

**RESEARCH PAPER****Revisiting Selected Work Characteristics and Employee Performance:
Evidence from Banking Sector****¹Dodo Khan Alias Khalid Malokani* ²Annam Inayat ³Naina Qadri**

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***Corresponding Author:** Alias.khalid@gcu.edu.pk**ABSTRACT**

The objective of present study determines the role of work characteristics on employee performance in banking sector of Hyderabad, Pakistan. The primary data is collected from top five banks as suggested Stated Bank of Pakistan. The middle level employees are requested to fill the voluntary filled the self-administrative printed questionnaire during working hours of bank. Total 220 printed questionnaires were distributed among only 190 found reliable for data analysis while data cleaning process and for the analysis Smart PLS 3 is used. Findings of this study revealed that the three independent variables including skills variety, task significance and autonomy have positive and significant impact on dependent variable employee performance in banking sector of Hyderabad, Pakistan. In addition, two independent variables such as task identity and feedback have positive and insignificant impact on dependent variable employee performance in banking sector of Hyderabad, Pakistan. However, the skills variety is found to more positive and significant impact on employee performance because higher beta value with respect to other independent variables. Based on authors knowledge this is the first study which conducted in this regard of work characteristics and employee performance in banking sector of Hyderabad, Pakistan. Moreover, banking sector Hyderabad, Pakistan should improve the feedback system in their respective banks as suggested by this study.

KEYWORDS Autonomy, Employee Performance, Feedback, Skills Variety, Task Identity, Task Significance**Introduction**

The psychological ownership can be explained as the state in which individuals feel that fully owned or partly owned that particular firm (Felix & Almaguer, 2019; Pierce et al., 2001). Moreover, the many researchers are exploring the job-based ownership (Dawkins et al., 2017). It has been partially observed that the psychological ownership leads to employee performance in better manner (Peng and Pierce, 2015; Atatsi et al., 2021). The work characteristics are suggested by the Hackman and Oldham (1975), researchers divided the work characteristics in various forms such as task identify, skills variety, autonomy, task significance and feedback.

The environment of firms is not limited to tangible factors only but also social factors and psychological factors (Lambert, 2004). These factors are considered important for both employee performances that will lead to firm performance because the human research cannot be ignored in order to gain competitive advantage in today's uncertain environment (Tariq et al., 2022; Al-Hawary and Al-Namlan, 2018). In addition to these factors job characteristics model (JCM) is also key factor for its effectiveness, an efficiency of firm in regards of intangible and tangible context (Hans & Gupta, 2018; Chopra, 2014; Ababneh and Hackett, 2019). In addition, the work characteristics help to identify the potential candidates for the firm as well (Ababneh and Hackett, 2019) and these components of job

characteristics including job autonomy, skills variety, task identity, task performance and feedback are important for better job performance (Lambert, 2004).

There are a few studies have been conducted on job characteristics which leads to psychological ownership for better and positive employee performance (Dawkins et al., 2017; Wang et al., 2019). The psychological ownership has been studied in various forms such as emotional intelligence (Kaur et al., 2013), job complexity (Pierce et al., 2004), job engagement (Wang et al., 2019) & autonomy (Mayhew et al., 2007). Little or no research have been conducted in context of job characteristics based on development in Hyderabad, Pakistan. In past various research scholars worked on both work characteristics and employee performance in so many developed countries in the western part of the world (Mayhew et al., 2007; O'driscoll et al., 2006; Brown et al., 2014). However, the job characteristics and employee performance is new in context of developing country like Hyderabad, Pakistan.

Literature Review

Theoretical Framework

The work characteristics model initially developed by Hackman and Lawler in the year 1971 and later on this model modified by the Hulin and Blood (1968) and Turner and Lawrence (1965). This can be said the work characteristics theory suggested by Hackman and Oldham which mainly affects the internal motivation of employee that leads the better job performance among employee regardless of industry boundary. In addition, this theory also argued that the individual employee may response differently due to culture and nature of the job is concerned. They identified five job characteristics that leads to desired job performance with motivation of employee. These five work characteristics includes job autonomy, skills variety, task identity, task significance and feedback.

Skills variety

The skills variety can be defined as the various skills required in order to perform job in better manner due to occupied with many skills from soft to hard skill (Hackman & Oldham, 1975). Similarly, the job requires all necessary skills in order to perform in better manner in the banking sector (Oldham & Fried, 2016; Pierce et al., 2009). The employee should have to spend a great time and efforts for developing new skills for higher employee performance with completion of task within time frame (Li et al., 2020). Moreover, the Brown et al., (2014) variety of skills can help to perform the complex task within firm. Thus, the following alternative hypotheses is developed:

H1: Skills variety related to employee performance in banking sector of Hyderabad, Pakistan.

Task Identity

The past many studies have been conducted which confirmed the positive relationship between task identity and employee performance and job involvement (Pierce et al., 2009; Chen and Chiu, 2009). The Brown et al; (2014) also suggested positive role of task identity for better predication of psychological ownership to employee performance. Another study by Pierce et al., (2001) recommended that the whenever the individual is given a task and they learn to perform in better manner after many times gain the understanding for doing job in good manner. Thus, the following alternative hypotheses is proposed:

H2: Task identity related to employee performance in banking sector of Hyderabad, Pakistan

Task Significance

The task significance can be explained as the impact of task cannot be ignored on both on individuals' life or the overall organization (Hackman & Oldham, 1975). For performing these tasks, we put lot of energy, efforts and time in order to better performance within organization (Dhar, 2016; Chen and Chiu, 2009). It depends on the employee how he or she can take ownership of task (Brown et al., 2014). Thus, the following alternative hypotheses is proposed:

H3: Task identity related to employee performance in banking sector of Hyderabad, Pakistan.

Autonomy

The work autonomy believes that the employees should be empowered in terms of tools, deadlines and method to perform certain job or task within organization (Gardner & Pierce, 2016; Pierce et al., 2009). Therefore, the control over the job can develop a psychological ownership of work and that owners will be reflective from outcome of job (Lu et al., 2021; Gardell, 1977; Chen & Chiu, 2009). In addition to this past recent studies also revealed that the job autonomy positively impacts on employee performance (Mayhew et al., 2007; Brown et al., 2014). Thus, the following alternative hypotheses is developed:

H4: Autonomy related to employee performance in banking sector of Hyderabad, Pakistan.

Feedback

The direct and clear information related to task can be said the feedback which ultimately leads to effectiveness of job and as results higher employee performance (Deci et al., 2017; Morgeson and Humphrey, 2006). The feedback actually helps to employee in order to overcome the weak areas of job and to learn the better skills to perform job in acceptable manner. In addition to this the positive feedback brings positive outcomes for the organization (Xanthopoulou et al., 2009; Ghafoor et al., 2011). Thus, the following alternative hypotheses is developed:

H4: Feedback related to employee performance in banking sector of Hyderabad, Pakistan.

Material and Methods

The primary data is gathered through google form from the time period of two months from August 2022 to September 2022. Due to collection of data from banking sector with reasons of busy schedule of employee working in banking sector and lack of motivation of employee for the present study biased sampling strategy (Convenience) is decided in order to conclude the research objectives of present study. The convenience is the type of non-probability sampling which can be used in case if, the researchers face any problem in data collection (Sedgwick, 2013). Moreover, due lack of motivation of employee for participation in the research another non-probability sampling time snowball has been used.

The appropriate sample size is cannot be ignored due to validity of results of study. Researchers are advised to determine sample size based on any valid formula (Hair et al., 2014). In this regard, in the present study research model is finalized based on five independent variables including skills variety, task identity, task significance, autonomy and feedback. The dependent variable is employee performance. In addition, each variable was consisting of four items and for the present study sample size is 190.

The questionnaire for the present study is taken from the past studies in order to test the proposed hypothesis. Skills variety is taken from the study of (Sim et al., 1976). The

research sample items are “My job requires a variety of skills, there are many opportunities to do a number of different things and my job has a large amount of variety”.

Task identity is taken from the study of (Sim et al., 1976). The research sample questions are “I often see projects or jobs through to completion, I have many opportunities to do a job from beginning to end and I often have opportunities to complete the work I start”.

Task significance is taken from the study of (Sim et al., 1976). Sample research items are “My job is the one where a lot of other people can be affected by how well the work be done, the results of my work likely to significantly affect the lives or well-being of other people and My job is not significant or important in the broader scheme”.

Autonomy is taken from the study of (Sim et al., 1976). Sample research items are given as the “I am left on my own to do my own work, I am able to do my job independently and I have opportunities for independent thought and action”.

Feedback is taken from the study of (Sim et al., 1976). The research sample questions are “I find out how well I am doing on my job, I have opportunities to find out how well I am doing on my work and I have feeling that I know whether I am performing my job well or poorly”.

Results and Discussion

Convergent validity and Reliability

According to Anderson and Gerbing, (1988), the two steps must be conducted for structural equation modeling (SEM). First, the reliability and validity should be checked of research instrument (questionnaire) in order to collection of data. Then, the proposed hypothesis to be checked after collection of data. In this regard, both stages are covered in the present study.

It can be noticed in Table 1 the reliability and validity of this study. All items' loadings are more than proposed value (0.50) by Hair et al., (2010). The higher loading of item is 0.898 and lower item loading is 0.69. Furthermore, the AVE (average variance extracted) value if is also greater than recommended threshold which is 0.50. AVE fall between 0.704 to 0.653. Lastly, the value of composite reliability is also more than suggested value 0.70 and it values ranges from 0.905 to 0.882. Hence, this study achieved the convergent validity and reliably. In the light of these values the step two hypothesis can be performance in order to obtain research objectives of present study.

Table 1
Convergent Validity and Reliability

Construct	Research Items Coding	Items loading	Cronbach alpha value	Composite Reliability	AVE
Skills variety	SV1	0.874	0.838	0.892	0.674
	SV2	0.838			
	SV3	0.760			
	SV4	0.808			
Employee performance	EP1	0.809	0.823	0.882	0.653
	EP2	0.857			
	EP3	0.770			
	EP4	0.794			
Task significance	TS1	0.894	0.842	0.895	0.683
	TS2	0.807			
	TS3	0.898			

	TS4	0.690			
Autonomy	AT1	0.821	0.840	0.892	0.675
	AT2	0.827			
	AT3	0.844			
	AT4	0.793			
Feedback	FB1	0.776	0.843	0.895	0.681
	FB2	0.862			
	FB3	0.866			
	FB4	0.792			
Task identity	TI1	0.809	0.860	0.905	0.704
	TI2	0.870			
	TI3	0.883			
	TI4	0.792			

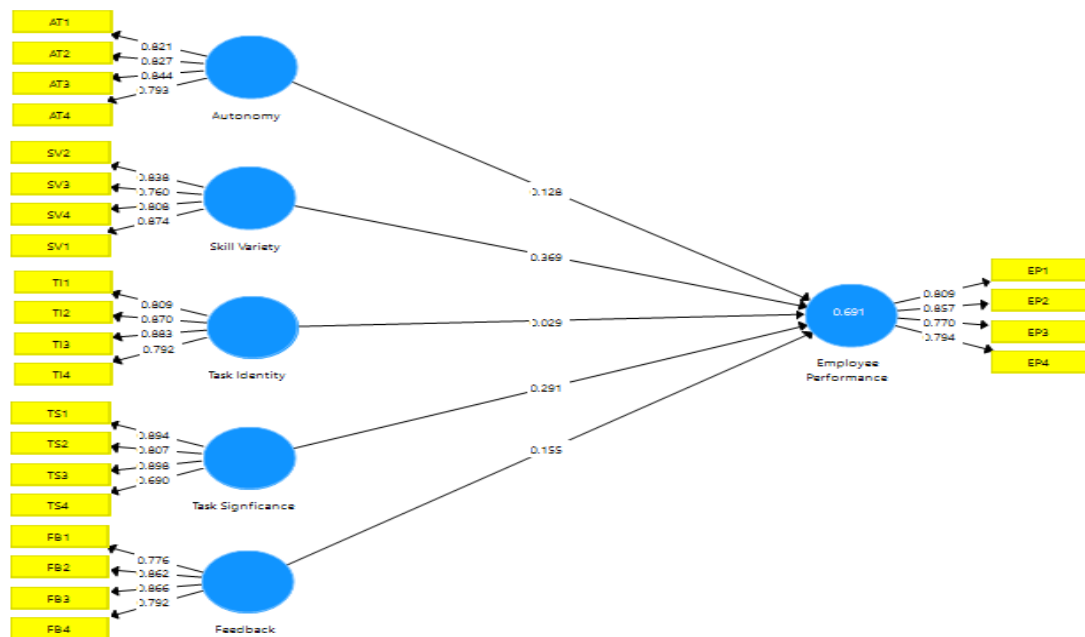


Figure 1: Model Fitness

Hypothesis Testing

Skills variety and Employee Performance

The role of skills variety as an independent variable on employee performance in banking sector of Hyderabad, Pakistan have been verified. Therefore, the direct effect confirmed the positive and significant between independent variable skills variety and dependent variable employee performance with beta value= 0.360 and p-value = 0.000 respectively. Based these present study’s findings the recommended hypothesis 1 is supported. See the Table 2:

Task identity and Employee Performance

The role of task identity as an independent variable on employee performance in banking sector of Hyderabad, Pakistan have been verified. Therefore, the direct effect confirmed the positive and insignificant between independent variable task identity and dependent variable employee performance with beta value= 0.041 and p-value = 0.765 respectively. Based these present study’s findings the recommended hypothesis 2 is not supported. See the Table 2:

Task significance and Employee Performance

The role of task significance as an independent variable on employee performance in banking sector of Hyderabad, Pakistan have been verified. Therefore, the direct effect confirmed the positive and significant between independent variable task significance and dependent variable employee performance with beta value= 0.291 and p-value = 0.005 respectively. Based these present study’s findings the recommended hypothesis 3 is supported. See the Table 2:

Autonomy and Employee Performance

The role of autonomy as an independent variable on employee performance in banking sector of Hyderabad, Pakistan have been verified. Therefore, the direct effect confirmed the positive and insignificant between independent variable autonomy and dependent variable employee performance with beta value= 0.125 and p-value = 0.094 respectively. Based these present study’s findings the recommended hypothesis 4 is not supported. See the Table 2:

Feedback and Employee Performance

The role of feedback as an independent variable on employee performance in banking sector of Hyderabad, Pakistan have been verified. Therefore, the direct effect confirmed the positive and significant between independent variable feedback and dependent variable employee performance with beta value= 0.158 and p-value = 0.024 respectively. Based these present study’s findings the recommended hypothesis 5 is supported. See the Table 2:

Table 2
Summary of Multiple Regression analysis

Path effects	Path beta value	Sig value	Remarks
Skills variety-> Employee performance	0.360	0.000	Supported
Task identity-> Employee performance	0.041	0.765	Not Supported
Task significance-> Employee performance	0.291	0.005	Supported
Autonomy-> Employee performance	0.125	0.094	Not Supported
Feedback	0.158	0.024	Supported

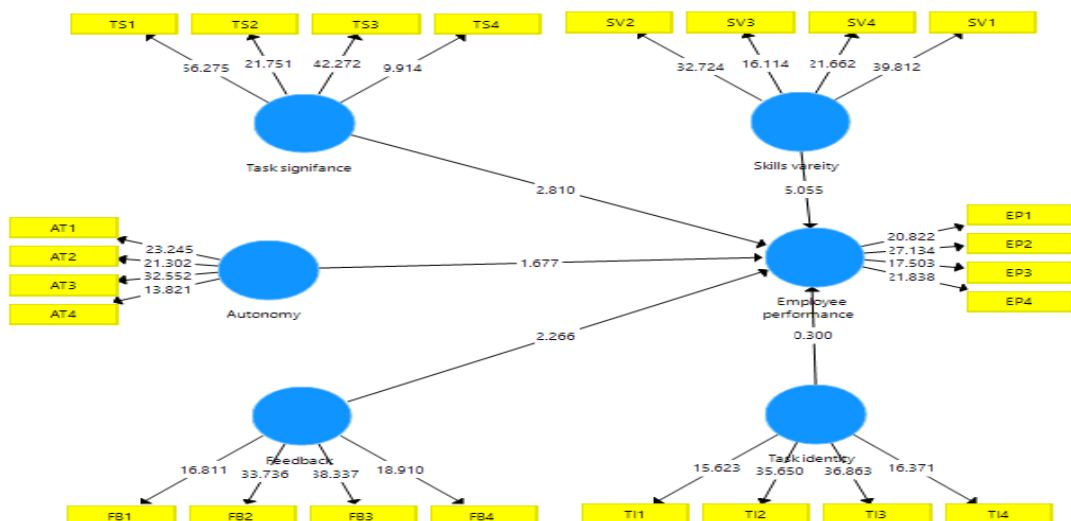


Figure 2: Regression Analysis

Discussion on Results

The findings of present study are aligned with past studies (Mayhew et al., 2007; Brown et al., 2014). A study conducted by Khin et al., (2017), confirmed the effect of job characteristics on employee performance. Similarly, the recent study Affandy (2016), revealed the impact of job characteristics on employee performance and they said if, the task is implemented in better manner then the positive outcomes can benefit to overall firm including the better employee performance. In addition, the study Johari & Yahya (2016), finding's not only showed impact of job characteristics but also attitude and behavior of an employee can be changed towards the positive pole. However, the two hypothesis are not supported in this study task identity H2 and autonomy H4 in the present study. The findings of these hypothesis are aligned with the study of Mayhew et al., (2007). Therefore, this variation in results have opened doors for future researchers due mix results in nature in stated past studies.

Conclusion

The objective of this paper was to examine the role of work characteristics on employee performance in banking sector of Hyderabad, Pakistan. Findings revealed only three variables such as skills variety, task significance, autonomy are found to have positive and significant impact on employee performance. But, the two variables including the task identity and feedback are found to insignificant role on employee performance in banking sector of Hyderabad, Pakistan. Furthermore, the skills variety is more significant impact employee performance due to higher value of beta.

Present study will help the top management of banking sector for the future strategies formulation. A new insight of this study revealed that the task identity and feedback are absence in the banking sector of Hyderabad, Pakistan. The employee should be trained in better manner in order to understand the task which they have to perform during job. Similarly, an effective feedback should be designed for improving the employee performance in the banking sector of Hyderabad, Pakistan.

We cannot say no limitation in research work due to number of factors. Therefore, there some contribution in the field of knowledge along with few limitations as well. First, top management insight must be taken in the future. Second, a serial mediation effect of respondent demographic such as age, gender and experience of employee should be considered in the future research. Lastly, a comparative analysis between both genders male and female is recommended in future research.

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