

Rewarding Happiness: The Impact of Total Rewards and Work Engagement on Academicians' Well-Being

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Abstract

This study examines how total rewards and work engagement contribute to work happiness among academicians in selected public higher learning institutions in Sarawak. As academic work becomes increasingly demanding, understanding the factors that foster happiness is vital for sustaining high performance, job satisfaction, and overall well-being. The study is motivated by the increasing demands on academicians and the need to better understand what sustains their happiness at work. Data were collected from 158 academicians and analysed using Pearson correlation, multiple linear regression, and Hayes PROCESS mediation analysis. Results show that both total rewards and work engagement significantly predict work happiness, with total rewards exerting the stronger influence. Together they explain 72.6% of the variance in work happiness. Mediation analysis further indicates that work engagement partially mediates the relationship between total rewards and work happiness, suggesting that rewards enhance happiness both directly and indirectly by increasing engagement. These findings highlight the need for higher education institutions to develop comprehensive reward systems monetary, material, and non-monetary while simultaneously fostering work engagement. Such strategies can strengthen academic staff well-being, improve retention and productivity, and ultimately support the quality and competitiveness of higher education. Future research should explore additional organizational and psychological factors, such as leadership effectiveness and workplace culture, to broaden understanding of the mechanisms that sustain workplace happiness. It contributes by offering evidence from the Malaysian higher education context and by highlighting the role of engagement in translating rewards into happiness.

Keywords: Work Happiness, Total Rewards, Work Engagement, Public Higher Learning Institutions

Introduction

According to the World Happiness Report (2022), Finland, Denmark, Switzerland, Iceland, and the Netherlands were ranked as the top five happiest countries in the world, while Malaysia was positioned at 79th place. Meanwhile, based on the latest Malaysia Happiness Index report, the Federal Territory of Labuan was identified as the happiest state, followed by the Federal Territories of Kuala Lumpur and Putrajaya, as well as the states of Terengganu and Kelantan. Both Johor and Sarawak were ranked eighth in terms of happiness. A study conducted by Aziz et al. (2013) revealed that only 5.1% of academicians in Malaysia experience high levels of happiness, while 23.7% are classified as unhappy, and the remaining 71.2% experience medium levels of happiness. The modern workplace environment often imposes significant burdens on employees, requiring them to handle various job demands, including high stress levels and role ambiguity (Thompson & Bruk-Lee, 2021). These challenges can contribute to high turnover rates, diminished commitment, reduced work performance, and negative workplace behaviors (Thompson & Bruk-Lee, 2021). Prolonged exposure to excessive workloads can further diminish employees' willingness to maintain a high level of happiness. This finding aligns with Gulyani and Sharma's (2018) assertion that ensuring employee happiness fosters productivity and efficiency in the workplace. Higher education encompasses post-secondary, tertiary, and third-level education offered at colleges or universities (Mahalingam, 2018). The happiness of academicians is particularly critical in higher learning institutions, as unhappy academicians may experience reduced motivation, which in turn affects the quality of knowledge delivery and student learning experiences. Thus, achieving work happiness among academicians in higher learning institutions is essential.

Workplace happiness plays a crucial role in employee performance and productivity. To meet organizational goals, employers seek employees who demonstrate high levels of performance and productivity. Consequently, top management often implements initiatives such as employee rewards to sustain motivation and commitment (Arora, 2020). Employees who receive rewards feel valued by their organizations, enhancing their sense of belonging and job satisfaction (Mabaso & Dlamini, 2018). Furthermore, total rewards in the higher education sector contribute to organizational commitment and help maintain high levels of satisfaction and performance (Mabaso & Dlamini, 2018). Rewards, whether monetary (e.g., salary increments) (Oishi et al., 2011), material (e.g., career advancement and welfare benefits), social (e.g., positive work relationships) (Abid et al., 2015), or non-monetary (e.g., constructive feedback, decision-making involvement, job security) (Carpentier & Mageau, 2013), positively influence employees' perceptions of the workplace. This underscores the importance of identifying factors that can maintain happiness at work, especially in academia where staff well-being influences teaching quality and research output.

The organizational rewards model suggests that engagement serves as a key motivator in fostering a positive workplace attitude. High engagement levels help alleviate work-related stress and burnout while enhancing employees' ability to experience happiness upon accomplishing tasks (Gulyani & Sharma, 2018). Thus, sustaining work engagement among academicians is vital, as lower engagement levels are often associated with various concerns, such as reduced lecture quality and poor research productivity. This is consistent with Christensen et al. (2020), who found that highly engaged academicians significantly contribute to research publication and its outcomes. Hence, employees who actively