**Theory of Work Performance in Education Setting: A Research Framework**

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**ABSTRACT**

Due to the globalization of higher education, world-university rankings have grown in influence in recent years. Classification used includes ranking world of universities, world university rankings, global university rankings using bibliometrics and global university ranking using web metrics. The dimensions used by these rankings show that performance of academics contributes 60 to 90 percent of the overall performance of the universities. Since performance of academics is the key contributor of academic excellence, universities need to empower its human capital to be competitive and subsequently achieve world-class status. Unfortunately, effort to conduct research on measuring the performance of higher education institutions has a major setback compared to other industries due to its complex nature and difficulty in measuring its outputs. Furthermore, review of literature indicates that research conducted in education environment mainly focuses on organizational performance rather than work performance. This study fills the gap by providing a research framework focusing on Theory of Work Performance. The theory emphasizes on the interaction between three dimensions; opportunity, capacity and willingness to achieve high work performance. Capacity refers to physiological and cognitive abilities that enable an individual to perform task effectively. Willingness is the characteristics that influence the degree to which an individual is inclined to perform a task. Opportunity is the presence and arrangement of facts in the person’s objective environment. This study proposes that interaction between performance measurement system (PMS), competency and job satisfaction results in high work performance.

**Keyword:**

Performance Measurement System, Job Satisfaction, Competency, Institute of Higher Learning

# Higher Education in Malaysia

In essence, Malaysia has been successful in its efforts in democratizing higher education and in producing sufficient graduates to meet its manpower requirements during its phenomenal economic growth over the last three decades. As an example, the higher education capacity in Malaysia has grown from the formation of the country’s first university, Universiti Malaya in 1961, to 20 public universities, 24 private universities, 22 university colleges, four branches campuses of international universities, 21 polytechnics, 37 public community colleges and 390 private colleges as end of 2011 (Ministry of Higher Education Malaysia, 2012).

As a platform to move forward, The National Higher Education Action Plan 2007-2010 was formalized and acts as stepping stone towards promoting long-term objectives of human capital development contained in the National Higher Education Strategic Plan. The ultimate aim is to empower Malaysian higher education in order to meet the nation’s developmental needs and to build its stature both at home and internationally. Seven strategic thrusts have been outlined (Ministry of Higher Education of Malaysia, 2007):

1. Widening access and enhancing equity
2. Improving the quality of teaching and learning
3. Enhancing research and innovation
4. Strengthening Institution of higher education
5. Intensifying Internalization
6. Enculturation of lifelong learning
7. Reinforcing the Higher Education Ministry’s delivery system

As a continuity of the plan, Ministry of Higher Education has launched the National Higher Education Strategic Plan Phase 2 (PSPTN2) with the theme Malaysia’s Global Reach: A New Dimension. The main focus of this strategic plan is to strengthen the national higher education in global arena (Ministry of Higher Education Malaysia, 2011).

# University Performance

Due to the globalization of higher education, world-university rankings have grown in influence in recent years through few classification such as academic ranking world of universities, world university rankings, global university rankings using bibliometrics and global university rankings using web metrics (Liu & Cheng, 2011).

Each ranking system has specific dimensions to measure university performance. For example, Time Higher Education System (THES) in 2012 used five dimensions (table 1) while QS World Indicator 2011 used six dimensions (table 2). The dimensions used by these rankings show that performance of academics contributes 60-90 percent of the overall performance of the university. Therefore, universities need to empower its human capital to be competitive and subsequently achieve world-class status.

Table 1

THES 2011 Indicator

|  |  |
| --- | --- |
| Dimensions | Weighted (%) |
| Teaching – the learning environment | 30% |
| Research – volume, income and reputation | 30% |
| Citation – research influence | 30% |
| Industry Income – innovation | 2.5% |
| International outlook – staff, students and research | 7.5% |

Table 2

QS World Indicator 2012

|  |  |
| --- | --- |
| Dimensions | Weighted (%) |
| Academic reputation | 40% |
| Employer reputation | 10% |
| Faculty – students ratio | 20% |
| Citations per faculty | 20% |
| Proportion of international students | 5% |
| Proportion of international faculty | 5% |

The demand for higher education in Malaysia is expected to grow as population increases and in tandem with the government emphasis on human capital development. Ranking classification among universities has significant influenced towards the management process in universities in this country. The World Bank Report titled Malaysian Economic Monitor: Smart Cities 2011 highlighted Malaysia spends slightly more than most countries on its tertiary educations. Unfortunately, leading Malaysian universities perform relatively poorly in global ranking. As an immediate action, further measures to improve university performance should be adopted (The World Bank, 2011).

Ministry of Higher Education of Malaysia has carried out various efforts to improve Malaysian higher education institutions status as a centre of excellence in education internationally. For example, public universities are categorized into either research, focused, or comprehensive universities. In another development, government grants autonomy status to public universities that meet the requirements. Financial allocation to these universities is given based on the performance of those institutions and code of governance and governance index has been developed to enhance accountability. Autonomy is also expected to expedite the transformation process of the university. *Accelerated Programme for Excellence* (APEX) was introduced in 2008 with the underlying purpose to increase innovation, performance and encourage excellence among public universities.

As an economic environment change, universities have to be proactive in planning and controlling their activities as they have to be responsible and accountable to the stakeholders. Performance management system can be used as a means to implement strategy, align behaviors and support decision making to arrive at this objective.

# Theory of Work Performance

The organizational excellence depends on their ability to optimize the resources such as financial, equipment and manpower. However, existing theories failed to provide the basis to forecast individual employee excellence (Blumberg & Pringle, 1982). Therefore, the interaction between the ability to perform tasks, willingness to perform tasks and opportunity has been recommended by Blumberg and Pringle (1982) as a theory which can be used to forecast individual work performance. In their working paper on proposed exploration of three-dimensional, Blumberg and Pringle have called it as the theory of work performance.

The ability to perform refers to physiological and cognitive capacity allowing individuals perform effectively. Examples are individual knowledge, skills, intelligence, health and stamina. While the psychological characteristics and emotions that influence the degree of an individual's ability to perform each task refers to the willingness to carry out tasks. Willingness can be associated with the effects of job satisfaction, personality, job involvement, attitude and expectations for the role of perception.

Even if an individual has the ability to perform the work and willingness to do his work, there are also situations in which the individual fails to achieve excellence performance. This is because there are environmental factors that drive excellence of the work done. Examples of environmental factors which affect an individual's work are colleagues, supervision, policies and rules of the organization. Blumberg and Pringle (1982) suggests that three interaction factor as a function of individual work performance and forecasting can be noted in the form p = f (capacity x willingness x opportunities). This interaction can be illustrated by Figure 1.



Figure 1: Dimensions of Work Performance

Pringle and Blumberg (1986)suggest several aspects of the opportunity to increase performance and need to be given attention by the manager. They pointed out the managers are responsible of providing a good working environment. Among the measures proposed is to analyze the level of technology use in an organization, upgrade production system uses, selecting employees that could affect colleagues, mentoring system and widen the employee empowerment by giving more responsibility to employees.

Theory of Work Performance has been occasionally used in other areas including research and development (R&D). Its use in accounting area is still limited partly due to difficulty to justify a research setting with capacity, willingness and opportunity.

# Performance Measurement System, Job Satisfaction and Competency

The transformation is introduced by the universities in recent times due to various factors such as the increasing number of students, budget constraints provided by the Government, globalization, and the desire to introduce more rational management style. The introduction of public sector management style was introduced in the early 1980s and the public sector in the West makes modifications and management control systems. For example, special attention has been given to the provision of financial budgets, management and performance measurement quality, and model the distribution of workloads. Although there are studies with respect to allocation of resources and the accounting system at the University level, but a study of the effect of resources, performance measurement and management of individual departments and staff at the University is still lacking (Bogt & Scapens, 2009). In addition, there is the difficulty of measuring University performance as realized in the form of products and services (Zangoueinezhad & Moshabaki, 2011).

Pressure from outside and within the organization forces the university to improve governance system, organizational structure and management style. Evidence can be seen through the adaptation process and the management tools practice by profit entities primarily PMS. For example, University of Siena, Italy has been actively using dynamic PMS when carrying out teaching, research activities and management (Barnabè & Riccaboni, 2007).

Corporatization of the university has witnessed changes in the management style implemented by management. Change the status of public universities to private universities forces the management find the best way to get financial resources. Management introduced a new style of public management to adapt to the very essence of corporate management styles in university. The most significant effect is the basis of defining the university administration style, mission, shared values ​​and a role to play by lecturer (Parker, 2011).

PMS plays an important role in developing corporate strategy and performance evaluation for organization to be more competitive in the global economy (Ukko, Tenhunen, & Rantanen, 2007). It identifies individual effectiveness at all hierarchical levels within an organization (Ubeda and Santor, 2007). Performance measurement also prepares information useful in decision making process (Ukko et al., 2007) and assists managers in planning and controlling (Chenhall & Langfield-Smith, 2007). Hall (2011) defines comprehensive PMS as the ability of the system to supply enhanced performance information that links performance and individual role through providing a broad set of measures related to the importance of the organization, the integration of measures with strategy and valued organizational outcomes, and the integration of measures across functional boundaries and the value chain. Prior research in the area of comprehensive PMS has focused on its relationship with organizational performance rather than work performance. In addition, there are limited studies that examine the behavioral consequences and motivational mechanisms of comprehensive performance measurement on individual work performance especially in education environment. Therefore, this study will examine the relationship between PMS and work performance at public universities in Malaysia.

PMS is a mechanism used by the management to supervise and control the direction of the organization. Therefore the efficiency and effectiveness of PMS is very important for an organization that uses PMS as a basis of operations and improvement. In order to achieve good results, PMS should be comprehensive, dynamic and strategic. Previous studies on PMS focus on a single dimension. This study fills the gap by examining PMS through three constructs, comprehensive (Hall, 2008; Chenhall, 2005); strategic (Burney & Widener, 2007; Gimbert, Bisbe, & Mendoza, 2010); and dynamic (Henri, 2010).

Comprehensive PMS relates to its multiple measurements, focus on strategic planning, integrative and incentive (Buhovac & Groff, 2012). Strategic PMS refers to a system that explicitly relates organization strategy and PMS (Choi, Hecht, & Tayler, 2012). This process requires PMS users to have high understanding on organization strategy. Kennerley and Neely (2002) raised the need for PMS to be dynamic. Organization should add, replace and drop certain PMS measures to incorporate changes in organization. In this study, present PMS of university will be evaluated and refined criteria of PMS model that incorporates the three dimensions (comprehensive, strategic and dynamic) will be proposed.

The influence of job satisfaction and competence will also be considered. Job satisfaction refers to individuals feeling proud and happy with their achievement because the work environment fulfills their expectation ([Na et al. 2011](#_ENREF_246)). Several studies found that job satisfacton has influenced on work performance of individuals, including education setting. The increased interest to study job satisfaction among academics is motivated by the operational nature of university which is labor-intensive and the fact that budget spending of university is dominated by academics development expenses ([Toker 2011](#_ENREF_345)). Job satisfaction is expected to influence work and subsequently organization performance. Various studies have shown job satisfaction influences work performance of academics, but further study found there are several dimensions need to be improved such as salary and promotions (Chen, Yang, Shiau, & Wang, 2006), job enrichment (Rashid & Rashid, 2011) and the supervisory (Khalid, Zohaib Irshad, & Mahmood, 2011). In addition, the findings have shown different level of job satisfaction among academics; low (Machado et al., 2011; Mangi et al., 2011); and medium (Paul & Phua, 2011; Pop-Vasileva et al, 2011).

Competence in carrying out responsibilities as defined in the specification work is important and according to Dubois et al. (2004) competence is a trait found in one individual which allows it to carry out a given task effectively. According to Boyatzis (2008) competence can be classified to three clusters; experience and expertise, knowledge and cognitive efficiency. Nature of working as academic requires teaching competence, competency inquiry, social competence and personal competence (Shavaran et al., 2012). Then, the issue of imbalance competency can be reduced through comprehensive PMS.

Effects of PMS in the organization have always been the focus of many researchers, but studies on its effects at the individual level is still lacking despite the fact that measurement of university excellence in teaching, research, publications and community service is merely at the individual academics. This study fills the gap by focusing on work performance of academics. The framework to analyze interaction effect between PMS, job satisfaction, competence will be proposed based on Theory of Work Performance which emphasizes on interaction between three dimensions (willingness, capacity and opportunity) to achieve high work performance.

# Research Framework in University Setting

The variables to be used in this study are PMS, job satisfaction and competence which represents the three dimensions of Theory of Work Performance (opportunity, capacity and willingness). PMS refers to the process performed by managers in planning, controlling and measuring expected performance. PMS criteria for this study include comprehensive, strategic and dynamic PMS. Management of organization needs to ensure staffs have high job satisfaction to perform effectively. In this study, job satisfaction refers to staffs satisfaction towards work environment. In order to excel at work, individuals need to have the capacity to perform. Competence refers to a combination of knowledge, skills and abilities of individual employees and it relates directly to the work of the individual. The fourth variable in this study is work performance. Work performance is used to measure the contribution of academics through several aspects including in-role and extra-role performance. The extra-role performance of academics is a newly introduced measure this study seeks to explore.

Research framework of this study is shown in Figure 2 below:

Figure 2: Research framework in education setting

PERFORMANCE

(Work Performance) Performance)

CAPACITY

(Competence)

OPPORTUNITY

(PMS)

WILLINGNESS

(Job Satisfaction) Satisfaction)

# Conclusions

Prior research in the area of PMS has focused on single dimension its relationship with organizational rather than individual performance. This study looks into PMS of universities to evaluate if it is comprehensive, strategic and dynamic. The study also focuses on work performance of academics because it contributes significantly to the overall performance of the universities. In addition, there are limited studies that examine the behavioral consequences and motivational mechanisms of PMS in education environment. This study utilizes Theory of Work Performance using PMS, psychological capital and job satisfaction to represent opportunity, capacity and willingness dimensions respectively. The interaction of these variables will result in high work performance of the academics.

This study contributes to the theory and practice by providing Malaysian evidence on PMS design for education sector. Based on the interpretation of the results, proposed criteria for PMS model for universities will be developed. The study also provides empirical evidence if interaction between the three dimensions in Theory leads to high performance. For regulators and administrators, the results can be meaningfully used as guide to design and implement effective PMS, training, and work setting for the academics.

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