

**INFLUENCE OF JOB CHARACTERISTICS AND JOB
SATISFACTION ON EMPLOYEE PERFORMANCE**

Audita Arfanda

**OTHMAN YEOP ABDULLAH
GRADUATE SCHOOL OF BUSINESS
UNIVERSITI UTARA MALAYSIA
JUNE 2011**

**INFLUENCE OF JOB CHARACTERISTICS AND JOB SATISFACTION
ON EMPLOYEE PERFORMANCE**

A project paper submitted to the Graduate School, College of Business in partial
fulfillment of the requirements for the degree Master of Human Resource Management

Universiti Utara Malaysia

By

Audita Arfanda

Copyright@ Audita Arfanda, 2011. All right reserved.

PERMISSION TO USE

In presenting this project paper in fulfillment of the requirements for the Post Graduate degree from the Universiti Utara Malaysia, I agree that the University Library may take it freely available for inspection. I further agree that the permission for copying of this project paper in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor or, in their absence, by the Dean Research and Innovation of the College of Business where I did project paper. It is understood that any copy or publication or use of this project paper or parts it for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to the Universiti Utara Malaysia for any scholarly use which may be made of in material from my project paper.

Request for permission to copy or make other use of material in this project paper in whole or in part should be addressed to:

**Dean
Othman Yeop Abdullah Graduate School
College of Business
Universiti Utara Malaysia
06010 UUM Sintok
Kedah Darul Aman
Malaysia**

DISCLAIMER

The author is responsible for the accuracy of all opinion, technical comment, factual report, data, figures, illustrations and photographs in this project paper. The author bears full responsibility for the checking whether material submitted is subject to copyright or ownership right. Universiti Utara Malaysia (UUM) does not accept any liability for the accuracy of such comment, report and other technical and factual information and the copyright or ownership rights claims

The author declares that this project paper is original and his own except those literatures, quotations, explanations and summarizations which are duly identified and recognized. The author hereby granted the copyright of this project paper to College of Business, Universiti Utara Malaysia (UUM) for publishing if necessary.

Date: 17/6/2011

Student Signature: 

ABSTRAK

Tujuan dari penelitian ini adalah untuk menguji hubungan antara kepuasan kerja dan ciri-ciri pekerjaan terhadap prestasi kerja. Oleh kerana itu, kajian korelasional bergerak.

Populasi penelitian ini adalah pekerja PT. Bukaka Teknik Utama, Indonesia. Jumlah penduduk kajian ini adalah 853 (N) pekerja . menurut jadual contoh penentuan disediakan oleh Sekaran (2003), saiz sampel yang sesuai untuk penduduk 853 adalah 265 (N). Jadi saiz sampel 265 ini akan menarik kesimpulan tentang seluruh penduduk PT. Bukaka Teknik Utama.

Keputusan kajian menunjukkan bahawa pekerjaan autonomi, berbagai pekerjaan dan umpan balik kerja mempunyai pengaruh positif yang kuat terhadap prestasi kerja pekerja. Sebaliknya dengan kepuasan kerja tidak berpengaruh terhadap prestasi. Penemuan itu dibahas dan cadangan untuk kajian lebih lanjut juga dibahas.

Penyelidikan mendatang, akan dilakukan daripada satu organisasi, akan memperkuat generalisasi penemuan ini. Kesalahan kedudukan pengawal sebagai penunjuk prestasi telah banyak dikritik. Jika penunjuk objektif alternatif untuk beberapa saiz prestasi seperti nisbah produktiviti, peratusan produk yang ditolak (*high*), dan jumlah cadangan yang diperolehi daripada syarikat rakaman digunakan untuk penilaian, hasil yang boleh dipercayai banyak yang boleh dihasilkan.

ABSTRACT

The purpose of this study is to examine the relationship between job satisfaction and job characteristic on job performance. Therefore, a correlational study is engaged.

The populations of this study are the employees of PT. Bukaka, Indonesia. Total populations of the study are 853 (N) employees. According to the sample determination table provided by Sekaran (2003), the appropriate sample size for population of 853 is 265 (n). Thus, these 265 sample size would draw conclusions about the entire population of PT. Bukaka.

The results indicated that job autonomy, job variety and job feedback have a strong positive influence on employee job performance. Contrast with job satisfaction has no influence on performance. The findings were discussed and recommendations for further research were also addressed.

Future research, to be conducted in more than one organization, would strengthen the generalization of the present findings. The validity of supervisors' ratings as performance indicators has been widely criticized. If alternative objective indicators for some performance measures such as productivity ratio, percentage of products that was rejected (quality), and the number of suggestions acquired from company record are used for assessments, much reliable results can be produced.

ACKNOWLEDGMENT

My greatest gratitude to Allah SWT, the Grandest and Almighty, Most Gracious and the Most Merciful for giving me the chance, and ability to perform this study and for all the chances He has given to me until now. My greatest gratitude to prophet Muhammad SAW for the teachings and love that he has spread to the whole world.

First and foremost, I would like to thank my supervisor, Assoc. Prof. Dr. Husna Johari, for her help, time, contribution and effort in providing guidance and constructive suggestion in performing this study, and for the understanding and support she has given.

I am very grateful to my parent, Adi S. Widjojo and Untari Susilowati, for their sacrifice, love, help, support, prayer, wish, trust and understanding they have given to me. I am thankful to both of you. May Allah SWT bless the both of you forever. Thanks to my brother and sister, Advan Adrianda and Armita Athennia for making me realize that I am not alone in this world. I would also like to express my gratitude to all my family members and relatives.

To all my friends whom are willing to help and support me in this study, Ahmad Zackiy Fathaniy, Asti Dwi Purwanti, Novient Siregar, OK Muhammad Fajar Isan, Fachrurozzi Lubis, Stevano Romanof, Rivaldo Angelo, Enggal Pramukty, Tito Rahmat Azhari and Gerald dadriansyah, Fadel Djamali. And to those who not mentioned, thank you for the contribution given for this study, this study could not be performed without your help.

Lastly, I would like to express my truly appreciation to Mr. Anton Fhatoni and Mrs. Yuniani Susilowati (PT. Bukaka Teknik Utama). and individuals who participated in this research. Without their time and cooperation, this study could not have been done. I am deeply grateful for their willingness to share information by completing the lengthy questionnaire.

TABLE OF CONTENT

	Page
PERMISSION TO USE	i
DISCLAMER	ii
ABSTRAK	iii
ABSTRACT	iv
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS	vii
LIST OF TABLE	x
LIST OF FIGURE	xi
CHAPTER 1: INTRODUCTION	1
1.1. Introduction	1
1.2. Problem Statement	6
1.3. Research Questions	8
1.4. Research Objectives	8
1.5. Significance of the Study	8
1.6. Organization of Thesis	9
CHAPTER II: LITERATURE REVIEW	10
2.1. Job Performance	11
2.2. Effect of Job Characteristic on Performance	11
2.3. Effect of Job Satisfaction on Performance	14
2.4. Job Characteristics	17
2.5. Job Characteristic Dimension	20
2.6. Previous Literature	22
2.7. Job Satisfaction	22
2.8. Factors Determining Job Satisfaction	23
2.9. Previous Research	26

CHAPTER III: RESEARCH METHODOLOGY	30
3.1. Introduction	30
3.2. Research Design	30
3.3. Research Framework	31
3.4. Hypotheses	31
3.5. Instrumentation.....	32
3.5.1 Job Satisfaction	32
3.5.2 Job Characteristic	34
3.5.3 Job Performance	36
3.6. Sampling Design	37
3.7. Data Collection	38
3.8. Data Analysis	39
3.8.1. Pretest Analysis Validity Test	39
3.8.2. Pretest Analysis Reliability Test	40
3.8.3. Test Measurement	41
3.8.3.1. Test Validity	42
3.8.3.2. Test Reliability	42
 CHAPTER IV: FINDINGS	 44
4.1. Introduction	44
4.2. Profile of Respondents	44
4.3. Descriptive Statistics	46
4.3. Correlation Analysis	48
4.4. Multiple Regression Analysis	49
4.5. Conclusion	50
 CHAPTER V: DISUSSION AND CONCLUSION	
5.1. Discussion	51
5.2. The Relationship between Job Satisfaction and Job Characteristic on Employee Performance	52
5.2.1 The Relationship between Job Satisfaction on Employee Performance	52
5.2.2 The Relationship between Job Characteristic on Employee Performance	53

LIST OF TABLES

Table 3.1 The description of questionnaire's	32
Table 3.2 Factor Analysis	40
Table 3.3 Reliability Test	41
Table 3.4 Factor Analysis	42
Table 3.5 Reliability Test	43
Table 4.1 Respondent's Characteristics	45
Table 4.2 Descriptive Statistic of Job Performance, Job Characteristic and Job Satisfaction	46
Tabel 4.3 Correlations	48
Table 4.4 Coefficients(a)	49

CHAPTER 1

INTRODUCTION

1.1 Introduction

As a topic of central importance in management discipline, work design has emerged interesting that it produced work quality effects on employee well-being and performance (Hollman, 2009). A job is defined as a collection of related positions that are similar in terms of the work performed or goals served by the organization (Brannick, Levine, & Morgeson, 2007). Work design thus refers to the content and structure of jobs that is performed by employees (Oldham, 1996). The focus of work design research tends to be on the tasks and activities that job incumbents perform on a day-to-day basis. Task characteristics are primarily attributable to the traditional focus on job design of the work itself. Recent research demonstrated the importance of task characteristics (Humphrey et al., 2007; Morgeson & Humphrey, 2006). Conceptually, Morgeson and Humphrey (2008) developed task characteristics into five dimensions that make jobs more satisfying for workers. It included autonomy, skill variety, task identity, task significance, and feedback from the job. Autonomy is defined as the freedom an individual should have in carrying out work. Whereas, skill variety is reflected as the extent of which various skills are needed for job performance. Task identity is shown as the extent of which an individual completes an entire piece of work. Task significance reflects the degree of which a job influence the lives of others,

The contents of
the thesis is for
internal user
only

REFERENCES

- Borman, W., & Motowidlo, S. (1997). Task performance and contextual performance: The meaning for personnel selection research. *Human Performance*, 10(2), 99- 109.
- Brannick, M. T., Levine, E. L., & Morgeson, F. P. (2007). Job and Work Analysis: Methods, Research, and Applications for Human Resource Management. <http://www.jobandworkanalysis.com/>.
- Breaugh, J. 1985. The measurement of work autonomy. *Human Relations*, 38: 551-570.
- Burr, R., & Cordery, J. L. (2001). Self-management efficacy as a mediator of the relation between job design and employee motivation. *Human Performance*, 14, 27-44.
- Campbell, J. (1990). An overview of the army selection and classification project (Project A). *Personnel Psychology*, 43, 231-239.
- Fried Y, and Ferris G R, (1987), 'The validity of the Job Characteristics Model: A review and meta-analysis' *Personnel Psychology*, Vol 40, pp287-322.
- Fried, Y., & Ferris, GR (1987). The validity of the job characteristics model: A review and meta-analysis. *Personel Psychology*, 70: 139-161.
- Gist, M.E, Mitchell, T.R (1992), "Self-efficacy: a theoretical analysis of its determinants and malleability", *Academy of Management Review*, Vol. 17 pp.183-211.
- Hackman, J.R., & Oldham, G.R. 1975. Development of Job Diagnostic Survey. *Journal of Applied Psychology*, 60, 159-170.

- Hackman, J.R., & Oldham, G.R. 1980. *Work redesign*. Reading, MA: Addison-Wesley.
- Hackman, J.R., Brouseau, K.R., & Weiss, J.A. 1976. The interaction of task design and group performance strategies in determining group effectiveness. *Organizational Behavior and Human Performance*, 16: 350-365.
- Hornung, S., & Rousseau, D.M. 2007. Active on the job proactive in change: How autonomy at work contributes to employee support for organizational change. *Journal of applied behavioural science*, 43-4: 401-426.
- Humphrey, Stephen E., Nahrgang, Jennifer D., Morgeson Frederick P., (2007), "Integrating motivational, social, and contextual work design features: A meta analytic summary and theoretical extension of the work design literature, *Journal of Applied Psychology*, vol 92., No. 5, pg. 1332-1356
- Kiggundu, M.N. (1981). Task interdependence and the theory of Job design. *Academy of Management Review*, 6: 499-508.
- Kinggundu, M.N. 1983. Task interdependence and job design: test of theory. *Organizational behaviour and Human performance*, 31: 145-172.
- Kondalkar, V.G (2007). *Organizational Behaviour*. New Age International (P) Ltd., Publishers Published by New Age International (P) Ltd., Publishers
- Langfred, C.W. 2007. The downside of self-management: A longitudinal study of the effects of conflict on trust, autonomy, and task interdependence in self-managing teams. *Academy of management Journal*, 50: 885-900.
- Lee, C., Earley, P.C., Lituchy, T.R., & Wagner, M. 1991. Relation of Goal setting and Goal sharing to performance and conflict for interdependent tasks. *British Journal of Management*, 2: 33-39.

- Martinko, M.J., & Gardner, W.L (1982). Learned helplessness: An alternative explanation for performance deficits. *Academy of Management Review*, 7: 195-204.
- Morgeson F. P., & Campion, M. A. (2003), Work design, In W. C. Borman, D. R. Ilgen, & R. J. Klimoski Eds., *Handbook of psychology: Industrial and organizational psychology* Vol. 12, pp. 423–452). Hoboken, NJ: Wiley.
- Morgeson Frederick P. and Stephen E. Humphrey, (2006), The Work Design Questionnaire (WDQ): Developing and Validating a Comprehensive Measure for Assessing Job Design and the Nature of Work, *Journal of Applied Psychology* (2006), Vol. 91, No. 6, 1321– 1339
- Morgeson, F.P., Delaney-Klinger, K., & Hemingway, M.A. 2005. The important of job autonomy, cognitive ability, and job-related skill for predicting role breadth and job performance. *Journal of applied psychology*, 90: 399-406.
- Parker, S.K., Williams, H.M., & Turner, N. 2006. Modeling the antecedents of proactive behaviour at work. *Journal of applied psychology*, 91: 636-652.
- Pulakos, E., Arad, S., Donovan, M., & Plamondon, K. (2000). Adaptability in the workplace: Development of a taxonomy of adaptive performance. *Journal of Applied Psychology*, 85, 612-624.
- Tesluk, PE and Jacobs, R. R. (1998), Toward integrated model of work experience, *personnel psychology*, 51, 321-355
- Wageman, R., & Baker, G. 1997. Incentives and cooperation: the joint effects of task and reward interdependence on group performance. *Journal of Organizational behaviour*, 18: 139-158