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IMPACTS OF NON-EXECUTIVE EMPLOYEES' JOB INVOLVEMENT ON THEIR JOB PERFORMANCE IN SMALL AND MEDIUM ENTERPRISES

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Abstract

The purpose of this study was to examine the non – executive employee job involvement and its impact on their job performance in small and medium enterprise in Sri Lanka. This study was selected 650 non – executive employees as the sample by used simple random sampling method. In addition to that, data were collected in using a structured questionnaire and analyzed using the univariate, bivariate and multivariate analysis. Frequencies, minimum, maximum, mean, standard deviations were used as univariate analysis. The bivariate analysis included the Pearson's correlation and multiple regression analysis used as multivariate analysis. The results of correlation analysis, indicated there was strong positive relationship between caring about work and job performance, moderate positive relationship between personal involvement in work, sense of duty towards work and tendencies that avoid causing to work with job performance. The results of multiple regression analysis were shown that dimensions of job involvement had a significant strong positive impact on job performance. Multiple regression analysis, It means model was strongly fitted to the data and 69% variance of job performance was explained by those four dimensions of job involvement (Caring about work, Personnel involvement in work, Sense of duty towards work, Tendencies to avoid the work).

Key words: caring work, personal involvement, duty towards work, tendencies that avoid causing to work, job performance



Introduction

Small and medium enterprises (SME) sector would be one of the major areas towards achieving sustainable economic growth as a developing country. SMEs are the backbone of the Asian economy. SMEs make up more than 98% of all Asian businesses that provide two out of three private sector jobs in the region. Therefore it is important for Asia's economy success to have fully functioning support measures for SMEs. There are so many factors influence on job performance such as personality, organizational culture, team and groups etc. Among those, attitudinal variables like job satisfaction, job involvement and organizational commitment are major factors of non-executive employees to keep their job performance within the organization. But current practices in SMEs show negative impact of human utilization result in job dissatisfaction, low job involvement and low organizational commitment (Kottawatta, 2007). This awful situation depends on degree of non-executive employee's job satisfaction, job involvement and organizational commitment. The importance of each variable to the job performance of an employee may differ. According to Kelegama and Epaarachci (2003) some enterprises lack basic facilities such as canteens, toilets, etc. and also the harassments, long working hours, no extra payments for additional hours are the poor human resources practices. All employees are differing to each other. When someone gets a thing as positive another can get it as a negative. Therefore, it seems that there is a gap in the empirical knowledge available. Employee job performance is one of the important factors for a business to compete in this global market (Aries, Zizqi, 2013). Attitudes are relatively lasting feelings, beliefs and behavioural tendencies aimed at specific people, group, ideas, issues or object (Hellrigel and Slocum, 2004). Both concepts which call Job performance and employees attitudes have no agreement dimensions. According to Koopmans, Beraards, Hildebrandt, Schaufeli, De Vet and Van, (2011); Blumberg & Pringle, (1982); Hettiarachchi & Jayarathna, (2014) said that, attitudinal factors such as job involvement, job satisfaction, commitment etc. are affecting to employees' job performance. In addition to that, Koopmans, Beraards, Hildebrandt, Schaufeli, De Vet and Van, (2011) identified task performance, contextual performance, adaptive performance and counterproductive work behavior as job performance dimensions. But Blumberg & Pringle, (1982) identified Capacity to perform, willingness to perform and opportunity to perform are the factors affect to the employee job performance. Hettiarachchi and Jayarathna, (2014) noted that factors contributing to employee job performance included traits, behavior and results. In here cannot identified consistency of factors relating to the employee job performance. It is an important problem observed in examining prior study. Nevertheless, Velnampy, (2007); Hettiarachchi & Jayarathna, (2014); Kottawatta, (2007) who have done studies regarding impact of employee attitudes on job performance in different areas in Sri Lankan context such as, Tertiary and vocational education sector, apparel industry etc. But researchers not study what is impact of non-executive employee involvement on their job performance relating to SMEs in Sri Lanka. Therefore, the problem addressed in the present study; ***Do non-executive employee involvement (Caring about work, Personnel involvement in work, Sense of duty towards work, Tendencies to avoid the work) contribute to employee job performance significantly in SMEs in Sri Lanka?***



Objective of the Study

This study carried out to identify non-executive employee involvement and its impact on their job performance.

Literature Review

Job performance is one of the important factors for a business to compete in this global market (Aries, Rizqi, 2013). Individual work role performance drives the entire economy. It is organizational psychology and organizational behavior's most crucial dependent variable (Jhon, Brenton, 2015). Individual work performance is an issue that has not only grasped companies all over the world but also fueled a great deal of research in field of management, occupational health, and work and organizational psychology. This raises the question of what exactly constitutes individual work performance. Work performance is an abstract, latent construct that cannot be pointed to measure directly. It is made up of multiple components or dimensions. These dimensions, in turn, are made up of indicators that can be measured directly (Linda, Claire, Vincent, Wilmar, Henrica, Allard, 2011).

Job Involvement - Attitude such as involvement is important to the employees to have high levels of performance which was supported by the findings of (Velnampy, 2007) study. Employee involvement refers to the process of engaging employees in their work and increasing their participation in decision-making. In particular, employee involvement ensures that employees who are close to the work have the power to control work methods, and are able to use their knowledge and skills to improve work process (Lowler, 1992). Job involved employees are likely to believe in the work ethic, to exhibit high growth needs, and to enjoy participation in decision making. As a result, they seldom will be tardy or absent, they are willing to work long hours and they will attempt to be high performers (Hettiarachchi and Jayarathna, 2014).

Job involvement related to satisfaction is job involvement, which measures the degree to which people identify psychologically with employees' job and consider perceived performance level important to self-worth. Employees with high level of job involvement strongly identify with and really care about the kind of work employees do. Another closely related concept is psychological empowerment, employees' beliefs in the degree to which influence work environment, competence, the meaningfulness of job, and perceived autonomy. One study of nursing managers in Singapore found that good leaders empower employees by involving them in decisions making them feel their work is important, giving them discretion to "do their own thing." Employee involvement is a participative process that uses employees' input to increase employee commitment to the organization's success. The logic is that if we engage workers in decisions that affect and increase autonomy and control over employees' work lives, they will become more motivated, more committed to the organization, more productive, and more satisfied with jobs (Robbins, Judge and Vhora). Job involvement was considered very important for increasing the performance of the employees. It is hypothesized that involved employees exert considerable efforts for achieving the goals and objectives of the organization. These kinds of employees are highly productive and produce better results as compare to



the employees who are not involved with their job. These employees work for the organization with their hand, head and heart (Rizwan, Khan and Saboor, 2011). Kottawatta, (2007) revealed that there is a positive relationship between job involvement and job performance of executive and non-executive employees in the apparel industry. High level of job involvement positively related to organizational citizenship and job performance (Rotenberry and Moberg, 2007). Chughtai, (2008) revealed that job involvement was positively correlated with job performance. In results of Rizwan, Khan and Saboor, (2011), Velnampy (2007), Hettiarachchi and Jayarathna, (2014) also intended that the relationship of job involvement with employee performance and chained that there is a positive relationship between these two variables. Kottawatta (2007), Hettiarachchi and Jayarathna (2014) noted that job involvement can be measured under four dimensions which include caring about work, personal involvement in work, sense of duty towards work and tendencies that avoid causing to work. In study above mentioned four dimensions were used to measure non – executive employee job involvement.

Ha: There is a positive relationship between job involvement (caring about work, personal involvement in work, sense of duty towards work and tendencies that avoid causing to work) and job performance of non-executive employees in small and medium enterprises in Sri Lanka.

Methodology

Type of the Study - Present study was focused, Non-executive employee job involvement impact on their job performance in small and medium enterprises. Employee job involvement considered as an independent variable and employee job performance have been recognized as dependent variable. Therefore this study recognizes the relationship between independent variable and dependent variable. This study was an analytical in nature. Therefore present study quantitative techniques were used for data collection and analysis. A structured questionnaire was used to collect data from a representative sample. After that result can be applied to the entire population. And also, data was analyzed using quantitative methods. Hypothesis was formulated based on a review of literature. Data was collected from a sample of the population and analyzed to test the hypotheses. The results were then used to draw inferences from the entire population.

Population and Sampling

The population of the research can be identified as all non-executive employees who work in registered sixty three small and medium enterprises in Sri Lanka. The Department of Small Industries defines SMEs as those with a capital investment of less than Rs. 5 Million, and which employ less than 50 employees (White paper, 2002). Therefore population can be maximum 3150 employees in small and medium enterprises in Sri Lanka. The study was conducted using 650 non - executive employees which were selected by simple random sampling method.

Validity and Reliability

Internal consistency reliability was examined with cronbach's Alpha test and table 1 indicates that the internal consistency reliability of the items used in this study is



good. . In addition to that the content validity of a construct was ensured through pre-testing of the questionnaires. Each scale was evaluated for its reliability and unidimensionality. A value of Cronbach's alpha of 0.7 or more was used as a criterion for a reliable scale (Nunnally, 1978).

Table 01 – Cronbach coefficient alpha value for internal consistency

Variables	Alpha value
Caring about work	0.782
Personnel involvement in work	0.780
Sense of duty towards work	0.717
Tendencies to avoid the work	0.947
Job performance	0.755

Methods of Data Analysis

Data were analyzed using univariate, bivariate and multivariate analysis techniques and specially applied correlation coefficient and regression analysis to meet the study objective and hypotheses. SPSS data analyze package of 20th version was used to analyzed the data. The results of the univariate, correlation and regression given in table 02, table 03 and table 04 respectively.

Table 02 – Results of univariate analysis

Variables	Mean	Standard Deviation	Variance
Caring about work	3.9931	0.62641	0.392
Personnel involvement in work	3.7212	0.61182	0.374
Sense of duty towards work	3.9086	0.52243	0.273
Tendencies to avoid the work	3.8756	0.53357	0.285
Job performance	3.765	0.4889	0.251



Table 03 – Results of correlation analysis

variables	Job Performance	Caring about work	Personnel involvement in work	Sense of duty towards work	Tendencies to avoid the work
Job performance	-				
Caring about work	0.857**	-			
Personnel involvement in work	0.462*	0.511	-		
Sense of duty towards work	0.558**	0.600**	0.536	-	
Tendencies to avoid the work	0.676	0.551	0.421	0.532	-

**p < .01, *p < .05

Table 4 Model Summary of the Multiple Regression Analysis

Model	R	R Square	Adjusted R Square	F value	sig.
1	.833a	.694	.682	5.688	0.000b

a. Predictors: (Constant), Caring about work, Personnel involvement in work, Sense of duty towards work, Tendencies to avoid the work

b. Dependent Variable: job performance

The results of the correlation coefficient between on – executive employee job involvement and job performance of SMEs are presented in Table 03. According to the results, the correlation between Tendencies to avoid the work and job performance ($r = 0.676$, $p < 0.01$), Personnel involvement in work and job performance ($r = 0.462$, $p < 0.05$), Sense of duty towards work and job performance ($r = 0.558$, $p < 0.01$) were significant and positive. According to the analysis Caring about work recorded strong positive relationship with job performance ($r = 0.857$, $p < 0.01$). According to above results can be identified R² value as 0.694. It means model was strongly fitted to the data and 69% variance of job performance was explained by those four dimensions of job involvement (Caring about work, Personnel involvement in work, Sense of duty towards work, Tendencies to avoid the work).



Discussion

The major purpose of this study was to examine job involvement and its impact on job performance of the non-executive employees in small and medium enterprises in Sri Lanka. Multiple regression analysis was used to achieve the objective. It provided what was the impact of dimensions in independent variable (Caring about work, Personnel involvement in work, Sense of duty towards work, Tendencies to avoid the work). According to the results of multiple regression analysis R² value was 0.694. That value indicated model was strongly fitted to the data and 69% variance of job performance is explained by those three independent variables (job satisfaction, organizational commitment, job involvement).

In this study used Pearson's correlation analysis and simple regression analysis for hypothesis testing. According to the Pearson's product moment correlation analysis there was moderate positive relationship between job involvement and job performance. When considering regression analysis, regression coefficient (B) between job performance and job involvement was indicated there was significant moderate relationship. According to the both analysis, results were supports to first hypothesis (H1) of the study. This result was consistent with prior research study which was conducted by Hettiarachchi and Jayarathna, (2014), Kottawatta (2007), Susanty and Miradipta, (2013).

Conclusion

This study investigated the employee job involvement and its impact on employee job performance in non-executive employees in small and medium enterprises in Sri Lanka. Significant moderate positive relationship was found between job involvement dimensions and employee job performance. According to the findings hypothesis in the study was supported. This research also served as a guideline for all the researchers interested in studying this area. The findings of this study help to the organization in planning and developing the strategies to enhance the employee job involvement. All organizations in the world expected high employee involvement. Therefore employer must be give the full attention and emphasize the quality of job performance among their employees. The results obtained from the study shows that there significant positive relationship between employee job involvement and job performance. In other words, increasing the level of employee job involvement will lead to high level of the employee job performance. Present study had used Caring about work, Personnel involvement in work, Sense of duty towards work, Tendencies to avoid the work as dimensions of job involvement. Therefore research suggest that the practices such as employees' need for growth, autonomy and task variety of the job and the employees' participation in decision making process to enhance job involvement of non-executive employees in small and medium enterprises.



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