

Faculty of Cognitive Sciences and Human Development

**FACTORS AFFECTING JOB PERFORMANCE OF EMPLOYEES IN
MANUFACTURING INDUSTRY**

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**Bachelor of Science with Honours
(Human Resource Development)
2019**

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MANUFACTURING INDUSTRY**

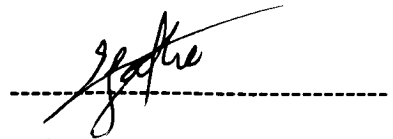
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**This project is submitted
in partial fulfillment of the requirements for a
Bachelor of Science with Honours
(Human Resource Development)**

**Faculty of Cognitive Science and Development
UNIVERSITI MALAYSIA SARAWAK
(2019)**

The project entitled 'Factors Affecting Job Performance in Manufacturing Industry' was prepared by Priya Darsine A/P Vijayan and submitted to the Faculty of Cognitive Sciences and Human Development in partial fulfillment of the requirements for a Bachelor of Science with Honours (Human Resource Development)

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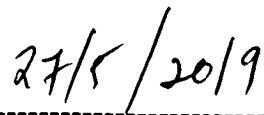
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ABSTRACT

The purpose of this study is to examine factors affecting job performance among employees in manufacturing industry. This study is aimed at finding the relationship between the job satisfaction and job involvement with job performance. This research was done by using quantitative method where the data were collected by using questionnaires as the instrument. The data was collected form 100 samples in one of the manufacturing company in Rawang, Selangor. The data were then analysed by using both descriptive and inferential statistics. Besides, Independent T-test, was used in this research to test significant difference of job performance based on gender. One –Way ANOVA was used to test significant difference of job performance based on age. Pearson Correlation test procedure was used to measure the relationships between the independent variables (job satisfaction and job involvement) and dependent variables (job performance). The findings from Multiple Regression have shown that job satisfaction is the factor that contribute most to job performance. This study also has suggested recommendation for organization, HR practitioners and future researcher as a guideline.

Keywords: Job Satisfaction, Job Involvement, Job Performance

ABSTRAK

Kajian ini bertujuan untuk mengenal pasti faktor yang mempengaruhi prestasi perkerja di industri pembuatan. Kajian ini dijalankan dengan menggunakan kaedah kuantitatif di mana data telah dikumpulkan dengan menggunakan soal selidik. Data yang dikumpulkan ke atas 100 sampel dalam sebuah syarikat pembuatan di Rawang, Selangor. Data dianalisis dengan menggunakan statistik deskriptif dan inferensi. Ujian T telah digunakan dalam kajian ini untuk menguji perbezaan prestasi kerja berdasarkan jantina. ANOVA telah digunakan dalam kajian ini untuk menguji perbezaan prestasi kerja berdasarkan umur. Selain itu, ujian korelasi Pearson digunakan untuk mengukur hubungan antara pembolehubah bebas (kepuasan kerja dan penglibatan kerja) dan pembolehubah bersandar (prestasi pekerja). Ujian regrasi menunjukkan juga mendapati bahawa kepuasan pekerja adalah faktor yang paling mempengaruhi prestasi pekerja. Kajian ini juga telah mencadangkan beberapa pendekatan yang boleh membimbing organisasi, pengamal HR dan kajian masa depan.

Kata Kunci: Kepuasan Kerja, Penglibatan Kerja, Prestasi Kerja

CHAPTER ONE: INTRODUCTION

1.1 Background of study

The topic of job performance in the workplace is an ongoing and hot topic in organizational study. Performance is the main indicator in indicating the growth of a business as its measure the productivity in the workplace. It's a big deal to keep up with the job performance of employees as it essential for the development of the organisation for the present and future. Job performance highly dependent on the behaviour of the employee and the behaviours might vary depending on the level of satisfaction and involvement the employees have towards the job. A study by Rusli, Ing and Bujang (2014) states that job performance becomes influencer of an organization profit and loss. This is because happy and satisfying workers will give positive attitude and show more involvement in work place which will eventually boost the productivity of the work. The company will turn up making a lot of profit with a cosy workplace. Thus, if the job performance of the employee incline it is obviously going to give a positive impact on the organization profit and growth. At the same time, job performance of employees in work place can be analyse since link between job performance and job satisfaction is strong where one influence another.

According to Employee Job Satisfaction and Engagement Report by the Society for Human Resource Management (SHRM) (2017), the data shows that after several years the results obtained shows an incline in 7% who said they were happy and pleased with the job they are working for their organization. The reason for the incline job satisfaction was due the reason improving economy and the employee gains a lot benefits. Job satisfaction is the most study factor of researchers as it associated with a lot importance to the organizational studies (Arham Abdullallah et al.,2011). When the employees are delight with their job this gives a lot of advantages to the employer. Employee with a high level of job performance often results

from the high satisfaction from the work and employee itself. Employees who performs well tends to contribute to high productivity. Most of the companies strive to attain employee satisfaction as this will help to reduce the number of employees' absenteeism and turnover rate. Cummings and Worley (2014), stated that the most common factor in human resource development practice is job satisfaction that leads to better organizational efficiency and employee performance. The wellness of the organization and employees need to be taken care for a better performance and productivity.

Recently, a lot of attention have drawn in term of job involvement. Job involvement here means how dedicated and motivated is the employee in carrying out his or her job in the workplace. The level of employee involvement and motivation will determine the quality of work and the performance portrait by the employee in workplace. The employee which shows full commitment emotionally, intellectually and physically are those who drives to achieve organization goal by increasing their performance. According to Rizwan, Khan and Saboor (2011), human capital with greater job performance are those who are well-motivated and shows more involvement in workplace. Employee who has lower level of job involvement will show weak development in work performance and have higher possibility to leave the organization which eventually will increase the turnover rate. Besides, if they choose to stay at the organization there will be no effort drawn towards job performance and they will tend to apply their energy towards works that are not beneficial to the organization (Ridwan, Khan & Sabor, 2011).

This debate on the factors affecting job performance should come to an end in a fastest way possible. Thus, this research bull's eye or goal would be researching the effect of job involvement and job satisfaction on job performance. This will be measured by the determining how job satisfaction and job involvement effects the level job performance of employees in manufacturing industry.

1.2 Problem Statement

Malaysia is a country that has a good economy strength and growth over the years. As shown by the Bank Negara Malaysia (2014), the manufacturing sectors had a moderate growth over the years which contributes a total of 7.3% to the Malaysian economy in the second quarter of 2014. The Nikkei ASEAN Manufacturing Purchasing Managers' Index stated that Manufacturing sectors in Malaysia still is further back from the neighbouring countries (Sizuki, 2018). Manufacturing industry has a lot of contribution to the country economy growth and serious attention should be emphasised on employee job performance. The industry needs a good workforce to increase the production of the industry. This studies aimed to study the factors affecting job performance of employee in manufacturing industry.

Job satisfaction and job involvement has captured a lot of attention of the researcher in recent years. The concept of job satisfaction and job involvement often relates to absenteeism, commitment and turnover and there is limited studies that have been done that shows job satisfaction and job involvement has significant relationship with job performance (Ahmad, Ing & Bujang, 2004; Valaei & Jiroudi, 2015; Rizwan, Khan & Saboor, 2011). Moreover, only small numbers of research that has been investigating the effect of job satisfaction and job involvement on job performance. On the other hand, Yang & Hwang (2014), studies reveal that only few empirical studies exist to date and even in this studies the effect of job satisfaction and job involvement were not the primary research focus and only few numbers of studies were done based on effect of job satisfaction on job performance. Therefore, it indicates that there is a necessity to study the relationship of job satisfaction and job involvement on job performance and investigate the significant of this variables. Moreover, previous research has not addressed the relationship between job satisfaction and performance in the context of Malaysian organization as well as the demographic variable which comprises gender, age, marital status, level of education, and income (Valaei & Jiroudi, 2015).

Besides, some previous also research also have not supported that job satisfaction and job involvement have direct relationship with job performance (Ahmad, Ing & Bujang 2014; Crossman & Bassem Abou-Zaki, 2003). Meanwhile a few research that have proven that these variables that have significant relationship and influences one another. Research from (Nimalathan & Brabete, 2010; Arham Abdullah et al., 2011), have stated that that job satisfaction has significant relationship job performance. There is few research also supports that job involvement has direct relationship with job performance (Chungtai, 2008; Kasaya & Manjuri, 2018; Odera, & Makori, 2018). Therefore, these previous studies showed that the relationship between the factors affecting on job performance are still open for a debate.

Based on the gaps present, it is obvious the importance of this research. Moreover, Valaei & Jourdi (2015), stated that there were many studies conducted in the western country regarding job satisfaction and job involvement on job performance. However, there is very small number of research was done in non-western country like Malaysia especially in manufacturing industries.

Since most of the previous research were focusing on different elements compare to the main idea presented in this research using different theory, different methodological views and concept of factors affecting job performance have not established constructively. Therefore, this research has intended to find out the inconsistencies.

1.3 Purpose of the Study

1.3.1 General Objective

To study the factors affecting job performance of employees in manufacturing industry.

1.3.2 Specific Objective

- To determine the difference of job performance based on gender
- To determine the difference of job performance based on age
- To determine the relationship between job involvement and job performance
- To determine the relationship between job satisfaction and job performance
- To determine the contribution of job satisfaction on job performance
- To determine the contribution of job involvement on job performance

1.4 Research Question

- RQ1: What is the significant difference of job performance based on gender?
- RQ2: What is the significant difference of job performance based on age?
- RQ3: Is there any relationship between job satisfaction and job performance?
- RQ4: Is there any relationship between job involvement and job performance?
- RQ5: Is there any contribution between job satisfaction on job performance?
- RQ6: Is there any contribution between job involvement on job performance?

1.5 Research Hypothesis

H_{a1}: There is a significant difference of job performance based on gender

H_{a2}: There is a significant difference of job performance based on age

H_{a3}: There is a significant relationship between job satisfaction and job performance

H_{a4}: There is a significant relationship between job involvement and job performance

H_{a5}: There is a significant contribution of job satisfaction on job performance

H_{a6}: There is a significant contribution of job involvement on job performance

1.6 Conceptual Framework

Research by Asiamah (2017), indicate that gender has a significant relationship with job performance where the study reveals that female employees shows greater job performance than men in workplace. Jegadesh and Tang (2009), have also proven that gender has strong correlation with job performance. Based on the previous research, besides gender age has also have significant difference on various age group in terms of job performance (Thomas,2008; Bortelino, Turxillo &Fracillo, 2013); Korthur &Anbazhagan, 2014).

In the research by, Shokrkon and Naami (2009), they found that job satisfaction is an indicator to the level of job performance. The satisfying and happy worker has positive behaviour towards their job and shows greater visibility in workplace. Besides, other studies also indicate that job satisfaction is significant and positively relate to job performance (Du &Zhao,2010); Ahmad, Ing &Bujang, 2014); Valaei &Jiroudi, 2015); Bakotic, 2016).

Besides, research by O'Denell et al., (2013), reveals that job involvement significantly effects the job performance of the employees. The level of job involvement shows that the motivation of employee to be fully engaged in job which results in the high level of job performance. Similarly, other studies also have proven that job involvement has significant relationship with job performance (Chuntai, 2008); Hussain, 2012); Kasaya &Munjuri,2018); Odero &Makori, 2018).

Thus, based on the previous research by (Asiamah,2017; Jegadesh &Tang,2009; Thomas, 2008; Bortelino, Turxillo &Fracillo, 2013; Korthur &Anbzhagan, 2014; Shokrkon and Naami,2009; Du &Zhao,2010; Ahmad,Ing &Bujang, 2014; Valaei &Jiroudi, 2015; Bakotic, 2016; O'Donell et al, 2013; Chuntai, 2008; Hussain, 2012; Kasaya &Munjuri,2018; Odero &Makori, 2018), a conceptual framework of this study has been construct. The independent variable consists of demographic characteristics, job satisfaction and job involvement, while dependent variable is the job performance. Thus, based on the above past research, this is the conceptual framework of this study that has been developed.

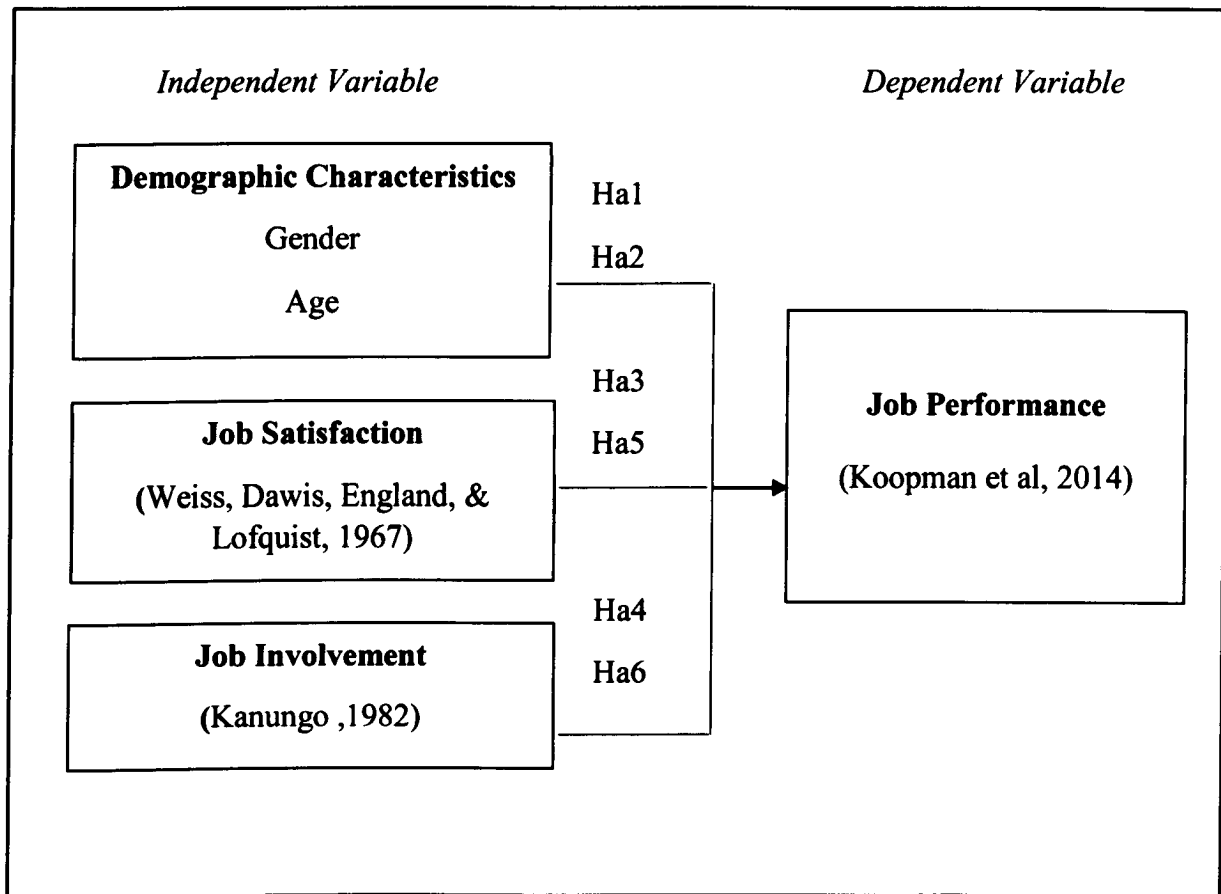


Figure 1.1 Conceptual framework of the Study

Adapted from: Asiamah,2017; Jegadesh &Tang, 2009; Thomas, 2008; Bortelino, Turxillo &Fracillo, 2013; Korthur &Anbazhagan, 2014; Shokrkon and Naami,2009; Du &Zhao,2010; Ahmad, Ing &Bujang, 2014; Valaei &Jiroudi, 2015; Bakotic, 2016; O’Donell et al, 2013; Chuntai, 2008; Hussain, 2012; Kasaya &Munjuri,2018; Otero &Makori, 2018.

1.7 Significant of Study

This research can be said to be significant since this research can contribute to different aspects. This study will add value to the significant to empirical and theoretical findings, human resource practitioners and organization.