

The Effect of Employee Motivation on Job Satisfaction and Job Performance among Temporary Employees: The Mediating Role of Employee Commitment

Muthana Mohammad Omoush, Faculty of Administrative and Financial Sciences, Aqaba University of Technology, Aqaba, Jordan.

Arkan Walid Al-Smadi, Faculty of Business, Department of Finance and Banking, Jearsh University, Jordan.*

E-mail: arkan.smadi@jpu.edu.jo

Abstract--- Purpose: The aim of this study is to define the effect of employee motivation on job satisfaction and job performance among temporary employees in the mediation of commitment.

Design/ Approach: The study has used the quantitative design in which the data has been gathered from 317 temporary employees working in manufacturing sector of Malaysia. The SEM technique was utilised for the purpose of analysing and testing the mediation.

Findings: The study found that employee commitment partially mediates the relationship between employee motivation and job performance and job satisfaction.

Limitations: This study is limited to the temporary employees working in the manufacturing sector of Malaysia. Moreover, this study has focused on one country i.e. Malaysia.

Keywords--- Motivation, Job Satisfaction, Job Performance, Employee Commitment, Malaysia.

I. Introduction

In order to achieve the effectiveness of organisation, there is a huge role of temporary employees as they are considered as the salient assets. This is due to the reason that the temporary employees are hired by the organisations in order to achieve a specific goal of the company in a specified period of time (Jaworski et al., 2018). The report presented by Department of Labour in US, more than 2.87M employees were employed temporarily in 2014 as associated to 20,000 employees in 1956 (Villarreal & Swanson, 2011). However, most of these temporary employees are anticipated to quit the jobs after a certain period while making significant contributions towards the organisation and its goals (Berkery et al., 2017; Kesavan & Kuhnen, 2017). In this manner, these workers have saved huge cost of employers and are still not provided with the benefits.

Therefore, there is a vital challenge for the human resource in order to manage these temporary employees. This is due to the reason that these workers do not work above the contract and they are demotivated with the lack of job security, insurance and benefits (Eichhorst, Marx & Wehner, 2017). In contrast to this, the temporary employees also discover themselves as treated in a usual manner while provided with the less challenging tasks (Julià et al., 2017). As compared to the regular or permanent employees, there is a factor of dissatisfaction among the temporary employees (de Jong & Schalk, 2017; Grund, Minten & Toporova, 2017). This is due to the reason that these employees are not motivated as the company does not provide benefits as compared to permanent employees. However, there has been an evolvement in the nature of temporary employees as the companies have realised the significance of these temporary employees who can better manage the technical positions in the company (Wong, Wan & Gao, 2017; Solesvik, 2017).

Therefore, it is necessary for the companies to regulate the consequence of employee motivation on the JS and JP of the temporary employees. It has also been argued on the study of Inuwa (2016) that the organisations need to evaluate the motivation of employees for the purpose of ensuring the satisfaction and performance at the job. On the other hand, the employee commitment also play a vital role towards the increased performance and satisfaction of job (Anitha, 2016). In this manner, this study has aimed to contribute towards the exiting literature on employee motivation along with its impact in the JS and JP of the temporary employees with the mediation of employee

commitment. Therefore, the opinions of temporary employees working in manufacturing sector of Malaysia were considered.

II. Literature Review

Job satisfaction amid the employees has always been an increasing concern for the companies which makes it difficult for the human resource department to ensure the satisfaction of each employee. It has also been argued in the study of Khuong & Yen (2016) that the satisfaction of employees is essential for the companies to increase the performance of the company and individual performance of the employees. However, there has been an issue of decreased motivation of temporary employees. This is due to the reason that these employees are not provided with the benefits and incentives in contrast to the permanent employees (Al-Smadi et al. 2020; Prabhu et al. 2020; Eichhorst et al. 2017). Therefore, this generates the need for the companies to focus more on the motivation of these employees for the purpose of growing the JS among them. The increased motivation of employees helps the employees to generate the interest towards the job which results in their increased satisfaction. This has also been supported in the study of Suttikun et al. (2018) that the increase in employee motivation helps in growing the JS of employees. In this manner, the effect of employee motivation on the job satisfaction of employees has been tested in the context of temporary employees operational in the manufacturing sector of Malaysia. Therefore, the hypothesis which is developed and is tested in later sections of the study is provided below:

H_{1a}: Employee Motivation positively affects job satisfaction of temporary employees

Over the past few years, most of the companies have increased the emphasis towards the increased motivation of employees. This is due to the reason that the companies have realised the significance of JP of the employees for the purpose of ensuring the effective and increased performance of the company. It has also been identified in the study of Khuong & Yen (2016) that the performance of employees is directly associated with the progress of the company in the industry. In this manner, the companies have to focus on the increased motivation of employees which can enhance their individual performance while satisfying their needs and desires. In addition to this, with the help of increased motivation of employees, they can also increase the duration of temporary employees. Therefore, this will help the companies in order to gain the maximum advantage from the temporary employees. It has also been contended in the study of Noor & Zainordin (2018) that there is a huge inspiration of motivation on the progress of employees. This makes it essential for the companies to upsurge the emphasis on the motivation of temporary employees as the level of motivation among these employees is bit low which negatively disturbs the job performance of these employees. In this manner, the effect of employee motivation on the JP of employees has been tested in the context of temporary employees working in the manufacturing sector of Malaysia. Therefore, the hypothesis which is developed and is tested in later sections of the study is provided below:

H_{2a}: Employee Motivation positively influence job performance of temporary employees

On the other hand, the satisfaction of employees is associated with the commitment of employees with the job. This is due to the reason that if the employees are committed towards the job, they are able to increase their satisfaction with the achievement of increased performance. It has also been argued in the study of Bloor et al. (2017) that the employee commitment is essential for the employers as it enhance the satisfaction of employees on the job. However, this employee commitment is gained among the employee with variety of factors among which the motivation of employees is one of them. This is due to the reason that the increased motivation of employees effects in the augmented commitment of employees on the job. This has also been supported in the study of Kalhor et al. (2017) that the motivation of employees is directly associated with the increased commitment of employees. Like this, it is therefore, essential for the companies to ensure the increased commitment of employees while ensuring the motivation and job satisfaction among these employees. Therefore, the mediating effect of employee commitment in the relationship among employee motivation and job satisfaction has been tested in this study. The hypothesis developed for this purpose has been provided below:

H_{3a}: Employee Commitment mediates the relationship among employee motivation and job satisfaction of temporary employees.

Moreover, the employee commitment has also been necessary for the increased performance of the employees at the job. This is because that the employees will tend to perform better if they are committed towards the job. This has also been argued in the study of Wong et al. (2019) that the employees perform better at the job if they have increased commitment towards the job. On the other hand, the motivation of employees is also related to the commitment of employees on the job. This has been due to the reason that the increased motivation develop the dedication of employees towards the employees. This has also been supported in the study of Nambirajan & Prabhu

(2010); Hanaysha (2016) that the increase in motivation of employees develops the commitment of employees which helps them to achieve or increase the performance of employees. Therefore, it is also essential for the companies to determine the influence of employee commitment towards the relationship of employee motivation and job performance of the employees. Therefore, the mediating role of employee commitment has been tested among the association of employee motivation and job performance with in the context of temporary employees operational in the manufacturing sector of Malaysia. The hypothesis in this manner, is provided below:

H_{4a}: Employee commitment mediates the relationship between employee motivation and job performance of temporary employees.

III. Theoretical Framework

Commitment Theory

The commitment theory is the three component model which depicts that the commitment with the company has three characteristic constituents (Somers et al. 2019). This include the continuance commitment, affective commitment and normative commitment. All of these commitments refer to the attachment of employee with the organisation which increases their duration in the company while having an influence on the progress and satisfaction of employees.

IV. Conceptual Model

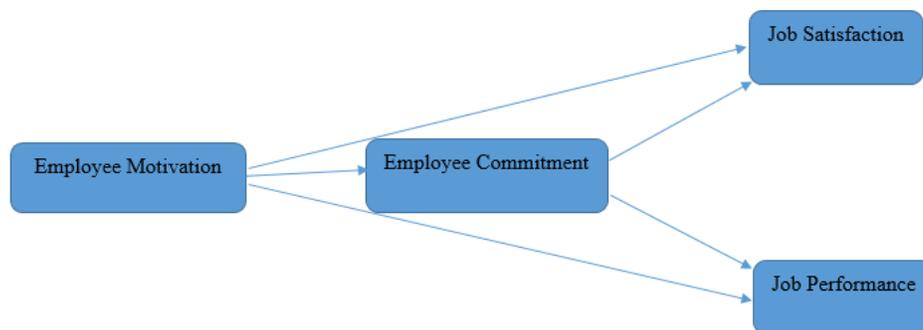


Figure 1: Conceptual Model

Source: Author (2020)

V. Research Methodology

Data Collection and Population

In this study, the survey process has been used by the researcher to gather the responses from target population. The population of temporary workers working in the manufacturing industry of Malaysia have been considered. Therefore, the researcher has considered the findings of Fugard (2015) that for the purpose of setting the adequate sample size for this study. The equation for estimation of sample size is as follows:

$$n = \frac{(1.96)^2 \times 0.5 \times 0.5}{(0.05)^2} = 384$$

Upon calculation, the sample size of the study was computed to be 384. Therefore, the researcher provided questionnaire to 390 respondents out of which 317 responses were retrieved. In this manner, the response rate of the study was calculated to be 81.2%.

Sampling Technique

The sampling technique for the purpose of gathering the responses was adopted by the researcher in this study. In this regard, the researcher has used the non-probability convenience sampling to gather the data from temporary employees working in manufacturing industry of Malaysia. The study of Farrokhi (2012) stated that non-probability

convenience sampling is the kind of technique which is followed considering the convenience and accessibility factor.

Research Instrument

The research instrument used by the researcher in this study for the purpose of gathering the data is survey questionnaire. Therefore, the questionnaire was developed based on several questions which were measure on a 5 point Likert scale and it took 20 minutes for each respondent to answer and submit the questionnaire.

Data Analysis Method

This study has used the Structural Equation Modelling (SEM) as the method to analyse the data. The study of Martínez-López (2013) stated that SEM is regarded as the modernised and essential model to assess the survey responses. This model involves the confirmatory factor analysis (CFA) for measurement of the model. On the other hand, the mediation can also be tested with the assistance of path analysis.

VI. Results and Analysis

Confirmatory Factor Analysis

CFA is significant dimension of SEM model which assists in comprehending the structure of constructs by examining the constructs and latent variables (Brown, 2012). The CFA also helps is determining the reliability and validity of the constructs (Geldhof, 2014). The measures in the form of composite reliability, Cronbach alpha, outer loadings, discriminant validity and convergent validity are used for the purpose of validating the constructs. The CFA has been depicted in Table 1 which measures the outer loadings, convergent validity, composite reliability and Cronbach Alpha.

The findings of Wong (2013) suggested that 0.7 is the threshold for the outer loadings 0.7. However, the study of Shau (2017) that 0.6 is the extent to which the variable can be included on basis of factor loading. Pertaining to the table, it can be determined that the lowest value computed as 0.768. Since, all the values are greater therefore, it can be suggested that there is no need to remove any variable on the basis of factor loading.

On the other hand, the threshold for Cronbach Alpha and composite reliability according to Ahmad (2016) is 0.6. In this manner, it can be determined from Table 1 that the lowest value of Cronbach’s Alpha is obtained as 0.876 while the lowest value for composite reliability is obtained as 0.910. Therefore, the constructs fulfil the reliability criteria of both the composite reliability and Cronbach’s Alpha. With respect to the Ave, the study of Afthanorhan (2013) suggests that the threshold of AVE is 0.5 which shows that the Ave value of constructs should be greater than 0.5. Therefore, the Table 1 depicts that the lowest value of AVE obtained is 0.668. This shows that the constructs possess the convergent validity.

Table 1: Convergent Validity, Composite Reliability and Cronbach's Alpha

Research Construct	Indicators	Factor Loading	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Employee commitment	EC1	0.879	0.913	0.936	0.744
	EC2	0.909			
	EC3	0.863			
	EC4	0.888			
	EC5	0.768			
Job Satisfaction	JS1	0.890	0.896	0.935	0.828
	JS2	0.934			
	JS3	0.905			
Employee Motivation	EM1	0.772	0.876	0.910	0.668
	EM2	0.845			
	EM3	0.810			
	EM4	0.828			
	EM5	0.830			
Job Performance	JP1	0.899	0.883	0.928	0.811
	JP2	0.933			
	JP3	0.869			

The following table depicts the discriminant validity among variables which is measured with the threshold of Heterotrait-Monotrait (HTMT). The findings of Franke (2019) suggest that 0.9 is the threshold of HTMT. Pertaining to the below table, it can be determined that none of the value is greater than 0.9.

Table 2: Discriminant Validity

	Employee Commitment	Employee Motivation	Job Performance
Employee Commitment			
Employee Motivation	0.660	0.817	
Job Performance	0.567	0.475	0.901
Job Satisfaction	0.552	0.460	0.551

Path Analysis

Since this study has focused on the assessment of the mediation effect in association between motivation and job satisfaction and motivation and job performance therefore, the assessment of direct and indirect effect is essential for the mediation effect. It has been identified from Table 3 that employee motivation has direct effect on job performance as $B= 0.475, p=0.000<0.05$ which is positive and significant effect. On the other hand, the direct effect of employee motivation has also been found on job satisfaction as $B= 0.459, p=0.000<0.05$ which is also positive and significant.

With respect to the Employee commitment, the direct effect has found with the job performance as $B= 0.449, p=0.000<0.05$ which is also positive and significant. Moreover, the direct effect of employee motivation on the job satisfaction was also found to be significant and positive as $B= 0.442, p=0.000<0.05$. Here it becomes significant to highlight that all the p-values were significant at 5% threshold level.

Table 3: Direct Effect

	Coefficient	T Statistics (O/STDEV)	P Values
Employee Commitment -> Job Performance	0.449	6.708	0.000
Employee Commitment -> Job Satisfaction	0.442	5.647	0.000
Employee Motivation -> Employee Commitment	0.660	16.779	0.000
Employee Motivation -> Job Performance	0.475	7.738	0.000
Employee Motivation -> Job Satisfaction	0.459	7.444	0.000

The Table 4 is related to the determination of specific indirect effect and it has been determined that the statistics $B= 0.296, p=0.000<0.05$ suggests that employee commitment forms the link among employee motivation and job performance. In other words, it mediates the relationship between employee motivation and job performance. Moreover, the employee commitment also mediates the association among employee motivation and job satisfaction as $B= 0.292, p=0.000<0.05$.

Table 4: Specific Indirect Effect

	Coefficient	T Statistics (O/STDEV)	P Values
Employee Motivation -> Employee Commitment -> Job Performance	0.296	5.751	0.000
Employee Motivation -> Employee Commitment -> Job Satisfaction	0.292	4.878	0.000

From the above tables, it is evident that employee motivation has direct effect on the job performance. Meanwhile, Table 4 also highlighted that employee commitment also mediates the association among motivation and job performance. In consideration to this, Table 5 depicts the total indirect effect of motivation on job performance. Based on the statistics $B=0.296, p=0.00<0.05$, it can be inferred that employee motivation establish positive and significant relationship with the job performance. In contrast to this, it can also be realised from the above tables that employee motivation also establish direct and indirect effect with job performance. In this manner, the employee commitment partially mediates the association among motivation and job performance.

Moreover, it has also been determined that motivation establish direct effect with the job satisfaction. Additionally, the employee commitment has also significant and positive effect in association of motivation and job satisfaction. Furthermore, the Table 5 identified positive and significant total indirect influence of employee motivation on job satisfaction as $B=0.292, p=0.000<0.05$. Therefore, there is a partial mediation of employee commitment on the association among employee motivation and job satisfaction.

Table 5: Total Indirect Effect

	Coefficient	T Statistics (O/STDEV)	P Values
Employee Motivation -> Job Performance	0.296	5.751	0.000
Employee Motivation -> Job Satisfaction	0.292	4.878	0.000

Quality Analysis Model

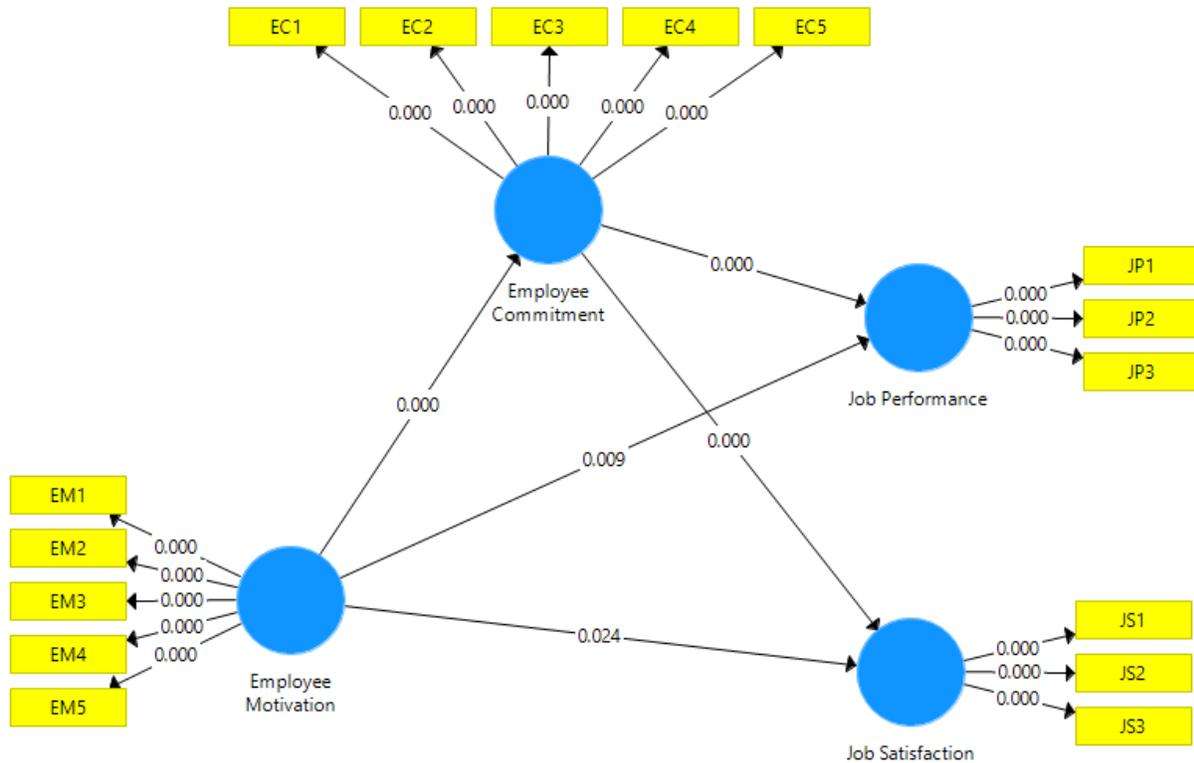


Figure 2: Measurement Model after Bootstrapping

It is evident from the model that the employee commitment is explained by employee motivation. The R-square of 43.6% suggest that employee motivation explains 43.6% of the variance in employee commitment which was obtained as 43.4% after the adjustment. In terms of the job performance, the employee motivation explains 33.9% of variance which is adjusted to be 33.5%. Lastly, with respect to the job satisfaction, it is determined that employee motivation explains 32.1% of variance which was 31.7% after the adjustment.

Table 6: Quality of Model

	R Square	R Square Adjusted
Employee Commitment	0.436	0.434
Job Performance	0.339	0.335
Job Satisfaction	0.321	0.317

VII. Summary of Hypothesis

S. No	Hypothesis Status	Status
H1	Employee Motivation positively affects job satisfaction of temporary employees	Accepted
H2	Employee Motivation positively affects job performance of temporary employees	Accepted
H3	Employee Commitment mediates the relationship between employee motivation and job satisfaction of temporary employees.	Accepted (partially)
H4	Employee Commitment mediates the relationship between employee motivation and job performance of temporary employees.	Accepted (partially)

VIII. Discussion and Conclusion

From the analysis, it has been determined that there has been an impact of employee motivation on the job satisfaction of employees. This has also been supported in the study of Suttikun, Chang & Bicksler (2018) that the increase in employee motivation helps in increasing the job satisfaction of employees. Moreover, there has also been a significant effect of employee motivation on job performance. The study of Noor & Zainordin (2018) that there is a huge influence of motivation on the performance of employees. In addition to this, the partial mediation of employee commitment was also found on relationship between employee motivation and job satisfaction. As study of Kalhoro, Jhatial & Khokhar (2017) also supports that the motivation of employees is directly associated with the increased commitment of employees.

Lastly, the partial mediation of employee commitment was also found on relationship between employee motivation and job performance. In this manner, it is recommended for the companies to focus on the motivation of temporary employees working in the manufacturing sector of Malaysia. In addition to this, it is also recommended for the companies to increase the emphasis over the employee commitment which can help them to increase the job performance and job satisfaction of temporary employees.

IX. Limitations of the Research

This study is limited to the investigation of employee motivation effect on the job performance and job satisfaction for the temporary employees. In this manner, it is recommended to conduct the study on permanent employees. Moreover, this study is restricted to one country i.e. Malaysia. Therefore, it is recommended for the researchers to include more countries in the investigation.

References

- [1] Afthanorhan, W.M.A.B.W. A comparison of partial least square structural equation modeling (PLS-SEM) and covariance based structural equation modeling (CB-SEM) for confirmatory factor analysis. *International Journal of Engineering Science and Innovative Technology* **2** (5) (2013) 198-205.
- [2] Ahmad, K.Z. The Association between Ethical Decision-Making, Job Satisfaction, Organisational Commitment and Selected Demographic Variables. *Malaysian Management Journal* **7** (2) (2020) 1-11.
- [3] Al-Smadi, R.W., Al-Smadi, A.W. and Ali, O.A. The Impacts of Sustainability Practices Disclosure on Financial Performance: Jordan Commercial Banks. *Test Engineering and Management* **83** (2020) 10218 – 10234.
- [4] Anitha, J. Role of Organisational Culture and Employee Commitment in Employee Retention. *ASBM Journal of Management* **9** (1) (2016).
- [5] Beloor, V., Nanjundeswaraswamy, T.S. and Swamy, D.R. Employee commitment and quality of work life—a literature review. *The International Journal of Indian Psychology* **4** (2) (2017) 175-188.
- [6] Berkery, E., Morley, M.J., Tiernan, S., Purtill, H. and Parry, E. On the uptake of flexible working arrangements and the association with human resource and organizational performance outcomes. *European Management Review* **14** (2) (2017) 165-183.
- [7] Brown, T.A. and Moore, M.T. Confirmatory factor analysis. *Handbook of structural equation modeling*, 2012, 361-379.
- [8] De Jong, J. and Schalk, R. Temporary employment in the Netherlands: Between flexibility and security. In *Employment contracts and well-being among European workers*, Routledge, 2017, 119-151.
- [9] Eichhorst, W., Marx, P. and Wehner, C. Labor market reforms in Europe: towards more flexicure labor markets?. *Journal for Labour Market Research* **51** (1) (2017).
- [10] Farrokhi, F. and Mahmoudi-Hamidabad, A. Rethinking Convenience Sampling: Defining Quality Criteria. *Theory & Practice in Language Studies* **2** (4) (2012).
- [11] Franke, G. and Sarstedt, M. Heuristics versus statistics in discriminant validity testing: a comparison of four procedures. *Internet Research* 2019.
- [12] Fugard, A.J. and Potts, H.W. Supporting thinking on sample sizes for thematic analyses: a quantitative tool. *International Journal of Social Research Methodology* **18** (6) (2015) 669-684.

- [13] Geldhof, G.J., Preacher, K.J. and Zyphur, M.J. Reliability estimation in a multilevel confirmatory factor analysis framework. *Psychological methods* **19** (1) (2014) 72.
- [14] Grund, C., Minten, A. and Toporova, N. The Motivation of Temporary Agency Workers: An Empirical Analysis, 2017.
- [15] Hanaysha, J. Examining the effects of employee empowerment, teamwork, and employee training on organizational commitment. *Procedia-Social and Behavioural Sciences* **229** (298-306) (2016) 298-306.
- [16] Inuwa, M. Job satisfaction and employee performance: An empirical approach. *The Millennium University Journal* **1** (1) (2016) 90-103.
- [17] Jaworski, C., Ravichandran, S., Karpinski, A.C. and Singh, S. The effects of training satisfaction, employee benefits, and incentives on part-time employees' commitment. *International Journal of Hospitality Management* **74** (2018) 1-12.
- [18] Julià, M., Vanroelen, C., Bosmans, K., Van Aerden, K. and Benach, J. Precarious employment and quality of employment in relation to health and well-being in Europe. *International Journal of Health Services* **47** (3) (2017) 389-409.
- [19] Kalhoro, M., Jhatial, A.A. and Khokhar, S. Investigating the influence of extrinsic and intrinsic motivation on work performance: Study of bank officers. *Global Management Journal for Academic & Corporate Studies* **7** (1) (2017) 121-129.
- [20] Kesavan, S. and Kuhnen, C.M. Demand fluctuations, precarious incomes, and employee turnover. *Working paper, University of North Carolina, Chapel Hill* 2017.
- [21] Khuong, M.N. and Yen, V.H. Investigate the Effects of Job Stress on Employee Job Performance--A Case Study at Dong Xuyen Industrial Zone, Vietnam. *International Journal of Trade, Economics and Finance* **7** (2) (2016) 31-37.
- [22] Martínez-López, F.J., Gázquez-Abad, J.C. and Sousa, C.M. Structural equation modelling in marketing and business research: Critical issues and practical recommendations. *European Journal of Marketing* **47** (1/2) (2013) 115-152.
- [23] Nambirajan, T. and Prabhu, M. Determinants of Competitiveness of Small-Scale Industries in Union Territory of Puducherry. *Advances in Management* **3** (5) (2010) 46-49.
- [24] Noor, S.N.A.M. and Zainordin, N. The Impact of Rewards as Motivation on Job Satisfaction in a Quantity Surveying Consultant Firm. *International Journal* **1** (4) (2018) 01-14.
- [25] Prabhu, M., Thangasamy, N. and Nawzad Abdullah, N. Analytical review on competitive priorities for operations under manufacturing firms. *Journal of Industrial Engineering and Management* **13** (1) (2020) 38-55.
- [26] Shau, T.V. The Confirmatory Factor Analysis (CFA) of Preschool Management Model in Sarawak. *International Journal of Academic Research in Business and Social Sciences* **7** (6) (2017) 221-231.
- [27] Solesvik, M.Z. Hybrid entrepreneurship: How and why entrepreneurs combine employment with self-employment. *Technology Innovation Management Review* **7** (3) (2017).
- [28] Somers, M., Birnbaum, D. and Casal, J. An empirical test of conceptual arguments to retire the three-component model of work commitment: Implications for commitment research. *Personnel Review* **49** (3) (2019) 887-902.
- [29] Sultan, A.A. Factors Influencing the Adoption of Mobile Banking Service among Cihan Bank Customers in the Kurdistan Region of Iraq. *International Journal of Advanced Science and Technology* **27** (1) (2019) 289-301.
- [30] Sultan, A.A. and Noor, S.M. Absorptive capacity, civil conflict and e-commerce adoption among Iraqi firms. *Advanced Science Letters* **23** (8) (2017) 7992-7995.
- [31] Sultan, A.A., Noor, S.M. and Nasirun, N. Technological factors and e-commerce adoption among small medium enterprises in Kurdistan, Iraq. *International Journal of Engineering Technology* **7** (3.5) (2018) 98-101.

- [32] Suttikun, C., Chang, H.J. and Bicksler, H. A qualitative exploration of day spa therapists' work motivations and job satisfaction. *Journal of Hospitality and Tourism Management* **34** (2018) 1-10.
- [33] Wong, I.A., Ma, E., Chan, S.H.G., Huang, G.I. and Zhao, T. When do satisfied employees become more committed? A multilevel investigation of the role of internal service climate. *International Journal of Hospitality Management* **82** (2019) 125-135.
- [34] Wong, I.A., Wan, Y.K.P. and Gao, J.H. How to attract and retain Generation Y employees? An exploration of career choice and the meaning of work. *Tourism Management Perspectives* **23** (2017) 140-150.
- [35] Wong, K.K.K. Partial least squares structural equation modeling (PLS-SEM) techniques using SmartPLS. *Marketing Bulletin* **24** (1) (2013) 1-32.