

# Impact of Job Design on Employees' Performance in People's Banks of Ampara District.

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## Abstract

Success of organizations mainly depends on the proper management of people. Designing job systematically is crucial task for human resource personnel. Banks highly contribute for the economic development of Sri Lanka. The objective of the study is to analyze the impact of Job Design on Employees' Performance in People's Banks of Ampara district. To analyze this condition, one hypothesis was formulated. The study was conducted by using a random sample of ten branches of People's banks of Ampara district. Respondents for the investigation are Customer Service Assistants and Staff Assistants in each branches. There are two main variables in the study such as Job Design as an independent variable and Employees' Performance as dependent variable. Skill Variety, Task Identity, Task Significant, Autonomy and Feedback are dimensions of the Job Design and trait based performance, behavior based performance and result based performance are measurements of the Employees' Performance. Data were collected from 54 respondents. In order to test the hypothesis researcher concentrated on relationship testing based on calculating Pearson correlation. The result of the study showed a positive relationship between Job Design and Employees' Performance in Peoples' Banks of Ampara district. The study found that relationship was significant (correlation coefficient was 0.958, that was significant at 0.01 level) implying that each branches should adopt an effective Skill Variety, Task Identity, Task Significant, Autonomy and Feedback in order to improve employees' (Customer Service Assistants and Staff Assistants) performance and the degree of quality level of Job Design and Employees' Performance are moderate level as the Mean values for job design and employee performance are 3.7179 and 3.7833 respectively. The study suggests that improving Job Design factors to upgrade the employees' Performance is essential.

**Keywords:** Job Design, Employees' performance, Peoples' Bank.

## Introduction

Human Resource is the life blood of the organization. Although there are effective physical resources success cannot be achieved without human resource. Generally, now, organizations have realized the importance of human resources in their organization and try to attract, retain and motivate them in order to achieve the organizational goals. Organizations give higher priority on the issues such as employee satisfaction, retention, turnover, Brain Drain, Job

enrichment, job enlargement, job design, performance evaluation and other human resource functions in order to keep the employees loyal to the organization (Abid, et. al, 2013). In fact, redesigning jobs are to be done in satisfactorily in order to motivate employees.

Job design is an important factor that makes a significant amount of impact over employee performance. The more efficient job design lead to the more job satisfaction and good employee's performance. So employers and the company managers are always looking for the opportunity and alternatives to increase a well-developed job design and employee satisfaction because worker performance is basically depend on the level of job design and satisfaction on the job. Meanwhile company's objectives, goals, vision and mission are also reliant of employee's performance.

The study focuses the topic that "Impact of Job Design on Employees' Performance in People's Banks of Ampara District." The study is going to identify whether the job design shapes the employees' performance or not. Some of the researchers have analyzed the relationship of job design and employee performance and concluded that there is a strong positive relationship between them. Hussain Ali & Aroosiya (2010) studied about "Job Design and Employees' Performance with special reference to school teachers in the Kalmunai zone. Ali & Zia-ur-Rehman (2014) studied about "Impact of Job Design on Employee Performance, Mediating Role of Job Satisfaction. A Study of FMCG's Sector in Pakistan" The study measured about the effect of job design on employees' performance while the mediation effect is job satisfaction. It shows that there is a gap for empirical investigation regarding the impact of Job design on employee's performance of People's banks in Ampara district.

This paper focuses on addressing the following research problems:

1. Is there a significant relationship between Job Design and Employees' Performance?
2. What factors of job design contribute to proper performance of employees of banks?

The objectives of the paper are to investigate whether Job Design significantly relates to Employees' Performance for People's Banks in Ampara district; to find out the effectiveness of employees' job design and the employees' performance, and to explain how job should be redesigned to improve job performance.

## **Research Framework**

### **Job Design**

Buchanan (1979) found that Job Design as specifying the contents or methods of any job in such a way that various requirements of the job holder can be effectively satisfied. Job design was the creation of tasks and work settings for specific tools (Ambrose et al, 2013). Job Design focuses to the way that a set of tasks, or an entire position, is organized (Grant, et al.2010). Opatha (2009) defines job design as the function of arranging tasks, duties and responsibilities into an organizational unit of work for the purpose of accomplishing the primary goal and objectives of the organization. He further noted there are two categories of elements, i.e. efficiency elements and behavioural elements. Efficiency elements include division of labour, standardization and specialization. Behavioural elements include skill variety, task identity, task significance, autonomy and feedback. The skills, task identity, task significance, autonomy, feedback, job security and compensation are important factors for the motivation of employees (Bassey, 2002 as in Garg and Rastogi, 2005). Hackman and Oldham's (1976 as in Garg and Rastogi, 2005), job

characteristics model (JCM), identifies five core job characteristics, namely, skill variety, task identity, task significance, autonomy, and feedback. The sense of job significant, feeling important in eyes of others, realizing ones' competence, and freedom to make decisions are positively related to performance (Ambrose et al, 2013). This study focused only skill variety, task identity, task significance, autonomy and feedback as the dimensions of job design.

### **Job Performance**

Job performance of employees plays a crucial factor in determining an organisation performance (June, and Mahmood, 2011) Job performance is defined as it focuses directly on employee productivity by assessing the number of units of acceptable quality produced by an employee in a manufacturing environment, within a specific time period (Ambrose, et. al., 2013). Performance is what the organization hires one to do, and do well (Campbell, 1990, as in June, and Mahmood, 2011). Performance is a multi-dimensional concept (Sonnetag and Frese, 2002). On the most basic level, Borman and Motowidlo (1993) distinguish between task and contextual performance (as in Sonnetag and Frese, 2002). Use of several criteria becomes needed in order to evaluate job performance of an employee accurately (Opatha, 2009). He further noted employee performance can be focused based on traits, behaviours and results.

Opatha (2002) indicated that trait-based information identifies a subjective character of the employee such as attitude, initiative or creativity, behaviors are the ways the employee acts in relation to the job and results are outcomes produced by the employee. Result based information consider employee accomplishment. Most of the researchers have identified that there is a positive relationship between Job Design and Employees' Performance. It is experienced that well designed jobs can have a positive impact on both employee satisfaction and the quality of performance (Garg and Rastogi, 2005). Job design has been one of the most effective tools used for optimizing an employee's performance (Zareen, et. al. 2013). If the job redesign process is developed to increase the employee satisfaction it leads to upgrade employee performance (Siengthai, and Pila-Ngarm, 2016).

Accordingly an effective job design enhances the employees' performance up to optimum level and organizational productivity increase with it. Accordingly it can be developed following hypothesis:

H1 = There is a positive relationship between Job Design and Employees' Performance.

Figure: 1 presents the relevant schematic diagram. Job design is labeled as the independent variable and perceived employees' performance is labeled as the dependant variable.

**Figure 1: Schematic Diagram of Theoretical Framework**



## Method

### Study Design

The researchers interest in investigating whether Job Design relates to employees' performance of banking employees (customer service assistants & staff Assistants) in People's banks of Ampara district. A quantitative approach was followed in the survey. This study involves formulation and testing of hypotheses with a view to establish the correlation between dependent and independent variables. The study focused more reliable and original data to test the hypotheses. Using a directly handover questionnaire to conduct a field survey was considered a better way to collect such reliable data.

The questionnaire was developed in English based on the operationalization of variables and consisted of 13 questions related to job design and then 10 questions related to employees' performance. In this study focused 37 staff assistants and 46 customer service assistants as the target population for this study who work in Peoples Banks of Ampara district. Random sampling procedure was used and 54 employees selected as sample for this study. The data analysis of this study involved two types of analyses i.e., univariate analysis (involving one variable at a time, bivariate analysis (involving two variables at a time). Under univariate analysis descriptive statistical techniques were used such as frequencies, central tendencies and dispersions of the dependent and independent variables. In this study it was possible to use the mean and the standard deviation which are appropriate indicators of central tendency and dispersion because the interval scales were used as the basis of measurement.

### Measures

**Job Design:** Job design was operationalized into five major dimensions such as skill variety, task identity, task significance, autonomy and feedback. The questionnaire assessed dimensions of job design and employee performance. The 13 question items are divided into five factors: skill variety, task identity, task significance, autonomy and feedback.

**Employee Performance:** The perceived degree of employee performance was operationalized into three dimensions such as Trait-based information, Behavior-based information, Result based information (Opatha, 2009). A questionnaire was developed to measure the variable of employee performance and it has 10 question items. The 10 question items were divided into three factors: traits, behaviours and results.

## Results

In this analysis the level of existence or degree of occurrence or level of each variable in the sample was analyzed in terms of degree of responses given by the respondents with the help of descriptive statistics. The researchers used the Mean and Standard deviation as the measures of this analysis. Researchers measured the Mean and Standard deviation for five dimensions of job design (skill variety, task identity, task significance, autonomy and feedback) and employee performance. These two statistics were used to analyze the level of existence or disagree of occurrence of each variable in the entire sample by placing them in four- point likert scale for each variable describing the level of existence or the degree of occurrence. The responses for each question were provided scores ranging from 1-4 (1-Disagree, 2- Slightly disagree, 3-

Slightly agree, 4- Agree). Based on the result of Univariate analysis, the systematic level of each variable of job design and performance of banks staff are shown in table 1 below.

Table 1: Results of Measurement of Job Design and Performance of Banks Staff

Variable	N	Mean	Standard deviation	Level
Job Design	54	3.7179	0.20379	Moderate
Employees performance	54	3.7833	0.24321	Moderate
Skill variety	54	3.83	0.906	Moderate
Task Identity	54	3.50	0.505	Moderate
Task Significant	54	3.83	0.694	Moderate
Autonomy	54	3.33	0.476	Moderate
Feedback	54	3.67	0.752	Moderate

(Source: Survey data)

By using the correlation analysis between the independent and dependent variables, the hypothesis formulated was tested in this section. In an attempt to investigate whether job design was significantly related to employee performance, correlation analysis was used. Based on the result of Bivariaive analysis, the relationship between job design and performance of banks is shown in table 2 below:

Table 2: Results of Measurement of Relationship between Job Design and Performance of Banks Staff

		Job Design	Employee performance
Job Design	Pearson Correlation	1	.958**
	Sig.(2-tailed)		.000
	N	54	54
Employee performance	Pearson Correlation	.958**	1
	Sig.(2-tailed)	.000	
	N	54	54

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

(Source: Survey data)

As shown in Table 2, job design was found to significantly correlate with employee performance ( $r = 0.958$ ,  $p=.000$ ), implying that there is strong positive relationship between job design and employee performance. Hence alternative hypothesis was accepted while rejecting the null hypothesis. Therefore, there is statistical evidence to claim that there is a strong relationship between job design and employees' performance. It means developing the job design in an effective way will contribute to enhance the employees' performance in banks staff.

### **Implications of the study**

According to the fundamental research problem, this study was focused to achieve the objectives of examine the impact of job design on performance of employees and to find out the effectiveness of employees' job design and the employees' performance in People's banks in Ampara district. Based on the identification of factors affecting the job design in general, five factors were selected as the dimensions of job design. These factors were considered to analyze the job design of employees in People's banks in Ampara district.

To depict the direction of the relationship between independent variable of job design with the dependent variable of employees' performance, a schematic diagram was developed. The relationship of the variables was analyzed by testing one hypothesis by using bivariate analysis. Accordingly, there is strong positive relationship between job design and employee performance. In the data analysis, it was found that job design was moderate and the employees' performance was moderate. Therefore, the respective top management must give higher attention to redesign the jobs in the banks to upgrade the effectiveness of the jobs to increase the employees' performance to the very high extent in future.

### **Conclusion**

Primary objective of this study is to examine the relationship between job design and performance of banks staff. The results of this study show that job design has significant and positive relationship ( $r = -0.958$ ,  $p = .000$ ) on performance of bank staff in Peoples' Banks in Ampara district.

The sub objective of this study is to identify the effectiveness of the job design and the degree of occurrence of employees' performance. The results found that the level of existence of job design and the employees' performance were moderate level respectively. Another sub objective was to determine the major factors of job design contribute to proper performance of employees of banks. The results of this study showed that major factors of job design are skill variety, task identity, task significance, autonomy and feedback as all the factors were moderate level. Accordingly, the management of banks have to be improved these factors to improve the employees' performance further.

### **Suggestions for Further Studies**

This study focused only People's banks Ampara district in Sri Lanka. This can be extended to all state and private banks of all districts in Sri Lanka. Further this research studied the impact of job design on employee performance. Hence, how the other factors such as training and development, rewards, leadership styles influence on employee performance can be studies in future.

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