JOB RELATED FACTORS AND MODERATING EFFECT OF FLEXIBLE WORK ARRANGEMENT ON JOB SATISFACTION AMONG MALAYSIAN OFFSHORE OUTSOURCING SUPPORT EMPLOYEES

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ABSTRACT

Job Satisfaction, organization performance and employee turnover intention are closely interlinked. High performance culture organizations that promote both job satisfaction and work-life balance often produce good results and have the ability to attract and retain talented employees. Job satisfaction of fixed scheduled employees in the Malaysian offshore outsourcing support is constantly challenged from working long irregular hours to fulfill global “Follow-the-sun” workflow commitment and maintaining effective communication in a temporal dispersed virtual organization. The work time demand is felt more as the temporal dispersion variance between parties in communication widens. This research was initiated with the objective of understanding employees working under such conditions and whether having good management policies such as flexible work arrangement buffer the impact and restore job satisfaction. For this quantitative survey, 306 Information Technology Outsourcing, and Business Process Outsourcing respondents, located in the MSC flagship town of Cyberjaya, were identified. The results reveal that Malaysian offshore outsourcing workers are generally satisfied with their work environment. Whilst global communication remains a temporal dispersion challenge, flexible work arrangement does not alleviate the impact of long irregular work hours; however, it promotes job satisfaction. The findings also confirm the importance of co-workers and supervisory support in mitigating the demands of work. Contrary to the belief that globalization emphasizes cost optimization and reluctance of MNCs in spending and developing resources, most respondents acknowledged that good support from their co-workers and supervisors are vital. The study highlights the critical impact of globalization and temporal dispersion on job satisfaction among fixed working arrangement employees who support Malaysian offshore outsourcing.

Keywords: Job satisfaction, Work Time Demand, Work Demand, Job Resources, Flexible Work Arrangement.
ABSTRAK


Kata kunci: Kepuasan pekerja, Permintaan Zon Masa Kerja, Permintaan Kerja, Sumber Manusia, Fleksibel Kerja Penyusunan.
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# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>TITLE PAGE</td>
<td>i</td>
</tr>
<tr>
<td>CERTIFICATION OF THESIS</td>
<td>ii</td>
</tr>
<tr>
<td>PERMISSION TO USE</td>
<td>iii</td>
</tr>
<tr>
<td>ABSTRACT</td>
<td>iv</td>
</tr>
<tr>
<td>ABSTRAK</td>
<td>v</td>
</tr>
<tr>
<td>ACKNOWLEDGEMENTS</td>
<td>vi</td>
</tr>
<tr>
<td>TABLE OF CONTENTS</td>
<td>vii</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>xi</td>
</tr>
<tr>
<td>LIST OF FIGURES</td>
<td>xii</td>
</tr>
<tr>
<td>LIST OF ABBREVIATIONS</td>
<td>xiii</td>
</tr>
<tr>
<td>CHAPTER 1 INTRODUCTION</td>
<td></td>
</tr>
<tr>
<td>1.1 Background</td>
<td>3</td>
</tr>
<tr>
<td>1.2 Problem statement</td>
<td>6</td>
</tr>
<tr>
<td>1.2.1 Work time demand challenges on job satisfaction</td>
<td>7</td>
</tr>
<tr>
<td>1.2.2 Effect of job demand on employees’ job satisfaction</td>
<td>8</td>
</tr>
<tr>
<td>1.2.3 Resource challenges on job satisfaction</td>
<td>9</td>
</tr>
<tr>
<td>1.2.4 Workplace flexibility on job satisfaction</td>
<td>9</td>
</tr>
<tr>
<td>1.3 Research questions</td>
<td>10</td>
</tr>
<tr>
<td>1.4 Research objectives</td>
<td>11</td>
</tr>
<tr>
<td>1.5 Scope of study</td>
<td>12</td>
</tr>
<tr>
<td>1.6 Significance of study</td>
<td>13</td>
</tr>
<tr>
<td>1.7 Definition of key terms</td>
<td>15</td>
</tr>
<tr>
<td>1.7.1 Job satisfaction</td>
<td>15</td>
</tr>
<tr>
<td>1.7.2 Globalization</td>
<td>15</td>
</tr>
<tr>
<td>1.7.3 Global offshore outsourcing support</td>
<td>15</td>
</tr>
<tr>
<td>1.7.4 Job demands</td>
<td>16</td>
</tr>
<tr>
<td>1.7.5 Job resources</td>
<td>16</td>
</tr>
<tr>
<td>1.7.6 Work time demand</td>
<td>17</td>
</tr>
<tr>
<td>1.7.7 Flexible work arrangement</td>
<td>18</td>
</tr>
<tr>
<td>1.8 Summary</td>
<td>18</td>
</tr>
</tbody>
</table>
CHAPTER 2 LITERATURE REVIEW
2.1 Introduction ........................................................................................................20
   2.1.1 Impact of globalization ...............................................................................22
   2.1.2 Relationship between globalization and job satisfaction .......................24
   2.1.3 Job satisfaction and employee productivity.............................................25
   2.1.4 Demand of work time factor .....................................................................26
   2.1.5 Relationships among globalization, job resources, job demand and job
        satisfaction ....................................................................................................29
   2.1.6 Influence of flexible work arrangement ..................................................31
2.2 Underpinning theory ............................................................................................35
   2.2.1 Social exchange theory .............................................................................35
2.3 Summary ..............................................................................................................42

CHAPTER 3 RESEARCH METHODOLOGY
3.1 Introduction ........................................................................................................44
3.2 Research framework ............................................................................................44
3.3 Hypotheses development ....................................................................................50
3.4 Research design ...................................................................................................54
3.5 Population .............................................................................................................56
   3.5.1 Sample size .................................................................................................58
   3.5.2 Sampling technique ....................................................................................59
   3.5.3 Strata ............................................................................................................60
3.6 Data collection procedure ....................................................................................61
   3.6.1 Data collection and survey response ........................................................64
3.7 Instrumentation ....................................................................................................64
   3.7.1 Questionnaire design ................................................................................64
3.8 Operational definitions and measures .................................................................66
   3.8.1 Dependent variable measure .....................................................................67
   3.8.2 Independent variable measures ..................................................................68
   3.8.3 Moderator variable measure ......................................................................73
   3.8.4 Variables measure summary ......................................................................74
3.9 Pre-test ..................................................................................................................75
3.10 Pilot study ..............................................................................................................76
### 3.1 Techniques of data analysis

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.11.1</td>
<td>Descriptive analysis</td>
<td>78</td>
</tr>
<tr>
<td>3.11.2</td>
<td>Inferential statistical analysis</td>
<td>78</td>
</tr>
<tr>
<td>3.11.3</td>
<td>Structural regression analysis</td>
<td>87</td>
</tr>
<tr>
<td>3.11.4</td>
<td>Moderation model test</td>
<td>87</td>
</tr>
</tbody>
</table>

### CHAPTER 4 ANALYSIS AND FINDINGS

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Introduction</td>
<td>89</td>
</tr>
<tr>
<td>4.2</td>
<td>Pre-test</td>
<td>89</td>
</tr>
<tr>
<td>4.3</td>
<td>Pilot study analysis</td>
<td>90</td>
</tr>
<tr>
<td>4.3.1</td>
<td>Instrument validity test</td>
<td>91</td>
</tr>
<tr>
<td>4.3.2</td>
<td>CFA of hypothesized conceptual model</td>
<td>91</td>
</tr>
<tr>
<td>4.3.3</td>
<td>EFA of hypothesized conceptual model</td>
<td>92</td>
</tr>
<tr>
<td>4.3.4</td>
<td>Pilot study reliability test</td>
<td>97</td>
</tr>
<tr>
<td>4.3.5</td>
<td>Second CFA of hypothesized conceptual model</td>
<td>99</td>
</tr>
<tr>
<td>4.4</td>
<td>Main study analysis</td>
<td>101</td>
</tr>
<tr>
<td>4.4.1</td>
<td>Data screening</td>
<td>101</td>
</tr>
<tr>
<td>4.4.2</td>
<td>Descriptive analysis</td>
<td>110</td>
</tr>
<tr>
<td>4.4.3</td>
<td>Inferential analysis</td>
<td>115</td>
</tr>
<tr>
<td>4.5</td>
<td>Summary</td>
<td>151</td>
</tr>
</tbody>
</table>

### CHAPTER 5 DISCUSSION AND CONCLUSION

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1</td>
<td>Introduction</td>
<td>153</td>
</tr>
<tr>
<td>5.2</td>
<td>Discussion</td>
<td>154</td>
</tr>
<tr>
<td>5.3</td>
<td>Research implications</td>
<td>160</td>
</tr>
<tr>
<td>5.3.1</td>
<td>Theoretical implication</td>
<td>163</td>
</tr>
<tr>
<td>5.3.2</td>
<td>Practical implication</td>
<td>165</td>
</tr>
<tr>
<td>5.4</td>
<td>Limitations of study</td>
<td>167</td>
</tr>
<tr>
<td>5.4.1</td>
<td>Research design</td>
<td>167</td>
</tr>
<tr>
<td>5.4.2</td>
<td>Scope of study</td>
<td>167</td>
</tr>
<tr>
<td>5.4.3</td>
<td>Temporal dispersion coverage</td>
<td>168</td>
</tr>
<tr>
<td>5.5</td>
<td>Suggestions for future study</td>
<td>168</td>
</tr>
</tbody>
</table>
5.5.1 Longitudinal study ................................................................. 169
5.5.2 Expand scope of survey ......................................................... 169
5.5.3 Increase variance of temporal dispersed coverage .................. 169
5.6 Conclusion ............................................................................. 169
REFERENCES ............................................................................ 173
APPENDICES ................................................................................. 195
LIST OF TABLES

Table 3.1 Definition of company size by market capitalization 57
Table 3.2 Distribution of variable 65
Table 3.3 Strength of correlation 80
Table 4.1 Initial measurement model fit of pilot study 92
Table 4.2 Refined measurement model 100
Table 4.3 Normality assessment using skewness and kurtosis 104
Table 4.4 Boxplot outlier labeling 106
Table 4.5 Collinearity Statistics 110
Table 4.6 Profile of respondents 111
Table 4.7 Mean, standard deviation, mode and variance 113
Table 4.8 Extent level of mean 114
Table 4.9 Guideline for Pearson correlation 126
Table 4.10 Correlations 127
Table 4.11 Refined hypothesized measurement model 129
Table 4.12 Indicators with large variance 131
Table 4.13 Internal consistency and reliability measurement of refined model 139
Table 4.14 Convergent validity matrix 141
Table 4.15 Discriminant validity matrix 143
Table 4.16 Structural regression 146
Table 4.17 SEM moderation test 150
LIST OF FIGURES

Figure 1.1  MSC annual industry report 2010 – 2011 on total sales by cluster  4
Figure 1.2  Temporal dispersion challenges affecting global team meeting  7
Figure 1.3  World time zones  16
Figure 2.1  Resource-Based View (RBV) model  38
Figure 2.2  Herzberg's Two Factor theory  46
Figure 2.3  Job Demands-Resources (JD-R) model  42
Figure 3.1  Relationship between globalization and burnout and job satisfaction through job demands and job resources  46
Figure 3.2  Impact of time demand of work on job satisfaction and turnover intention  47
Figure 3.3  How work engagement and its influencers affect work-life balance and job satisfaction and the moderating role of flexible working  49
Figure 3.4  Conceptual framework  50
Figure 3.5  Hypotheses  54
Figure 3.6  Sample size formula for small population  58
Figure 3.7  Variables, sections and related hypotheses  75
Figure 3.8  Linear regression formula  82
Figure 3.9  P-value  82
Figure 3.10  Basic moderation model  88
Figure 4.1  Initial hypothesized measurement model  116
Figure 4.2  Final (respecified) measurement model  136
Figure 4.3  Structural model of job related factors and job satisfaction  144
Figure 4.4  Moderation structural regression model  149
Figure 4.5  Moderation effect graph of FWA  151
LIST OF ABBREVIATIONS

AGFI  Adjusted Goodness of Fit Index
AMOS  AMOS version 21.0
APAC  Asia Pacific
AVE   Average Variance Extracted
B2B   Business-to-Business
B2C   Business-to-Consumer
BPO   Business Processing Outsourcing
CFI   Comparative Fit Index
CR    Composite Reliability
DV    Dependent Variable
EMEA  Europe, Middle East and Africa
FWA   Flexible Work Arrangement
GFI   Goodness of Fit Index
GMT   Greenwich Mean Time
GTP   Government Transformation Programme
ICT   Information, Communication and Technology
IDR   Iskandar Development Region
IFI   Incremental Fit Index
IS    Information Systems
IT    Information Technology
ITO   Information Technology Outsourcing
IV    Independent Variables
JDI   Job Descriptive Index
JIT   Just In Time
k-economy Knowledge economy
LF    Lower Fence
MI    Modification Indices
MNC   Multi-National Companies
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSC</td>
<td>Multimedia Super Corridor</td>
</tr>
<tr>
<td>MSQ</td>
<td>Minnesota Satisfaction Questionnaire</td>
</tr>
<tr>
<td>NCER</td>
<td>Northern Corridor Economic Region</td>
</tr>
<tr>
<td>NFI</td>
<td>Normed Fit Index</td>
</tr>
<tr>
<td>NWW</td>
<td>New Way of Working</td>
</tr>
<tr>
<td>OU</td>
<td>Operating Units</td>
</tr>
<tr>
<td>PCA</td>
<td>Principal Component Analysis</td>
</tr>
<tr>
<td>PDPA</td>
<td>Malaysia Personal Data Protection Act</td>
</tr>
<tr>
<td>POS</td>
<td>Perceived Organizational Support</td>
</tr>
<tr>
<td>PAF</td>
<td>Principal Axis Factoring</td>
</tr>
<tr>
<td>RBV</td>
<td>Resource Based View</td>
</tr>
<tr>
<td>RMR</td>
<td>Root Mean Square Residual</td>
</tr>
<tr>
<td>RMSEA</td>
<td>Root Mean Square - Error of Approximation</td>
</tr>
<tr>
<td>RNI</td>
<td>Relative Noncentrality Index</td>
</tr>
<tr>
<td>SEM</td>
<td>Structural Equation Modeling</td>
</tr>
<tr>
<td>SPSS</td>
<td>IBM SPSS statistical software</td>
</tr>
<tr>
<td>SRC</td>
<td>Standardized Residual Covariances</td>
</tr>
<tr>
<td>SRMR</td>
<td>Standardized Root Mean square Residual</td>
</tr>
<tr>
<td>TLI</td>
<td>Tucker Lewis Index</td>
</tr>
<tr>
<td>UF</td>
<td>Upper Fence</td>
</tr>
<tr>
<td>UNHCR</td>
<td>United Nation High Commissioner for Refugees</td>
</tr>
<tr>
<td>UUM</td>
<td>Universiti Utara Malaysia</td>
</tr>
<tr>
<td>VIF</td>
<td>Variance Inflation Factor</td>
</tr>
</tbody>
</table>
CHAPTER 1 INTRODUCTION

Globalization is making the world smaller and flatter. The evolution of science, technology, communication and the desire of mankind in taking advantage of the asymmetrical world resources and economies have brought the world closer through greater trade exchange, knowledge management and culture sharing. The phenomenon of globalization has been linked with the various job related factors such as job resources and job demand and their effect on job satisfaction (Mohd Awang Idris, Dollard, & Winefield, 2011; Tromelen, 2013). Teams working in a globalized environment are spread across different geographical locations and time zones in a term referred to as spatial and temporal dispersion. King and Frost (2002) suggested three different types of dispersion. First, social dispersion refers to demographic diversity among people in dispersion. Second, temporal dispersion refers to time zone differential among people in communication and team cohesion. Third, spatial dispersion refers to the geographical distance among people in communication.

Spatial and temporal dispersion require employees supporting global operation to work odd hours in maintaining effective global communications (Olsen & Dahl, 2010; Outsource Portfolio, July 2008). Working under such condition causes stress and leads to job dissatisfaction (Harrington & Ladge, 2009; Mouraa, Orgambidez-Ramos, Gonçalvesab, 2014).

The theme of dispersion is not new. Previous studies (King & Frost, 2002; Agrifoglio & Metallo, 2010) had assessed the use of various communication channels in distributing information back and forth across time zones between different users and workplaces (Shirani, Tafti, & Affisco, 1999). Globalization with technology as its enabler using Information Communication Technology (ICT) in establishing connection among teams in virtual organization represents the fundamental driving
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