THE INFLUENCE OF SKILL LEVELS ON JOB PERFORMANCE OF PUBLIC SERVICE EMPLOYEES IN MALAYSIA

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ABSTRACT

This study is to investigate the skill levels of the state government employees. The study proposed two predictor variables i.e. experiences and training perceptions associated with job performance. The questionnaire consisted of five pages close-ended was designed to measure (1) experience, (2) training perceptions and (3) job performance. Factors 1 to 2 are the independent variables and factor 3 is the dependent variable. The questionnaires were then distributed to 150 excellent state government employees via their administrators. 135 sets were completed and used for data analysis- yielding a response rate of 90 per cent. The data solicited were then analyzed using SPSS software where a correlation analysis was done to see whether there were relationships between predictor variables and job performance. None of the predictor variable was found to have positive relationships with the performance. This situation showed that skill levels of the employee have no effect on their performance.

Key words: State Government employees; skill levels; performance

1. INTRODUCTION

Performance is viewed as the implementation of an action or one’s ability. Good performance is also related with achieving the quality, quantity, cooperation, dependability and creativity. Employee performance is considered as the measures of the quality of human capital which was held by the organization and is a key thrust in the Ninth Malaysia Plan. According to Churchill, Ford and Walker, (1987), the determinants of performance are personal, organizational, environmental, motivation, skill level, aptitudes and role perceptions. The quality of employees is the important influence on performance. The
person with high skill will succeed. Naturally, who possesses a high skill level will succeed i.e. a person with high skills in job knowledge (unique skills, intelligence and work methods) will succeed in his task/job. To the state government, employees’ job performance is very important because it will reflect the government performance. Employee performance standards were designed by the government to measure the performance of the organizations. Job performance becomes the most important focus of administrators and academicians because the performance level will deteriorate if the level of skill of employee drops.

Employee is believed to be the “backbone” of the state government services with imperative role of ensuring that government policies and programs in the new era of National development are implemented effectively and efficiently. As a matter of fact that most administrative in government agencies including state government will face with a crucial question of what factors influence employee performance and inadequate empirical information that might guide their efforts in enhancing overall job performance among employees. In 2002, Malaysia government has introduced a new evaluation system called the Malaysian Enumeration System (MES) on its employees replaced with New Enumeration System (NES). Under NES, employee would receive bonuses and more than one annual increment if he/she has been favorably evaluated by their superordinates. Under the NES also, the quota of five percents of the total number of employees in the whole organization was set to be eligible to recipients of the reward for excellent work performance. However, under the MES there was no such quota but would required certain criteria in evaluating work performance among employees such as the need to attend courses and to pass a few exams. In view of evaluating employee job performance at the work place, therefore, it is of interest the researcher to conduct a study to examine the relationships between the skill levels of employee and job performance. Comprehensive examinations into the possible factors that can predict employee skill level in the East Coast state government departments are imperative in this study.

These have been several reasons in pursuing this research. Firstly, the skills of employees are significant in public services because this factor will help the government to extend the services. The findings of this research will help the administrators to receive more information or guidelines on how to train their staff. Secondly, the findings of this research are important to the development of organization’s management strategy, where a few researches have been carried out before. Public services sector in Malaysia has shown a marked improvement in its services performance over recent years. The dynamic future of public services sector is move closer to the forefront of Malaysian economic activities. This study is intended to promote a better theoretical understanding and recognition of the complexities associated with overall job performance. Moreover, it can contribute significantly towards future theoretical advancements in public services models.

2. LITERATURE REVIEW

Job performance is a function of ability and motivation the industrial and organizational psychology (Campbell and Pritchard, 1976) and is the interrelationship between three main components i.e., motivation, skill levels, attitudes, demographic and organizational (Churchill, Ford
Meanwhile skill level is the ability to accomplish some phase of management work. Skills are learned and developed with experience, training and practices (Anderson, 1977). Experience of employee is a measure for skill levels. An employee is expected to improve his/her skill level depends on the length of time employed with the organization. The longer the time employed, an employee would be more experience and better skill obtained. Therefore, may increase his/her productivity and job performance. Certainly, a person with previous experience is frequently employed by employers to fit for the knowledge and skill that contributes to performance. Experience allows the accumulation of skills and knowledge that make an employee productive and valuable (NikKamariah, 1997).

According to Bergmann (1986), people can make contacts, learn new skills and gather information that promotes future performance potential during work experience. A number of personal variables have been identified in the literature. For example, Churchill, Ford, Hartley, and Walker (1985) propose that experience and skill can be important determinants of job performance. An experience of salesperson has been posited as another important predictor of job performance (Behrman and Perreault, 1984). A study by Bartkus, Peterson and Bellenger (1989) found experience of 245 real estate salespeople was positively effect on performance. It suggests that more experience of the people results in high level of performance.

Naceur and Varatharajan (2000), investigates the relationship between participation on job performance among managerial employees in the Public Service Department in Malaysia shown to have significant positive association with experience and employees participation and job performance. Likewise, Almeida et al (2003) examining the relationship between experience and performance frequently treat work experience as a substitute of knowledge. Dokko, Wilk and Rothbard (2008) proposed psychological theory to propose sociocognitive factors that interfere with the transfer of knowledge and skill acquired from prior work experience. The finding shows that task-relevant knowledge and skill mediates the relationship between prior related experience and job performance. The study also suggests that the positive effect of prior related experience on task relevant knowledge and skill is attenuated by higher levels of experience within the current firm.

Another indicator of skill level is training. Training has become an integral part of organizational life as organizations devote a great deal of effort, manpower, and money in the development and utilization of training programs (Mullins, 1992). Training should be designed and conducted to enhance the competencies and skill sets and to instill necessary attitudinal and mindset changes of the workforce to ensure the effective and efficient delivery of quality outputs to its stakeholders and customers. Human capital or employee needs to include the transformation and upgrading of skills for those who are already in the work for the development of the organization. Due to on-going and time-consuming nature of training, large amounts of money are usually allocated to build and upgrade training institutes to extend the capacity of training in vocational skill. Henceforth, administration needs to justify training activities and benefits because of the high costs involved. Training and development under human resource development is a vital part in an organization which is needed to maintain and improve the capability and capacity in delivering services under public sector workforce. Managements should planning and arrange training to adapt skills for future organizational needs, improve individual job...
satisfaction, redeploy staff, and enhance career and employment prospects and to take advantage of technological progress by giving priority to the training needs and continuous staff training.

Seeing that Malaysia is forging forward into realizing its vision, goals and objectives which declared in its macro policies and development plans, the Malaysian Public Service is needed to be a player as a pace setter, facilitator, regulator and strategic integrator in cooperation with the private sector and the third sector such as the community-based organizations. These are important to meet the challenges posed by the changing environment due to globalization, liberalization of economy and rapid technological advancement. View to this, public service personnel under its training and development has been given due emphasis. Training activities undertaken by the Malaysian Public Service are guided by a Training Policy as spelt out in the Service Circular No. 6/1984. The main objectives of the Training Policy are: - i) to develop capable and qualified officers; ii) to ensure enhancement of skills, efficiency and productivity; iii) able to provide high quality results; and iv) to develop employees who are able to produce output of high quality.

Nkebem (2009), investigates the relationship between in-service training and librarians’ job performance of 11 university libraries in Nigeria. The result shows a significant relationship between in-service training and job performance. Another study by Sergio, Salvador and Jose, (2002) examines the effects of sales training on sales force performance in the context of small and medium-sized companies (SMEs). The study on 202 organizations showed that sales training effects on sales force performance. In a different study, a number of individual antecedents of training motivation were examined in looking at factors contributing to job process and job motivation (Carlson, Bozeman, Kacmar, Wright and McMahan, 2000). The authors proposed five predictors of attitudes towards training, namely achievement motivation, training self-efficacy, organizational commitment, flexibility and self-esteem but three of the five (i.e., organizational commitment, achievement motivation and training self-efficacy) were not significant. However, the other two indicators (i.e., self-esteem and flexibility) had a significant effect on attitude towards training as predicted by the authors. These findings confirm similar findings reported in previous research by Baldwin and Ford (1988).

3. METHODOLOGY

3.1 Sampling and Data Collection

The respondents are the selected excellent service employees for the year 2003 of the three states government in Malaysia. About 50 employees from each state were given questionnaires on job motivation, skill levels and job performance. An important characteristic of the sampling procedure is to select all the excellent employees that have been favorably evaluated by their superordinates and also passes a few exams. In other words, the employees whom were considered as performed when they have salary progression for the year. This requirement is necessary to ensure that all respondents have some knowledge and experience in the jobs, so that they will able to answer the questionnaire accurately.

In administering the survey, stratified random sampling was used with the prerequisite of work location respondents. As the proposal proposed, the
questionnaires supposed to be distributed to the respondents by the researcher herself and mark the answer to avoid misrepresentation and bias. Since the policy of the state governments that did not allow disclosing the name of their employees, the questionnaires were then handed to the chief clerk at the office by the researcher, who then distributed the questionnaires to the individual employees. To ensure confidentiality of employee response, the questionnaires were given numbers corresponding to names only known to the chief clerks. Employees filled out the self-administered questionnaire and hand out to their chief clerks. Out of 150 questionnaires distributed, 135 sets were completed and used for data analysis, yielding a response rate of 90 percent.

3.2 Survey Instrument

The instruments of skill levels are (1) training perceptions, and (2) experience. Training perception used to determine skill level on the past training experienced by employees. The training perception scale used Catanello and Kirkpatrick, (1968) which comprised of 10-items in. The employee was asked to indicate his/her agreement on a 5-scale (Likert Scale) to 10 statements. The statements were categorized into 4 elements of training effectiveness that are learning, reaction, behaviour and performance achieved. Meanwhile, experience of employee measures skill levels on the length of time an employee is employed. The second part of the questionnaire was on the job performance which is (3) salary progression. Factors 1 to 2 from the independent variables and factor 3 is the dependent variable.

3.3 Job Performance

For the purpose of this study, the scope of discussions on job performance will cover the Malaysian remuneration system, which have been formulated and implemented by Malaysian Public Service in its efforts to upgrade and enhance its service delivery through the people. The Malaysian Remuneration System (MRS) has placed greater emphasis on knowledge acquisition, skills development and inculcation of good personal values among public service employees. Job performance need to comply with knowledge acquisition, skills development and of course good personal values and as rewards the employee will have an annual salary progression and promotion. This assessment on job performance in the study will be considered on employees’ that possess annual salary progression only. According to MRS, to possess annual salary progression, the employee need to attained 2 things; i) pass the specified test (skill development) and (ii) favorably evaluated by super-ordinates (good personal values).

4. FINDINGS

4.1 Profiles of the Respondents

A total of 135 responses were obtained in this study and secured for data analysis. There are seven (7) demographic characteristics which were discussed including gender, age, education, experience, monthly income, services grade and salary progression. From the table, the majority of the respondents are male (79.3%) as compared to female (20.7%). The average age of the respondent is above 40 years old and accounted for 74.1% (100 respondents). 25.2% respondents are in the ages of 30 to 39 followed by only 0.7% or only one employee in the 20 to 29 years age group. The composition of these respondents indicate that majority of the respondents who are excellent or performed in the job are from the elder age group.
In terms of the formal education attainment there is an unbalance distribution between those with tertiary education (8.9%/12 respondents) and secondary education (91.1%/123 respondents). The respondent’s job experience with is more than 15 years comprises 57.8% (78 respondents), 26.7% (36 respondents) with 10 to 15 years experience and 14.1% (19 respondents) with 5 to 10 years experience. Only 1.5% (2 respondents) has an experience of less than 5 year. From the study, more than half of the respondents (68.1%) who are excellent receive a monthly income of below RM2,000 consisting the Support 1 and Support 2 (45.9% and 46.7% respectively) service grade employees. Only 2.2% and 5.2% from the income group RM2,000 to RM2,999 and above RM3,000. Finally, achievement of performance by respondents’ is measured by the salary progression. Majority of the respondents (81.5% or 110) received a salary progression in 2004 and 18.5% or 25 employees received it in 2005.

4.2 Correlations of Predictor Variables with Job Performance.

This section examines to find out the contribution of the association between the predictor variables (experience and training) and employees job performance. One would expect that there would be some degree or correlations between job performance with experience and training. In this case, Pearson correlation analysis was used to find the relationship between the predictor variables and job performance. As shown in the Table 1, the results revealed that skill levels of the salespersons’ such as experience (r=-0.005) and training perception (r=0.003) were not significantly and not related to performance. Thus the Hypothesis 3 was rejected which suggest that even though an employee spent more time on training, it does not affect the performance. We can assume that from training, salespersons could increase their skills or knowledge, motivation and performance but it does contradict the finding under state government since there is no relation between skill levels and job performance.

Table 1: Pairwise Correlation Matrix for Skill Levels and Employees Performance

<table>
<thead>
<tr>
<th>Variables</th>
<th>Performance Target Achieved (N=135)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R</td>
</tr>
<tr>
<td>Experience</td>
<td>-0.005</td>
</tr>
<tr>
<td>Training</td>
<td>0.003</td>
</tr>
</tbody>
</table>

To summarize the discussion on the five (5) predictor variables such as gender, age, education, experience and training, it was found that none have correlation values. This reflected that those variables had no relationship towards job performance. This shows that job performance of state government employee was low. It was the same with relationship between experiences and training perception with skill level also shows no relationships hence a low performance job performance among state government employees.

According to Connolly and Sluckin (1962) the $r$ value 0.90 – 1.00 shows the positive and strong relationships, 0.70 –0.90 shows the good relationships, 0.40 – 0.70 shows the moderate relationships, 0.20 – 0.40 shows the low relationships and the value less than 0.2 shows the weak relationships. Table 13 shows that correlation between predictor variables and sales performance are at a positive relationships. However, only one variables was significant where $p<0.05$ level.
This study attempts to investigate employee performance from the perspective of employees’ skill levels. In particular, the study endeavors to identify which of employees’ demographic characteristics (gender, age and education) are significantly accountable for their performance. Together with this, the influence of predictor variables (skill level) was also examined. Finally, the study also investigates the relationship between predictor variables and employees’ job performance. Generally, the descriptive statistic analysis tabulates the differences of agreement for each question in terms of means, standard deviations and percentages. Second, t-test and ANOVA were run to see the mean differences in performance based on demographic factors of salespersons. All the three hypotheses were rejected. The result indicated that there was no differences in performance exist based on the employee demographic factors. Finally, correlation analysis was also done to see whether there are relationships between predictor’s variables and performance. All the predictor variables were found to have no relationships with the performance. As a summary, from the six hypotheses tested, none was accepted and these are summarized in Table 2 below.

Table 2: Summary of Hypothesis Tests

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Results</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: There are significant differences between employees’ demographic profiles and their job performance. Specifically; (H1a) - gender,</td>
<td>None</td>
<td>Not Supported</td>
</tr>
<tr>
<td>(H1b) - age group,</td>
<td>None</td>
<td>Not Supported</td>
</tr>
<tr>
<td>(H1c) – education</td>
<td>None</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H2: Employees’ skill levels are significantly related to their job performance. Specifically; (H3a) - experience and</td>
<td>None</td>
<td>Not Supported</td>
</tr>
<tr>
<td>(H3b) – training</td>
<td>None</td>
<td>Not Supported</td>
</tr>
</tbody>
</table>
5. CONCLUSION AND RECOMMENDATION

This study examines the relationship of the skill level on job performance. The result indicates that experience and training is not associated with job performance. Although employees in public service have no experience and training, they seem perform in their job like others. From the explanation of the results above, several suggestion can be identified that would be useful to researchers in public service sector. From the explanation and discussion of the results above, few areas of theoretical can be purposeful to enrich the body of knowledge pertaining to public service sector.

From the study’s finding, there is no direct association between training and employees’ performance but some implication for training could be suggested to the state government employees because majority of them are Malay and they need to be trained in areas such as motivation and services awareness. Special training program may be required to make them aware of the right qualities needed for servicing public. Continuous and effective training may strengthen the right services motivation in the state government sector. The administrator may require to plan and implement systematic manner to upgrade knowledge and skills on technological development and up-to-date management techniques by offering short and medium courses. Training also should be planned to develop expertise and specialized knowledge and skills required by public service. For the top management executives training should designed to develop management and organizational skills.

6. LIMITATIONS OF THE STUDY

This study has its limitations and therefore the results should be construed with a proper degree of concern. Firstly, the researcher was unable to have or see the list of respondents because of the government regulation that cannot exposed the list of excellent employees to public, the stratified random method was used. The researcher depends on the state government to distribute the questionnaire, the outcome could be biased. The technique used may not be precise and envoy of the total population. Biased responses resulted in biased assessment when relating predictors and criterion variables using correlation analysis. Upon applying the results of this study, it should be kept in mind that the field survey for this study was carried out at only three states in East coast of Malaysia. Employees in other states or other parts of Malaysia may have different working styles and orientations. Similar samples could have been obtained from other states in the country to represent the employee population in Malaysia. Finally, the findings of the study also focused on the honesty and support make by the respondents. In addition, the understanding from the respondents on the questions may differ since the researcher cannot brief them personally hence there is a chance that the returns results are from other perspective than proposed.

7. RECOMMENDATION FOR FURTHER RESEARCH

Since the present study used only motivation level and skill level as possible relationship of job performance, future research may include other factors such as personality factors to represent personality components in the model of employees’ performance such as personality factors, role
perceptions factors and also organizational factors. Future research also should embark on a longitudinal and make a comparison with this study. Longitudinal studies are significant to help us to investigate the extension towards the model of job performance. More importantly, it may enable an understanding on the effect of the relationship.

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