before the pandemic, further exacerbated by market downturns and layoffs. This trend underscores the need for oil and gas companies to understand and address evolving employee expectations.

Job satisfaction remains a critical issue across industries, influencing a company's success beyond just profitability. According to Randstad's Employer Brand Research Malaysia Report (2018), a significant proportion of employees changed employers, highlighting the importance of addressing employee retention through effective HR policies. The study also considers gender-specific insights, noting that female employees faced lower job satisfaction during the COVID-19 lockdown due to balancing work and family expectations (Feng & Savani, 2020). This necessitates gender-sensitive HR policies to ensure equity and enhance job satisfaction.

This research aims to explore the direct and indirect impacts of benefits, new norms, and digitalization on employee satisfaction in Malaysia's oil and gas industry. It seeks to bridge the gap in understanding how these evolving expectations are met by the industry, particularly in terms of policy adaptation and implementation. The transition to digital work environments presents challenges and opportunities, requiring an examination of digital readiness, training, and support provided to employees. The competitive market situation, exacerbated by the pandemic, raises concerns about job security and career progression, necessitating a deeper investigation into how these dynamics influence employee satisfaction and expectations.

The study will utilize a comprehensive theoretical framework, including Herzberg's Two-Factor Theory, Expectancy Theory, and Psychological Contract Theory, to provide nuanced insights into the factors driving employee satisfaction. These insights will be critical for developing targeted HR policies and strategies that enhance job satisfaction and retention in the post-pandemic era.

Overall, this study highlights the importance of understanding the evolving expectations and satisfaction levels of employees in Malaysia's oil and gas industry. By exploring the interplay between new working norms, digitalization, and sustainability, the research aims to provide a comprehensive understanding of the post-pandemic work environment. This knowledge is crucial for oil and gas companies to develop effective HR strategies that align with current employee expectations, ensuring a motivated, productive, and satisfied workforce. The findings will also offer practical recommendations for enhancing job satisfaction and retention, contributing to the industry's long-term sustainability and competitiveness.

The remainder of this paper is organized as follows: Section 2 presents a comprehensive literature review. Section 3 outlines the adopted methodology. Section 4 discusses the findings. Finally, Sections 5 and 6 conclude the research, summarizing key insights and implications.

2. Literature Review

2.1 Benefits and Reward and Employee Satisfaction

The relationship between benefits and rewards and employee satisfaction has been a subject of interest for many researchers, particularly in the context of the oil and gas industry in Malaysia. The oil and gas industry's dynamic nature, coupled with the recent global challenges such as the Covid-19 pandemic, has necessitated a deeper understanding of the factors influencing employee satisfaction. This literature review focuses on the oil and gas industry in Malaysia, particularly in the context of the post-Covid-19 pandemic. The hypotheses under consideration are salary, monetary compensation, and career growth, which remain as important expectations in determining employee satisfaction in this industry.

The study conducted by Zainal et al. (2021) provides a valuable perspective on the relationship between benefits and rewards and employee satisfaction, particularly in the context of employee retention. The research aimed to investigate the effects of work-life balance, work environment, and reward and compensation on employee retention in Malaysia, amidst the Covid-19 outbreak.

The study collected data from 400 employees within the service industry in Malaysia. The results revealed that while work-life balance and work environment had a strong positive effect on employee retention, reward and compensation had a much stronger positive effect. This finding underscores the importance of benefits and rewards in shaping employee expectations and satisfaction. It suggests that while work-life balance and work environment are important, benefits and rewards, particularly in the form of reward and compensation, play a more significant role in determining employee satisfaction and retention (Zainal et al., 2021).

The research conducted by Zayed et al. (2022) offers a unique perspective on the relationship

between benefits and rewards and employee satisfaction, with a specific focus on the mediating role of employee motivation. The study aimed to explore the influence of the compensation structure on employee satisfaction, using employee motivation as a mediating factor. The research design was quantitative.

The study found that the compensation system has a favourable impact on employee satisfaction by partially mediating motivation. This finding underscores the importance of benefits and rewards in shaping employee satisfaction. It suggests that while compensation is a crucial component of benefits and rewards, the way it influences employee satisfaction is not direct but is mediated by employee motivation. This implies that benefits and rewards can significantly influence employee satisfaction by enhancing their motivation (Zayed et al., 2022).

This study provides a nuanced understanding of the relationship between benefits and rewards and employee satisfaction. It highlights the importance of considering the mediating role of motivation when examining the impact of benefits and rewards on employee satisfaction. This suggests that a comprehensive approach to benefits and rewards, which not only includes attractive compensation but also fosters employee motivation, is necessary to enhance employee satisfaction (Zayed et al., 2022).

In conclusion, the literature suggests a strong relationship between benefits and rewards and employee satisfaction even in post post-pandemic era. Benefits and rewards, particularly those related to compensation, play a crucial role in shaping employee satisfaction, motivation, and loyalty. However, other factors such as empowerment, work-life balance, and work environment also play a significant role. Therefore, a comprehensive approach encompassing various benefits and rewards is necessary to enhance employee satisfaction in the oil and gas industry in Malaysia (Zayed et al., 2022; Zainal et al., 2021).

H1: There is a positive and significant relationship between benefits and rewards and employee satisfaction in the Malaysian oil and gas industry.

2.2 New Working Practices and Employee Satisfaction

The advent of the Covid-19 pandemic introduced unprecedented circumstances that have compelled organizations across various sectors to review their conventional working practices. The oil and gas industry in Malaysia is no exception. This literature review will scrutinize five pertinent studies that analyze the effects of these new working practices on employee expectations and satisfaction.

Porkodi et al. (2021) research is unique in its focus on the challenges encountered by the oil and gas sector in Oman during the pandemic. The industry, which contributes 72% of Oman's government revenue, was significantly affected, compelling organizations to rethink their human resource management practices. Challenges related to remote work, employee wellbeing, and workforce downsizing emerged as significant factors affecting post-pandemic HRM practices.

Particularly, issues related to maintaining health during the pandemic, managing work-life

balance, and maintaining strategic focus amid the crisis were identified as significant contributors to the post-pandemic HRM practices. The shift in HRM practices signals a realignment of employee expectations and satisfaction, suggesting that these elements are key drivers in the adaptation to new work practices (Porkodi et al. 2021).

Sonnenschein et al. (2022) study delves into employee motivation and job satisfaction in the context of remote work during the pandemic. Based on the analysis of Norwegian and Danish newspapers, the researchers used the self-determination theory (SDT) and Herzberg's two-factor theory to understand why some employees felt motivated and more productive while working from home. The study suggests that needs for autonomy, competence, and connectedness are critical for motivation in a remote work setup. It also highlights that physical and psychological issues could act as demotivating factors. The recognition of a hybrid work model as an optimal solution, if physical and psychosocial conditions are taken care of, corroborates the hypothesis that new working practices can positively impact employee satisfaction.

The study by Weerarathna et al. (2022) explores the impact of Work from Home (WFH) practices on the work-life balance of software engineers in Sri Lanka, a concern that has seen increasing relevance due to the pandemic. The study conducted a quantitative approach, sampling 384 participants randomly and using Partial Least Squares Structural Equation Modeling (PLS-SEM) to analyze the data. The results indicated that 'supervisor's trust and support' and 'individual workspace' significantly impacted on the work-life balance, while 'working conditions', 'possibility to access the organization's networks', and 'number of children' did not show a significant impact.

While this study focused on the IT industry in Sri Lanka, the findings have implications for similar industries, like the oil and gas industry in Malaysia. The significant role of 'supervisor's trust and support' and 'individual workspace' in determining work-life balance during WFH situations could be seen as integral to shaping employee satisfaction in a new work environment. Employees' expectations about balanced work and personal life can directly influence their job satisfaction, supporting the hypothesis that new work practices influence employee satisfaction (Weerarathna et al., 2022).

The research by Valerie and Worlu (2023) focuses on the relationship between hybrid work location models and job performance in the oil and gas industry. The study used a sample size of 248 administrative staff from five selected oil and gas firms in Rivers State. The Spearman Rank Order Correlation Coefficient was used to analyze the data collected through a structured questionnaire. The findings revealed a significant correlation between onsite work and task performance. These findings suggest that hybrid work models have a direct impact on employee performance, which in turn, can affect their satisfaction. When employees can perform tasks efficiently, whether in an onsite or remote work setting, it boosts their job satisfaction. This research supports the hypothesis that the implementation of hybrid work models can significantly alter employee expectations and satisfaction in the oil and gas industry, particularly in a post-pandemic context.

Hence, the examined literature offers a robust exploration of the relationship between new

working practices and employee expectation and satisfaction. Each study provides nuanced insights into how remote working, hybrid working models and other 'new normal' working practices influence employee experiences, expectations, and job satisfaction. This shift in working practices, largely catalyzed by the global pandemic, is relevant across various industries, including the oil and gas sector in Malaysia.

H2: There is a positive and significant relationship between new working practices and employee satisfaction in the Malaysian oil and gas industry.

2.3 Digitalization of Work and Employee Expectation and Satisfaction

The role of digitization in the workplace, particularly in the context of the Covid-19 pandemic, is a focal point of current research, given its significant influence on employee expectations and satisfaction. The digital transformation of work environments, including online meetings, digital documentation, and online approval systems, has drastically affected the overall work structure and work-life experience, particularly within the oil and gas industry in Malaysia. This literature review explores the key insights from four papers that delve into the profound impacts of digitization, the resulting changes in job roles, job satisfaction, operational models, and the perceived usefulness of technology.

Firstly, Almaghaslah and Alsayari (2020) study provides valuable insights into how the digitalization of work affects employee satisfaction in the academic sector. Their research centered around the abrupt shift to online education in response to the Covid-19 pandemic. The researchers found that a majority of academic staff felt that the transition to online education was smooth, virtual lectures offered more flexibility than face-to-face sessions, and the technology used was reliable.

These factors contributed to higher levels of satisfaction among employees. The results suggest that the digitalization of work can improve satisfaction, particularly when digital tools are reliable and enhance work flexibility. However, it's important to note that the study also found negative impacts on research, community service, and participation in scientific meetings, indicating that not all aspects of work can be seamlessly digitized. This finding highlights the complex nature of the relationship between digitalization and employee satisfaction and expectations, where the benefits of digitalization may be countered by potential drawbacks, such as the disruption of non-digital work elements.

Another interesting perspective comes from Raghavan et al. (2021) study. They discussed the changes organizations and employees had to adapt due to the Covid-19 pandemic, focusing on the institutionalization of emergency-learning and the emergence of a "new normal." The authors noted an increasing trend towards the adoption of telework and digital tools at the organizational and individual levels. This trend, while varying across sectors and countries, generally increased flexibility and openness to innovation among organizations and employees. This supports the notion that digitalization of work can positively impact employee expectations and satisfaction by providing more flexibility and opportunities for innovation. However, it also underscores the need for organizations to effectively implement digital transformation plans to ensure sustainability in the "new normal."

In a different sector, Bolodeoku et al. (2022) research assessed how the perceived usefulness of technology significantly impacts employees in the Nigerian oil and gas sector. They found that the perceived usefulness of technology contributes significantly to employees' satisfaction, organizational support, and productivity, indicating a strong relationship between digitalisation of work with employee expectation and satisfaction. The perception of technology's usefulness can be tied to the smooth adaptation of digitalisation in work processes, including the use of online platforms for meetings, documentation, and approvals. As the perceived usefulness of technology increases, it can lead to enhanced satisfaction among employees, thus establishing a strong positive correlation between digitalisation and employee satisfaction.

Finally, in the realm of energy production, Nazari and Musilek (2023) research underscored the impact of digital transformation. They highlighted the benefits of digital transformation such as improved efficiency, cost reduction, and an enhanced customer experience, emphasizing that digitalisation doesn't just impact operational aspects of work, but also significantly alters employee expectations and satisfaction. The efficiency and cost-reduction brought about by digital tools can increase employee satisfaction by making tasks less burdensome and more manageable. This shows that, as the digitalisation of work processes increases, it positively affects employees' job satisfaction by making their work more efficient and less stressful.

Therefore, digitization plays a pivotal role in shaping employee expectations and satisfaction in the post-Covid-19 work environment, particularly in the oil and gas industry. The reviewed literature indicates that while digitization can enhance operational efficiency and democratize decision-making, it also requires skilled employees who can manage new technologies. The papers also highlight the value of online platforms in maintaining continuity and adapting to the new normal. They emphasize that effectively implementing digital transformation plans and leveraging the perceived usefulness of technology can enhance employee satisfaction and productivity. As such, these insights should guide the digitization strategy of the oil and gas industry in Malaysia as it navigates the post-Covid-19 era.

H3: There is a positive and significant relationship between the digitalization of work and employee satisfaction in the Malaysian oil and gas industry.

2.4 Sustainability and Employee Satisfaction

Analyzing research and studies related to sustainability reveal that employee satisfaction has a strong relationship. It has both positive and negative relationships depending on employers' actions. There is a reasonable amount of studies out there about sustainability related to employee satisfaction. In a study conducted online which has 85.71% response rate the key indicators of sustainability at work discovered are 1) employee safety, motivation and satisfaction, 2) work task management, 3) production/work environment, 4) workplace waste emissions, 5) occupational health and safety, 6) production process safety and flexibility and 7) employee-machine interaction (Lin et al., 2020).

In reference to the above, other studies establishes the elements of hygiene factor and motivation factors from Herzberg's Two Factor Theory like rewards, work environment and organization's image in studying the relationship between employee satisfaction and

sustainability practices (Strenitzerová & Achimský, 2019). A study conducted over 428 couriers advocates there is a strong relationship between employee satisfaction and sustainability factors, especially during emergencies like the COVID-19 pandemic. The employee expectation relies on work environment, working conditions, health and safety for satisfaction during these times. On top of that perceived fairness and psychological safety were also found to be an important factor of sustainability, which adds to employee satisfaction (Pang et al., 2023).

Meanwhile, a study conducted on supply chain employees in the Philippines during the Covid-19 pandemic reveals that organizational commitment to sustainability plays a vital role in employee satisfaction. The study discovered lifestyle behaviors have a positive relationship with employee satisfaction while work stress and burnout have a negative relationship with employee satisfaction. Therefore, the study emphasizes the commitment of organizations in fostering sustainable measures promoting a positive work environment for employee satisfaction and a sustainable workplace (Janice & Kristian, 2023). The relationship between sustainability (IV4) and employee satisfaction (DV) in the context of long-term application of new norm work practices, rewards and digitalization has a positive relationship. It develops employee engagement and satisfaction contributing to organizational growth.

H4: There is a positive and significant relationship between sustainability and employee satisfaction in the Malaysian oil and gas industry.

2.5 Conceptual Framework

The conceptual framework for this research is designed to explore the dynamics of employee satisfaction in the Malaysian oil and gas industry post-COVID-19, anchored by Herzberg's Two-Factor Theory. The independent variables (IVs) in this framework are benefits and rewards (IV1), new working practices (IV2), digitalization of work (IV3), and sustainability (IV4). Each of these variables is hypothesized to influence the dependent variable (DV), which is employee satisfaction and expectations. The interrelationships are hypothesized as follows: higher levels of perceived benefits and rewards, innovative working practices, adoption of digital tools, and commitment to sustainability are expected to lead to greater employee satisfaction and fulfillment of expectations.

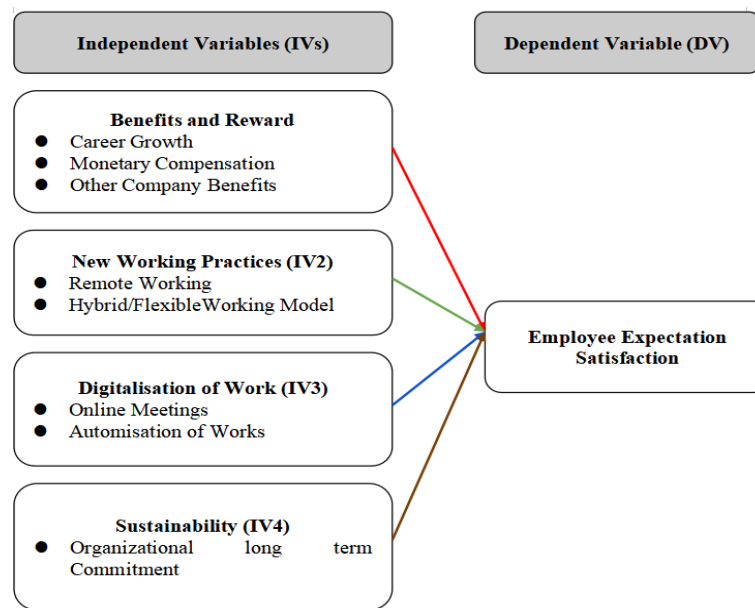


Figure 1. Conceptual Framework

3. Research Methodology

In this study, a quantitative research approach is employed. This approach is characterized by the collection of numerical data and the use of statistical methods for analysis. It allows for the precise measurement of variables and the examination of relationships between them. It also enables the testing of hypotheses through statistical inference. The quantitative approach was chosen because it allows for a systematic investigation of the relationships between the variables, providing clear, objective, and quantifiable results.

Measuring variables is a crucial step in the research process. It involves defining how a variable will be measured in the context of a particular study, ensuring that the data collected is accurate, reliable, and relevant to the research objectives. The questionnaire for this study has been carefully designed to measure the variables of interest, namely benefits and rewards (IV1), new working practices (IV2), digitalization of work (IV3), sustainability (IV4), and employee expectation and satisfaction (DV). The items in the questionnaire have been adapted from validated scales in the literature to ensure their relevance and reliability. The questionnaire is divided into the following sections:

- 1) Demographic profile - 6 items
- 2) Benefits and rewards (IV1) - 5 items
- 3) New working practices (IV2) - 5 items
- 4) Digitalization of work (IV3) - 5 items
- 5) Sustainability (IV4) - 5 items
- 6) Employee expectation and satisfaction (DV) - 5 items

Each item is measured on a 5-point Likert scale, ranging from 1 (Strongly Disagree) to 5 (Strongly Agree), allowing for a nuanced understanding of the respondents' attitudes and

perceptions. The data collection for this study will be carried out using an online survey method. This method is chosen due to its efficiency, cost-effectiveness, and the ability to reach a large number of respondents across different geographical locations (Bryman, 2016).

The population in this instance consists of workers from the oil and gas industry who have been impacted by shifting employment trends in the post-COVID-19 pandemic, and a sample size of 384 has been chosen for this situation (Krejcie and Morgan, 1970). To ensure the validity and generalizability of the study's findings, selecting 384 will be adequate to yield statistically significant results. The size of the sample is such as to ensure that various opinions are covered, minimizing bias and increasing the chance for authentic and typical data collection.

4. Findings and Analysis

Table 1 illustrates the response rate for the survey conducted as part of the research. Initially, 500 questionnaires were shared with participants, setting a comprehensive foundation for data collection. From this total, 404 questionnaires were returned, indicating a substantial response rate of 80.8%. However, 96 questionnaires were not returned, marking a 19.2% non-response rate, highlighting challenges in achieving complete participant engagement. Further data cleaning processes were implemented to ensure the quality and validity of the responses, resulting in 391 valid responses, equating to 78.2% of the total questionnaires shared. This step is critical to enhancing the reliability of the research findings. Conversely, 13 responses, representing 2.6% of the total, were eliminated due to issues such as incomplete answers or discrepancies, underscoring the importance of rigorous data cleaning protocols in maintaining the integrity of the research outcomes. This table serves as a transparent account of the survey's execution and the meticulous efforts undertaken to safeguard the robustness of the data analysis.

Table 1. Survey Response Rate

| | Frequency | Percentage (%) |
|---|------------------|-----------------------|
| Total questionnaires shared | 500 | 100.0 |
| Total questionnaires returned | 404 | 80.8 |
| Total questionnaires not returned | 96 | 19.2 |
| Total valid responses after data cleaning | 391 | 78.2 |
| Total responses eliminated | 13 | 2.6 |

The Reliability Analysis is essential in evaluating the consistency of the responses across the survey items within the research. It measures how reliably the instrument captures the constructions it is intended to assess, ensuring that the data reflects stable and consistent measurements. For this research, reliability analysis is crucial to affirm that the findings are based on dependable data, allowing for confident interpretations and conclusions about the relationships between employee satisfaction, expectations, and the workplace practices in the Malaysian oil and gas industry. Each variable was analyzed with a set of statements, and the Cronbach's Alpha coefficient was used as the measure of internal consistency. An alpha value exceeding 0.80 is considered good and indicative of high reliability. Examining each variable in Table 2, all the measured variables demonstrate high reliability, reflecting a well-validated scale.

Table 2. Reliability Analysis of the Variables

| Variables | Case Processing Summary | n | % | Cronbach's Alpha | No of Statements |
|--|-------------------------|-----|-------|------------------|------------------|
| Benefits and reward (IV1) | Valid | 391 | 100.0 | 0.848 | 5 |
| | Excluded | 0 | 0.0 | | |
| | Total | 391 | 100.0 | | |
| New working practices (IV2) | Valid | 391 | 100.0 | 0.860 | 5 |
| | Excluded | 0 | 0.0 | | |
| | Total | 391 | 100.0 | | |
| Digitalization (IV3) | Valid | 391 | 100.0 | 0.852 | 4 |
| | Excluded | 0 | 0.0 | | |
| | Total | 391 | 100.0 | | |
| Sustainability (IV4) | Valid | 391 | 100.0 | 0.876 | 5 |
| | Excluded | 0 | 0.0 | | |
| | Total | 391 | 100.0 | | |
| Employee expectation and satisfaction (DV) | Valid | 391 | 100.0 | 0.866 | 5 |
| | Excluded | 0 | 0.0 | | |
| | Total | 391 | 100.0 | | |

Table 3 showcases the overall evaluation of key variables within the study, providing insights into the mean scores and variability of responses regarding benefits and reward, new working practices, digitalization of work, sustainability, and employee expectation and satisfaction. The data indicates generally positive attitudes towards these variables, with mean scores hovering around the 4.0 mark, suggesting that, on average, respondents view these aspects of their work environment favorably. The standard deviation values, while moderate, indicate that there is some variability in how respondents perceive these elements, pointing to the presence of differing experiences and opinions among the workforce. The highest mean score is observed in the employee expectation and satisfaction variable, signaling that overall job satisfaction and expectations for the future are areas where employees feel particularly positive. This finding underscores the significance of aligning organizational practices with employee aspirations

and satisfaction metrics, highlighting areas of strength within the organization's current strategies.

Table 3. Overall Mean and Standard Deviation of the Variables

| Variables | Minimum | Maximum | Mean | Std. Deviation |
|------------------------|----------------|----------------|-------------|-----------------------|
| Benefits and reward | 1.80 | 5.00 | 4.0077 | 0.72652 |
| New working practices | 1.40 | 5.00 | 3.9606 | 0.73463 |
| Digitalization of work | 1.00 | 5.00 | 3.9092 | 0.78029 |
| Sustainability | 1.00 | 5.00 | 3.9422 | 0.78029 |
| Employee satisfaction | 1.40 | 5.00 | 4.0164 | 0.73110 |

Table 4 provides a comprehensive Spearman's Rank Correlation Analysis, delineating the relationships between independent variables and the dependent variable. Notably, the correlation coefficients, with a significant p-value (<0.001), indicate a stronger positive correlation, suggesting that benefits and rewards, new working practices, digitalization of work, and sustainability significantly contribute to enhancing employee satisfaction and aligning with their expectations. These findings collectively underscore the intricate interplay between organizational practices in benefits, new work methodologies, digitization, and sustainability efforts with overall employee satisfaction and expectations. The statistically significant p-values across all variables reinforce the reliability of these correlations, suggesting that concerted efforts in these areas can lead to enhanced employee satisfaction and alignment with organizational goals.

Table 4. Spearman's Rank Correlation Analysis

| | | Benefits and reward | New working practices | Digitalization | Sustainability | Employee satisfaction |
|--------------------------|----------------------------|------------------------|-----------------------------|----------------|----------------|--------------------------|
| Benefits and reward | Correlation Coefficient | 1.000 | 0.811 | 0.664 | 0.672 | 0.577 |
| | Sig (2-tailed) | | <0.001 | <0.001 | <0.001 | <0.001 |
| | N | 391 | 391 | 391 | 391 | 391 |
| New working practices | Correlation Coefficient | 0.811 | 1.000 | 0.726 | 0.715 | 0.587 |
| | Sig (2-tailed) | <0.001 | | <0.001 | <0.001 | <0.001 |
| | N | 391 | 391 | 391 | 391 | 391 |
| Digitalization | Correlation Coefficient | 0.664 | 0.726 | 1.000 | 0.679 | 0.640 |
| | Sig (2-tailed) | <0.001 | <0.001 | | <0.001 | <0.001 |
| | N | 391 | 391 | 391 | 391 | 391 |
| Sustainability | Correlation Coefficient | 0.672 | 0.715 | 0.679 | 1.000 | 0.650 |
| | Sig (2-tailed) | <0.001 | <0.001 | <0.001 | | <0.001 |
| | N | 391 | 391 | 391 | 391 | 391 |
| Employee satisfaction | Correlation Coefficient | 0.577 | 0.597 | 0.640 | 0.650 | 1.000 |
| | Sig (2-tailed) | <0.001 | <0.001 | <0.001 | <0.001 | |
| | N | 391 | 391 | 391 | 391 | 391 |

The regression analysis detailed in Table 5 examines the impact of benefits and reward, new working practices, digitalization of work, and sustainability on employee expectation and satisfaction. The results reveal a significant positive relationship indicating a strong influence of benefits and reward, new working practices, digitalization of work, and sustainability on employee expectation and satisfaction. The model's statistical significance (<0.001) confirms

the robustness of these relationships.

Table 5. Regression Analysis, Dependent Variable: Employee Satisfaction

| Model | | Unstandardized B | Coefficients Std. Error | Standardized Coefficients Beta | t | Sig. |
|-------|--------------------------|------------------|----------------------------|--------------------------------------|--------|--------|
| 1 | (Constant) | 1.541 | 0.164 | | 9.393 | <0.001 |
| | Benefits and reward | 0.618 | 0.040 | 0.614 | 15.335 | <0.001 |
| 1 | (Constant) | 1.515 | 0.157 | | 9.645 | <0.001 |
| | New working practices | 0.632 | 0.039 | 0.635 | 16.197 | <0.001 |
| 1 | (Constant) | 1.822 | 0.144 | | 12.620 | <0.001 |
| | Digitalization | 0.561 | 0.036 | 0.618 | 15.510 | <0.001 |
| 1 | (Constant) | 1.639 | 0.146 | | 11.218 | <0.001 |
| | Sustainability | 0.603 | 0.036 | 0.644 | 16.589 | <0.001 |

Hypothesis Testing in research plays a pivotal role in validating theories and models by comparing empirical data against theoretical expectations. Through statistical tests, it assesses the strength and significance of these relationships, providing evidence to support or refute the research hypotheses. This process is vital for drawing reliable conclusions and informing effective organizational strategies. The hypothesis testing results in Table 6 provide compelling evidence for the significant influence of organizational practices on employee satisfaction and expectations within the Malaysian oil and gas industry.

Table 6. Hypothesis Testing Results

| Hypotheses | P-value | Decision |
|---|---------|------------------|
| H1: There is a positive and significant relationship between benefits and rewards (IV1) and employees' expectations and satisfaction (DV) in the Malaysian oil and gas industry. | <0.001 | Supported |
| H2: There is a positive and significant relationship between new working practices (IV2) and employees' expectations and satisfaction (DV) in the Malaysian oil and gas industry. | <0.001 | Supported |
| H3: There is a positive and significant relationship between the digitalization of work (IV3) and employees' expectations and satisfaction (DV) in the Malaysian oil and gas industry. | <0.001 | Supported |
| H4: There is a positive and significant relationship between sustainability (IV 4) and employees' expectations and satisfaction (DV) in the Malaysian oil and gas industry. | <0.001 | Supported |

5. Discussion

5.1 Benefits and Rewards and Employees' Expectations and Satisfaction

The regression analysis vividly illustrates the significant positive impact that benefits and rewards have on employee satisfaction and expectations within the Malaysian oil and gas industry. This analysis reveals an unstandardized coefficient (B) of 0.618 and a standardized coefficient (Beta) of 0.614, signaling a potent influence of benefits and rewards on enhancing employee satisfaction and aligning with their expectations. The profound statistical significance, indicated by a p-value of less than 0.001, robustly affirms the critical role that perceived benefits and rewards play in shaping employee attitudes towards their job and the organization. These findings underscore the necessity of meticulously structured benefit and reward systems to boost employee satisfaction and meet their expectations, highlighting their importance in fostering a positive work environment.

Delving into the literature, the research conducted by Zainal et al. (2021) and Zayed et al. (2022) provides valuable insights into the dynamics between benefits and rewards and employee satisfaction within the oil and gas sector in Malaysia. Zainal et al. (2021) emphasize that benefits and rewards, especially in crisis times like the COVID-19 pandemic, significantly influence employee retention more markedly than work-life balance and work environment, illustrating their paramount importance in shaping employee satisfaction. This relationship is further explored by Zayed et al. (2022), who delve into how the compensation structure impacts employee satisfaction through motivation, suggesting a mediating role of motivation in the effect of benefits and rewards on employee satisfaction. These studies collectively illustrate the multifaceted role of rewards in influencing employee attitudes and behaviors,

stressing the significance of a well-structured benefits and rewards system not only in meeting employee expectations but also in substantially contributing to their overall satisfaction.

Therefore, the findings from the regression analysis, corroborated by academic research, signal a strong relationship between benefits and rewards and employee satisfaction in the Malaysian oil and gas industry. This evidence suggests that organizations that invest in comprehensive and competitive benefits packages are likely to foster a satisfied and motivated workforce. These insights are pivotal for industry leaders aiming to enhance organizational performance and retain top talent in a competitive market environment, indicating that strategic allocation of rewards and benefits can act as a key lever for achieving higher employee engagement and productivity levels.

5.2 New Working Practice and Employees' Expectations and Satisfaction

The regression analysis indicates a significant positive impact of new working practices on employee expectation and satisfaction, with a substantial unstandardized B coefficient of 0.632 and a standardized coefficient (Beta) of 0.635. The significance level of less than 0.001 underscores the robustness of this relationship, affirming that innovative workplace practices are crucial for enhancing job satisfaction and aligning employee expectations with organizational goals. This result aligns with the growing body of literature advocating for flexible, remote, and hybrid work models as essential elements of the 'New Normal' in the workforce, especially highlighted in the context of the COVID-19 pandemic's challenges and the shift towards digitalization and flexible work arrangements.

The literature review further enriches this analysis by exploring the relationship between new working practices and employee satisfaction through the lens of various studies. For instance, Diab-Bahman and Al-Enzi (2020) found that employees appreciated the flexibility offered by remote work, expressing a preference for a hybrid working model that combines elements of traditional and new working practices. This preference underscores the importance of evolving workplace practices to meet changing employee needs, thereby enhancing satisfaction and expectations. Similarly, the study by Porkodi et al. (2021) on the oil and gas sector in Oman during the pandemic identified the shift towards remote work and the emphasis on employee wellbeing as critical post-pandemic HRM challenges. These studies collectively suggest that the pandemic has served as a catalyst for reevaluating and restructuring workplace practices, emphasizing the need for flexibility, support, and a balanced work-life environment to meet employee expectations and improve satisfaction.

Moreover, Sonnenschein et al. (2022) and Weerarathna et al. (2022) provide insights into how autonomy, competence, and connectedness—key factors in employee motivation—are facilitated by new working practices such as remote work, further enhancing job satisfaction. These findings, alongside the study by Valerie and Worlu (2023), which highlights the positive correlation between hybrid work models and job performance, corroborate the initial regression analysis results. They collectively underscore the significant relationship between new working practices and employee satisfaction and expectations. This body of evidence suggests that the implementation of flexible, hybrid, and remote work practices not only aligns with employee expectations post-pandemic but also significantly contributes to their overall

job satisfaction within the Malaysian oil and gas industry.

5.3 Digitalization of Work and Employees' Expectations and Satisfaction

The regression analysis demonstrates a substantial positive influence of digitalization initiatives on enhancing employee satisfaction and expectations, as indicated by the unstandardized B coefficient of 0.561 and a standardized coefficient (Beta) of 0.618. The compelling statistical significance, marked by a p-value of less than 0.001, robustly supports the critical role that digital initiatives play in fulfilling employee needs and cultivating a positive organizational atmosphere. This evidence solidifies the notion that digital transformation is not merely a trend but a fundamental shift in how work processes and employee engagement are approached in the industry.

Reflecting on the broader context, the literature acknowledges the profound impact of digitalization across various sectors, with the oil and gas industry in Malaysia being no exception. Studies such as those by Almaghaslah and Alsayari (2020), Raghavan et al. (2021), and Bolodeoku et al. (2022) collectively emphasize the multifaceted benefits of digitalization, including improved work flexibility, operational efficiency, and employee satisfaction. These studies underscore the transition towards a more digitalized work environment as a response to evolving employee expectations and the dynamic challenges presented by the global pandemic. Specifically, the emphasis on the perceived usefulness of technology and its significant contribution to employee satisfaction and organizational support highlights the interconnectedness of digitalization efforts with enhancing the overall employee experience.

Furthermore, the transition to digitalized work processes represents a paradigm shift in organizational practices, aiming to align with the contemporary expectations of the workforce. The positive correlation between digitalization and employee satisfaction and expectations is a testament to the effectiveness of such initiatives in addressing the demands of the modern work environment. As organizations continue to navigate the complexities of a post-pandemic world, the findings from the regression analysis and supporting literature serve as a guiding beacon. They advocate for a sustained investment in digital transformation strategies to foster a work environment that is conducive to innovation, efficiency, and, most importantly, employee well-being. This strategic approach not only enhances job satisfaction but also positions organizations within the Malaysian oil and gas industry at the forefront of embracing the digital era, thereby ensuring their competitiveness and adaptability in the face of future challenges.

5.4 Sustainability and Employees' Expectation and Satisfaction

The regression analysis undeniably demonstrates a significant positive relationship between sustainability and employee expectations and satisfaction in the Malaysian oil and gas industry. The analysis reveals an unstandardized B coefficient of 0.603 and a standardized Beta coefficient of 0.644, with a p-value of less than 0.001, highlighting the substantial influence of sustainability practices on enhancing employee satisfaction and expectations. This quantitative evidence underscores the pivotal role that sustainability initiatives play in not only meeting but also exceeding employee needs, thereby fostering a more engaged and satisfied workforce. The growing importance of sustainability reflects a broader shift towards more environmentally

and socially responsible business practices, which align with the personal values and expectations of employees, ultimately contributing to a positive organizational environment.

The existing literature on sustainability within the workplace supports these findings, emphasizing the complex and multifaceted relationship between sustainability practices and employee satisfaction. Studies such as those by Lin et al. (2020) and Janice & Kristian (2023) identify key sustainability indicators such as employee safety, motivation, work task management, and occupational health that directly impact employee satisfaction. These studies highlight how sustainable practices contribute to a more positive work environment, enhancing employee morale and motivation. Furthermore, the alignment of organizational sustainability efforts with employee values and expectations is critical for fostering a culture of engagement and satisfaction, as noted by Dixon-Fowler et al. (2019). This alignment is increasingly important in the context of the global pandemic, where employees' expectations regarding workplace safety, fairness, and psychological safety have been heightened, underscoring the need for sustainable business practices that prioritize employee well-being.

Given the substantial positive impact of sustainability on employee satisfaction and expectations, it is imperative for organizations within the Malaysian oil and gas industry to integrate sustainable practices into their strategic planning and operations. The findings from the regression analysis, supported by existing literature, suggest that sustainability is not just an environmental or social imperative but a strategic business priority that can significantly influence employee satisfaction and organizational success. By prioritizing sustainability, companies can not only enhance their environmental and social footprint but also attract, engage, and retain talent, thereby achieving a competitive advantage in the industry. This strategic focus on sustainability demonstrates a commitment to both external environmental responsibilities and internal employee well-being, ultimately leading to a more resilient and sustainable organization.

6. Conclusion

In the exploration of the intricate dynamics within the Malaysian oil and gas sector, this study delves into various factors that potentially influence employee expectations and satisfaction. This examination is pivotal as it sheds light on the underlying elements that can significantly enhance the work environment and overall organizational performance.

This study meticulously delves into the quantitative analysis, highlighting the significant impact of organizational practices on employee expectations and satisfaction within the Malaysian oil and gas industry. Through rigorous regression analyses and Spearman's Rank Correlation tests, the result validates the positive relationship between benefits and rewards, new working practices, digitization of work, and sustainability initiatives with employee satisfaction and expectations. The findings reveal that well-structured benefits and rewards systems, innovative working practices, comprehensive digitization initiatives, and robust sustainability efforts significantly contribute to enhancing employee satisfaction and aligning with their expectations.

These results emphasize the necessity for Malaysian oil and gas companies to continuously

refine these aspects to foster a motivated, engaged, and satisfied workforce. The results effectively set the stage for discussing the implications of these findings on organizational policies and practices, underscoring the importance of aligning corporate strategies with employee welfare and industry standards to ensure sustained organizational success and competitive advantage in the dynamic and challenging landscape of the oil and gas industry.

Future studies could aim to expand the scope of the research to facilitate a comparative analysis that could uncover both universal and context-specific drivers of employee satisfaction and expectations. Such an expansion enhances the understanding of the interplay between industry-specific challenges and the broader trends shaping the global workforce. This provides insights into how these global trends impact employee dynamics across different cultural and regulatory environments.

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