THE EFFECTS OF DIFFERENT OFFICE LAYOUT ON EMPLOYEES’ PERFORMANCE

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Bachelor of Science with Honours
(Human Resource Development)
2015
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THE EFFECTS OF DIFFERENT OFFICE LAYOUT ON EMPLOYEES' PERFORMANCE

ROSALIND LO SIAN THIAN

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# TABLE OF CONTENT

Acknowledgements .......................... i
Table of Contents .......................... ii
List of Tables .............................. iv
List of Figures .............................. v
Abstract ................................. vii
Abstrak ................................ viii

## CHAPTER 1 – INTRODUCTION

1.0 Introduction .......................... 1
1.1 Background of study ................. 1
1.2 Problem statement .................... 2
1.3 Objective ............................. 2
1.4 Research questions .................... 2
1.5 Significance of the study ............ 3
1.6 Limitations of the study ............. 3
1.7 Definitions of term .................... 3
1.8 Summary ................................ 4

## CHAPTER 2 – LITERATURE REVIEW

2.0 Introduction .......................... 5
2.1 Issues .................................. 5
2.2 Theories related to study ............. 7
2.3 Finding from past study ............... 7
2.4 Summary ................................ 8

## CHAPTER 3 – METHODOLOGY

3.0 Introduction .......................... 9
3.1 Research Design ....................... 9
3.2 Population, sample, and sampling procedure ............................................. 10
3.3 Research instrument .................. 11
3.4 Pilot study ................................ 11
3.5 Validity and reliability ............... 12
3.6 Ethics of the study .................... 12
3.7 Data collection procedure .......... 14
3.8 Data analysis procedure .............. 14
3.9 Summary ................................ 14

## CHAPTER 4 – RESEARCH FINDINGS
# LIST OF TABLES

**Table 1**  
Participant’s information  

**Table 2**  
Basic knowledge of the participants regards to office layout
LIST OF FIGURES

Figure 1
Reason why traditional office layout can provide employee with a comfortable working environment 19

Figure 2
Employees’ opinion towards the spatial arrangement in Traditional office layout 20

Figure 3
Employees’ opinion toward traditional office layout’s visual privacy 21

Figure 4
Employees’ satisfaction with the ease of interaction with colleagues Or staff 22

Figure 5
Employees’ way of communication and tools they used to communicate 23

Figure 6
Employees’ preference in choosing an office layout 24

Figure 7
Reason why cubicle office layout can provide employee with a comfortable working environment 25
Figure 8
Employees’ opinion towards the spatial arrangement in cubicle office layout

Figure 9
Employees’ opinion toward traditional office layout’s visual privacy

Figure 10
Employees’ satisfaction with the ease of interaction with colleagues or staff

Figure 11
Outside view for traditional office layout

Figure 12
Outside view for traditional office layout

Figure 13
Outside view for cubicle office layout

Figure 14
Outside view for cubicle office layout
ABSTRACT

THE EFFECTS OF DIFFERENT OFFICE LAYOUT ON EMPLOYEES' PERFORMANCE

ROSALIND LO SIAN THIAN

The main objective of this research is to study the effect of different office layout on employees' performance. This research involved the 2 specific objectives which are to study the effects of traditional office layout and cubicle office layout on employee’s performance. This study has been done through survey by using interview questions. Six participants from Faculty Social Sciences (FSS), Faculty of Economics and Business (FEB), and Faculty of Cognitive Sciences and Human Development (FCSHD) were selected using purposive sampling. Three participants were selected from traditional office layout and another three participants were selected from cubicle office layout. The finding of this research shows that there are positive effects of different office layout on employees’ performance. Positive effects of traditional office layout on employees’ performance are big amount of space which allowed re-arrangement between furniture, full height wall and close door which will increase visual privacy. On the other hand, close door became the negative effect on employees’ performance because it reduces the interaction between colleagues and support staff. Furthermore, positive effects of cubicle office layout on employees’ performance are it increases the interaction between colleagues and staff. On the other hand, the negative effect of cubicle office layout on employees’ performance are no visual privacy and easy accessible by people walk by.
ABSTRAK

KESAN SUSUN ATUR PEJABAT YANG BERBEZA TERHADAP PRESTASI PEKERJA

ROSALIND LO SIAN THIAN

CHAPTER 1
INTRODUCTION

1.0 Introduction

The topic of this study is to study the effect of different office layout on employee's performance. This chapter will be discuss about the background of study, problem statement, objective of the study, research questions, significance of study, limitation of this study, and last the definition of term that use in this study.

1.1 Background of study

Office layout copes with the pattern and the arrangement of an office (Richardson, 2010). Office layout is an important factor in achieving productivity of an organization. There are generally three basic types of office layout which are traditional office space, cubical office space, and also open-plan office (Krysten, 2012).

Traditional office space consists of doors and walls which divide upper management and support staff. On the other hand, two or three employees can occupy a cubical office space with their own desks, computers and with sharing a printer. Furthermore, employees in an open-plan office will have their own desk and can enhanced social interaction (Budget Office Furniture, 2012). Office layout such as the furniture and equipment arrangement in an organization must fit employee’s need and the work they perform (A handbook for workplaces, 2006).
1.2 Problem statement

Kamalruzaman, Saleh, Hashim, Hashim, and Abdul Ghani (2011) reported that "Due to lower costs and convenience, the concept of open-plan office use continues to increase". Managers select open plan layout because they think such office layout is enormous, cost effective, and increase co-operation between employees. Unfortunately, employees complaint open plan office is noisy, disturbing and lack of privacy (Marriner, 2014).

According to Lee (2010), traditional office space has show high contentment in job performance, noise level, and privacy as compared to cubicle office layout. On the other hand, Traditional office layout also decreases the level of interaction between employees and increases the feeling of isolation (Guo, 2013).

Cubicle spaces also having positive impacts on employees such as they are uncovering with good atmospheric condition, more light, and efficient in utilizing of space (Stanford University, 2009). On the other hand, cubicle spaces also having negative elements such as lack of privacy and high level of noise (Guo, 2013; Lee, 2010).

As a conclusion of this problem statement, we noticed that there are pros and cons in three types of office layout by using questionnaires as the research instrument. But the study did not explain further how the effects of different office layouts affect employees' performance.

1.3 Objective

The purpose of this research is to study the effects of different types of office layout on employee’s performance.

1.3.1 General objective

• To study the effects of different office layout on employee’s performance.

1.3.2 Specific objectives

• To study the effects of traditional office layout on employee’s performance
• To study the effects of cubicle office layout on employee’s performance

1.4 Research questions

• How does a traditional office layout affect employees’ performance?
• How does a cubicle office layout affect employees’ performance?
1.5 **Significance of the study**

This study helps superiors to understand the importance of an office layout towards employees' performance. Other than that, it also serves as a research for which office layout tremendously boosts the employee's performance in terms of accuracy, completeness, and speed.

1.6 **Limitations of the study**

This study is briefly conducted within a short span of time. As acknowledged from other researchs, this study leaves a lot of room for further improvements. The examples of major limitations of this study are given as below:

1.6.1 **Time**

Restriction of time has made us to catch up with the time given to complete this research as we need time to find organizations and to gain approval from the organization. Time also become a factor to allow the researcher to measure the size of working table, working area, and also the position of light and air-conditioning. Restriction of time also limits the researcher to determine the preference size of working area for traditional office layout.

1.6.2 **Number of employees in an organization affect the research methodology**

Organization with only a few employees only enable researcher to do qualitative approach while organization with many employees will enable researcher to do quantitative or qualitative approach or both.

1.6.3 **Employees reluctance to co-operate**

Some of the employees may not spend out their time for the interview session or answering the questionnaires because they have their own task to do. As employees has their daily task to carry on, they only spend less than one hour for the interview session and this will generate some not specific data as mentioned before such as the exact size of working table, exact working area, the position of light and air-conditioning.

1.7 **Definitions of term**

1.7.1 **Conceptual Key Terms**

- **Office layout**

  Office layout copes with the pattern and the arrangement of an office (Richardson, 2010).
• Performance

According to Oxford Dictionaries (n.d.) performance is “the action or process of performing a task or function”.

1.7.2 Operational Key Terms

• Office layout

Office layout is the arrangement of furniture such as chair and table and the arrangement of working area between one employee and other employee.

• Performance

Performance are actions that done by the employees which causes positive effects such as increase in effectiveness and efficiency and also increase the productivity and profit of the organization or vice versa.

1.8 Summary

The overall of this chapter discuss about the main aspects of research which include background of the study, problem statement, objective of this study, research questions, significance of study, limitation of this study, and definition of term that use in this study. This will be continuing by more detail literature review for this study in the next chapter.
2.0 Introduction

This chapter presents the past literature on the effects of different office layouts on employees’ performance. The review of the literatures from the previous study will be further discussed. Previous studies are very useful in contributing the idea and framework which related to this research.

2.1 Issues

Office design had a significant effect on employees’ performance and plays an important part in facilitating employees and organization performance (El-Zeiny, 2011). Kamalruzaman, Saleh, Hashim, Hashim, and Abdul Ghani (2011) reported that “Office employees spend a lot of their time inside a building, where the physical environments influence their well-being and directly influence their work performance and productivity”.
According to Dole and Schroeder (2001) as cited in Kamalruzaman, Saleh, Hashim, Hashim, and Abdul-Ghani (2011), it is assumed that employee with greater contentment towards physical condition will more likely to increase work performance.

There are various types of office layout which are traditional office layout, cubical office layout and open-plan office layout. Cubical office can be divided into low partitions and high partitions; low partitions is lower than five feet high while high partitions is around five feet high or more than five feet high (Kim & Dear, 2013). According to Lee (2010), he stated that open-plan office has various types from open-plan office with partition to open-plan office without partition but only with chair and desk arranging in rows.

Currently, there are arguments on the advantages and disadvantages of different office layout towards employees. According to Duffy (1992) & Hedge (1982) as cited in Kim and Dear (2013), open-plan office has been use because it benefit economically; narrow down the expenses in creation and retention (Brennan, Chugh, and Kline, 2002). Furthermore, open-plan office also perceived to enhance employee’s performance because it promotes communication and social contact but it also promotes loss of privacy and noise level increases (Kim & Dear, 2013).

The effects of immoderation from a traditional office to an open plan office on employees and organization have been studied in different point of view (Kim & Dear, 2013). There is a negative effect of relocation employee from a traditional office to an open-plan office through longitudinal study (Brennan, Chugh, and Kline, 2002). Brennan, Chugh, and Kline (2002) reported that “open offices do not facilitate communication among co-workers. In fact, employees often feel that open office designs decrease communication because they prohibit confidential conversations”.

Employees in cubical office layout; both low and high partitions show higher dissatisfaction in sound privacy (Green, 2013). Green (2013) stated that “Researchers guess that the partitionless people are slightly less bothered by it because at least they can see where the noise is coming from, which gives them a sense of control”. On the other hand, employees in cubicles with high partitions show higher satisfaction in visual privacy as compared to employees in cubical with low partitions and open-plan office. Cubical office with low partitions facilitates interaction as compared to cubical office with high partitions.
Employees in traditional office layout show higher satisfaction in sound privacy and visual privacy but it also increases the feeling of isolation (Guo, 2013).

2.2 Theories related to the study

Organizational theory and management theory has been use to study the office environment, health and job satisfaction (Danielsson, 2005). According to BusinessDictionary (n.d.) stated that “organizational theory is the study of organizational designs and organizational structures, relationship of organizations with their external environment, and the behavior of managers and technocrats within organizations”. McAuley, Duberley, and Johnson (2007) stated that organization theory is “a body of thinking and writing that tries to describe, explain and sometimes influence what goes on in organizations”.

“Management theory is a collection of ideas which set forth general rules on how to manage a business or organization” (BusinessDictionary, n.d.). Business dictionary stated the forth rules are “how managers and supervisors relate to their organizations in the knowledge of its goals, the implementation of effective means to get the goals accomplished and how to motivate employees to perform to the highest standard”.

Hawthorne (2014) reported that a combination of management theory may boost organization’s output and service quality. Combinations of management theory are contingency theory, systems theory, chaos theory, and theory X and Y has been use depends on the organization’s goal, manpower, and also workplace.

2.3 Finding from the past study

The finding from past study in an immoderation of traditional office layout to an open-plan office layout show higher dissatisfaction with all the dependent measures. According to Brennan, Chugh, and Kline (2002), the independent measures are “employees’satisfaction with the physical environment, physical stress, coworker relations, perceived job performance, and the use of open office protocols”. The result has been collected by using longitudinal study research design where the results are collected through questionnaire at three different times; before the relocation, one month after the relocation, and six month after the relocation.
Another study on the interior design of workplace and its impact on employees' performance conducted by El-Zeiny in 2011, the results show that office layout play an important role in determining employees' performance. This study used questionnaire to collect the data. The questionnaires involve Likert Scale to weigh the entire variables and data was analysed using quantitative method.

Study conducted by Lee (2010) reported that high cubicles office layout has shown low satisfaction in noise level and sound privacy and perceived low job performance as compared to traditional office layout and open-plan office layout. Traditional office layout and open-plan office layout did not show any difference regards to all privacy. This study also carries out by using questionnaires.

2.4 Summary

As a conclusion, this chapter discusses about three sections which are the issues related to the research topic, theories related to studies, and finding from the past studies which showed the effects of office layouts on employees' performance.
CHAPTER THREE
METHODOLOGY

3.0 Introduction
This chapter focuses on the discussion of the method used to collect and analyse data which includes the research design, population of the study, research Instrument, pilot study, validity and reliability, ethics of the study, data collection procedure, and data analysis procedure.

3.1 Research design
As stated in the problem statement, the study focus is to investigate the effects of different office layout on employees' performance. The research design or strategy plan selected to be use to carry out this research is survey because this research design enable researcher to collect information from a particular sample.
Furthermore, survey was found to be more compatible with the focus of this research as it enables the researcher to obtain valid and useful information on the topic being studied.

3.2 Population, sample and sampling procedure

This study was conducted at University Malaysia Sarawak (UNIMAS). The population is all employees at UNIMAS.

According to Flick (n.d.) in National Centre for Research Methods Review Paper, he stated that number of interview is depends on the research questions of the study. If the research question is base on singular experience, one respondent will be the best while if the study is to compare the experience, one respondent will not be enough. The research questions of this study are; how does a traditional and cubicle layout affect employees' performance. So the research questions focus on how does different office layouts affect employees' performance but it does not focus on comparison. As a result, sample of one participant will be selected from two office layout in Faculty of Cognitive Science and Human Resource Development (FCSHD), Faculty of Economics and Business (FEB), and Faculty of Social Science (FSS).

Non-probability sampling such as purposive sampling was use to choose the sample from population because the respondent were selected by a purpose in mind that is respondent working at traditional and cubicle office layout.
3.3 Research Instrument

Instrument that are suitable for this research are interview questions. List of questions based on objectives will be provided to the respondents as shown in appendices. The interview question will divided into three parts which is part A will be one warming up questions, part B will be two situating questions, part C will be interview questions based on general and specific objectives. The questions based on objective will be design in open-ended form in order to get more information. Open-ended questions based on 4 W and 1 H; what, where, who, when, and why will be ask to the selected respondents. The researcher designed the interview question by referred back to interview question inside every literature in order to design interview questions that achieve the objective of this research. Researcher used three key words which will affect employees’ performance to design the interview question. The interview questions were designed based on amount of space, visual privacy, and interaction between colleagues and staff.

3.4 Pilot study

Pilot test was conducted to verify the validity and reliability of the interview questions by discussion with the research supervisor and selected respondents from FCSHD, FEB, and FSS based on traditional and cubicle office layout.

Robustness of the interview questions such as flaws, limitation, and weaknesses were tested in order to help the researcher to make essential amendments before carry out the actual interview sessions.