

Effect of Happy-8 Workplace and Corporate Social Responsibility on Success of Small and Medium Enterprises in Thailand

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Abstract

Happy-8 workplace means happy and satisfied employees are working at the workplace. This happy workplace or happy workers of corporation increase the performance of the company. Another factor that contributes to higher performance is corporate social responsibility means societal and philanthropic work from organizations. This current study also wants to explore the relationship between the Effect of Happy-8 Workplace and Corporate Social Responsibility on Success of Small and Medium Enterprises among employees working in small and medium enterprises functioned in Thailand. Data is collected through a questionnaire via a drop-down survey method. Items related to variables taken from previous studies. Results generated from collected data indicate that happy-8 workplace and corporate social responsibility have a positive significant impact on the success of small and medium enterprises. Corporate social responsibility also has a positive impact on workforce orientation and workforce orientation also mediates the relation between corporate social responsibility and the success of small and medium enterprises. The current study gives recommendations to policymakers that they should focus on the happy-8 workplace and corporate social responsibility for increasing the success of small and medium enterprises.

Keywords: *Happy 8 Workplace, Corporate Social Responsibility, Success of Small and medium enterprises, Workforce Oriented*

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1. Introduction

Happy employees are those employees who care about their company, work for their goals and vision. Happy employees consider their organization and its goals at priority. Employees who are happy at their workplace, work efficiently, effectively, and more obliged to their duties. Happy employees are simply employees who are more satisfied, loyal, engaged, and committed. These types of employees give more spark to organizations and heartedly work for it. Happy employees are 10 percent more productive than average and unhappy employees are 10 percent less productive than average. Advantages of happy-8 workplace other than the satisfaction and more productivity are higher retention, low turnover rate, better environment, and more harmonized workplace environment. Seven major factors make the employees happier than average like, sagacity of determination, feeling appreciated, obtainability of wellness plans, and sentiment of affianced, operational in a cooperative atmosphere,

not having rigidity, and presence in constructive workplace culture (Crawford, Butler-Henderson, Rudolph, & Glowatz, 2020).

Another factor that increases the productivity of an organization is corporate social responsibility. Corporate social responsibility is a self-regulated model of business to do companies more social. Corporate social responsibility aims to involve the organization in philanthropic work or work for societal welfare. Corporate social responsibility is considered as the upper-level concept to engage the companies and business with their stakeholders and force the organization to do work for societal welfare and show some environmental concerns. Corporate responsibility is also related to the sustainability of businesses over the long term. Corporate social responsibility aims to add value to the company or in business by ensuring that this business or company works for the environment and has a positive impact on society and the community. There are some benefits of corporate social responsibility improved

product appreciation, encouraging corporate status, an increase in transactions, and also increase buyer devotion, increase in performance, staff retention, increase in growth, and increase in assets (Ghislieri, Molino, & Cortese, 2018).

Corporate social responsibility has four levels, one is economic, legal, ethical, and philanthropic. The first level of corporate social responsibility is to earn a profit, second is to follow the legal commitments, third is to perform their duties, production and supply chain on an ethical level and fourth or last level of corporate social responsibility are to work for the welfare of society. Corporate social responsibility works for improving the image of an organization in the eyes of employees, buyers, suppliers, and society. Managers of different organizations or industries understand the importance of corporate social responsibility concept and willing want to contribute some resources for social or societal welfare (Dean & Spoehr, 2018).

Small and medium enterprises are businesses of small and medium level. These small and medium level businesses have some financial and human resource limits than large corporations and businesses. Small and medium enterprises are also called non-subsidary firms. Small and medium enterprises play

an important role in the development of the economy. This important role is related to, production, employment generation, and contribution to exports. In small and medium enterprises income level distribution is very low but this sector also provides part-time jobs to a large number of poor people. Small and medium enterprises are also the source of entrepreneurship, innovation, and creativity in the economy (Romero et al., 2016).

Small and medium enterprises are an important sector for the Thai economy this sector of the industry largely contributes to the gross domestic product, exports, production and gives a large number of jobs in Thailand. Approximately three million small and medium enterprises are working in Thailand. With the growing importance of this sector, this sector also faces many challenges like lack of marketing budget and lack of marketing knowledge showed in Figure 1. Some issues of small and medium enterprises are related to the less support of the government of Thailand (Eberhard et al., 2017). Public policy, government financial support, knowledge, capital, labor, fewer resources, low machinery, and fewer plants are some challenges faced by small and medium enterprises in Thailand.

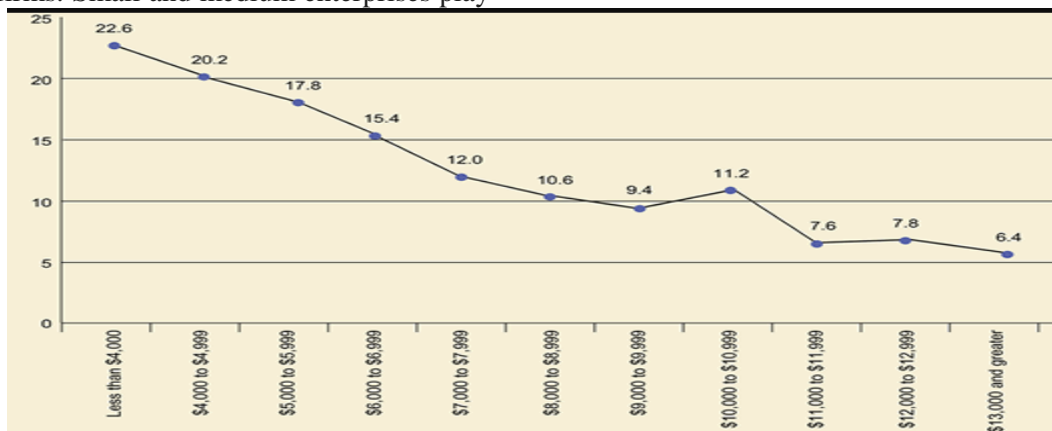


Figure 1. Small and medium enterprises performance (2020)

Source: Exmptrack.com Forecast for the year of 2020

Studies that are present in previous literature argued that happy employees that are working in an organization are a great source of success and an increase in performance. Studies also argued that corporate social responsibility and work of the organization in term of workforce orientation is considered as the major source of success (Lee et al., 2018). Due to these studies, this current study also aimed to analyze the impact of the Effect of Happy-8

Workplace and Corporate Social Responsibility on Success of Small and Medium Enterprises among employees working in small and medium enterprises functioned in Thailand. The theoretical framework of this study is represented in Figure 2. Happy 8-workplace and corporate social responsibility are independent variables, workplace orientation is the mediator, and the success of small and medium enterprises is as the dependent variable in this study.

The objective of this current study is 1) to analyze the impact of Happy-8 Workplace on Success of Small and Medium Enterprises. 2) To analyze the impact of corporate social responsibility on the Success of Small and Medium Enterprises and workforce orientation. 3) To analyze the impact of workplace orientation on the success of small and medium enterprises and also the mediation of workplace orientation in between corporate social responsibility and success of small and medium enterprises.

Various studies analyzed the impact of the happy-8 workplace and corporate social responsibility on the success of the different organizations. But all these studies were not conducted on the small and medium enterprises of Thailand. This current study is a vital contribution in previous literature by studying the impact of the happy-8 workplace and corporate social responsibility on the success of small and medium enterprises of Thailand. This study has many theoretical and practical contributions.

2. Literature review

Happy organizations have a competitive advantage on the others. This believes it so strong and he uses to give the class of happiness to his employees. He understands that happy employees are the key to success for the organization. He uses to convince the entrepreneurs to start new businesses with happy employees at the core of the business and that should be the central part of the business. Emerging researchers are focusing on the positive attributes of the employees to increase the well-being of employees. They understand that happy human resource produces better results. Happiness is a feeling of positive psychology. Happiness is most often conceptualized as “subjective wellbeing, or thinking and feeling positive about one's health, relationships, work, and overall life” (Selamat, Alias, Hikmi, Puteh, & Tapsi, 2017).

Businesses from the start are part of society. They have been working for the development of societies every business promotes the job and contributes toward the economy. Most of the businesses take part in the welfare of society. No social responsibility is determined by every business. Social responsibility gives respect to the business and makes an image for the customers. Goodwill of the business also depends on social responsibility. Many businesses are attracting customers due to their focus on social responsibility. Small and medium enterprises are also

responsible for corporate responsibility. The focus of the current study is to measure the impact of the happy-8 workplace and corporate social responsibility on the success of small and medium enterprises.

2.1 Happy-8 Workplace and Success of SMEs.

There are different scopes of happiness. Different organizations in some areas to make the employees happy and satisfy. Tension in any area of life can affect performance. Happy-8 is the new concept of study which covers mostly all of the aspects of being happy most of the organizations are now focusing to keep the worker happy inside and out of the organization. They take care of them in every aspect. It has been observed and concluded from many studies that if an employee is given every facility at work and has no complaints about the system but facing any issue at the private life cannot perform well on the job also. Happy at concept covers the 8 major areas of a person's life, these are happy body, happy heart, happy relax, happy brain, happy soul, happy money, happy family, and happy society. If a person is satisfied with all these aspects, chances are very low to be unsatisfied. Modern organizations are trying to make the customer happy in all these areas so that employees can work freely and happily for the organization to produce maximum output.

Corporate social responsibility is to work for the welfare of the environment and society. It needs to protect the environment from the hazards. Many businesses are operating and producing waste. Most of them are very harmful. There exist many other issues in society. It the responsibility of the business to contribute the society for the well-being (Oosthuizen, 2016).

SEMs are small and medium enterprises. These enterprises are small startups of different businesses and nonprofit organizations. It's a new concept, people are taking their startups at a very small level to be entrepreneurs. It helps the economy a lot to be people independent and produce new income opportunities. Happy workplace matters everywhere small and medium enterprises are also operated by human resources. If they will be happy and satisfied with the environment their performance and interest can be increased. Similarly, corporate social responsibility should also be taken by the SMEs they work on a small level but it can produce a good image and goodwill for the enterprises. Both factors can help

these small enterprises to grow and exist. From the discussion we may assume that:

H1: Happy-8 workplace significantly affects the success of SMEs.

2.2 Corporate Social responsibility and Workforce Oriented SMEs

As discussed, corporate social responsibility is a welfare step. It was voluntarily taken by the organization in the past but now its responsibility to perform these activities. Work force-oriented SMEs are the enterprises that are much care full about their workforce and their maximum operations depend on the workforce other than the technology. SMEs are a type of workforce organizations. When a social welfare activity is performed, this is not limited to the external environment. Internal environment of the organization is also supporting these kinds of activities to be promoted for the labor of organization. In a way a caring organization become more responsible for their employees (Gleason, 2018). Very few studies have been conducted on the relevant topics. Objective of the study is to cover the gap of literature by analyzing the impact of corporate social responsibility on the workforce-oriented SMEs of Thailand. A hypothesis can be formulated in a way to test the assumption:

H2: Corporate social responsibility has significant impact on the Success of workforce-oriented SMEs.

2.3 Workforce Oriented SMEs and Success of SMEs

Trend of SMEs are increasing day by day. After COVID-19 when economy of the whole world is affected badly. Growth of the countries has declined. Unemployment rate is increasing more. In this situation there need a boost to handle the economy. There are many ways to control but most effective is take independent initiative by everyone to support themselves and others. SMEs are the most effective form of these initiatives. These initiatives give the opportunities to take startups and earn profit by doing small businesses. These are the small level initiatives that are taken at the micro level but later these micro variables form the macroeconomic. The happiness of the individual comprises all. People working in the SMEs are satisfied then they can work with zeal. SMEs like workforce oriented take much care of their employees. This type of SMEs structures the management and operations by the input of workforce. It gives them confidence and a sense of ownership with the organization (Zhao et al., 2020). Studies have proven that workforce-oriented organizations can perform well. Discussion can be hypothesized as:

H3: Workforce oriented SMEs have a significant impact on the success of SMEs.

H4: Workforce oriented mediates the relationship between Corporate Social Responsibility and the success of SMEs.



Figure 2. Theoretical framework of the study shows the relationship between Happy 8 Workplace, Corporate Social Responsibility, Success of Small and medium enterprises, Workforce Oriented

3. Research Methodology

This current study research part tells about the collection of data, tools, and techniques that are necessary for finding the impact of the happy-8 workplace and corporate social responsibility on the success of small and medium enterprises with the mediation of workforce orientation. Respondents of

this study were employees working in the small and medium enterprises of Thailand. A quantitative research design is selected for this current research (Nadeem, Alvi, & Iqbal, 2018). Data is collected by the questionnaire. The questionnaire includes the demographics and question related to variables like (happy-8 workplace, corporate social responsibility, workforce oriented, and success of small and medium

enterprises) are adopted from the previous studies. A simple random sampling technique is used. This simple random sampling technique is easy to handle and cheap.

Data is collected by the drop-down method. The author takes the prints of a questionnaire to respondents' place, at workplace or home. The author describes the purpose of data collection and after it

4. Data Analysis

collects the filed questionnaire from respondents'; place and gives them acknowledgment. By deducting the missing values and outliers 220 questionnaires used for data analysis. This 220-sample size is considered as enough for analyzing the selected variables (happy-8 workplace, corporate social responsibility, workforce oriented, and success of small and medium enterprises).

Table 1. Data Statistics

	No.	Missing	Mean	Median	Min	Max	SD	Kurtosis	Skewness
HW1	1	0	1.465	1	1	5	0.698	2.984	2.149
HW2	2	0	1.654	2	1	4	2.097	1.127	0.616
HW3	3	0	1.676	2	1	4	0.635	0	1.529
HW4	4	0	1.735	2	1	3	0.633	-0.656	0.285
CS1	5	0	1.897	2	1	4	0.628	2.026	0.213
CS2	6	0	1.805	2	1	4	2.062	-0.272	1.351
CS3	7	0	1.892	2	1	4	0.681	-0.468	0.243
CS4	8	0	2.189	2	1	5	1.02	-0.352	0.599
CS5	9	0	2.043	2	1	5	0.899	2.012	0.678
WO1	10	0	1.924	2	1	4	2.041	0.255	0.804
WO2	11	0	2.076	2	1	5	0.927	-0.659	1.382
WO3	12	0	1.984	2	1	5	0.909	0.296	0.772
WO4	13	0	1.881	2	1	5	0.71	1.78	0.815
WO5	14	0	2.005	2	1	5	0.732	2.948	0.576
SSME1	15	0	2.195	2	1	5	0.854	0.018	0.506
SSME2	16	0	2.016	2	1	5	2.054	1.05	1.809
SSME3	17	0	2.005	2	1	5	0.724	0.355	0.336
SSME4	18	0	2.114	2	1	5	0.847	2.361	0.804
SSME5	19	0	2.168	2	1	5	0.811	1.445	0.846
SSME6	20	0	1.995	2	1	5	0.835	-0.054	0.516
SSME7	21	0	1.973	2	1	5	0.788	0.228	0.516

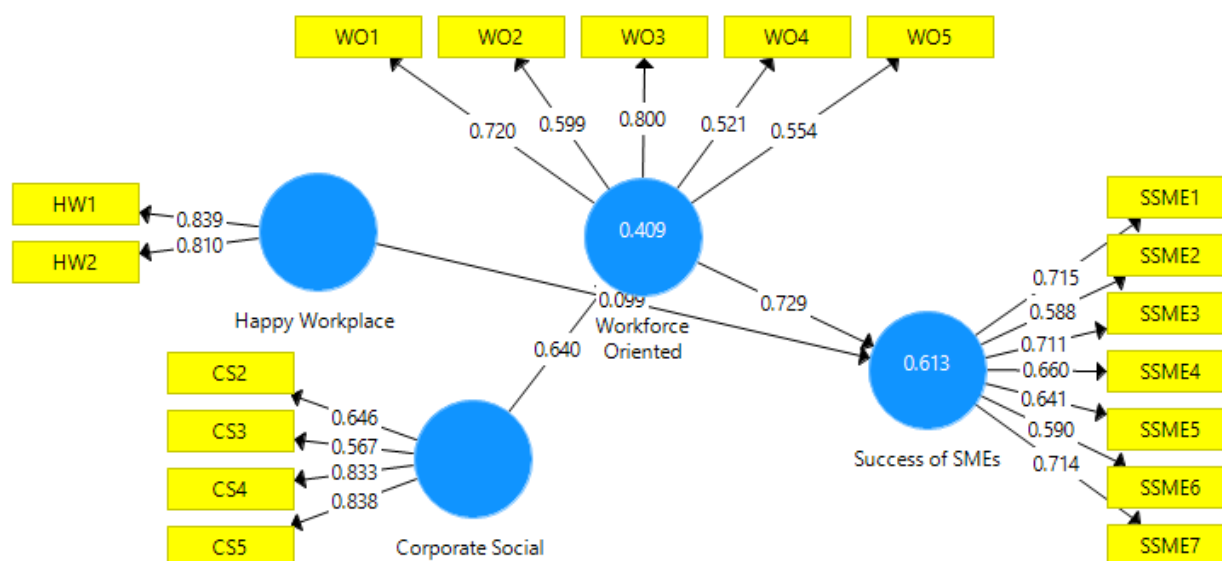


Figure 3. Measurement Model

For analyzing Smart PLS 3 was used because PLS 3 is a better tool for complex models that have mediation and moderation effect. Measurement of reliability and validity is the first and important step in the data analysis. Factor loading and average variance extracted (AVE) should be greater than 0.5,

Cronbach's alpha and composite reliability are more than 0.7. All values are showed in Figure 3 and Tables 2 and 3. For validity author analyzed the Cross loadings which are also depicted in Figure 3 and Table 4.

Table 2. Factor Loadings

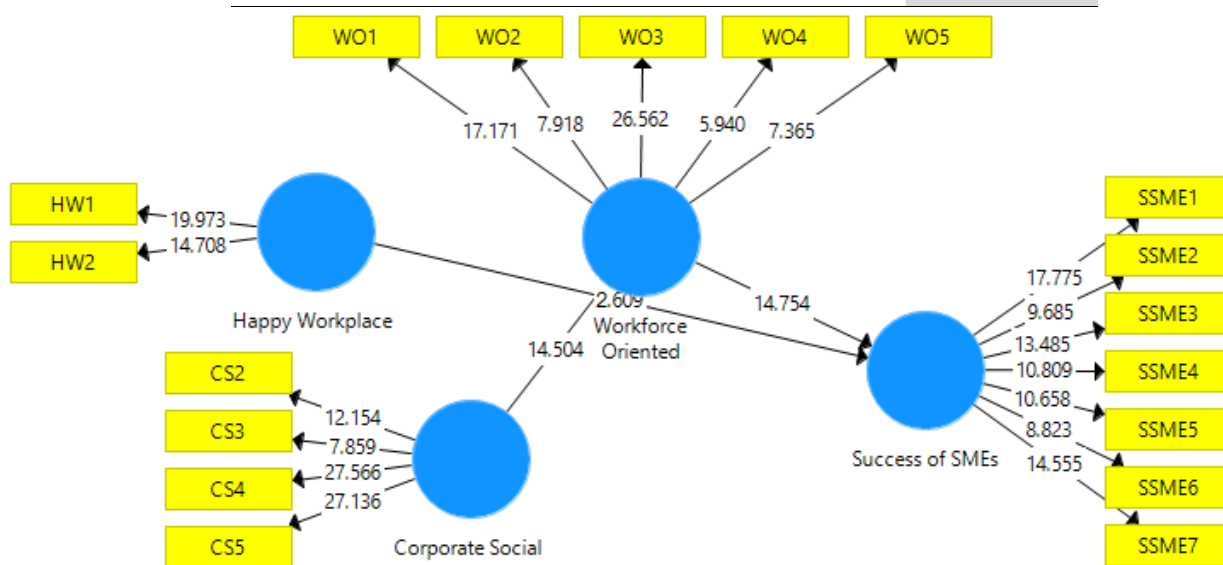
	Corporate Social	Happy Workplace	Success of SMEs	Workforce Oriented
CS2	0.646			
CS3	0.567			
CS4	0.833			
CS5	0.838			
HW1		0.839		
HW2		0.81		
SSME1			0.715	
SSME2			0.588	
SSME3			0.711	
SSME4			0.66	
SSME5			0.641	
SSME6			0.59	
SSME7			0.714	
WO1				0.72
WO2				0.599
WO3				0.8
WO4				0.521
WO5				0.554

Table 3. Reliability and Convergent Validity

	Alpha	rho_A	CR	(AVE)
Corporate Social	0.72	0.788	0.817	0.534
Happy Workplace	0.753	0.532	0.809	0.68
Success of SMEs	0.785	0.788	0.844	0.538
Workforce Oriented	0.752	0.677	0.778	0.519

Table 4. Cross-Loadings

	Corporate Social	Happy Workplace	Success of SMEs	Workforce Oriented
CS2	0.646	0.131	0.39	0.343
CS3	0.567	0.173	0.329	0.252
CS4	0.833	0.36	0.585	0.53
CS5	0.838	0.491	0.566	0.623
HW1	0.379	0.839	0.398	0.474
HW2	0.347	0.81	0.37	0.354
SSME1	0.488	0.331	0.715	0.518
SSME2	0.495	0.471	0.588	0.485
SSME3	0.454	0.171	0.711	0.547
SSME4	0.368	0.306	0.66	0.461
SSME5	0.389	0.293	0.641	0.435
SSME6	0.455	0.239	0.59	0.521
SSME7	0.41	0.348	0.714	0.607
WO1	0.62	0.368	0.512	0.72
WO2	0.39	0.339	0.541	0.599
WO3	0.442	0.387	0.643	0.8
WO4	0.189	0.258	0.35	0.521
WO5	0.316	0.251	0.422	0.554

**Figure 4.** Structural Model

After clarifying through testes that the data that were collected are normal, reliable, and valid. After its hypothesis was tested that was made in the literature

review. Figure 4 and Table 5 depict that t values are greater than 1.96 which means that all hypotheses are accepted.

Table 5. Direct Effect Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Corporate Social -> Workforce Oriented	0.64	0.646	0.044	14.504	0
Happy Workplace -> Success of SMEs	0.099	0.101	0.038	2.609	0.008
Workforce Oriented -> Success of SMEs	0.729	0.734	0.049	14.754	0

Table 6 represents the mediation of workforce orientation between the corporate social responsibility and success of small and medium enterprises is present because t value 9.924 is greater than 1.96. This mediation also showed in Figure 5.

Table 6. Indirect Effect Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Corporate Social -> Workforce Oriented -> Success of SMEs	0.466	0.474	0.047	9.924	0

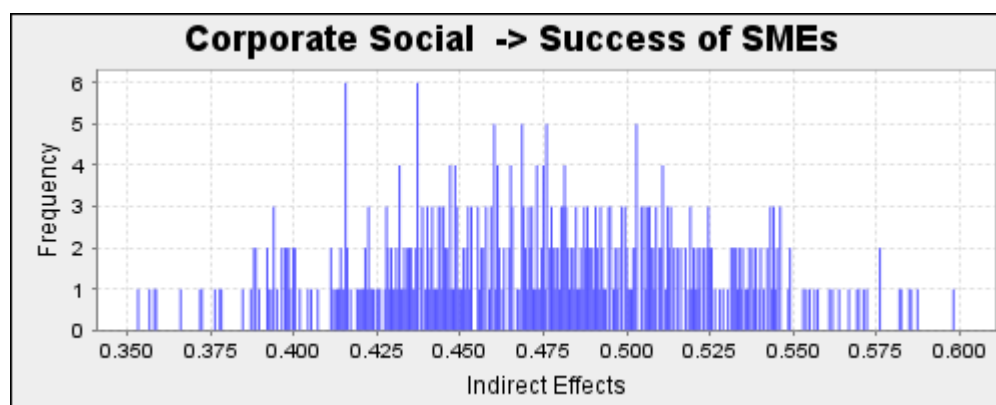


Figure 5. Indirect Effect

The impact of the happy-8 workplace, corporate social responsibility, and workforce oriented on the success of small and medium enterprises is 61.3%.

5. Discussion

Results that generated from collected data related to variables like (happy-8 workplace, corporate social responsibility, workforce oriented, and success of small and medium enterprises) indicate that. The

happy-8 workplace has a positive significant impact on the success of small and medium enterprises. Different previous studies also argued that happiness increases the productivity of employees in the workplace. Studies found that when employees are happier their working speed gradually increases (Kohtamäki, Parida, Patel, & Gebauer, 2020). This happy-8 workplace has a substantial impact on the performance of companies. This study also argued

that the happy-8 workplace increases the success of small and medium enterprises in Thailand.

Corporate social responsibility also has a positive impact on the success of small and medium enterprises and workforce orientation. Workforce orientation has a positive impact on the success of small and medium enterprises. Furthermore, workplace orientation mediates the relation between corporate social responsibility and the success of small and medium enterprises in Thailand. Corporate social responsibility means the philanthropic and societal work of an organization plays an important part in the success of corporations (Kim, Eisenberger, & Baik, 2016). This philanthropic work related to the workforce or employee orientation also increases the success of small and medium enterprises.

6. Conclusion

This current study also wants to explore the relationship between the Effect of Happy-8 Workplace and Corporate Social Responsibility on Success of Small and Medium Enterprises among employees working in small and medium enterprises functioned in Thailand. Happy-8 workplace simply the workplace of happiness in which you have to know the 8 questions related to happiness. Happy-8 workplace means happy and satisfied employees are working at the workplace. This happy workplace or happy workers of corporation increase the performance of the company. Another factor that contributes to higher performance is corporate social responsibility means societal and philanthropic work from organizations. Data is collected through a questionnaire via a drop-down survey method. Items related to variables taken from previous studies. The study is quantitative. Simple random sampling technique for data collection. Results that produced from collected data specify that happy-8 workplace and corporate social responsibility have a positive significant impact on the success of small and medium enterprises. Corporate social responsibility also has a positive influence on workforce orientation and workforce orientation also intervenes in the relationship between corporate social responsibility and the success of small and medium enterprises. The current study gives recommendations to policymakers that they should focus on the happy-8 workplace and corporate social responsibility for increasing the success of small and medium enterprises.

7. Implications

Theoretical implications of this current research in addition to prior literature by studying the impact of the happy-8 workplace and corporate social responsibility on the success of small and medium enterprises with the mediation of workforce orientation among employees working in small and medium enterprises operated in Thailand. This study gives recommendations to management of small and medium enterprises that they should focus on happy-8 workplace and corporate social responsibility for increasing the success of their businesses because happy workers do the more work, perform their duties with efficiency and also the happy society due to corporate social responsibilities, improves the performance of companies.

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