Factors Affecting Job Performance: A Review of Literature

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Abstract

The purpose of this study is to investigate existing literature and theory in order to initially construct a conceptual framework of SEM factors affecting job performance. The results of the study revealed that organizational justice, work engagement, and public service motivation (PSM) have direct effects toward job performance. Transformational leadership, however, has both direct and indirect effects toward job performance.

Key Words: Job Performance; Transformational Leadership; Organizational Justice; Work Engagement; Public Service Motivation

Introduction

Job performance is one of the most important dependent variables and has been studies for a long decade. Borman and Motowidlo (1993) identified two types of employee behavior that are necessary for organizational effectiveness: task performance and contextual performance. Task performance refers to behaviors that are directly involved in producing goods or service, or activities that provide indirect support for the organization's core technical processes (Borman and Motowidlo, 1997; Werner, 2000). These behaviors directly relate to the formal organization reward system. On the other hand, contextual performance is defined as individual efforts that are not directly related to their main task functions. However, these behaviors are important because they shape the organizational, social, and psychological contexts serving as the critical catalyst for task activities and processes (Werner, 2000). Therefore, this study will to investigate secondary data in order to construct a conceptual framework for implementation of structural equation model that affects to employees' performance.

Materials and Methods

This paper undertakes a review and synthesis of job performance on the basis of the investigated variables in the recent literature on job performance to advance in this research. This study focused on examining factors affecting job performance. The data collection in this study include text book, research, publication, Internet, and online databases.

Results and Discussion

Job Performance

Borman and Motowidlo (1993) divided performance into task and contextual performance. *Task performance* was defined as the effectiveness with which job incumbents perform activities that contribute to the organization's technical core (Borman and Motowidlo, 1997). *Contextual performance* was defined as performance that is not

formally required as part of the job but that helps shape the social and psychological context of the organization (Borman and Motowidlo, 1993). Contextual performance has been further suggested to have two facets: interpersonal facilitation and job dedication. (1) Interpersonal facilitation includes "cooperative, considerate, and helpful acts that assist co-workers' performance". On the other hand, (2) job dedication, includes "self-disciplined, motivated acts such as working hard, taking initiative, and following rules to support organizational objectives" (Van Scotter and Motowidlo, 1996: p.525). Contextual performance and related elements of performance, such as organizational citizenship behavior (OCB: Bateman and Organ, 1983; Smith et al., 1983), prosocial organizational behavior (Brief and Motowidlo, 1986), and extra-role performance (Van Dyne et al., 1995), contribute to organizational effectiveness. According to the fact that the concept of contextual performance has several related constructs in other names, the existing theories and empirical studies reviewed in this study also include contextual performance and all related constructs.

Transformational Leadership

Theory of leadership focuses transformational leadership and transactional leadership as core concepts in the field. These concepts were first introduced by Burns (1978) and further developed by Bass and Avolio to encompass the "full range model of leadership" (Bass, 1985; Avolio and Bass, 1991; Bass and Avolio, 1993). Transformational leadership has been seen as moving beyond transactions to increase the level of followers' awareness for valued outcomes by expanding and elevating their needs and encouraging them to transcend their self-interests (Robbins and Judge, 2010).

Transformational leaders motivate their followers to perform beyond expectations by influencing them to pursue higher and convincing followers to replace their self-interests with organizational interests (Bass, 1985; Bass and Avolio, 1993). Specifically, the transformational leadership process is comprised of four components: (1) idealized influence is defined with respect to both the leader's behavior and

the followers attributions about the leader. Idealized leaders consider the needs of others before their own personal needs, avoid the use of power for personal gain, demonstrate high moral standards, and set challenging goals for their followers. Jointly, these behaviors set the leaders as role models for their followers; (2) inspirational motivation refers to the ways by which transformational leaders motivate and inspire those around them, mostly by providing meaning and challenge. Specifically, transformational leaders do so by displaying enthusiasm and optimism, involving the followers in envisioning attractive future states, communicating high expectations, and demonstrating commitment to the shared goals; (3) individualized consideration represents the leader's consistent effort to treat each individual as a special person and to act as a coach and mentor who continually attempts to develop his or her followers' potential; (4) intellectual stimulation represents the leader's effort to stimulate the followers to be innovative and creative as well as the leader's effort to encourage followers to question assumptions and to reframe problems and approach them in new ways (Bass and Avolio, 1993).

Transformational leadership has long been associated with employee behaviors, including task performance and various measures of organizational citizenship behaviors (Podsakoff et al., 2000). There is increasing evidence that a variety of the relationship between transformational leadership and employee performance (Purvanova et al., 2006).

Results from meta-analytic study path modeling found that transformational leadership is likely to have direct effects on task and contextual performance (standardized path coefficient .10, .19, p < .01, respectively) and a direct effect of transformational leadership and work engagement was found (standardized path coefficient .06, p < .01, respectively) (Christian et al., 2011). On the other hand, Zhu et al. (2009) examined the relationship between transformational leadership and follower work engagement. They found a positive relationship between transformational leadership and follower work engagement

(paths coefficients γ = .69, p < .05). Furthermore, Chongvisal (2005) studied the structural relationship between model of the full range of leadership and organizational justice, found transformational leadership had a direct effect on organizational justice. Finally, Moynihan et al. (2009) examined the sources of public service motivation (PSM) and found that transformational leadership is associated with higher PSM (β = .20, p < .05).

Organizational Justice

Organizational justice refers to perceptions of fairness within an organizational setting (Greenberg, 1990), it has become a focus of justice researchers. Organizational justice has been widely accepted that organizational justice contributes to employee performance. Adams' equity theory indicates that an individual can alter his quality and quantity of work to restore justice when he perceives the outcome/input ratio to be unjust (Adams, 1966). Interestingly, some empirical studies have found that individuals decrease their performance to reduce input when they are underpaid, and increase their performance to produce more input when they are overpaid (Greenberg, 1982). The equity theory has provided a theoretical explanation to the distributive justice's effect on performance.

Prior research has demonstrated that organizational justice has three distinct dimensions: distributive justice, procedural justice, and interactional justice. (1) distributive justice refers to outcomes that are consistent with implicit norms for allocation, such as equity or equality (Adams, 1966). (2) procedural justice refers to voice during a decision-making process, influencing over the outcome (Thibaut and Walker, 1975). In other words, procedural justice means the fairness of means and procedures by which the decision are made. (3) interactional justice refers to the perceived fairness of interpersonal treatment from those administering the procedures used to arrive at certain outcomes (Bies and Moag, 1986). This type of justice reflects the degree to which people feel that they are treated with respect and dignity by authority figures (De Cremer et al., 2007).

The relationship between organizational justice and job performance has been tested by some studies, the results of regression analysis revealed that distributive justice has a significant and positive effect on task performance ($\hat{a} = 0.513$, p < .01). On the other hand, procedural justice is found to be significant and positive effect on contextual performance ($\hat{a} = 0.385$, p < .01) (Nasurdin and Khuan, 2007). In support of this, the work of distributive justice, procedural justice, and interactional justice had significant positive effects on task and contextual performance (standardized regression coefficient .13, p < .05, .33, .17, .26, .29, and .26, p < .01, respectively) (Devonish and Greenidge, 2010). Finally, and also found that interactional justice had direct effect on task performance (paths coefficients $\gamma = .10$, p < .05) (Wang et al., 2010).

Work Engagement

Work engagement has become a well-known construct to both researchers and practitioners. An emerging body of research is beginning to converge around a common conceptualization of work engagement as connoting high levels of personal investment in the work tasks performed on a job (Macey and Schneider, 2008; Rich et al., 2010). Many researchers have argued that engagement, as a motivational variable, should lead to high levels of job performance (Rich et al., 2010; Schaufeli et al., 2002). Work engagement represents a commonality among physical, emotional, and cognitive energies that individuals bring to their work role. In this sense, work engagement is more than just the investment of a single aspect of the self. It represents the investment of multiple dimensions (physical, emotional, and cognitive), leading to the simultaneous and holistic experience (Rich et al., 2010).

Work engagement is defined as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption (Schaufeli et al., 2002). (1) Vigor is characterized by high levels of energy and mental resilience while working, the willingness to invest effort in one's work, not being easily fatigued, and persistence even in the face of difficulties. (2) Dedication is characterised by deriving

a sense of significance from one's work, by feeling enthusiastic and proud about one's job, and by feeling inspired and challenged by it. The last, *(3) absorption* is characterised by being totally and happily immersed in one's work and having difficulties detaching oneself from it. In short, highly engaged employees have high levels of energy and are enthusiastic about their work. Moreover, they are often fully immersed in their work so that time flies (Macey and Schneider, 2008).

Engagement focuses work performed at a job and represents the willingness to dedicate physical, cognitive, and emotional resources to this work. In support of this, results from a meta-analytic study testing the role of engagement as a mediator of the relation between antecedents and job performance found a direct effect between work engagement and task, and contextual performance (standardized path coefficient .36, .38 p,< .01, respectively) (Christian et al., 2011).

Public Service Motivation: PSM

PSM focuses motives linked to public institutions and organizations. Perry and Wise (1990) defined public service motivation as "an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions and organizations". As Brewer et al. (2000) note, PSM is important not just to motivate but also to produce, improve management practices, accountability, and trust in a government; making this concept as a one of the major topics of investigation in public administration. Public service motivation can be characterized as a reliance on intrinsic over extrinsic rewards. Intrinsic rewards are derived from the satisfaction an individual receives from performing a task. Public sector employees place a higher value on helping others, serving society and the public interest, and performing work that is worthwhile to society (Houston, 2000).

Perry and Wise (1990) identified three bases of public service motivation: rational, norm-based, and affective. Rational motives involve actions grounded in individual utility maximization. Norm-based motives refer to actions generated by efforts to conform to norms. Affective motives refer to those triggers of behavior that are

grounded in emotional responses to various social contexts. A variety of rational, norm-based, and affective motives appears to be primarily or exclusively associated with public service. Rational motives refer to participation in the process of policy formulation, commitment to a public program because of personal identification, and advocacy for a special or private interest. Norm-based motives are a desire to serve the public interest, loyalty to duty and to the government as a whole, and social equity. Affective motives are commitment to a program from a genuine conviction about its social importance, and patriotism of benevolence.

Perry (1996) identified a multi-dimensional scale to measure public service motivation, which has four components: (1) attraction to policy-making refers to the employees' strong desire to participate in the formulation of public policy; (2) commitment to public interest concerns an employees' unique sense of civic duty; (3) compassion denotes an employees' strong desire for patriotism and benevolence; and (4) self-sacrifice refers to an employees' strong desire to act for causes that protect, advocate, and work for the good of the public regardless of personal consequences.

Research related PSM has revealed the result from logistic regression about the effect of PSM on job performance (β = 1.123, p < .01) (Leisink and Steijn, 2009). Similarity, Kim (2006) examined the relationship between PSM and OCB, and found that PSM positively related to altruism, and generalized compliance (β = 0.573, β =0.286, p < .001, respectively).

Conclusion

The study aims to review existing studies to investigate factors affecting job performance. The results of this study reveal that transformational leadership, organizational justice, work engagement, and PSM have direct effects on task, and contextual performance. Transformational leadership, however, has indirect effect on task, and contextual performance through organizational justice, work

engagement, and PSM as shown in figure 1. The proposed model needs further empirical studies to academically establish the impact of each antecedent variable toward both types of performance.

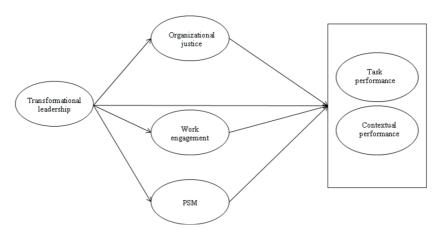


Figure 1 Conceptual mode

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