Role Ambiguity, Person-Job Fit and Job Performance Among Outsourcing Employees

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Abstract

The main objective of this study is to examine the relationship of role ambiguity, person-job fit and job performance among outsourcing employees. Past studies indicate that both role ambiguity and person-job fit has significant relationship with job performance. Thus, focus of this study is to discover and to examine whether such relationship exists among outsourcing employees, as their job performance will have direct impact on the employer’s contract. There were 200 questionnaires distributed and 183 respondent has participated in the survey. To test the hypotheses, multiple regression technique was employed. The result revealed significant relationship between the respective independent variables and job performance. The hypothesis testing indicates strong positive relationship of person-job fit and job performance but weak negative relationship between role ambiguity and job performance. The findings of this study will offer valuable insights to outsourcing company to strengthen the good HRM practices that will boost up the performance of their employees.

Key words: Role Ambiguity, Person-Job Fit, Job Performance

Introduction

In their pursuit of greater efficiency, many companies now choose to outsource their non-core business processes such as HRM functions to external service providers or vendors (Taylor, 2012). The advancements of communication technology and logistics have enabled outsourcing to cross international boundaries, to the benefit of developing countries. Malaysia in particular has emerged as one of the top international destinations for business process outsourcing (Sivalogathasan & Wu, 2013), which gives direct positive impact on the national economy and job opportunities (Ahmad, Anim, & Abd Razak, 2012). However, the said technological and logistical advancements also mean stiffer competition among outsourcing firms from various countries in winning outsourcing contracts. To survive and thrive in such environment, local outsourcing providers must therefore ensure their performance constantly meets or exceeds their clients’ expectations. Similar to any other organization, their firm’s performance in fulfilling the outsourcing contracts are largely dependent on the job performance of their employees. Hence, it is vital to ensure that the job performance of these employees (hereinafter referred to as ‘outsourcing employees’) is at satisfactory level in order to ensure the continuance of contract with the client companies.

Despite being one of the significant economic contributors to the nation, the dynamics of Malaysian outsourcing industry and outsourcing employees have been marginally explored (Ahmad, Anim, & Abd Razak, 2012). This includes the factors that contribute to the job performance of the outsourcing employees. Past studies in countries like Australia, India and Sri Lanka indicate that the key determinants of job performance and organizational commitment of outsourcing employees may be different from employees working in other sectors (Benson, 1998; Devi & Punitha, 2014; Sivalogathasan & Wu, 2013; Sugumar, Kumaran, Raj, & Xavier, 2013). Based on the authors’ brief survey, a significant number of outsourcing employees fail to perform at par with the host companies’ expectations, resulting in contracts not being renewed.
Among the factors that negatively contribute to an individual’s job performance is role ambiguity (e.g. Gahlan & Singh, 2014). For outsourcing employees, role ambiguity is often at high level as they often face conflicting expectations from the client or host company (Hodari, Waldhausen, & Starman, 2014). Aside from that, the authors’ interviews with HR managers from two local outsourcing companies reveal that uncertainty of one’s job function as among the most famous reasons cited during exit interview sessions.

The same HR managers also disclosed that many outgoing employees claimed that the given task are different on what they have been told during the interview and upon applying for job vacancy – which suggests low person-job fit level. As there are several studies linking low person-job fit with lowered job performance (e.g. Babakus, Yavas, & Ashill, 2010; Han, Chiang, McConville, & Chiang, 2015), this paper will examine whether the same applies to the local outsourcing employees.

**Literature Review**

**Outsourcing**

Outsourcing term is originally from the terminology “outside-resourcing”. It means to get resources from the outside, whilst resources can be referred as human (personnel) or functions in an organization. Duhamel and Quélin (2003) state that outsourcing is often complemented by a removal of material and human resources to the external provider. Outsourcing offered an opportunity to save on the costs of many human resource functions such as staffing, training, payroll and compensation. Outsourcing often gains an organization’s capability to concentrate on their core competencies. The proficiency of managing outsourcing employees came from a mixture of lower labor overheads and greater labor force (Jacoby, 1984).

Apart from working in separate establishments, outsourcing employees have also been used to replace for employees who are on leave, to fill in for a certain period of time whilst the company source for applicants to hire for a new core position, and to increase a company’s short term ability to handle an increased size in works that are outlying to core activities. However, outsourced employee may not enjoy the training and development initiatives of the host company, leading to lower competence level (Bourhis & Wils, 2001). Hippel et al. (1997) conclude that many outsourced employees actually wish for permanent position and enter contract employment with an expectation and hope to get permanence employment.

**Job performance**

Job performance, is defined as “the level of efficiency of an employees’ job-related performances” (Babin & Boles, 1998, p. 82). It gauges the level of accomplishment with regards to organizational objectives (Hersey & Blanchard, 1993). Employees' levels of stress may be an interpreter of employees’ job performance in an organization (Kreitner & Kinicki, 1998). In this case, if exposed to burnout, an employee is affected in terms of reduced job performance (Babakuş et al., 2009).

Scholars regard job performance as a crucial construct due to its role as a critical determinant of individual, team and organizational effectiveness (Campbell, 1990). The failure in prioritizing the importance of job performance can contribute to talent cost which in turn can contribute to damaging influence on other employees by disturbing and growing internal conflict (Noe, Hollenbeck, Gerhart, & Wright, 2006). According to Murphy (1989) different phases of job as well as the difficulty of a job can distress the whole performance of the jobholder. Generally, it has been linked with the capability of an individual employees recognizing their respective work goals, satisfying anticipations as well as undertaking a standard that are agreed by their organizations (Eysenck, 1998; Mathis & Jackson, 2000).

Campbell, McCloy, Oppler and Sager (1993) stated that philosophy of performance has defined job performance as “synonymous with behavior which is somewhat that people really does and can be observed” (p. 40) and it is also what the organization employs one to work and to perform well (Campbell, 1990). With regards to outsourcing employees, Elmuti, Grunewald and Abele (2010) found that the these employees were lesser in terms of with job satisfaction, quality of work-life, organizational commitment as compared to permanent workers however they were higher in terms of performance such as increment in time spent on actual production, higher rate of production of and increment in sales.

**Role ambiguity**

Every position in an organization should have clear task expectations to minimize confusion and increase efficiency, but in some organizations task expectations are equivocal (Hamilton, 2002). If employees’ job responsibilities are not described in
a proper way; they will most probably experience “role ambiguity”. This condition may lead to misinterpretation of job expectations and guidelines. Role ambiguity can be defined as an absence of transparency in the job responsibilities of an employee which is anticipated to accomplish. From the time when an employee needs to comprehend clearly what their job responsibilities are, not clearly knowing that, may lead to higher levels of job tension and also directly lead to lower levels of job satisfaction (Slatterya et al., 2008).

Many studies (e.g. Gahlan & Singh, 2014; Çelik, 2013; Jermias & Yigit, 2012) have substantiated the link between role ambiguity and job performance. Employees with role ambiguity lack the information and knowledge about the most important aspect of their job as well as the most effective work behavior, which directly translates into poor job performance (Gahlan & Singh, 2014; Jermias & Yigit, 2012). Clear job descriptions and apparent authority interactions therefore will contribute to solve ambiguity complications.

Hypothesis 1 (H1): There is significant negative relationship between role ambiguity and job performance

**Person –job fit**

According to Kristof-Brown and Guay (2011), person-job fit refers to the adaptability between a person’s individualities towards a particular job. Whilst Ployhart, Schneider, and Schmitt (2006) said that it contains the old-style opinion of collection that underlines the matching of employee Knowledge Skills and Others (KSAOs) potentials to job demands. Person-job fit can be a practical variable of job-performance because employees with high person-job fit had found to possess encouraging work result.

In other studies, person-job fit found to be interrelated with efficiency, employee obligation (Rousseau & Mc Lean Parks, 1992), job performance (Greenberg, 2002) and constructive effects on performance, job satisfaction, attendance, job stress, employee motivation and retention (Edwards, 1991). Nevertheless, the link between person-job fit and job performance is not conclusive and warrants further investigation. For instance, Kristoff et al. (2005) had established that when person-job fit and person-organisation fit were tested on job performance, the connection tend to have a uncertain parallels which opposes with the results by Li and Hung (2010) where person-job fit found to be significantly correlated with job performance.

Hypothesis 2 (H2): There is significant positive relationship between person-job fit and job performance

**Research framework**

The current paper uses social exchange theory (Blau, 1960) as a general framework to explain how role ambiguity and person-job fit may lead to job performance. The reciprocity norm suggested by this theory specifies that favorable treatment received by employee such as the fit/match between the job and the employee’s own self obligates him/her to provide favorable treatment in return especially in terms of job performance. The reverse would then also be true; when negative treatment is shown i.e. ambiguous assigned role in doing every day’s work, poor behavior or performance would be reciprocated. Figure 1 shows the research framework.

![Research framework](image)

**Methods and results**

A total of 200 sets of self-administered questionnaires were distributed to outsourcing employees. All respondents worked under five outsourcing companies in Kuala Lumpur. 183 sets of questionnaires were returned and usable for data analysis. The measurements employed for this study are as listed in the following table, along with the sample items for each.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Scale Items</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role ambiguity</td>
<td>1. I feel certain about how much authority I have</td>
<td>Rizzo, House, and Lirtzman (1970)</td>
</tr>
<tr>
<td></td>
<td>2. I have clear, planned goals and objectives for my job</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. I know that I have divided my time properly.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. I know what my responsibilities are.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. I know exactly what is expected of me.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6. I receive clear explanation of what has to be done.</td>
<td></td>
</tr>
<tr>
<td>Person-job fit</td>
<td>1. My abilities fit the demands of this job</td>
<td>Lauver and</td>
</tr>
<tr>
<td></td>
<td>2. I can use my abilities for my job</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. I can do my job satisfactorily</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. My job is well integrated with the job</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. My job is meaningful and satisfying</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6. I feel satisfied with my job</td>
<td></td>
</tr>
</tbody>
</table>

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2. I have the right skills and abilities for doing this job
3. There is a good match between the requirements of this job and my skills
4. My personality is a good match for this job
5. I am the right type of person for this type of work.

Kristof-Brown (2001)

3. There is a good match between the requirements of this job and my skills
4. My personality is a good match for this job
5. I am the right type of person for this type of work.

Job performance

1. I adequately completes assigned duties
2. I fulfill responsibilities specified in the job descriptions.
3. I perform tasks that are expected from me
4. I meet formal performance requirements of the job.

Williams and Anderson (1991)

As shown in Table 1, Seven (7) point Likert Scale is being used in the measurement of respondents’ answer with ‘1’ being strongly disagree and ‘7’ strongly agree. However, it is important to stress that the measurement for role ambiguity is reversed, as higher score means lower role ambiguity and vice versa. Hence, the results of this particular construct were reversed before subsequent tests were run. The data was analyzed and generated using Statistical Package for Social Science (SPSS) version 21.

In terms of demographic profiles, 56.8% of the respondents were female while 43.2% were male. Majority (74.3%) of the respondents were between 21 to 30 years old. Non-executive staff were among the largest group of participating respondents with 65%. 65% were single while the remainders were married. 61.7% respondents has served the company more than two (2) years and the remaining 38.3% are below two (2) years. 49.2% of them were diploma holders.

Table 2 Descriptive and reliability analysis

<table>
<thead>
<tr>
<th>Construct</th>
<th>Cronbach Alpha Coefficient</th>
<th>N of items</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role ambiguity</td>
<td>.927</td>
<td>6</td>
<td>5.4308</td>
<td>.48425</td>
</tr>
<tr>
<td>Person-job fit</td>
<td>.868</td>
<td>5</td>
<td>5.3945</td>
<td>.58042</td>
</tr>
<tr>
<td>Job performance</td>
<td>.878</td>
<td>4</td>
<td>5.4932</td>
<td>.55124</td>
</tr>
</tbody>
</table>

Table 2 shows that all of the items were reliable. The reported reliability for the instruments has fulfilled the acceptable criteria of 0.7 (Nunnally, 1978). The Cronbach’s Alpha for role ambiguity is .927, person-job fit .868 and job performance .878. Thus, signified that the items have reasonably good and acceptable internal coefficient of reliability.

Mean value for role ambiguity, person-job fit and job performance are 5.4308, 5.3945 and 5.4932 respectively which means that the employee’s responses are on the stage of above middle which was indicated in the questionnaires. The results for Pearson Correlation and Multiple Regression are as follows:

Table 3 Correlations analysis

<table>
<thead>
<tr>
<th></th>
<th>Role Ambiguity</th>
<th>Person-Job Fit</th>
<th>Job Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role ambiguity</td>
<td>(0.927)</td>
<td>- .457**</td>
<td>(0.868)</td>
</tr>
<tr>
<td>Person-job fit</td>
<td></td>
<td>.636**</td>
<td></td>
</tr>
</tbody>
</table>

Note. Reliability is in parentheses **. Correlation is significant at the 0.01 level (1-tailed).

The Pearson Correlation analysis indicates both independent variables have significant correlation with job performance. The highest correlation is between person-job fit and job performance which is positively correlated at \( r = .636, p<0.01 \), whereas the correlation between role ambiguity and job performance is a weak negative correlation at \( r = - .493, p<0.01 \).

As shown in Table 4, the findings of this study suggested that when there are fit between outsourcing employees with the job that they are doing, they would incline to utilize more effort in carrying out their duties, which then leads to better job performance level. The R Squared (\( R^2 \)) value indicates that 45.6 percent of the variance in job performance that is accounted for or explained by the independent variables, which are role ambiguity and person-job fit. In the meantime, role ambiguity and person-job fit were found to give a high impact to job performance by 45.6 percent (\( R^2= 0.456, F=75.59, p<0.01 \)).

Table 4 Regression analysis

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.251</td>
<td>.369</td>
<td>3.39</td>
<td>.001</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Role</td>
<td>-.291</td>
<td>.070</td>
<td>-2.56</td>
<td>.014</td>
<td>-2.56</td>
<td>-.14</td>
<td></td>
</tr>
<tr>
<td>Person-Job Fit</td>
<td>.493</td>
<td>.059</td>
<td>.519</td>
<td>.804</td>
<td>.456</td>
<td>.046</td>
<td></td>
</tr>
</tbody>
</table>

Note: Dependent Variable: Job Performance

In order to determine which among the two independent variables plays a significant role in
influencing the dependent variable, reference was made to the regression coefficients. Result revealed that person-job fit can be a strongly significant indicator to job performance, \((B= 0.493, t= 8.406, p<0.00)\) as compared to role ambiguity \((B= -0.291, t= -4.143, p<0.00)\) which found to be relatively less significant as compared to person-job fit in a multivariate context in forecasting the job performance of outsourcing employees.

The remaining 54.4 percent is interpreted by other variables to be conducted by another research. Specifically, person-job fit has the strongest influence on the job performance. The Beta value is .519 and significant. The above result has indicates that this field has an appropriate set of independent variables to forecast the dependent variable.

As illustrated in the same table, F-value proved to be significant at 75.593; \(p=0.000\) \((p<0.001)\). This signifies that person-job fit and role ambiguity in the company has contribute a good indicator in forecasting the outcome of job performance among outsourcing employees and there is a significant relationship between dependent variable and the predictors (person-job fit and role ambiguity).

**Discussion**

This study was performed among outsourcing employees who are currently working in Kuala Lumpur, Malaysia. It aims to explore whether or not there were significant relationship between the independent variables which consist of role ambiguity and person-job fit towards the dependent variable of job performance among outsourcing employees.

Hypothesis 1 indicates that role ambiguity is significantly have negative relationship with job performance. In this study, it is statistically significant \((\beta = -.256, t = 4.143, p < .000)\) which is suggesting that hypothesis 1 is supported. Hypothesis 2 indicates that person-job fit is also found to be significantly positive relationship with job performance with \(\beta = .519, t = 8.406, p < .000\). Therefore hypothesis 2 is supported as well. However, comparison between two independent variables has found that person-job fit has the higher \(\beta\) as compared with role ambiguity and between the two variables, person-job fit has more profound impact towards job performance. Therefore, in this study, it can be suggested that the more fit a person with in the job, the job performance will increase.

As for role ambiguity, it can be concluded that reducing the ambiguity in employees’ job role will increase the job performance. Conversely, when the level of role ambiguity rises, the level of job performance of employees will diminish as employees unable to handle with given job responsibilities and consequently perform unproductively. The finding can be explained and supported by previous researches of Markherjee & Maholtra (2006) which had revealed that role ambiguity significantly influenced the job performance of employees in service setting environment.

**Significance of the study**

This study will be great significance to numerous organization in Malaysia which have to employ outsourcing employees. The findings would convey consciousness to the organization with regards to the challenges faced with outsourcing employees in achieving the job performance. In particular, the organization may use the research finding commendations to strengthen their strategies to overcome the challenges managing the outsourcing employees. This study was made with an aim for significant contribution to academic literature in Human Resource field particularly.

Current empirical study provides small provision for the anticipated opposing effects of role ambiguity towards job performance. According to Lyonski & Johnson (1983), although role ambiguity is found to have opposing relationship with job performance, a meta-analytic research by Jackson and Schuler’s (1985) found that the effect of role ambiguity on job performance is quite weak and this was supported and agreed by Fisher and Gitelson (1983).

While most studies found adverse relationship between role ambiguity and job performance, the association strength between them differs extensively according to the types of profession and performance measure (Jackson and Shuler, 1985).

This finding further supported the fact that person-job fit is a good source to drive employees’ job performance as clarified by Barrett’s (1978) in his congruency theory. This has been cited as well by Lawrence (2004) that the existence of congruence between employee’s preference and the KSAOs drive to motivational result. Thus, this is important for greater job performance for outsourcing employees.

According to Mosley (2002), though studies had found person-job fit possibly have impact on job
performance, the number of research is still inadequate. Likewise past research on the association between person-job fit and job performance comprised of diversified results as cited by Lauver and Kristof-Brown (2001). Therefore it is essential to perform further exploration in order to further discover the relationship that may have between person-job fit and the job performance to employees.

Conclusion

The research study has been carried out with the primary objective to study the relationship of role ambiguity, person-job fit and job performance among outsourcing employees. The results of the study show that role ambiguity and person-job fit significantly influence the job performance of the employees. Therefore, the employers (both vendor and client companies) must provide clearer job roles and responsibilities together with explicit job expectations from time to time to ensure satisfactory job performance. At the early stage, this can be done during the interview as well as through engagement sessions during the employment period. Employers must also provide clear job description to outsourcing employees to further minimize role ambiguity and appoint a mentor if need be. As to ensure person-job fit, vendor companies could employ psychometric test to determine whether the applicant has the right personality for the job. Another option is by having realistic job preview during the interview session.

For future research, it is proposed that more outsourcing companies included in the sampling frame. The sample should also include outsourcing companies operating outside Kuala Lumpur with larger sample size to minimize error. Additional predictor variables as well as moderating variables may be added such as fairness and trust. It is also advisable to obtain a more objective score of job performance by asking the immediate supervisor, co-workers and customers to rate the respondent’s job performance.

References


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