CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter provides a detailed discussion about the literature related to this study. It begins with an introduction to the concept and models of job performance. Then, it explains the underpinning theory of the study. Following this, it discusses the effects of work environment factors (human resource management practices and transformational leadership) and employee-related factors (organizational citizenship behavior and work motivation) on job performance. The research hypotheses are developed at the end of the discussion, and the research framework is presented. The chapter concludes with a summary.

2.2 Job Performance

Job performance is a means to reach a goal or set of goals within a job, role, or organization (Campbell, 1990). Zakaria, Aziz, Selamat, and Omar (2020) defined job performance as a set of behaviours that are relevant to the achievement of an organization's goals. Performance is divided into task and adaptive performance.

Task performance comprises of job explicit behaviors, which include fundamental job responsibilities assigned as a part of job description. Task performance requires more cognitive ability and is primarily facilitated through task knowledge (requisite technical knowledge or principles to ensure job performance and having the ability to handle multiple assignments), task skill (application of technical knowledge to accomplish task successfully without much supervision), and task habits (an innate

ability to respond to assigned jobs that either facilitate or impede performance) (Conway, 1999). Task performance is broken into two dimensions: technical–administrative task performance and leadership task performance. Technical–administrative task performance is the expected job performance in the planning, organizing, and administering of day-to-day work through one's technical ability, business judgment, and so on. Leadership task performance includes setting strategic goals, upholding required performance standards, and motivating and directing subordinates to accomplish their jobs through encouragement, recognition, and constructive criticisms (Borman & Brush, 1993; Tripathy, 2014).

Adaptive performance is one's ability to acclimatize and provide necessary support to the job profile in a dynamic work situation (Hesketh & Neal, 1999). Effective adaptive performance means that an employee has the ability to efficiently deal with volatile work conditions, such as technological transformation, changes in core job assignment, restructuring of organization, and so on (Baard, Rench & Kozlowski, 2014). The emergence of various new occupations as a consequence of technological innovation requires employees to engage in continual learning and adapt with changes in an efficient manner (Griffin, Parker & Mason, 2010; Hollenbeck, LePine & Ilgen, 1996). Employees are also expected to adjust their interpersonal behavior in such circumstances to work successfully with a wide range of peers and subordinates.

Job performance appraisal in public or private services is usually measured using Key Performance Indicators (KPIs). Measurement of job performance provides valuable information by allowing management to monitor performance, report progress, improve motivation and communication, and pinpoint problems (Waggoner, Neely & Kennerley, 1999). Job performance is measured in multiple ways because the concept covers various notions, such as growth, profitability, return, productivity, efficiency,

and competitiveness (Taouab, & Issor, 2019, Colase, 2009). Verboncu and Zalman (2005) described performance as a particular result obtained in management, economics, and marketing that characterizes the competitiveness, efficiency, and effectiveness of an organization and its structural and procedural components. Man (2006) explained that measures of performance are divided into four categories: financial, non-financial, tangible, and intangible. Taouab et al. (2019) proposed the balanced scorecard as a method to measure performance. The balanced scorecard is a tool used for describing, elaborating, and implementing the vision and strategy of a firm into fixed targets and a clear set of financial and non-financial performance indicators.

2.2.1 Job Performance Models

This section discusses two models of job performance: Campbell's model of job performance and Murphy's model of job performance (Wahab, 2016).

2.2.1.1 Campbell's Model of Job Performance

Campbell (1990, 1994) developed an all-inclusive model of job performance after examining a varied set of jobs performed by soldiers in the United States military. Table 2.1 shows Campbell's model of job performance. The model shows that performance can be divided into eight dimensions: job-specific-task proficiency, non-job-specific-task proficiency, written and oral communication, demonstrating effort, maintaining personal discipline, facilitating peer and team performance, supervision/leadership, and management/administration. Indeed, not every dimension would be pertinent to all jobs. Only three dimensions (job-specific-task proficiency, demonstrating effort, maintenance of personal discipline) are recognized as key performance elements for all jobs (Campbell, 1990).

Table 2.1: Campbell's Model of Job Performance

No.	Performance Dimensions	Description
In role		
1.	Job-specific-task proficiency	Technical aspects of job performance
2.	Non-job-specific-task proficiency	Common task performance by different employees
Extra role		
3.	Written and oral communication	Ability to write and communicate effectively
4.	Demonstrating effort	Going the extra mile at work
5.	Maintaining personal discipline	Refraining from negative behaviours, following through on tasks
6.	Facilitating peer and team Performance	Being a good team member, working well with other members
7.	Supervision/ leadership	Effectively supervising and leading others
8.	Management/ administration	Effectively organising and keeping track of critical information

2.2.1.2 Murphy's Model of Job Performance

Murphy's (1994) model of job performance was particularly developed to facilitate understanding of job performance in the United States Navy. Even so, the performance dimensions are still pertinent to any standard job. In contrast to Campbell's model, this model splits performance into four dimensions: task-oriented behaviour, interpersonally oriented behaviour, down-time behaviour, and destructive/hazardous behaviour. The characteristics of the model are summarized in Table 2.2.

Table 2.2: Murphy's Model of Job Performance

No.	Performance Dimensions	Description
In role		
1.	Task-oriented behaviours	Performing major task associated with the job
Extra role		
2.	Interpersonally oriented behaviours	All interpersonal transactions that occur on the job
3.	Down-time behaviours	Behaviours outside of work that affects job performance (drug use, alcohol consumption, extra jobs)
4.	Destructive/ hazardous behaviours	Safety violations, sabotage, accidents

According to Jex and Britt (2008), Murphy's (1994) four-dimension model is less helpful than Campbell's (1990, 1994) eight-dimension model because it was constructed to describe the job performance of the United States Navy. On the other

hand, Campbell's goal was to explain performance across a wider range of jobs. Murphy's model is also too general, so that it is difficult to determine factors that cause between-personnel differences for each performance dimension.

2.3 Underpinning Theories

Three theories underpin the research framework (Figure 1). The relationships between the independent variables (human resource management practices, transformational leadership, organizational citizenship behavior) and mediator (work motivation) are informed by the Social Exchange Theory (SET) and the Job Demands-Resources (JD-R) model. Meanwhile, the link between the mediator (work motivation) and dependent variable (job performance) is informed by the Work Performance Theory and JD-R model. Both theories also underpin the link between the independent and dependent variables. The three theories are discussed in more detail below.

2.3.1 Work Performance Theory (Bumberg & Pringle, 1982)

Work performance theory describes three dimensions influencing employee job performance: opportunity, capacity, and willingness (Blumberg & Pringle, 1982; Kawedar, 2015). Opportunity significantly influences employee job performance. Variables related to opportunity are work design, work systems and procedures, leadership, relationships with colleagues, information systems, and organizational policies (i.e., human resource management practices). Capacity refers to an individual's capability, motivation, work attitude (i.e., organizational citizenship behavior), knowledge, skills, level of education, health, age, intelligence, skills, and expertise. The capacity dimension is a driving factor for someone to do work according to his ability. If an employee works not according to his capacity, he would tend to have low

productivity. Therefore, to increase employee productivity, an organization must increase employee capacity through trainings, workshops, and seminars. Willingness is an antecedent of job performance that is strongly influenced by motivation. In other words, the higher the motivation of an employee, the more the goals that can achieved by the organization.

2.3.2 Social Exchange Theory (SET)

SET views the feelings of employees, such as loyalty, commitment, and discretionary efforts, towards the organization as forms of social reciprocation (Saks, 2006). Social exchanges tend to entail unspecified obligations. They are voluntary actions between two or more parties. When a person volunteers to do a favour for another, he expects to receive some return in the future. The form of this return is often unclear, and it is not known when it will occur. The return is up to the discretion of the one who makes it (Blau, 1964; Wayne, Shore & Liden, 1997; Gould-Williams & Davies, 2005).

Obligations take a long time to be fulfilled and are generated through a series of interactions between parties who are in a reciprocal, interdependent state. According to Saks (2006), the fundamental principle of a social exchange is that the relationship between parties develops over time into a trusting and loyal mutual commitment, as long as these parties abide by certain rules of exchange. Kahn (1990) argued that when employees receive economic and socioemotional exchange resources from their organization, they feel obliged to reciprocate with greater levels of engagement with the organization and to repay it with good performance. Eisenberger and Huntington (1986) argued that when employees perceive that their organization values their efforts, recognizes their contributions, commitment and investment, and cares about their

wellbeing, they will feel obligated to reciprocate with a positive attitude, behaviour, and superior efforts to help their organization achieve its objectives (Eisenberger et al., 2001).

2.3.3 Job Demands-Resources (JD-R) Model

The JD-R model is developed based on the Job Demands–Control model (Karasek, 1979) and Effort–Reward Imbalance (ERI) model (Siegrist, 1996). The JD-R model describes the process by which health and well-being are related to the combination of one's resources and job demands (Schaufeli & Taris, 2014). The JD-R model proposes two broad job characteristics that independently influence employee wellbeing. First, job demands are defined as job aspects that require sustained effort and that are associated with physiological and psychological costs. Second, job resources are defined as factors that enable the achievement of work goals, reduce job demands, or stimulate personal growth and development (Bakker & Demerouti, 2014).

Job demands are those aspects of the job that involve substantial physical, cognitive, or emotional effort, for example time pressure, work overload, work-home interference, job insecurity, and conflict with coworkers (Bakker, Hakanen, Demerouti & Xanthopoulou, 2007). Job demands are related negatively to individual performance. While they are not aggravators, they may become stressors when a sustained elevated effort is required to meet work-related demands and when health recovery is inhibited (Demerouti & Bakker, 2011). The general idea is that job demands drive negative well-being outcomes, such as burnout or stress (Bakker & Demerouti, 2007).

Job resources are defined as "initiators of a motivational process" (Demerouti & Bakker, 2011, p. 1) that can act as motivators. Based on the definition, it can be said that job-related factors at the level of organization, interpersonal or social relations, task,

and organization of work (e.g., role clarity) can be referred to as job resources. Some examples of job resources are organizational and social support, growth and career advancement opportunities, autonomy, role clarity, and performance feedback (Bakker et al., 2005; Barkhuizen et al., 2014; Boyd et al., 2011; Rothmann & Jordaan, 2006). Critical job resources include social support, pay, and benefits (Bakker et al., 2003; Dwyer & Fox, 2006). Job resources may play an extrinsic and an intrinsic motivational role because they foster learning and personal growth and are instrumental in accomplishing tasks (Deci & Ryan, 1985). According to the JD-R model, job resources have the potential to motivate employees, increasing their performance and engagement while lowering their cynicism (Bakker & Demerouti, 2007). Energy, involvement, and efficacy are increased by job resources through engagement, boosting individual performance (Demerouti et al., 2001). Job resources may also mitigate the negative effect of job demands and improves motivation when job demands are high.

In conclusion, the JD-R model is a very powerful framework in explaining the antecedents of job performance (Bakker & Demerouti, 2016; Demerouti & Bakker, 2011). The JD-R model provides a flexible theoretical tool for conceptualizing key aspects of the work environment, explaining and predicting a wide range of work-related outcomes, including stress, burnout, work engagement, organizational commitment, job satisfaction, and productivity (Bakker, 2011). Specifically, the JD-R model explains and predicts employee well-being and job performance in all work environments.

2.4 Determinants of Job Performance

2.4.1 Human Resources Management (HRM) Practices

According to Osibanjo and Adeniji (2012), HRM is a substitute for the term personnel management in organizations. Experts like Armstrong (1987) described HRM as "old wine in new bottles", while Guest (1987) argued that HRM is not a replacement but somewhat differs from personnel management. Practically, human resource (HR) tasks mainly concern administrative activities, such as recruitment, reward systems, promotion, and so on. However, it does not make HR administrators "have a seat at the table", meaning that HR administrators are not regarded as a strategic business partner and therefore does not contribute to the success of the business.

HRM is defined as a system of activities and strategies concerning the management of employees at all levels of an organization to achieve organizational goals (Byars & Rue, 2006). Storey (1995) defined HRM as "a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce, using an integrated array of cultural, structural and personnel techniques". Byars and Rue (2004), meanwhile, defined HRM as "activities designed to provide for and coordinate the human resources of an organization." In addition, Boxall and Purcell (2000) explained that "HRM includes anything and everything associated with the management of employment relationships in the firm." The phrase "anything and everything" encompasses a wider range of issues, including policies, such as employment contract, and ways in which employees may be involved and participate in areas not directly covered by the employment contract, thus ensuring suitable work life. Further, it goes beyond employment relations or industrial relations, which personnel management would not have been able to render in organizations. Other researchers such as Jones,

George, and Hill (2000) have defined HRM practice as the activities performed by managers to attract, retain, and manage the performance of employees so that they contribute to achieving organizational goals.

There are four crucial components of HRM (Guest, 1987):

1. Commitment: Employees are expected to identify and align with the interests and goals of the organizations and be committed to achieve them.
2. Flexibility: Employees are expected to willingly adapt to changes within the organizational structure without any strife or prejudice.
3. Quality: Organizational performance depends on the quality of personnel and management of an organization.
4. Integration: Matching human resources strategies to the needs of the business strategy.

HRM practices consist of various organizational practices, such as selection, reward, recognition of employees, training, employment structure, opportunities, compensation, benefits (Chew & Chan, 2008; Kochachathu, 2010), performance appraisal, and employee security (Lee & Lee, 2007; Hong et. al., 2012). This study only focuses on four HRM practices, namely compensation, training and development, career development, and work-life balance (Noe, John, Berry, & Wright, 2010).

Compensation is a reward system that a company provides to individuals in turn for their willingness to perform various jobs and tasks within the organization (DeNisi & Griffin, 2001). Employees must be given appropriate and equitable rewards so that they feel valued. The reward should also match their skills, abilities, and contribution to the firm (Fisher et al., 1999). Compensation, benefit, and financial and non-financial rewards are given to the employees by employers (Deeseler, 2008). Compensation is one of the most effective means used by an organization to retain valuable employees

(Khan et. al., 2011). It motivates employees to be more committed to their work, ultimately enhancing retention (Moncarz et al., 2009, Osibanjo et. al., 2014). In the Malaysian public sector, Azmi et al. (2009) claimed that competency-based pay is offered in the public sector under Sistem Saraan Malaysia (SSM). The Public Service Department Malaysia (PSDM) (2004) described competency-based pay as a system where one's pay is determined based on his competency or performance. In this system, employees are entirely responsible for their individual development (Azmi et. al., 2009).

Training refers to any event organized by an organization to enhance employees' competencies (knowledge, skills, affective) so that they can perform their current task. Development refers to any event organized by an organization to enhance employees' competencies (knowledge, skill, affective) to prepare them for a future job (Noe, 2017). Training has a number of positive effects on financial and non-financial performance. These effects might be much broader than the results of many previous studies suggest. These effects have important theoretical and managerial implications (Thang & Buyens, 2010). Nowadays, training is an essential part of the business world because it increases the efficiency and effectiveness of both employees and organization. Employee performance depends on various factors, the most important of which is training. Training is important to enhance the capabilities of employees. Employees who have more on-the-job experience perform better because of their higher skills and competencies than those with less experience (Ul Afaq & Khan, 2011).

Career Development Association of Alberta (2012) defined career development as the lifelong process of managing learning, work, leisure, and transitions in order to move towards a personally determined and evolving preferred future. Leibowitz et al. (1986) posited that career development involves an organized, formalized, and planned effort to achieve a balance between the individual's career needs and the organization's

workforce requirements. The findings support McGraw (2014), who argued that the effective implementation of individual career management processes significantly enhances employee competency and improves individual performance. They are also consistent with the empirical findings of Kapel and Shepherd (2004), who contended that a well-designed career development system enables organizations to tap their wealth of in-house talent for staffing and promotion by matching the skills, experience, and aspirations of individuals to the needs of the organizations.

The term work-life balance usually refers to organizational support for dependent care, flexible work options, and family or personal leave (Estes & Michael, 2005). Work-life balance practices aid employees to balance their work and family demands, which in turn lead to higher employee productivity and significant business improvements. Organizations providing work-life balance may generate cost savings by offering lower salaries and attracting greater investments. Productivity may be enhanced as a result of workers either exerting greater effort in order to retain desirable benefits or simply working at their peak hours (Beauregard, Alexandra, Henry & Lesley, 2009).

HRM practices are important to organizations and employees. The literature has frequently highlighted their significance to organizations. HRM practices are a series of integrated decisions that form an employment relationship (Asiah, 2018). Quality, effective, and generous packages contribute to the ability of organizations to bond their employees so as to achieve their objectives (Haines et. al., 2010). Kalsom et al. (2020) argued that good HRM is significantly linked to productivity. This, in turn, reinforces the premise that human resources are a vital source of achieving sustainable competitive advantage. Collins and Clark (2003) also examined the effect of HRM practices on organizational performance and competitive advantage among 73 high-tech companies.

Similarly, Lawler (2008) concluded that HRM strategies influence competitive advantage by managing, directing, and motivating employees in an efficient manner in any organization. Jerby (2013) emphasized the usefulness of HRM strategies dimensions, i.e., functional analysis, human resources planning, human resources attraction, training and development, career planning, and human resources performance assessment, to achieve sustainable competitive advantage. These dimensions all form the sources of value creation and help to strengthen employee motivation, capabilities, skills, and organizational loyalty.

The literature has likewise showed the significance of HRM practices for employees. HRM practices are essential because they can generate positive attitude and behavior among employees, such as willingness to remain in an organization. Scholars argued that an individual's decision to become and remain a member of an organization is determined by his perception of HRM practices (Tangthong et. al., 2014; Rathnaweera, 2010), such as attractive compensation package (Osibanjo et. al., 2014; Nawab & Bhatti, 2011; Parker & Wright, 2001; Walker, 2001), organizational justice (Rampfumedzi, 2009; Meyer & Smith, 2000; Bushe, 2012; Ramlall, 2004), job security (Fauzi et. al., 2013), and recognition of employee capabilities, performance and contributions (James & Mathew, 2012; Walker, 2001). Other HRM practices that can influence employee retention are career development opportunities (Cappelli, 2000; Bhatnagar, 2007; Bushe, 2012), work-life balance (Cappelli, 2000; Walker, 2001), and opportunity to attend training and development programs (Bhatnagar, 2007; Ramlall, 2004), such as social programs for new employees (Davies, 2001).

HRM practices are also able to induce positive job performance from employees. Several studies have found the positive relationship between HRM practices and job performance. Alsafadi and Altahat (2020) found that HRM practices have a positive

effect on employee performance in Jordanian commercial banks. Rodjam et al. (2020) also found a positive relationship between HRM practices, employee performance, and job satisfaction in Thailand pharmaceutical companies. In addition, Tabiu and Nura (2013) found that HRM practices and activities significantly influence employee job performance in Usmanu Danfodiyo University, Sokoto, Nigeria. The study argued that effective HRM practices enable university employees to contribute productively and effectively for the achievement of its objectives and goals. Two additional studies showed that HRM practices have a positive and significant effect on employee job performance in the steel and software industries (Ichniowski et al., 1997; Paul & Anantharaman, 2003). However, the link between HRM practices and job performance is still inconsistent, as some studies found a non-significant relationship between both. For instance, Monalis et al. (2020) found that HRM practices do not influence job performance in the automotive industry. Kasenda et al. (2016) also revealed that HRM practices have no significant effect on the performance of public sector employees. These inconsistent findings necessitate further study to validate the relationship.

HRM practices can also improve employee work motivation. According to Ozkeser (2019), HRM practices is a key positive determinant of work motivation in an organization. Celik and Gullu (2016) argued that HRM practices have a positive effect on the work motivation of employees in the banking sector. The results showed that banks with good HRM practices improve employee motivation. While the relationship between human resource management practices and work motivation has been examined in certain contexts, e.g., the automotive (Ozkeser, 2019) and tourism industries (Celik & Gullu, 2016), it has not been examined in the context of state-owned construction firms, such as BUMN Karya. The goals and work system of such firms are

dissimilar to the firms operating in the automotive and tourism industries. Based on the discussion, two hypotheses were proposed:

H1: HRM practices are positively related to job performance.

H2: HRM practices are positively related to work motivation.

2.4.2 Transformational Leadership

According to Abdulrab et al. (2020), transformational leadership is a form of leadership that generates awareness and acceptance among subordinates, enables their followers to develop, encourages them to go beyond their needs to accomplish the organizational goals, and motivates them through the leader's behaviors of idealized influence, inspirational motivation, intellectual stimulation and individualized consideration (Avolio & Bass, 1995). Transformational leadership is a process that changes and transforms people. It is concerned with emotions, values, ethics, standards, and long-term goals. It includes assessing followers' motives, satisfying their needs, and treating them as full human beings (Northouse, 2017). Al-Tahitah et al. (2017) described transformational leadership as a form of leadership that transforms followers to rise above their self-interest by altering their morale, ideals, interests, and values, motivating them to perform better than expected (Bass, 1985).

Transformational leadership theory describes four dimensions of leadership behavior: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass Bernad, 1985). Idealized influence means that the manager is an exemplary role model for associates. A manager with idealized influence can be trusted and respected by associates to make the right decisions for the organization. Inspirational motivation means that the manager motivates associates to commit to the vision of the organization. A manager with inspirational motivation

encourages team spirit to reach organizational goals. Intellectual stimulation describes a manager who encourages innovation and creativity by challenging the common beliefs or views of a group. A manager with intellectual stimulation promotes critical thinking and problem solving to make the organization better. Individual consideration describes a manager who acts as coaches and advisers to the associates. A manager with individual consideration encourages associates to reach goals that help both the associates and the organization.

Transformational leadership can lead to the positive work attitude and behavior of employees. Previous studies have indicated that transformational leadership has a positive effect on organizational citizenship behavior. MacKenzie, Podsakoff, and Rich (2001) argued that transformational leadership is strongly related, both directly and indirectly, to organizational citizenship behavior. The inspirational and changing nature of transformational leaders play an important role in offsetting follower neuroticism and introversion and providing guidance for such employees in performing more organizational citizenship behaviors (Guay & Choi, 2015). Zacher and Jimmieson (2013), Koh, Steers, and Terborg (1995), and Jha (2014) asserted that transformational leadership behaviors have a strong positive effect on organizational citizenship behavior. Furthermore, transformational leadership plays a critical role in building positive feelings in followers, which enhance favorable attitudes and behaviors and encourage them to perform their work effectively as good citizens of the organization (Karadag, 2015; Suliman & Al Obaidli, 2013; Tai et al., 2012).

In addition, transformational leadership has been recognized as a vital leadership style that can enhance employee retention (Bass & Bernad, 1985). Indeed, higher transformational leadership lowers the employee turnover intention (Fu et. al., 2010; Hughes et. al., 2010; Olluokun, 2003). There are at least two reasons to explain this

positive relationship. First, transformational leaders boost employee commitment through the inspiration and high expectations they have for employees; through their vision for the organization; and through their support that fosters social support, teamwork, self-actualization, and goal achievement (Simosi & Xenikou, 2010). Second, transformational leadership encourages followers to carry out their work while stressing ideas, optimism, positive expectations, change, eagerness, and a general long-term plan (Bass & Avolio, 1995; Yukl, 1999). This type of leadership style can elevate followers to a higher level of thinking (Bass, 1985; Burns, 1978). Indeed, this type of leadership style fits promotion-focused individuals' directedness at an ideal self (Higgins, 1997), their preference for optimism and positive expectations (Higgins & Kram, 2001), their preference for focusing on a long-term time perspective (Forster & Higgins, 2005), working in changing situations (Liberman, Idson, Camacho & Higgins, 1999), and their eagerness to try out new things (Herzenstein, Posavac & Brakus, 2007).

Transformational leaders encourage employees through visionary motivation, moral modelling, charisma, and individualized consideration (Lan & Chong, 2015). According to Spreitzer (2008), psychological empowerment theory suggests that transformational leaders are important promoters of employee empowerment. Such leaders contribute towards the company's success and motivate employees to excel towards both organizational and individual goals (Spreitzer, 2008). Furthermore, they encourage psychological empowerment by creating confidence in their followers, developing their performance, enhancing the followers' abilities to capitalize on opportunities to make decisions, providing them with sufficient autonomy, and establishing meaningful and motivational objectives (Conger & Kanungo, 1988).

Susilo (2018) argued that a leader who practices the transformational leadership style can enhance employee motivation. Aunjum et al. (2017) found that there is a

positive and strong relationship between transformational leadership and employee work motivation. In other words, the transformational leadership style of a corporate leader will increase the work motivation of employees to contribute to the organization. There is also a significant relationship between transformational leadership and employee work motivation in the telecommunication sector in Punjab, Pakistan (Ahmad, Abbas & Rasheed, 2014). While several studies have established the relationship between transformational leadership and work motivation, further investigation is still necessary. Those studies were conducted in the context of banking (Aunjum et al., 2017) and telecommunication industries (Ahmad, Abbas & Rasheed, 2014). But the nature of this relationship has not been examined in the context of state-owned construction firms, such as BUMN Karya, whose goals and work system differ from the banking and telecommunication industries.

Finally, transformational leadership can improve employee job performance. The relationship between transformational leadership and job performance has been verified in previous studies. Hee et al. (2018) found that transformational leadership is positively related to employee performance in Malaysian public organizations. It does so by enhancing the employees' engagement at work and make them go the extra mile for the organization. Transformational leaders are also able to produce positive behaviors that encourage employees to drive performance. In addition, transformational leadership can enhance the commitment of followers (Al-Amin, 2017; Mwongeli, 2016; Andreani & Petrik, 2016; Özer & Tınaztepe, 2014; Choudhary, Akhtar & Zaheer, 2013). Even so, it bears noting that the empirical evidence regarding the relationship between transformational leadership and job performance has been mixed. For instance, Muarif (2015) found no significant link between the two variables in the banking sector. Gulo and Yupiter (2014) found a similar result in the freight forwarder industry. Therefore,

further investigation needs to be carried out in other contexts to verify the relationship. Based on the discussion, two hypotheses were proposed:

H3: Transformational leadership is positively related to job performance.

H4: Transformational leadership is positively related to work motivation.

2.4.3 Organizational Citizenship Behavior

According to Organ (1988), organizational citizenship behavior (OCB) is the behavior of an individual that is neither discretionary nor directly or explicitly recognized by the formal reward system. It plays a role in promoting the effective functioning of an organization. OCB refers to an employee's choice of what can be done and of what should be done. The latter is related to whatever lies beyond their specified contractual obligations (Organ, 1988). Studies on OCB go back to the early 1980s (Bateman & Organ, 1983; Smith, Organ, & Near, 1983). Since then, researchers have distinguished between two dimensions of employee behavior, namely general compliance and altruism (Bateman & Organ, 1983; Smith et al., 1983). The concept of OCB then underwent several transformations. In his review, Organ (1988) identified five dimensions of OCB in the literature: altruism (assisting specific others); civic virtue (keeping up with important matters within the organization); conscientiousness (compliance with norms); courtesy (consulting others before taking action); and sportsmanship (not complaining about trivial matters). Organ (1997) later classified the dimensions of OCB into three: helping, courtesy, and conscientiousness.

Asiah (2018) argued that OCB is measured by four dimensions: altruism, helping, sportsmanship, and civic virtue (Paille, 2009). Altruism refers to voluntarily helping others with a specific work-related task, such as helping a co-worker with a heavy workload (Organ, 1997). Helping behavior is targeted at only others to alleviate their

struggles with work-related problems or to prevent problems from appearing in the first place (Organ et. al., 2006). Sportsmanship means enduring hardship and interference without complaining (Organ, 1988), keeping a positive attitude when things do not go as planned, and not taking offense when others reject one's suggestions and ideas, thus boosting determination and workgroup morale (Podsakoff, MacKenzie, Paine, & Bachrach, 2000; Lo et. al., 2009). Civic virtue is keeping oneself knowledgeable about the organization as a whole rather than merely focusing on one's job or department (Organ, 1988; Hart et. al., 2016). Williams and Anderson (1991) provided a classification of organizational citizenship behavior from two different perspectives. First, behaviors which are oriented towards certain people in the organization, such as courtesy and altruism (OCBI). Second, behaviors related to how to benefit all people in the organization.

OCB is an important behavior that can contribute to organizational effectiveness. Abdulrab et al. (2018) argued that OCB is one of the important determinants that contribute to overall organizational effectiveness and success in a competitive environment (Chan, 2014; Organ, 1988). OCB may improve organizational performance by increasing manager and employee productivity (Purnama, 2013). Shim and Rohrbaugh (2014) described OCB as a collective engagement that contributes to the effectiveness and advancement of an organization.

OCB may also lead to positive work attitude among employees. Hanafi (2018) found that OCB has a significant effect on the work motivation of public sector employees. Barbuto and Story (2011) found a positive relationship between OCB and self-concept internal motivations in the agricultural industry. Further examination, nonetheless, is still necessary because this relationship has been examined only in the public sector (Hanafi, 2018) and agricultural industry (Barbuto & Story, 2011). This

relationship still needs to be verified in the context of state-owned construction firms, such as BUMN Karya, whose goals and work system differ from those of the public sector and agricultural industry.

The empirical literature suggests that OCB has a significant effect on job performance. Dinka (2018) found that the altruism, conscientiousness, and civic virtue dimensions of OCB are positively and significantly correlated with job performance at Dire Dawa University. A Jordanian study also revealed the positive and significant influence of OCB on job performance (Al-Mahasneh, 2015). However, some studies found no significant relationship between both, e.g., Hanafi et al. (2018) in a sample of public sector employees. These inconsistent findings necessitate further investigation of this relationship in different contexts. Based on the discussion, two hypotheses were proposed:

H5: OCB is positively related to job performance.

H6: OCB is positively related to work motivation.

2.4.4 Work Motivation

Pinder (2008) defined motivation as a set of energetic forces that originate both within and without an individual's being to initiate work-related behavior and to determine its form, direction, intensity, and duration. Work motivation describes those cognitions, effects, and behaviors that employees utilize to succeed at their job. They dedicate time, effort, and capital towards participation in work arrangements (Kanfer et al., 2013). This type of motivation encourages employees to engross themselves further in their job, using their skills, knowledge, time, and effort to the organization's advantage by accomplishing tasks (Hirschfeld & Field, 2000; Kanfer et al., 2013).

There are three main theories of motivation: (1) Herzberg's two-factor theory, (2) Maslow's theory, and (3) the goal-setting theory. Herzberg's (1966) two-factor theory labels need in terms of satisfaction and dissatisfaction. Herzberg examined motivations in the light of job content and contest and viewed motivating the workforce as a two-step process of providing elements of hygiene and then adding motivators.

According to Herzberg, motivators are those factors that fulfil an individual's needs for meaning and personal growth. Motivators include achievement, recognition, work itself, responsibility, advancement, and growth (Kongala, 2013: Mawoli, 2011). According to Herzberg, motivators can be considered as job turn-on. They play an essential role in contributing to substantial improvements in work performance and move employees beyond satisfaction to higher performance.

Hygiene factors match Maslow's physiological, safety, and social needs in that they are extrinsic or peripheral to the job. They are present in the work environment of the job context (Cacanas, 2005). Hygiene factors include company policy and administration, supervision, relationship with supervisor, working conditions, personal life, salary, relationship with subordinates, status, and job security. According to Adeyemo (2000), Herzberg uses the term hygiene for these factors because they are preventive in nature. In other words, they will not necessarily produce motivation, but their absence can prevent motivation from emerging and result in employee dissatisfaction (Cacanas, 2005).

Maslow's motivational theory is constructed on the notion that individuals are motivated through a series of five general needs which are hierarchically classified based on the order in which they affect people's behavior (Kongala, 2013). The first level is physiological needs, which include food, water, and comfort. These needs are the most basic needs of an individual. In an organizational context, they can be satisfied

through monetary means. The second set of needs is safety, which relates to the need for stability, security, and a feeling of absence of harm. This kind of need could be satisfied through benefits. The third set of needs is social needs, which are the desire for affiliation, for instance belonging and friendship. The organization can fulfill employees' social needs through social activities, such as parties, sports teams, and celebrations. A manager can also assist in satisfying social needs by showing direct attention and concern for staff members. The fourth category is esteem needs, which are the aspiration for self-respect and recognition from others. These needs could be fulfilled by matching the employee's skills and capabilities to the job. A manager can assist in satisfying these needs by showing appreciation for the employee's work. The fifth category of needs, self-actualization needs, is the desire for self-fulfilment and recognition of the person's potential. A manager could assist to satisfy self-actualization needs by assigning jobs that challenge employees' minds while drawing on their ability and training.

The third theory of motivation is the goal-setting theory (Locke et al., 2002). The theory emphasizes the importance of rewarding employees to obtain peak performance. The theory draws a direct correlation between goal setting and task performance. Goal setting takes place in an employee–management structure, in that the goals are communicated to the employee and a venue is established to provide the employee with suitable feedback that contributes to the employee's and the organization's performance. This process gives the employee direction and details the path the employee must take to successfully complete all tasks. The more specifically defined the goal, with a timeline and measurable results, the greater the performance will be (Lerner & Locke, 1995). Drucker (2006) suggested that managers should ensure that employees at all levels are suitably equipped and trained for their assigned goals.

Motivation is very important because this individual factor can influence job performance. Perry, Hondeghem, and Wise (2010) argued that when individuals in public services are more motivated, they will make greater effort at work, which eventually results in higher performance. However, Eyal and Roth (2011) argued that to influence the individual's performance, managers need to be more understanding and have good background knowledge about motivation policies. In addition, managers should consider the fact that what influences and helps some individuals may not have the same effect on others. Therefore, managers need to make correct assumptions about each staff member and situation to identify what motivates them to perform (Eyal & Roth, 2011).

According to Alfagira (2018), work motivation is positively related to job performance. A study in the context of commercial banks in Kenya found a positive relationship between work motivation and job performance (Omollo, 2015). Another study also showed a significant and positive relationship between work motivation and job performance (Shahzadi et al., 2014). Further investigation of the relationship is still needed because it has only been examined in the banking (Omollo, 2015) and education sectors (Shahzadi et al., 2014). The relationship still needs to be examined in other contexts, such as state-owned construction firms. Based on the discussion, the following hypothesis was proposed:

H7: Work motivation is positively related to job performance.

2.5 Work Motivation as a Mediator

Based on the discussion in Section 2.3, work motivation could mediate between HRM practices, transformational leadership, OCB, and job performance. These relationships have not been examined in the literature as a single framework. The

mediating effect of work motivation has only been examined in other relationships. For example, work motivation mediates between organizational system and job performance among public sector employees in the United Arab Emirates (Al-Naqbi, Yusoff & Ismail, 2018). Evelyn, Muathe, and Kilika (2018) found the mediating effect of work motivation between job characteristics and employee job performance. In addition, work motivation mediates between employee competence and job performance (Haluk, Rante, Risamasu & Syauta, 2016). These studies suggest that work motivation may mediate between HRM practices, transformational leadership, organizational citizenship behavior, and job performance. Thus, the following hypotheses were proposed:

H8: Work motivation mediates between HRM practices and job performance.

H9: Work motivation mediates between transformational leadership and job performance.

H10: Work motivation mediates between OCB and job performance.

2.6 Research Framework

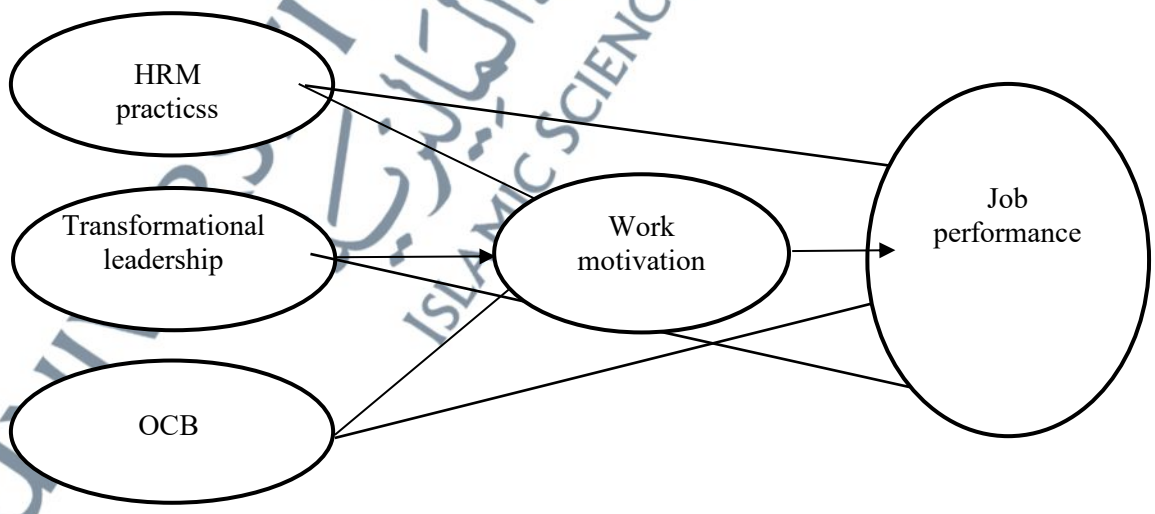

Figure 2.1: Research Framework

Figure 1 illustrates the research framework, which was developed based on the hypotheses proposed in Sections 2.3 and 2.4:

H1: HRM practices is positively related to job performance.

H2: HRM practices is positively related to work motivation.

H3: Transformational leadership is positively related to job performance.

H4: Transformational leadership is positively related to work motivation.

H5: OCB is positively related to job performance.

H6: OCB is positively related to work motivation.

H7: Work motivation is positively related to job performance.

H8: Work motivation mediates between HRM practices and job performance.

H9: Work motivation mediates between transformational leadership and job performance.

H10: Work motivation mediates between OCB and job performance.

There are five variables in this research framework. The independent variables are HRM practices, transformational leadership, and OCB, while the dependent variable is job performance. Work motivation is assigned as the mediator between HRM practices, transformational leadership, OCB, and job performance. The research framework has four paths. The first path is from the independent variables to work motivation; the second path from the independent variables to job performance; the third path from work motivation to job performance; and the fourth path from HRM practices, transformational leadership, and OCB to job performance via the mediation of work motivation.

2.7 Chapter Summary

This chapter has reviewed the literature related to the concept, model, and determinants of job performance. The underpinning theories have also been described. Following this, the chapter presents the research framework, which was developed based on the proposed hypotheses. Chapter 3 will provide a detailed discussion about the methodological aspect of this study.