AirAsia’s Efforts in Maintaining Good Workplace Environment for its Employees During Covid-19

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This study aims to examine the relationship between the workplace environment and employees’ satisfaction; to what extent can the workplace environment affect job satisfaction? The study used past research and interviewing an employee on job satisfaction and so was able to come up with reliable conclusions. The results showed a positive and strong correlation between workplace environment and job satisfaction. This study enhances the understanding of job satisfaction which can be used by managers to create a better workplace environment and boost employee performances.

Keywords: AirAsia, Employees, Job Performance, Job Satisfaction, Workplace Environment.

INTRODUCTION

Headquartered in Kuala Lumpur, AirAsia was founded by Dato Tony Fernandes. During his school days in a boarding school in England, he would always dream about flying back home but the cost was too high and flying back now was out of the question. This led to the initial spark of creating a low-cost airline that would make traveling more affordable for everyone. Upon graduating from the London School of Economics, Tony worked in the finance sector for some time before becoming a successful music executive. Despite a successful career, he quit his job and partnered with a few friends from the music industry to buy an ailing airline with net debt of RM40 million for RM1 and started Tune Air Sdn Bhd in 2001.

His idea remained the same, making travel affordable for everyone. It was his vision that traveling shouldn’t be something that only the elites enjoyed but rather something that could be enjoyed by everyone at good quality for a low-cost. He re-launched AirAsia with the new tagline “Now everyone can fly” and would soon go off to paying the company’s debt in less than 2 years Now AirAsia has come a long way from a failing airline company, more than 10 years ago to one of the world’s most renowned low-cost airlines for 11 years in a row. Home to 20,000 employees all over the world, AirAsia hosts more than 44 million passengers every year. (Ahmad.R & Neal, 2006)
With the sudden outbreak of a global pandemic COVID-19, organizations are starting to realize the importance of the workplace environment for an organization to continue its operation. In addition to that, the world may face a far worse economic recession from the crash of the stock markets in 2008. AirAsia is facing a rather difficult situation in dealing with this issue due to the drop in domestic and international travel. Since employees are the fuel to an organization, they must be provided with a safe and secure environment for work. Apart from that, AirAsia should take this opportunity to work on other aspects of the overall working environment like employee working hours and top management to improve their employees’ performances while also facing this critical time of a possible economic recession ahead of us.

Consequently, our research aims to enhance the understanding of how the working environment can influence job satisfaction as well as employee performance. Organizations should focus on aspects such as working hours, pay, promotions, benefits, and compensations, and overall safety and conduciveness of the workplace environment to provide a good workplace which will help to increase employee job performance. It is in our opinion that an excellent workplace environment strongly correlates to the job satisfaction of an employee as well as becoming an important morale booster or a motivation for employees to be satisfied with their jobs and to perform better at their tasks.

Job satisfaction is an orientation of emotions that employees process towards the role that they are performing at the workplace (Vroom, 1964). Job satisfaction is also linked to the way an employee feels that he has job stability, professional growth, good pay, and can maintain a balance between work and private life. Job satisfaction can positively or negatively affect job performance because it takes into account the individual’s intrinsic and extrinsic motivations. Some factors of dissatisfaction are low salary, bad relationships with bosses or colleagues, difficulty to promote, and bad working conditions. On the other hand, some factors of satisfaction are creating ties with workers, creating an incentive system, promoting teamwork, etc. How the individual feels in the workplace depends largely on the company and this can affect both performance and productivity.

The working environment is a broad term and means all your surroundings when working. Your physical working environment is, for example, your work tools as well as air, noise, and light. But your working environment also includes the psychological aspects of how your work is organized and your wellbeing at work (Personalenten, 2019). A good workplace environment can make a big difference in the productivity of an organization. This is because a good workplace environment promotes job satisfaction among employees.

**Working Hours**

Working hours refer to the number of hours the employees work in a day. The daily and weekly time limit depends on each country and can vary from 6 to 10 hours per day and 40 hours per week. Working hours matter to employers, as testified by their willingness to spend resources to resist any reductions on the hours worked by their employees. The employer determines the work schedule for employees. (Pencavel, 2018)
Safe Workplace Environment
Workplace safety refers to the working environment at a company and encompasses all factors that impact the safety, health and well-being of employees. This can include environmental hazards, unsafe working conditions or processes, drug and alcohol abuse, and workplace violence (Workplace Safety, 2020). It has been proven that organizations can ensure the efficiency of all workers and circumvent a large number of costs by ensuring workplace safety and health (Legg, Laird, Olsen & Hasle, 2014).

Relationship with Coworkers
Relationship with coworkers refers to a working relationship with a colleague, boss, or employee in the company. Having a good relationship with your coworkers is important. This is because a good relationship affects the mood of the employee at work. It can be a good day or a bad day at work. When there is a good relationship between coworkers, employees will tend to work more and be more productive throughout the day. It will create a good workplace environment and also boost job satisfaction of the employee. The overall level of job satisfaction among faculty members, college administrators must focus on improving the recognition, supervision, and interpersonal relationship aspects of a faculty member’s job (Catillo & Cano, 2004).

Esteem Needs
Esteem refers to self-esteem, achievement, mastery, independence, status, dominance, prestige, managerial responsibility, etc (McLeod, 2007). Fulfilling esteem needs is vital for an employee to feel accepted and to perform better with a sense of pride. Esteem needs can be linked with job titles, workspace environment, prestigious assignment and recognition

Top Management
Top Management is a small group of most influential executives at the apex of an organization (Finkelstein, Hambrick, & and Cannella, 2009, p. 10). It's the highest part of the hierarchy within the organization, where the most senior executives (president, CEOs, executive vice presidents, etc.) are responsible for the whole company. In this department the company's policies, goals, objectives, and strategies are created or modified and the future project of the company is formulated. Finally, it is in charge of making decisions that affect the stakeholders and shareholders (BusinessDictionary, 2020).

Justification of Ideas
Like all other organizations, AirAsia also faces several problems when it comes to workplace environment management. As stated in 2.0, the factors include working hours, safety, the relationship between co-workers, individual esteem needs, and last but not least top management. In this section, we aim to justify the ideas with a few examples of problems faced by AirAsia.

Working hours
It is important to understand the significance of long working hours and how it is detrimental for employees and the organization. As we all know, working hours have been proved to have a direct impact on job satisfaction. Long working hours and irregular shifts have always been a huge concern for physical as well as mental health and the overall well-being of an employee (Bosch, 1999). According to www.glassdoor.com, a website where current and former employees can anonymously review companies, AirAsia is known for its irregular shifts as well as long working
hours. From the website, we found out that AirAsia has 4 days' work and 2 days off with 10 working hours daily. The irregular shifts can be explained as AirAsia is a service company that provides services to all around the world. Consequently, they will need employees working for 24 hours every day to cater to customers from different time zones. However, AirAsia must not overwork their employees to make sure that their employees are healthy physically and mentally. Some researchers noted that long working hours cause fatigue among employees hence, reducing their job satisfaction as well as performance. Long and irregular working hours have been proved in the scientific literature that it results in numerous health problems for instance stress, fatigue, and sleeping disorders. Also, it can give rise to employees developing bad habits to adapt to the long hours spent working, like smoking or consuming stimulants that can lead to addiction and poor health in the long run (Caruso et al., 2004, 2006). In 2015, the Swedish government decided to experiment on working hours and introduced a 6 hours workday. Reports on the outcome of the new hours have been released and it was proved that with shorter working hours, employees can eliminate unnecessary distractions, plan upfront, know what's urgent, measure productivity, and take time to re-energize (Gaona, 2016). Although the Swedish government is still reviewing the impact of shorter hours, the benefits should not be ignored.

At this point it is important to add that due to the global pandemic caused by COVID-19 thousands of jobs in the aviation industry have been put at risk and that the AirAsia airline has begun to suspend domestic flights so that the virus does not spread. Also, some AirAsia employees have seen their salaries decrease due to the flight suspension causing concern and stress.

Safe Workplace Environment
A safe working environment is a wide topic. To narrow it down we can say that a safe working environment is an environment where it is free from all hazards, pollution, and any danger that may affect the employees. Workplace and job satisfaction have a very high correlation because if the company doesn't take enough safety measures to ensure their employees' safety then it might affect the employees' job satisfaction. As one of the leading airlines in Southeast Asia, Air Asia takes safety measures to ensure the safety of its employees. According to their Safety and Health Manual, Air Asia has implemented a Safety Management System (SMS) to improve its aviation safety through risk and hazard management. Other than that, AirAsia implements SMS throughout the organization by having safety meetings. These safety meetings are held regularly. Those meetings are called Safety Review Board (SRB) meetings, Safety Review Meetings (SRM), Safety Action Group (SAG) meetings. Besides this meeting, each department has its safety meetings with their Head of Department which is seated by the CEO himself. Besides that, the airlines make it compulsory for identified operational personnel, supervisors, managers, senior managers and Accountable Manager to go through safety training. Finally, according to a journal of education and practice (Maintaining Health and Safety at Workplace: Employee and Employer's Role in Ensuring a Safe Working Environment, 2016, p.g. 1-2), the health and safety of employees should be a primary concern for management because, in addition to saving lives, it increases productivity and reduces costs. Besides affecting employees' habits.

In addition to the above, it should be noted that the situation we are currently experiencing around the world has led AirAsia to implement a policy that prevents employees over 50 years of age from working due to the high exposure they may have.
Despite this, employees who are still working have expressed their concern about the high risk of contracting the virus even though the company has implemented the necessary measures regarding the protection kit.

Furthermore, during this Covid-19 outbreak, AirAsia is taking extra measure to ensure the safety of the working staff. Cabin crew are given protective equipment on the aircraft such as masks and gloves. Even production staff will be monitored according to Covid-19 guidelines. AirAsia believes that safety is the most crucial component of the aviation industry and they will thrive to ensure this ever-important mode of connectivity meets all required health and safety standards for both the employees and guests (Bernama, 2020)

**Relationship between co-workers**

Hostile relationships between co-workers will affect job satisfaction in the long run. In almost every organization, teamwork is a must, and having bad relationships with other employees can negatively affect job performance. It generates negativity at the workplace; raising stress levels, unhappy employees and can also give rise to absenteeism. Organizations must learn how to create a friendly environment and build stronger relationships between employees to ensure a favorable workplace environment and satisfying job performances. In the report of www.glassdoor.com, former and current employees of AirAsia have stated that AirAsia is also known for its office politics. Office politics can contribute to negativity at the workplace, increase stress levels among employees as well as an increase in absenteeism. Employees who feel stressed going to work because of office politics are also more likely to resign from the job. So, to avoid employee turnover from going up and job performances from going down, AirAsia must think of a way to reduce or control office politics. However, AirAsia also tries to create a diverse, positive, respectful and fun working environment for people of all backgrounds. They promote and recognise the people based on talent and performance. Also creating a common vision and sense of purpose amongst all fellow employees of AirAsia (AirAsia, 2020).

**Individual Esteem Needs**

It is known that esteem is an internal quality. This may be affected by external factors such as validation and approval from peers. According to Abraham Maslow's 'Hierarchy of Needs', esteem needs fall into the fourth layer of the five-layer hierarchy, which means that esteem needs are important to humans for them to perform in their career well. Esteem needs are divided into two, which are lower esteem needs and higher esteem needs. Lower esteem needs involve status, recognition, fame, celebrity, prestige, and any form of attention. Higher esteem needs involve the desire for physical strength, knowledge, competence, independence, and freedom. Lower esteem needs are subordinate to a human's higher esteem needs, as they rely on the inner strength that is developed over time and with experience.

In every organization, there must be a problem with employees that involves esteem needs, or specifically motivation to carry out their duty to their clients. The factors such as participation, involvement, and the feeling of being appreciated and valued by the management and peers seem to be more important for keeping the employees motivated (Laurie, 2007, p.255). The same goes for AirAsia where their employees interact with customers and customer service is their number one priority. Some AirAsia employees resigned because of fatigue, mentally exhausted due to their heavy workload, hectic work lifestyle, and fussy customers which leads to frustration. In a
study that was carried out, some factors affect the service quality provided by an AirAsia employee which are customer service, workload, working environment, and technology. Heavy workloads often happen due to high traffic operations as AirAsia operates to many different countries around the world. Heavy workloads will affect the employee's physical and mental health, performance, and productivity in giving out services to clients. This may lead to a lack of motivation and productivity. If the productivity of AirAsia drops, it gives a bad impact on the company's image.

**Top Management**

Top management involves the integral management of the company and also the employees. They attract, motivate, retain, and develop employees' satisfaction in the job. A research study conducted by The Society for Human Resource Management shows that relationship, communication, and trust is important between the top management and employees to improve the job satisfaction of the employees. It is also known that the top management of a company plays a huge role in representing the company's image and also being the role model and for the employees. Setting a good example for the employees is important to increase the employees' job satisfaction. For example, India Today has made a report that the Enforcement Directorate had summoned the entire top management of the airline in connection with a money laundering case. Sources said ED is probing certain transactions that were made to a Singapore firm. ED is also probing another transaction with an alleged Indian 'ghost firm' which did not have any government filings. Moreover, in spite of the fact that in their website AirAsia highlights that "We don’t offer or accept illegal or inappropriate gifts or money or other things of value to get business or personal advantage to ourselves or others" (AirAsia, 2018), in another case, CEO of AirAsia, Tony Fernandes, and Chairman Kamarudin Meranun stepped for at least two months from their duty while the airline and authorities investigated allegations Airbus paid a bribe of $50 million to win the plane orders from the company. These two cases are some examples of fraud and bribery AirAsia was involved in the past. These sorts of incidents may affect the job satisfaction of the employees as the top management not only has set a bad example but they have ruined the good image of the company which might affect the employee's job satisfaction.

Despite the above, it is important to note that according to a study conducted by Kenyatta University, AirAsia has a semi-flat structure starting with CEO Tony Fernandez followed by a board and 6 directors (Shanmugam, 2013). The company also introduces a style to eliminate hierarchies in order to make employees feel valuable to the company. There anyone can contribute their ideas regardless of the position.

**RESEARCH METHOD**

We used a qualitative approach in the form of an interview with an AirAsia employee to find out about the practices carried out by the company; satisfaction, workplace environment and experience just to mention a few. Qualitative research approach was used for this study because qualitative methods are especially useful in discovering the meaning that people give to events that they experience (Merriam, 1998). According to (Merriam, 1998), Interviews are a great tool “to find out those things we cannot directly observe…feelings, thoughts, and intentions”. Considering this type of analysis, the data are presented later to explain the issues highlighted in the study. According to
(Krippendor, 2004), content analysis is a research technique for making replicable and valid inferences from data to their context.

We interviewed an employee who had worked for AirAsia for over two years. This interviewee is an active employee from AirAsia. It is important to note that due to the restriction of movement and lockdown in Asia, it was difficult to contact and receive different opinions that would help us to solve the concerns presented in this study therefore the level of response was low. The interview was done over the telephone. Most of the questions were open-ended and frequently ended with the question “why” to obtain further explanation. This was done in order to get the employees to encourage participants to talk freely and respond openly to queries (Bogdan & Biklen, 1982; Kvale, 1996). The objective of this study is to find out if the employee is satisfied with the working environment provided by AirAsia and if it improves her overall job satisfaction.

RESULTS AND DISCUSSION

It is no doubt that the Workplace Environment can affect Job Satisfaction significantly. According to the International Journal of Tourism and Hospitality in Asia Pacific, it states that 27.8% of AirAsia’s success was contributed by employees. Based on the interview with the employee from AirAsia, we found out that their office, which is situated near Kuala Lumpur International Airport (KLIA), offers a lot of amenities such as a hair salon, salad bar, coffee shop, laundry bar, basketball court, nursery, rooftop bar, in house clinic, physio lab, gym and many more. Some of the facilities can be accessed for free and some have staff discounts. Because of this, employees feel less tense and they get to enjoy their work, hence enabling them to improve on their productivity. The interviewee also said that AirAsia is the best company that the interviewee has ever worked with. However, after some research we also discovered a few areas in the working environment where AirAsia can still improve on.

By studying the problems that are faced by AirAsia, we have come up with several solutions and recommendations based on various researches and articles. When asked about the working hours in AirAsia, our interviewee said that the working hours varies based on the position of the employees. Some work for 4 days and have 4 days off while the others are working office hours. The interviewee also told us that the bosses are quite lenient as some employees start at 9am while others start at 10am. The employees get an additional 30 minutes break on top of their usual 1-hour meal break. The company also provides sleeping pods at every corner of the office in case the employees get tired or sleepy during work. Nevertheless, the company does comply with the labor law on the working hours. We suggest that the working hours be reduced to between 6 to 8 hours. Putting aside the Pilots and the Cabin Crew, It is recommended that AirAsia cuts down its working hours. 10 hours is too long and it could deter the employees' performances. Long working hours can cause employees to be forced into distress and dissatisfaction for their organization.

Safety in the context of our research touches on the fact that most risks and hazards are avoidable and approachable. We believe that avoiding human error can be one of the key solutions to this problem. Besides that, proactive decision making and starting something with the end in mind attitude can help us reduce major risks and casualties. Regular checks and retraining periods should be implemented for the employees to always stay on top of their game. When we asked about how the safety is in their office
at RedQ, the interviewee said that safety is one of their top priorities and it is being implemented well. Safety is also one of their KPIs that has to be reached every year where employees are required to follow the safety guidelines given by the company. We also found out that RedQ is declared as a smoke-free zone by the Health Minister of Malaysia. As far as the relationship between co-workers, we believe that this factor is directly linked to the individual esteem needs, since all of us need to be in constant interaction with others, expressing our ideas, opinions or disagreements. In this way, we recommend AirAsia to carry out inclusion and integration activities among its employees, as well as to implement an incentive program (fulfilment of monthly goals) to increase their job satisfaction so that they feel they are a fundamental part of AirAsia. Finally, AirAsia should offer a friendly work environment but without leaving aside the main functions of each job. The interviewee also said that AirAsia is the first job where the interviewee got to work with positive people from around the world. Despite being in different departments and countries, they have a strong bond between them and they are very passionate in carrying out their work.

Lastly, the top management of the company should implement processes of continuous improvement of employee satisfaction, conduct virtual surveys regularly to know what employees think of the decisions that are to be made in the company or if something should improve or change and most importantly how they feel within the organization so that their satisfaction does not decrease. The interviewee said that the employees can directly voice their opinion to their CEO, Tony Fernandes and they even have an online platform where they can communicate with all Allstars across the borders. The interviewee also told us that employees can even reach out to the top management and voice give suggestions or opinions for the betterment of the company and this makes the employees more confident. The interviewee is very proud to be able to work in a company where the management puts their employees’ welfare first. During this COVID-19 situation, the top management voluntarily offered their salaries to be cut in order to help other employees that are in need. Another study stated that, Values of AirAsia are inculcated in the employees - safety, passion, integrity, caring and fun. These values provide a reputation for AirAsia. The director of AirAsia believes that the usual style of dressing at work can affect the culture in the organization. He goes to work wearing his trademark red AirAsia cap, short sleeved t-shirts and a pair of jeans which are sometimes older than his employees so that decreases that barrier of communication between himself and employees. “People are AirAsia’s best asset.”

The director of AirAsia tries to create a flat structure that everyone has access to the leader resulting in discovery of their potential and talent. (Nattawadee et al., 2016). In short, we believe the conducive working environment provided by AirAsia, increased the job satisfaction experienced by the interviewee.

CONCLUSIONS

This project focused on the aims to enhance the understanding of how the working environment can influence job satisfaction as well as employee performance also with the sudden outbreak of a global pandemic COVID-19, organizations are starting to realize the importance of the workplace environment for an organization to continue its operation. We have come up with a few factors in the working environment that we think have a direct impact on job satisfaction. According to our research, there are a number of problems that are currently faced by AirAsia when it comes to workplace environment management which are working hours of employees, the safety of employees, the relationship between co-workers, individual esteem needs, and last but
not the least is top management. All these five factors are one of the major reasons that the employees working in the organization tend to resign or leave their jobs due to the presence of dissatisfaction in their jobs i.e. caused by irregular shifts. Stress, fatigue, sleeping disorder, instability of work-life balance, office politics http://www.glassdoor.com which may someday lead to an increase in employee turnover ratio.

Now to overcome these above-stated problems what AirAsia must do are from reducing the working hours of the employees from 10 hours to 6-8 hours, by avoiding human errors, creating a friendly working environment where the employees can share or express their opinion towards the management without the presence of ego or conflicts and finally the top-level management should take the opinion of the employees working under then before implementing any new plans or change in the existing policies of the organization via virtual surveys to understand how the employee feels and mustn’t let their satisfaction decline.

Performance of an employee is very closely linked to job satisfaction as well as the performance of the organisation. For maximum performance of an organisation, it must first take care of their employees. An employee who is satisfied with his job tends to perform better than less satisfied employees, ceteris paribus. For that reason, job satisfaction is the key to motivate employees to perform better at their job. AirAsia as a service company relies on its employees to perform its services, handling customers and contribute to the overall success of AirAsia. In order to ensure that employees are performing their job well, AirAsia has to overcome the problems stated above to increase its employees job satisfaction. In conclusion, we believe that a conducive working environment does have a positive impact on job satisfaction, and job satisfaction helps boost employee performance at work.

REFERENCES

Appendix

Results of the interview are as shown below (questions followed by answer in ““):

1. How would you describe your experience working in AirAsia?
   “I have been serving this company for two years and this is by far the best company I have worked with. Cool bosses, a lot of staff benefits, and a place where I get to discover my full talent, ability and skills in customer operations.”

2. As an employee do you think that the workplace environment has any effects on your job satisfaction?
   “Definitely, our office (RedQ) is equipped with a lot of facilities e.g. Hair salon, Salad bar, Coffee shop, Laundry bar, Basketball court, Nursery, Rooftop bar, in house clinic, physio lab, gym and many more. Some of the facilities can be accessed for free and some have staff discounts. Due to this, we feel less tense, get to enjoy what we do hence able to improve on our productivity”

3. What are your views on the importance of a safe and conducive working environment and its contribution to your job satisfaction? Do you think AirAsia is doing a good job at it?
   “Indeed, safety is one of our main priorities and it is being implemented thoroughly. We even set safety as our goals for our KPI. Everything must comply with the safety guidelines set by the company. RedQ was also declared and endorsed as a smoke-free zone by the health ministry.”

4. Working in a big firm like this probably puts you in situations where you must deal with various types of people of different positions in the organizations. What are your views on the coworker relationships and dealing with the top management?
   “This is my first job where i get to work with positive people from all around the globe. They are very passionate; they have very strong bonds among them even though they are from different departments and countries. We are so proud to get to work with a company that puts people first in every possible situation. When this whole pandemic started, the top management voluntarily accepted a payment cut. Tony even offered to not accept his pay so that he can sustain the junior staff. Our top management really care about the staff and they show it.”

5. A recent study from Sweden suggested that working hours should be not more than 6 hours. What are the working hours in AirAsia like and what are your opinions about it? It’s enough or is it too much?
   “Working hours vary because we are an airline company. Some work for 4 days, and have 4 off days, some are working office hours. I can see most bosses are quite lenient as some staff starts at 9am and some starts at 10am. We also get a 30 mins break on top of our 1-hour meal break. They also provide sleeping pods at every corner of the office in case we ever get tired or sleepy during work and that is okay. Nevertheless, they comply with the labor law on the working hours.”

6. Esteem needs refers to the need for self-esteem achievement, mastery, independence, status, dominance, prestige, managerial responsibility etc. How does AirAsia help you improve your self-esteem as an employee?
"We get to voice out our opinion even to Tony and we have an online platform where we get to communicate with all Allstars across the borders. Reaching out to top management is not a problem and we can always give suggestions or opinions for betterment of the company. Due to this, it helps us to break the ice and build self-confidence while sharing ideas and thoughts with others."

7. What are the areas that AirAsia can work on in order to better its workplace environment? And how would this benefit you as an employee?

“Honestly, I am satisfied with what we have right now and could not ask for more.”