

# Organisational Factors Affecting Employee Job Performance: An Empirical Study

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The purpose of the research effort was to understand the impact of Organization factors on employee job performance. A questionnaire-based field survey was conducted to collect data from a sample of 330 employees from Information Technology Industry by using convenience sampling Bangalore Region. The multiple correlations, regression aware used to analyze the derived two hypotheses with the help of SPSS 20.

This research finds the detailed consequences of the impact of Organisational factors affecting employee job performance. The empirical results of the study came up with two types of findings. First it showed that there is relationship between Organisational factors namely Reward and Recognition, Job characteristic, Organisational culture, Organisational Support and supervisory relationship with job performance and later its impacts on employee job performance. Used variables have been selected as per best available sources of literature and based on researcher's knowledge.

**Keywords:** Job Performance, Rewards, Organisational Support, Organisational Culture.

## 1. INTRODUCTION

With the unpredictable business environment and intense business competition, the companies are required to reach certain standards by improving their performance to align with such great demands; otherwise, a lot of problems will surface, including running the risk to close down the business. This performance relates to the firm or individual level which sees the human resource becoming the most determining factor to achieve the organizations' objectives. In fact, an abundance of resources such as infrastructures or physical facilities are made meaningless without the support of qualified human resources that directly disrupt the continuity of the business operations. Within the framework of the professionals, good employee performance mirrors the ability to contribute through their works leading to the behavioural achievement that is in accordance with the goals of the company.

On the other hand job performance may be viewed as associate activity within which a personal is ready to accomplish the task appointed to him/her with success, subject to the traditional constraints of affordable utilization of the out there resources.

## 2. REVIEW OF LITERATURE

### A. Organizational Factors

### Job Characteristics

Job characteristics are all factors of the job and are directly associated with employee attitudes and behaviors at work (Hackman and Oldham, 1976). Hackman and Oldham stated that jobs with more challenges and variety inspired employees to improve their job skills and attitudes. This inferred a link between job characteristics and job performance. Edgar (1999) perceived that job characteristics affected nurses' attitude, which, in turn, affected work outcomes, i.e., job performance. In China, the nursing work environment evolved with the change to patient-centred care (MOH, China, 2008) multiplying the role of nurses, thus affecting the design of nursing work.

### Reward and Recognition

Rewards is one of the important elements to motivate employees for contributing their best effort to generate innovation ideas that lead to better business functionality and further improvise company performance both financial and non-financially For over thirty years, researchers in social psychology have argued that rewarding people for doing activities produces detrimental effects. The claim is that when individuals are rewarded for performing a task, they will come to like the task less and spend less time on it once the rewards are no longer forthcoming. Rewards are said to destroy people's intrinsic

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motivation. A recent meta-analytic review of experiments on the topic, however, shows that under some conditions, rewards actually enhance people's motivation and performance (Cameron, Banko, & Pierce, 2001). Specifically, when people are offered a tangible reward (e.g., money) to meet a designated performance level, studies show increases in measures of intrinsic motivation.

### **Organisational Culture**

Organizational culture is the atmosphere that pervades the interior of a company or association. Organisational culture was also identified as what was conveyed to the individuals with the organisation, what they experienced, believed, and demonstrated (Nadler M & Nadler D., 1998). Theories of organizational culture attempt to explain the phenomena that occur in and around individuals. Organizational culture is often called the phenomenon of interest. Rather than a mathematical formula, the study of organizational culture includes shared understanding, intangible values and assumptions, and the effects culture has on human behavior. Understanding the phenomenon of organizational culture allows companies to strengthen their working environments.

### **Organisational Support**

Organisational support means rewarding and meeting the socio-emotional needs of employees (Bilgin & Demirel, 2012). It involves the mentorship activities such as employee counselling, challenging assignments for employees, employee protection, and coaching employees, ensuring friendship amongst employees and role modeling (Baranik, Roling & Eby, 2010). According to Rhoades and Eisenberger (2002) employees perceive that the business supports them if resources are provided voluntarily rather than availing resources after pressure from trade unions and government regulations on health and safety.

### **Supervisory Relationship**

Role of supervision or management is also a very important role in getting the success of profitability of the organization. This has a critical role as the decision making and implementation of the useful decision is the major part of the supervision and

management. Motivation is another factor playing an important role in a profitable organization. The ways to get employees motivation with its different types can be vital for the betterment of the employees' usefulness. Every type of the motivation has unique effect on performance of employees. Skill is playing an important role in improving confidence of the employee and will also have a critical role in improving the level of performance in any field of the job and ultimately will get an importance place in performance of the employee. The skill can be achieved with learning and experience

### **B. Job Performance**

Job performance is one of the most important dependent variables and has been in studies for a very long time. Borman and Motowidlo (1993) stated that there are two types of employee behaviour that are necessary for organizational effectiveness: task performance and contextual performance. Task performance means behaviours that are directly results in producing goods or service, also activities that provide indirect support for the organizations core technical processes (Borman and Motowidlo, 1997; Werner, 2000).

When researchers study dimensions of job performance, they often measure job performance using subjective supervisor ratings. Given that individual job performance is a multifaceted and complex construct that may not be captured with subjective assessments, we included objective indicators of performance for the following reasons: First, compensation research highlights the effectiveness of an organizations objective performance measures in guiding employee behaviour as the role expectations are clearly defined (Spreitzer, 1995). Second, objective job performance measures limit both intentional and unintentional biases that occur in performance evaluation processes. In this study, modified Mustapha and Naoum (1998) and Igbaria (1991) Performance Evaluation Questionnaire (PEQ), which contains 24 attitude statements was used by supervisors to measure the performance of professionals who work directly under them. Job performance is a multifaceted term. It is not able to measure job performance by a single criterion. A set of criteria has to be employed. The study employed a more practical approach that was to select key job

performance criteria from prior empirical studies. After a review of the relevant literature, two studies that had tested different sets of job performance criteria were identified.

### 3. OBJECTIVES

The study focuses on following research questions: (i) Does Organisational factors namely Job characteristics, reward and recognition ,supervisory relationship, Organisational Support, Organisational culture have any effect on Job Performance variables Knowledge and Skill ,Quality, Accountability , (ii) Which factors of Organisational factors majorly contributes to Job Performance (iii) Does a positive correlation exists between organisation factors and Job Performance.

### 4. RESEARCH FRAMEWORK

The research method used in the research was descriptive – correlation and its goal are to be applicable. From data point of view it is quantitative.

### 5. SAMPLING

The study was undertaken on IT professionals working in Bangalore Region. The total sample size was 330 IT professional from the middle level cadre.

### 6. RESEARCH INSTRUMENTS

The questionnaire was designed under three heads namely parts - Demographic details, Organisational factors and Job performance (JP). Organisational factors questionnaire were compiled from desk research was. To measure the Job performance the instrument developed by the University of New Hampshire was used. The respondents were told to respond to the extent to which they agreed or disagreed on each item, the 5 point Likert scale is employed in the measurement of all the scales.

### 7. HYPOTHESIS, SAMPLE DESIGN AND DATA

#### Hypothesis

Hypothesis 1: There exists a positive correlation between the various Organizational factors and variables of Job Performance

Hypothesis 2: Job Performance depends on

Organizational factors namely Job characteristics, reward and recognition, supervisory relationship, Organizational Support, Organizational culture

## 8. RESULTS AND DISCUSSION

### A. Respondents Profile

Respondent's profile give an overview of respondents surveyed. The majority of respondents in this study were male as much as 63% .Most of the respondents was in the age group of has aged 25-30 years, close to 33%. Respondent's characteristics by education shows that majority of respondents in this study were bachelor. Experience of respondents indicated that majority of respondents in this study have a service life were having 2 to 6 years to experience as close to 46%.Maximum number of respondents were Post graduates as much as 152, Most of the employees take under survey were permanently employed and their stay with the current organization for at least two years.

### B. Statistical population description

KMO & Bartlett's Test of Sphericity is a measure of sampling adequacy that is suggested to identify the case to variable ratio for the analysis being conducted. In most academic and business studies, KMO & Bartlett's test play an important role for accepting the sample adequacy. While the KMO ranges from 0 to 1, the world-over accepted index is over 0.6. Also, the Bartlett's Test of Sphericity relates to the importance of the study and thereby shows the validity and suitability of the responses collected to the problem being addressed through the study. For Factor Analysis to be recommended suitable, the Bartlett's Test of Sphericity must be less than 0.05. In my research the KMO value for Quality of Work Life and Job Performance both had value above .6 . Hence Factor analysis was not recommended.

### C. KMO and Bartlett's Test of Organisational factors

The Kaiser-Meyer-Olkin measure of Sampling Adequacy and Bartlett's test of Sphericity were used to determine the appropriateness of factor analysis. The result of Organisational factors variables was 0.874 as shown in Table1.



correlation with all the job performance variables namely having Knowledge and Skill (0.419), Quality (0.413) and Accountability (0.290)

**Table 4: Correlation Table**

Correlations			
		Quality of Work Life	Job Performance
Organisational Factors	Pearson Correlation	1	0.851**
Job performance	Pearson Correlation	0.851**	1

\*\* Correlation is significant at the 0.01 level (2-tailed).

The above table shows a strong correlation between Organisational factors and Job Performance having R value 0.851 which clearly says that the level of Organisational factors effects on Job Performance. The results gave strong support that Organisational factors were applicable across a homogeneous sample of organizations and that work life was at an acceptable level. Thus, the construct can be categorized along repeatable dimensions. This finding contributes to the categorized of the Organisational factors construct for theory building and validates it as a measure for instrument development. Thus, the construct can be categorized along repeatable dimensions. This finding contributes to the operationalization of the Organisational factors construct for theory building and validates it as a measure for instrument development. This results gives an tentative results that like any other factor Organisational factors is also an important factor in determine the job performance of the employee such as job satisfaction, cultural strength, creativity, innovativeness, commitment, and competitiveness. Arguably, this perspective offers one possible explanation as to why performance results in organizations may be mixed In addition; Organisational factors can prove to be a source of sustained human capital and competitive advantage when assessing what is truly unique about organizations. Organisational factors is depicted by favourable conditions and environments of a workplace that support and promote employee job satisfaction by providing employees with better reward systems, job security and growth opportunities (Sirgy, Efraty, Siegel and Lee, 2001). Cascio (1998) argued that employees, who work in organisations

where Organisational factors exist, will like their organisations and feel that their work fulfils their needs. Eventually, the fulfilment of employees' needs will trigger their satisfaction with the job, commitment to their job and hence leading to desire long tenure at their workplace

H2: Job Performance depends on Organisational factors

To test this hypothesis, multiple regression analysis was used. Job Performance as dependent variable and Quality of Work Life as independent variables were taken.

The equation formed as

$$Y = a + bX_1 + bX_2$$

a = intercept and b= Slope of Line

The above equation reveals that the Job Performance is dependent on Quality of Work Life. The table reveals the beta value is 0.851, t is 0.381,  $p > 0.05$ . Value of F as per ANOVA table is 861.342 which is insignificant.

From the above table it is clear that Quality of Work Life has strong impact on Job Performance. The result shows  $R^2$  value to 0.724.

In our Research the value of  $R^2$  is quite high 0.72 stating that a Job Performance depends strongly on Quality of Work Life hence null hypothesis is rejected

**Table 5: Regression Table**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	R <sup>2</sup>
		B	Std. Error	Beta			
1	(Constant)	0.026	0.067		0.381	0	
	Organisational factors	0.946	0.032	0.851	29.349	0	0.724

Note: \*  $p < 0.05$ , \*\*  $p < 0.01$

## 9. CONCLUSION

Performance of an organization is believed to be affected by performance of its employees. Organizations are using various innovative Organisational factors measures which affect employee attitudes, control their behaviour and enhance knowledge and ability of their employees and hence lead to improved Organizational Performance.

Mixed results have been obtained so far about the linkage of Organisational factors with Employee Job Performance. Therefore, more empirical research is required to probe further the integration effects of Organisational factors.

The present study was designed to examine the relationship between Organisational factors and Employee Job Performance. Though, a growing body of evidence supports the existence of a positive relationship between Organisational factors and Job Performance, but the question of how Organisational factors lead to higher Job Performance has still not been answered satisfactorily. Gerhart (2007) argued that although it has been accepted that Human Resource Management is positively related to Employee Performance, there is a great need for additional evidence to support the Organisational factors -Performance relationship from different perspectives.

#### 10. LIMITATIONS

The limitations for this study must also be stated. The data has been collected in Bangalore region taking a wider area could have may have produced different results as it may vary from place to place. The number of female respondents in our study is less; also the sample size selected for the study. There were number of respondents who refused to share their data. The sample was not representative of whole of the country. The technique of research used is survey design if mix method could have been used with interviews and qualitative data gathering techniques the result could be more generalizable

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