



THE EFFECTS OF AUTONOMY ON JOB SATISFACTION AND JOB PERFORMANCE: EVIDENCE FROM BOSNIA AND HERZEGOVINA

Original scientific paper

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ABSTRACT

The main aim of the study was to empirically investigate and understand the effects that autonomy has on job satisfaction and job performance in Bosnia and Herzegovina. The empirical data was obtained from a questionnaire of 242 people living and working in Bosnia and Herzegovina. Once the data was collected, data analysis was conducted to assure validity and reliability through items' loadings and Cronbach's Alpha values. Furthermore, the scales were tested for convergent validity through partial least-square path modelling using SmartPLS 3 software. The results indicated that the effects of autonomy on job performance and job satisfaction were significant and had positive relationship.

Keywords: *Autonomy, Bosnia and Herzegovina, Job Satisfaction, Job Performance*

INTRODUCTION

In the 2020., governments across the world have implemented different measures of social distancing and stay-at-home policies to stop the spread of the COVID-19 pandemic. This opened different questions regarding work from home and job autonomy.

One of the most prevalent and important changes that new information technologies have brought about is the ability for employees to work anytime and anywhere (Raghuram, Wiesenfeld, & Garud, 2003).

Different studies have shown that remote workers get to complete their job duties out of the office and generally on their own schedules and for this reason they tend to have higher engagement rates and increased productivity levels as well. People who spend between 60-80% of their working hours remote for at least 3-4 days out of the week report the highest engagement rates compared to those who never work off-site (Chokshi, 2017).

Since there are many studies considering the remote work topics around the world, this study considers how autonomy affects job satisfaction and job performance.

The practical implications of the study are supposed to help managers to better understand employees' preferences and how autonomy can affect job satisfaction and also job performance. As currently there is no study conducted in Bosnia and Herzegovina that is dealing specifically with this topic, this study is giving theoretical contribution. The results of the study may help organizations decide on how to organize their businesses within their organizations. It was interesting to find out if employees who have greater perceptions of autonomy are becoming more content with their occupations.

LITERATURE REVIEW

The following literature review is a result of examination of highly indexed journals and textbooks. It provides the necessary information which helps identify variables, form the research model, hypotheses, identify adequate items to measure the variables and also identify relationships between continuous variables.

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For the research model, it was important to examine the following paragraphs: job performance; job satisfaction; autonomy; autonomy, satisfaction and performance; autonomy and satisfaction; and autonomy and performance.

Job Satisfaction

One of the most often cited definitions on job satisfaction is the one given by Spector according to whom job satisfaction has to do with the way how people feel about their job and its various aspects (Brikend, 2011). Job satisfaction is a significant employee attitude with a great influence on individuals' work and life domains in mental, emotional and behavioral terms. It also leads to several consequences for both employee and organizational well-being (Judge & Klinger, 2008). The approach most commonly used to explain job satisfaction in the literature is the Job Characteristics Theory by Hackman and Oldham (1976). This theory proposes that job satisfaction increases when there is an intrinsic motivation related to the job. The authors identified five job characteristics that motivate employees intrinsically and affect five job-related outcomes (motivation, satisfaction, performance, and absenteeism and turnover) through three psychological states (experienced meaningfulness, experienced responsibility, and knowledge of results) (Gözükara & Çolakoğlu, 2016).

Job Performance

Job performance is defined as the total expected value to the organization of the discrete behavioral episodes that an individual carries out over a standard period of time (Motowidlo, Kell, & Harrison, 2012). Performance refers only to behaviors that can make a difference to organizational goal accomplishment. The performance domain embraces behaviors that might have positive effects and behaviors that might have negative effects on organizational goal accomplishment (Motowidlo, Kell, & Harrison, 2012).

Autonomy

Gaining autonomy quenches the desire for power, but gaining influence does not. The studies demonstrated the primacy of autonomy across both experimental and correlational designs, across measured mediation and manipulated mediator approaches, and across three different continents (Europe, United States, India). Together, these studies offer evidence that people desire power not to be a master over others, but to be master of their own domain, to control their own fate (Lammers, Stoker, Rink, & Galinsky, 2016).

Job autonomy is believed to play a vital role in employee well-being as employees can deal with work-related stress better when they have greater autonomy at work (Karasek, 1998).

Telecommuters in general are likely to experience increased feelings of freedom and discretion because

they are spatially and psychologically removed from direct, face-to-face supervision (DuBrin, 1991). In addition, performing one's tasks at home allows control over breaks, clothing, layout, decoration, lighting, ventilation, music, and other ambient elements that can contribute to increased feelings of autonomy (Elsbach, 2003; Standen, 2000).

The individuals who worked at home successfully were found to be highly self-motivated and self-disciplined and to have skills which provided them with bargaining power (Olson, 1983).

Autonomy, Satisfaction and Performance

Empirical research has consistently demonstrated that perceived autonomy has beneficial effects on job satisfaction (Loher, Noe, Moeller, & Fitzgerald, 1985) and other individual outcomes, such as turnover intent, performance, and stress, as summarized in a comprehensive meta-analysis (Spector, 1986).

According to Gözükara and Çolakoğlu (2016) autonomy at the workplace enhances the satisfaction levels of employees. In this sense, the study provides significant support and contribution to the direct relationship between job autonomy and job satisfaction since there are only a few studies exploring such relationships. This finding may be beneficial to organizations in promoting employees' job satisfaction by providing more autonomy at work.

A high level of autonomy as perceived by employees has sent a message that the supervisor has confidence in his or her capability therefore allows the employees to carry out the task the way he or she wishes to. This message has a positive effect on employees' self-efficacy (Saragih, 2011). This confidence will affect the effort invested to attain the best performance (Bandura, 1997).

There was no significant relationship between job autonomy and job performance but research showed that job satisfaction significantly related to job performance. Finally, these results had an important implication to managers in designing jobs (Saragih, 2011).

Autonomy and Satisfaction

Telecommuters with higher autonomy report greater job satisfaction relative to those with less autonomy. Thus, it seems that while telecommuting arrangements may be beneficial, the degree of benefit may be influenced by the amount of autonomy in the telecommuter's job as well as the outcome variable of interest (Allen, Golden, & Shockley, 2015).

Hackman and Oldham (1980), Fried and Ferris (1987), Lee (1998), Pousette and Hansen (2002) all reported that there is a positive relationship between job autonomy and job satisfaction. Thus, it seems reasonable to expect that employees who have more job autonomy would be more satisfied with their job due to freedom to make decisions on their own (Gözükara & Çolakoğlu, 2016).

Autonomy and Performance

Since job autonomy drives employees to believe that they have the competence and capabilities required to achieve their assignments, it leads to enhanced job performance (Saragih, 2011), and performance is known to have a significant effect on various variables including job satisfaction (Judge et al., 2001; Spector, 1997).

The popular literature documents higher productivity among teleworkers than other workers and this higher performance level is attributed to fewer interruptions, longer working hours and the flexibility when planning work schedules. Furthermore, as most people engage in telework by choice, they tend to be more motivated to prove that this alternative mode of work is successful (Mann & Holdsworth, 2003).

RESEARCH MODEL AND HYPOTHESIS

After closely reviewing the appropriate literature, the researches hypotheses were structured in accordance to significant relationships between the variables and provided by the research in the literature review. The study proposes the following hypotheses:

H1 – Autonomy has a significant and positive effect on job satisfaction of employees in BiH

H2 - Autonomy has a significant and positive effect on job performance of employees in BiH

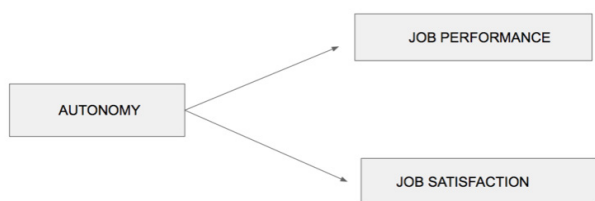


Figure 1. Proposed Research Model

METHODOLOGY

Data Collection

The data used in the study was collected by distributing a structured survey. The scales used for the preparation of this instrument were previously used by researchers and proven reliable and valid for measuring autonomy, job satisfaction, and job performance. For measurement of job satisfaction, the researchers considered the work of Brayfield-Rothe (1951), while for the measurement of job performance the work of The Individual Work Performance Questionnaire (Koopmans, 2015) was considered. Finally, the measurement of autonomy was developed from the work of The Work Design Questionnaire (Morgeson & Humphrey, 2006). All three scales in the questionnaire were measured with a five-point Likert scale.

The data was collected online, using Google Forms. The respondents were approached by contacting online groups on Social media, as well as by approaching employees of different companies in Bosnia and Herzegovina. Total of 252 respondents filled out the survey and the detailed review of the sample characteristics is presented in the first part of the “Results” section.

Population and Sample

Even though it may seem relatively simple to investigate the effects of autonomy on job satisfaction and job performance, it is important to have in mind that most employees are working remotely at this moment in time. COVID-19 pandemic can affect respondents and their responses might be different if they were not in quarantine. Respondents of this study are living and working in Bosnia and Herzegovina.

Statistical Methods Applied

The causal relationships of the hypothetical model shown in Figure 2 were tested by means of the partial least square (PLS) path modelling method. Following instructions of Becker, Klein, and Wetzels (2012) the following steps were performed to prepare a structural equation model using Smart PLS3: (1) Latent variables were created and related measurement items were assigned to them; (2) One independent variable was related to two dependent variables. More precisely, Autonomy (A) was related to Job Satisfaction (JS) and Job Performance (JP).

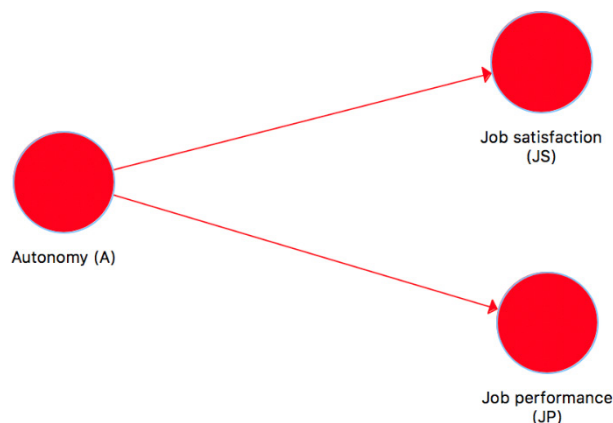


Figure 2. Model in SmartPLS 3

The study relied on Software Package for Social Sciences for descriptive analysis while SmartPLS 3, a SEM program has been used for validity and reliability analysis and effects analysis. PLS could be applied in many instances of small samples when other methods fail (Henseler, et al., 2014). Regular PLS algorithm and Bootstrapping technique were conducted in SmartPLS 3 to investigate direct effects of variables in the model.

VALIDITY, RELIABILITY AND MODEL FIT

Factor loadings were observed for each item. Items with factor loadings greater than 0.5 on the factor with which they were hypothesized to correspond were considered adequate indicators of that factor (Hair, Black, Babin, & Anderson, 2010). The numbers presented in Figure 3 indicate satisfactory

loadings of items on the relevant factors. It is important to mention that there was a need to exclude the first 5 items of the Job Performance (JP) variable in order to have satisfactory AVE values and to raise discriminant validity to a higher satisfactory level.

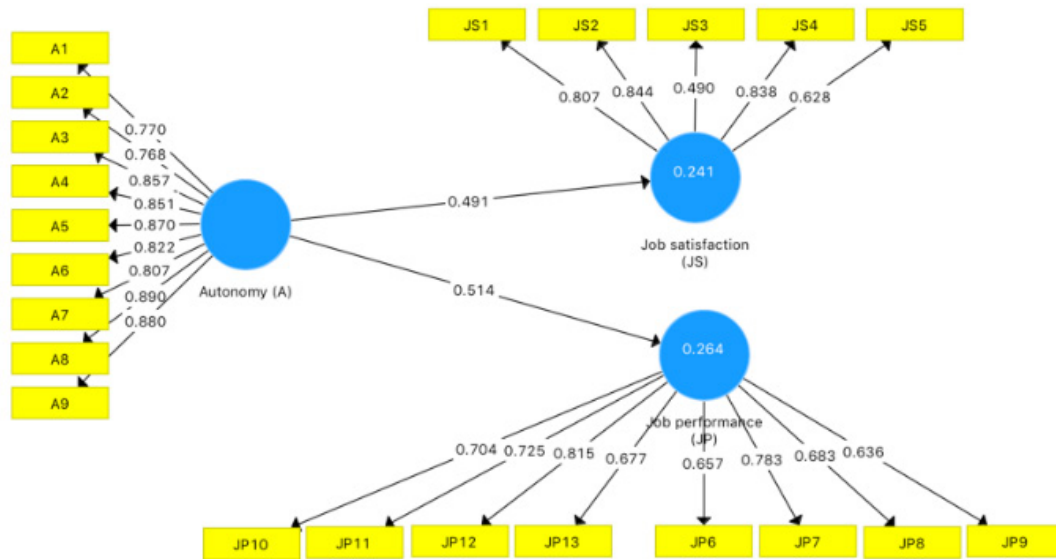


Figure 3 Loadings of Items per Factors – reverted model

Cronbach’s (1951) coefficient alpha is widely used to determine the reliability of multi-item scales and assess the internal consistency of model constructs. The reliability of factors in this study has been presented in Table 1 below. PLS Bootstrapping is completed using 10,000 bootstrap sub samples indicating all AVE values between .507 to .699, which is above threshold of .5 defined by Fornell and Larcker (1981) and Hair, Black, Babin, and Anderson (2010). Cronbach’s Alpha values of all first order latent variables confirm to the rule of thumb defined by Cronbach and Richard (2004), and this is confirmed by composite reliability

scores which are all higher than the recommended cut-off of .7 (Fornell and Larcker, 1981; Hair, Black, Babin, and Anderson, 2010). According to Schmiedel, Brocke, and Recker (2014), discriminant validity is ensured once the AVE value for each construct exceeds the squared correlation between that and any other construct in the factor correlation matrix. Table 1 indicates a full compliance to this rule. Considering factor loadings of all items higher than .4, composite reliability scores higher than .7, and AVE values higher than .5, it could be concluded that all the conditions of convergent validity are met in this study.

Table 1. Construct Validation

Factor	C's α > .7	CR > .7	AVE > .5	Autonomy (A)	Job Performance (JP)	Job Satisfaction (JS)
Autonomy (A)	.946	.954	.699	.836		
Job Performance (JP)	.862	.891	.507	.514	.712	
Job Satisfaction (JP)	.793	.850	.540	.491	.463	.735

Note 1: The right-hand part of the table displays construct correlations and square roots of AVE on the diagonal).

Note 2: C's α = Cronbach's Alpha

RESULTS

Descriptive Statistics

The survey provided 252 valid responses in total. There were 176 female (69.84%) and 76 male (30.16%) respondents. Most of the respondents are adults between 21-30 (42.86%) and 31-40 (40.48%) years old, followed by 35 respondents between 41-50 (13.89%) years old. Only 7 respondents (2.78%) are between 51-60 years old. Most respondents, 104 precisely (see Table 2), are working in the IT industry. Since the experience of autonomy might be affected

by the family members that are sharing the space, it is interesting to know that 154 (61.1%) of the respondents don't have children under the age of 18 that are living with them. 55 (21.8%) respondents have one child and 34 (13.5%) respondents have two children under the age of 18 living with them. 8 (3.17%) respondents have 3 children and only 1 respondent have 4 children under the age of 18 living with him.

Table 2. Sample Characteristics

Variable	Demographics	Number	Valid Percent
Gender	Female	176	69.84
	Male	76	30.16
Age	21-30	108	42.86
	31-40	102	40.48
	41-50	35	13.89
	51-60	7	2.78
IT	Yes	104	41.27
	No	148	58.73
Number of children under age of 18 living with you	0	154	61.11
	1	55	21.83
	2	34	13.49
	3	8	3.17
	4	1	.40

Empirical Findings

Based on the statistical analysis, the following results are summarized in Table 3 below.

Table 3. Hypotheses' tests

Hypothesis	Path in the Model	Direct Effect	Hypothesis Status
H1	A -> JS	P = .000*	Supported
H2	A -> JP	P = .000*	Supported

Note 1: *Significant at 95% confidence interval

H1: Autonomy affects job satisfaction. Hypothesis 1 is supported with the following indicators: (1) p value of P = .000; (2) t value of 10.360. Since P value is < .05, it is obvious that there is a statistically significant direct and positive relationship between A and JS. Accordingly, hypothesis 4 is supported.

H2: Autonomy affects job performance. Hypothesis 5 is supported with the following indicators: (1) p value of P = .000; (2) t value of 10.468. Since P value is < .05, it is obvious that there is a statistically significant direct and positive relationship between A and JP. Accordingly, hypothesis 5 is supported.

DISCUSSION

According to the literature reviewed, it was expected that both hypotheses will be supported.

The primary objective of the article is to demonstrate how autonomy affects job satisfaction and job performance. The theoretical contribution of this article is that it provides further information on the relationship between autonomy, job performance and job satisfaction.

The results indicate that both hypotheses are supported with statistically significant results. These results provide data which supports a significant direct relationship between autonomy and job satisfaction and autonomy and job performance.

According to these results, one may conclude that with more autonomy employees will feel more satisfaction with their job and provide better performance in their job. This may be attributed to the fact that people have different style, organizational skills and that most people like to organize their daily job-related activities by themselves.

The practical implication of the study is that managers and team leads should be aware of the importance of autonomy and take this knowledge in creating an approach in which it will be important what has been done, but not how. This is in accordance with previously mentioned findings that job autonomy is believed to play a vital role in employee well-being as employees can deal with work-related stress better when they have greater autonomy at work (Karasek, 1998).

CONCLUSION

The main objective of the study was to investigate the relationship between autonomy, job satisfaction and job performance. Based on the literature review, two hypotheses were proposed and tested using Structural Equation Modelling (SEM). Sample for the study was taken from the population of Bosnia and Herzegovina. The survey of thirty-three questions was distributed to employees of different companies and public groups using social media, and a total of 252 respondents filled out the survey. The sample is well distributed in terms of gender, age and other characteristics. Prior to hypothesis testing, data analysis was conducted to assure validity and reliability through item loadings and Cronbach's Alpha values. In addition, the scales were tested for Convergent validity through partial least-square path modelling using SmartPLS 3 software. The results indicate that autonomy has significant effects on job satisfaction and also on job performance. It is recommended for future research to use larger samples from wider geographical region.

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