GAUGING THE EFFECT OF JOB ENRICHMENT ON EMPLOYEE PERFORMANCE WITH THE MEDIATING ROLE OF EMPLOYEE MOTIVATION: EVIDENCE FROM PRIVATE BANKING SECTOR OF PAKISTAN

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ABSTRACT

The purpose of the study is to classify the effect of job enrichment on employee performance. Job enrichment has a fundamental tool of employee motivation for enhancing the performance of employee. The main objective is to motivate the employee by gauging the job enrichment effects on employee performance thus focuses on effect of job enrichment on job performance through motivation on employee performance. The study uses quantitative approach and use descriptive as well as inferential analysis through SPSS & SMART PLS.

Keywords: *Task Identity, Task Significance, Employee Motivation, Employee Performance*

INTRODUCTION

Tasks are given to all employees that and that must be performed in a small pieces or parts (Slocum & Sims, 2000). Job enrichment is a technique declared by (Kotila, 2001) that will be used to encourage the employees for their work and to let them perform high quality work for their job (Mione, 2004). Job enrichment includes providing such a management system to employees that will help them to develop their own skills and learn some from their employers and let them free to make their own dimensions for their selves (except the rights of its director). The Physical condition of a job is just to increase the satisfaction level of an employee who takes the responsibility to done the work on time (Raza & Nawaz, 2011).

The world has made many changes and challenging the multinational and local companies in order to control the production cost which is increasing every day after. The mostly seen problem of a job enrichment now a days is on the corporate platform every organization is looking forward to increase their clientage in the whole world they are ready to turn there selves towards the aggressive competition held by world in the middle called quest. Raza and Nawaz (2011); Mohsan Nawaz Khan Shaukat and Aslam (2011); Dost and Khan (2012). In fact according to Dost and Khan (2012) as long as we give the flexibility to the employee there

work performance and efficiency will increase gradually and every person will be giving their best to their work. Supported by Garg and Rastogi (2006), design of a job must increase the control and variety of skills fosters creativity proportion, constancy of work but diminishes level of employee's dissatisfaction. In fact, current role or task is the key to move forward to their next task or promotion and they are required to build their skill according to designation and to build their career as well (Brown, 2004).

STATEMENT OF PROBLEM

Boredom is one of the most potent problems faced by employees which causes dissatisfaction & ultimately leads to administrative problems. The top most reason for that employees see their work as a dead end of their lives they get stressed so that they don't get pride for their work done after completion (Breatty & Schneier, 1981). The job characteristics model (Hackman & Oldman, 1976) identifies the conditions necessary for people to become intrinsically motivated and have high work performance. The model suggests that three job dimensions i.e. skill variety, task identity, task significance lead to three critical psychological states (meaningfulness, responsibility, and knowledge of results), which then lead to positive outcomes, such as high work performance. In fact, Choudhary (2016), indicated that if employees don't get pride for their work done after completion it will lead to achieve the target of organization. Thus necessary to check the model of Hackman and Oldman (1976) in the context of employee performance

RESEARCH OBJECTIVES

1. To evaluate the impact of job enrichment on the employee performance
2. To verify the mediating role of employee motivation in banking sector with the key indicators of job enrichment
3. To know the relationship between task identity and employee performance & also with employee motivation
4. To know the relationship between task significance and employee performance & also with employee motivation.
5. To know the relationship between skill variety and employee performance & also with employee motivation.

SIGNIFICANCE OF RESEARCH

Performance with productivity decline with the passage of time and roles appropriately is very imperative in elevating the motivation of employees, which is addressed by job enrichment.

The paper recommends that management of any organization must consider employee's perspective in enriching job description of each position and emphasis should be on enriching the job related concepts in the given society. It would also widen the scope of understanding of the people that constitute the society in the area of enriching banking job. The future researcher will also use this study to expand his or her knowledge of subject matter even as the successful completion of the survey even as inspiration for more tasking in research.

RESEARCH MODEL

LITERATURE REVIEW

Task Identity and Employee Performance

The task identity has a lot of impact on performance of work and employee as well and the out comings from the employee (Humphrey Nargang & Morgeson, 2007).

Task identity is required when tasks are combined and to complete any project the interest of the employees have to be built by the employers while designing of job (Hackman & Oldham, 1975). Locke and Edwin (2008) indicated that employees must claim out there identity on completing the task in the amount of work which they rendered.

Task identity & Motivation

Employee motivation is explored on the significance in the relationship among the Identity of task and employment (Hackman & Lawler, 1971). Gatauwa (2014) little mistake of the employer while enriching the job is the lack of knowledge about the identity of a task to the

employees (Choge ,Chepkiyeng & Chelimo, 2014). Employer not just have to increase the volume of the employees and motivate them for the work employer must have to give the quality and the out coming response from the organization in order to boost their selves and make the work more efficient (Freyand & Osterloh, 2002).

Task significance & Employee performance

Task significance is explained as rate at which the integral tasks of the job are significant to the company and have a relevant effect on the job and livelihood of colleagues and those without the organization (Hirschfeld, Schmitt & Bedeian, 2002). Employees are more motivated to expend effort when they recognize that their actions can benefit others (Karau & William, 1993). However, most of the research on task significance was conducted before researchers had provided systematic evidence that job performance is influenced by individual differences in employee performance (Barrick, Mount & Judge, 2001).

Task significance & motivation

Chandler (2007), who indicated that a Task identity increase motivation hence improve the performance of employees. On the other hand, the findings on task significance indicate employees performance may not be directly or significantly affected by task significance as explained by the Herzberg two factor theory of Motivation The reason for task significance is to increase employee motivation for the employee that was not enthusiastic about their job. It increased the employees desire to work longer hours, and to do a job well done. Disciplines: Business / The Management / Org Behavior of Employee and Development Of The organization

Skill Variety & Employee Performance

Chandler (2007), Employee should feel free while working in an organization as we have to give them a good or excellent working environment so that they can work with more efficiently. We do have to help the employee of a company to enrich their own working skill o perform the tasks perfectly and more efficiently. In the view of Garg & Rastogi (2006), skill enrichment allows our business to grow with their skills requires the employee to draw from a number of different skills and abilities as well as upon a range of knowledge (Taber & Taylor, 1990).

It indicates the number of skills that individual employ while performing work. Inherent characteristics of a job including significance of a task and skill variety are usually mostly associated with low rates of absenteeism (Taber & Taylor, 1990)

Skill Variety & Motivation

Variety of skills offer increment in the business profile of an organization it includes use of a number of different skills and talents of the person (Hackman & Oldham, 1976).When we engage a person in any task the employee should be aware of that what he she is doing. Incentive and other curricular activities make the employee fresh and happy which will increase their performance level because they tap and test the intellective or motor skills of the people

(Hackman & Oldham, 1976). In fact, Ambrose et al (2013) uses the citation of Campion et al (2005), and Perry et al., (2006) performance of an employee should be determined by their skills and tasks. The Positive and strong relationship exist between the extent of a firm's adoption of high involvement HRM strategies including skill variety.

RESEAERCH METHODOLOGY

Research Design

The philosophy behind this study is epistemology and the stance is post-positivism as the study is trying to uncover ideas which will aid to knowledge building through quantitative approach (Saunders et al., 2009). The purpose of research is correlational and study setting was non-contrived as the study was conducted with the ease of respondents but the framework was developed through merging prior studies (Sekaran & Bougie, 2016). The research strategy was survey and the time horizon was cross-sectional as this study was based on data collection through closed ended questionnaire which are analyzed once through SMART-PLS (Saunders et al., 2009).

Sampling Design

The study was conducted in the banking sector of Pakistan in order to gauge the relationship between job enrichment and employee performance. Banking sector is purposely selected for this study as the sector is majorly focused on profit generation which force enormous burden on employees which ultimately resulted in decrease of motivation.

Especially in private sector banks where retention of employees is a real challenge for the managers (Rashidi & Rahman, 2013). Study uses quota sampling approach as the strategy of job enrichment is from employer and therefore HR managers having experience of dealing issues in banking sector are in the research population. The sample size is of 100 respondents which cover HR managers from almost all the leading banks operating in Pakistan.

STATSITICAL TESTING

R Square:

	R Square	R Square Adjusted
Employee Performance	0.715	0.71
Employee Motivation	0.734	0.731

Table 1: Quality Criteria (Predictive Accuracy)

	Cronbach's Alpha	rho_A	Composite Reliability	AVE
Employee Motivation	0.84	0.841	0.893	0.675
Employee Performance	0.79	0.801	0.864	0.615
Skill Variety	0.813	0.832	0.889	0.728
Task Identity	0.808	0.812	0.874	0.635
Task Significance	0.842	0.85	0.905	0.76

Table 2: Construct Reliability and Validity

EM	EP	SV_	TI_	TS	EM
	0.822				
EM	0.769	0.784			
EP	0.824	0.781	0.853		
SV_	0.734	0.74	0.687	0.797	
TI_	0.729	0.747	0.788	0.697	0.872
TS					

Table 3: Discriminant Validity Fornell-Larcker Criterion

	EM	EP	SV_	TI_	TS
EM	0.543				
EP	0.484	0.464			
SV_	0.385	0.321	0.337		
TI_	0.361	0.303	0.348	0.345	
TS					

Figure 1: T-Statistics and Path Coefficient for the effect of Job Enrichment on Employee Performance

Table 4: Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
EM -> EP	0.206	0.206	0.072	2.844	0.005
SV_ -> EM	0.552	0.565	0.065	8.475	0.003
SV_ -> EP	0.277	0.28	0.076	3.64	0.004
TI_ -> EM	0.291	0.283	0.066	4.408	0.002
TI_ -> EP	0.262	0.269	0.062	4.238	0.003
TS -> EM	0.09	0.087	0.07	1.298	0.195
TS -> EP	0.196	0.187	0.069	2.833	0.005

Table 4 highlighted the result on the mediating variable (EM) and the dependent variable (EP). As per the table Skill Variety (SV) has significant impact on dependent variable (EP) thus

researchers reject the null hypothesis ($t\text{-value} < 2$, $P\text{ Value} > 0.05$). SV also have a significant impact with mediation (EM) because of reject the null hypothesis ($T\text{ value} > 2$, $P\text{ value} < 0.05$) so the Partial mediation take place has been indulged in the process. Moreover, (TI) also has a significant impact on EP ($t\text{-value} > 2$, $p\text{-value} < 0.05$), similarly TI ($t\text{-value} > 2$, $P\text{-value} < 0.05$). However, TS does not have significant impact EM ($t\text{-value} < 2$, $p\text{-value} > 0.05$).

CONCLUSION

On the bases of statistical testing almost all the relationships attained satisfactory results except the relationship of task significance and employee motivation. This might be found appropriate as task significance fosters meaningfulness which is a mediator between task significance and organizational commitment (Allan, Duffy & Collisson, 2018). Moreover, all the other relations found to be effective and provides positive impact on the level of motivation as well as job performance of employees.

RECOMMENDATIONS AND AREA FOR FUTURE RESEARCH

After detailed analysis and evaluation of results it has ben recommended that non-financial compensation like job enrichment are beneficial for employee motivation as well as performance.

However, further research may be done in public sector banks just to optimize the level of understanding similarly the study might be conducted in micro finance banking. However these indication and enhancement might only aids in knowledge with in one particular field i.e. banking hence cross industry analysis might be further fruitful for the research and knowledge creation. Similarly inducing study with the moderator like gender may also supplement learning and knowledge.

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