Influence of Employee Empowerment, Teamwork, and Incentive on Employee's Job Satisfaction

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ABSTRACT

The study on job satisfaction is important in the organisation. One of vital reason is that, job satisfaction is closely related to the job performance. People, who satisfy with their job tend to perform better in their works. How they feel about the work they are doing and the results received from that work directly impact an organisation's performance and ultimately its stability. An improved job performance will as well reflecting the organisation performance, which later will result to cost effective and profitable business. The study was conducted in the background of one of Malaysian public service agencie located in northern regional of Malaysia. The data was analysed using SmartPLS 3.0 software. The study report has followed a descriptive analytical approach of 211 employees were used for analysis. Using quantitative analysis: the data were collected through close and open − ended questionnaire coupled with Likert scale. Findings of the study reveals that all three variables; incentive, team work, and employee engagement has a significant influence toward job satisfaction.

Keywords: Job satisfaction, Motivation, Employee empowerment, Teamwork, Incentive.

1. INTRODUCTION

Job satisfaction is the satisfaction one feels about his or her job. According to job satisfaction is external or internal circumstances factor that affecting person to become satisfied with their job. Job satisfaction can be influenced by one's ability to accomplish the tasks required, the level of communication within an organization, and how management treats employees. Job satisfaction improved employees' performance and enhanced employees' productivity in achieving organizational goals which are improving the organizational productivity (Prusak, 2016). It is important for the management to ensure that the work to be a stimulant and useful so that employees are motivated to work harder and do better. Job satisfaction plays a big role in determining the efficiency and productivity of workers.

In the context of public service agency, it involves and required both mental and physical training. This to prep the personnel to be continually ready to serve the nation. The expectations for human performance and mental and physical ability are high and the training provided is very often adequate. However, the need to understand human nature and human capabilities should not be neglected and took lightly. Almost everyone experience conflicts when performing the job. They also will face problems in trying to maintain their motivation levels, having problem to keep in good psychological health, avoid burnout, occupational stress and job satisfaction like workers in other employment sectors. Hence, to realize the top management aspiration to nurture highly skilled and competitive employees that in line with the strategic planning of the agency Human Resources planning. The heavy and difficult responsibility in theis public services agency may cause emotional problems due to the conflict between human psychosocial needs and expectations related to responsibility to serve the nation. In the context of this study, different aspects of job satisfaction are taken into account in which some of these aspects of job satisfaction are related to as the working environment, nature of work and task, operations and organizational traditions. Therefore, this government services agency cannot be regarded as a normal and traditional work setting (Blair and Philips, 1983). Several research conducted on theis organisation structure has documented that the personnel from this services agency often are perceived to have low job satisfaction (Linz and Semykina, 2012).

2. LITERATURE REVIEW

2.1. Job Satisfaction

Job satisfaction is defined as an employee's feeling about his or her jobs and its related aspects (Abdulla *et al.*, 2011). It is a degree to which an employee acts positively or negatively toward his or her job (Reddy and Madhav, 2018). It also encompasses several of factor such as the nature of the job, payment or salary, level of stress, working environment, team members, superiors and workload (Madanat, 2018). According to a study led by Linz and Semykina (2012) job satisfaction is influenced by the significance of the work and the sufficiency of supervision. In addition, job satisfaction has also had correlation with life satisfaction (Reddy and Madhav, 2018). It implies that individuals who are satisfied with the employment have a tendency to be satisfied with their lives. As indicated by Linz and Semykina (2012); Blair and Philips (1983); Mamdani and Minhaj (2016) job satisfaction is impacted by the motivation factors like pay, communication, workplace environment, autonomy, and commitment of the firm.

Numerous researchers have discovered that enhancing job satisfaction can lessen turnover and retain a steady and inspired workforce. The greater the workers are satisfied with their work, the greater will be their commitment toward the organization (Biswas, 2012). A cost of hiring new workers can lessen if the firm can retain a satisfied worker. In Linz and Semykina (2012) workers that fulfilled and content with their employments are more committed to doing great quality tasks and taking concern of customers that upkeep the operation. Each individual will have his or her own particular meaning of what it intends to be satisfied by work (Khandelwal and Shekhawat,

2018) by characterizing job satisfaction as the degree to which workers like their work (Wang *et al.,* 2018) found that the main factors that add to worker job satisfaction includes pay, working environment, advancement, and equality.

2.2. Relationship between Employee Empowerment and Job Satisfaction

Employee empowerment occurs when an employee tends to share their information, enhances his intellectual capability to gain autonomy while making decision (Khandelwal and Shekhawat, 2018). It also encompasses the sharing of power between top management and the lower levels. Other than that, empowerment also is an effective strategy whereby an organisation uses it to improve the capabilities and responsibilities of its employees, because it is accepted that if an employee empowered, they will be more efficient in performing his tasks (Blom *et al.,* 2018). The empowerment caused to improve the effectiveness of organization and increase increased flexibility and dynamics of organization and knowledge and people skill (Fulei *et al.,* 2014). It also will indicate the process of empowerment increases creativity and initiative of individuals and committed individuals to work more and increases job satisfaction (Madanat, 2018). If employees are satisfied with their jobs, will volunteer to help others and will conduct their duties very well (Hamidizadeh, 2012). Due to that, our first hyphothesis is,

H1: Employee Empowerment is influencing job satisfaction

2.3. Relationship between Teamwork and Job Satisfaction

Teamwork is an important factor for smooth functioning of an organization. Most of the organizational activities become complex due to advancement in technology, therefore teamwork is a major focus of many organizations. Employees who are working in teams become the standard for the organization (Abdulla *et al.,* 2011). The previous study also finds that teamwork has a significant positive effect on job satisfaction (Musriha, 2013). Further support was seen in the study of Wang *et al.* (2018) who found that teamwork had significant effects on job satisfaction.

H2: Teamwork is influencing job satisfaction

2.4. Relationship between Incentive and Job Satisfaction

Incentives are often given to limiting the differences between the interests of the principal and the agent. Most principal agent models predict that increasing incentives result in higher performance and thus higher job satisfactions. But there are more positive effects of performance pay on job satisfaction. The ability to optimize their efforts, the greater sense of belonging, decreased distance between management and workers, and the feeling that hard work is rewarded will increase the employee job satisfaction. However, monetary rewards can also be counterproductive because they may increase the risk of revenue, crowd out the intrinsic motivation, and lower employee morale (Linz and Semykina, 2012). The study implemented by Mamdani and Minhaj (2016) through a case study result that the incentives had impacts on employees' performance where's the employee were not loyal to their organizations if their monetary incentives were not enough. Due to that, our third hyphothesis is,

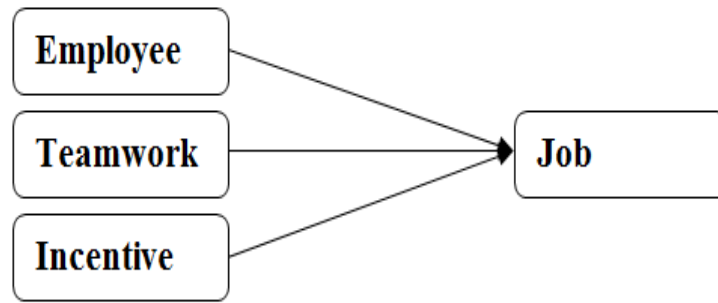*H3: Incentive is influencing job satisfaction*

Figure-1. Proposed Conceptual Framework
Source: Herzberg's Two Factor Theory (Herzberg *et al.*, 1959)

In this framework, employee empowerment, teamwork and incentive are identified as the independent variables that selected as factors that influence the job satisfaction among personnel in the government service agencies.

3. RESEARCH DESIGN

The data for this study were obtained from a simple random sample of government service agency in northern region of Malaysia. To represent the whole population of those personnel, a fraction of the population was taken to form the sample. The population here is referring to the entire group of individuals that potentially could participate in the research. The instruments were constructed in three sections. Section A consisted of 8 questions which compromising a list of demographic questionnaire. The question were revolving on age, marital status, races, education level, rank, salary, working experience and the personnel specialization.

3.1. Results

In this study, Partial Least Squares (PLS) analysis technique using SmartPLS 3.0 software was used to analyse the research model (Hair *et al.*, 2011). As suggested by Anderson and Gerbing (1988) two-stage analytical procedures was conducted. The researcher tested the measurement model reliability of the measures, followed by an examination of the structural model (Hair *et al.*, 2013) and Bookstrapping method was also used to test the significant path coefficients and the loadings.

3.2. Measurement Model Evaluation

Two types of validity were engaged in order to evaluate the measurement model. The first known as the convergent validity followed by discriminant validity. In the case of convergent validity, it is a measurement model that is examining the loadings, average variance extracted (AVE) and also the composite reliability (Henseler *et al.*, 2016). As suggested by Hair *et al.* (2011) the loadings were all higher than 0.7, the composite reliabilities were all higher than 0.7 and the AVE were also higher than 0.5.

The discriminant validity of the measures was tested according to Fornell and Larcker (1981) criterion of comparing the correlations between constructs and the square root of the AVE for the construct (Refer to Table 1). Based on Table 1, the square root of the AVEs as characterized by the bolded values on the diagonals were greater than the corresponding row and column values (correlation between constructs) representing the measures were discriminant.

Table-1. Convergent Validity of Measurement Model

Construct	Items	Loadings	Ave	Cr
Job Satisfaction	JS1	0.743	0.538	0.823
	JS3	0.766		
	JS4	0.740		
	JS5	0.684		
Team Work	TW1	0.710	0.538	0.853
	TW2	0.744		
	TW3	0.702		
	TW4	0.707		
	TW5	0.801		
Incentive	Incentive1	0.698	0.539	0.852
	Incentive2	0.755		
	Incentive3	0.590		
	Incentive4	0.818		
	Incentive5	0.788		
Employee Engagement	EE1	0.741	0.516	0.840
	EE2	0.813		
	EE3	0.618		
	EE4	0.788		
	EE5	0.606		

Note: JS2 and TW6 deleted due to low loadings

Table-2. Discriminant Validity of Measurement Model

	Employee Engagement	Incentives	Job Satisfaction	Team Work
Employee Engagement	**0.718**			
Incentives	0.602	**0.734**		
Job Satisfaction	0.618	0.722	**0.734**	
Team Work	0.596	0.574	0.697	**0.734**

Note: Values on the diagonal (bolded) represent the square a root of AVE while the off-diagonals represent the correlation

3.3. Structural Model Evaluation

The structural model involved by calculating R^2, beta and the corresponding t-value (Hair *et al.*, 2013) and a bootstrapping procedures with 5000 resamples was applied. The researchers also reported on the predictive relevance (Q^2) and effect sizes (f^2) (Hair, Sarstedt, & Ringle, 2014). Based on the test conducted, all relationships were found significant. Relationship between job satisfaction and employee engagement with (ß=0.143, p<0.01). Secondly the relationship between job satisfaction and incentives is also significant with (ß =0.368, p<0.01) and finally job satisfaction was also having a significant relationship with team work (ß =0.426, p<0.01). Based on the findings in table 3, team work is the strongest predictor towards the personnel of job satisfaction followed by the incentives (ß =0.368) and finally employee engagement (ß=0.143). Further, all the variables explained 65.2% on the variance of the employees' job satisfaction. The R^2 value of 0.652 was higher than the 0.35 (substantial) value suggested by Cohen (1988). The study also measured effect sizes (f2) as recommended by Sullivan and Feinn (2012). Hair et al., (2014) proposed that the change in the R^2 value should also be studied. The method suggested is to examine the R^2 change when a specified exogenous constructs is absent from the model. As suggested by Cohen (1988) the standard to measure the magnitude of the effect size is 0.02 (small), 0.15 (medium), and 0.35 (Large). Looking at the f^2 value in table 3, it can be perceived that the relationship of both significant predictors was ranged from small and medium. In addition, we also calculated the predictive relevance of the model by using the blindfolding procedure. According to Chin (1998) and Henseler (2012) blindfolding is a sample reuse technique that remove every *d*th data point in the endogenous construct's indicators and estimates the parameters with the

remaining data points. Furthermore, Sarstedt *et al.* (2014) stated that if the value of Q^2 is larger than 0 the model has predictive relevance for a certain endogenous construct and otherwise if the value is less than 0. From table 3 we can see that Q^2 values is 0.323 which suggests that the model has sufficient predictive relevance.

Table-3. Result of the Structural Model Analysis (Hypotheses Testing)

Relationship	Std Beta	Std Error	T Value	Decision	R^2	F^2	Q^2
H1: EE -> JS	0.143	0.054	2.665	Support	0.652	0.032	0.323
H2: TW -> JS	0.426	0.055	7.789	Support		0.294	
H3: Inc -> JS	0.368	0.066	5.559	Support		0.222	

4. STUDY IMPLICATIONS AND RECOMMENDATIONS

By referring to the analysis, it is found that the Teamwork had turned out to be the main predictor among the other variables. Meaning that it was the largest element in influencing the Job Satisfaction on target respondents compared to the Employee Empowerment and Incentive given. The trend probably because it was already the nature of the personnel in seeing the Teamwork as the vital element in their daily work. As what being developed during their recruitment and training days, the teamwork spirit was always put at paramount which make them value it most of the time until they were commissioned. Later, during their real working environment, the important of teamwork culture become much transparent and the navy personnel insist in need it most of the time in order to accomplish their daily work whether in peace or war. Since it was being the important essence in the daily work, thus it will also be the important essense in influencing their overall job satisfaction. Second largest predictor was the Incentive. The influence does not far compared to the main predictor, make it the second predictor in the study. When we talk about the incentive in influencing the job satisfaction, it turned out to be the common pyschological attraction as what like being mentioned by Wang *et al.* (2018) regarding the employee's psychological contract. The employee's psychological contract which refers to an employee's perception of the organization, and what the rewards for being committed to the organization will be. The theory is applicable to most of the employee, and the agency's personnel is not an exception to this. Thus, at the beginning of the study, it was expected the incentive will be one of the elements that will influence the job satisfaction in this government service agency. Since due to this element involving the spending, most of the organisation will take this as an infamous approach and will seek for other alternative in their rewarding system, which less likely to involve the monetary spending. Similar situation in the government service agency since it is non-profit organisation, the reward system can be much emphasized more on recognition and giving titles. Or in another way, can come in the shape of privilege such as exemption of duty for a certain period, flexibility of working time, or dedicated parking lots and working spaces.

Last but not least, the Employee Empowerment was seen as the less predictor compared to the other two predictors. Even though the Employee Empowerment does show influence towards the job Satisfaction. However, the degree of intensity is quite small compared to the other two predictors. The reason such trend happening in this government service agency is probably due to the autocratic nature that's being developed among the personnel. Like others government related agencies, this agency also strictly foreseen the authority of power in decision making is vital in order it not jeopardizing the ongoing operation. During the recruitment and training period, all personnel were trained to be as obedient as possible in following the instruction and task given, made them clearly that the received instruction were absolute and they have no authorities to avert it. The hierarchy of the workflow were later being prolonged in their daily work and become the nature for the organisation. The impact is that, some of the personnel may unable to see how the employee empowerment can take place in their

daily work. And thus, later will not see any significance on how the Employee Empowerment may influence their Job Satisfaction.

5. LIMITATION AND RECOMMENDATION OF STUDY

Despite of accomplishment in successfully identifying the relationship between employee empowerment, teamwork and incentive with job satisfaction, in which the findings are useful for further validation, this study is subject to some limitations. One major limitation is that the result presented in this study is based on the analysis using cross-sectional data, due to the constraint of time and cost. As a result, strong evidence of the effect between research variables in the research model cannot be examined as a whole. Therefore, a longitudinal study approach is suggested for future research project. The result shows that the hypotheses are accepted but further studies are necessary to confirm whether a causal relationship exists between constructs. This could be achieved by using a broader randomized sample that best represents the study population in order to increase generalisability of the research findings. In addition, the current study is limited to test three variables which extracted from Herzberg's two factor theory model, which affecting the employee job satisfaction. For future research, it is recommended that the model should be enhanced by adding other variables from the Herzberg's two factor theory model, so that it can improve the ability to more accurately predict the employee's job satisfaction in the agency.

6. CONCLUSION

The study focuses only on government service agency personnel which currently in servicing at northern region of Malaysia. It would be useful for comparative review to be developed across difference formation, such as based support unit and training centre, and over an extended time period, to determine whether the current programme arranged by the top management does give same responding towards all personnel in various unit. Furthermore, using a different method, such as probability sampling and focus groups, would extend the generalizability of the findings and further contribute to filling the existing gaps in the literature.

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