

# Issues of Workplace in Korea: How to Inspire Temporary Workers?

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## Abstract

**Purpose** - This study will focus on motivation of temporary workers working in distributors as well as generic companies, especially MPS (motivating potential score) proposed by job characteristics model. We think that temporary workers required intrinsic motivation in order to commit with their organization because they are difficult switch-regular workers due to glass ceiling.

**Research design, data, methodology** - This study operates a survey targeting temporary workers, specifically, we used 144 copies except uncollected copies and dishonesty response of total 165 copies on analysis. We used multiple regression and 3 step regression to investigate the proposed model.

**Results** - The high level of perceived distributional justice and procedural justice was increased the level of organizational commitment, respectively. And, MPS was increased the level of organizational commitment, too. Finally, this study showed that both justice and Job characteristics were very important to increase organizational commitment.

**Conclusions** - In order to inspire temporary workers, the company provides placing enough considering job characteristics as well as fairness of the procedure and distribution. Also, to more fully understand the underlying processes between HRM (Human Resource Management) concepts, new fundamental methods may be required such as switch full-time opportunities.

Keywords : Distributional Justice, Procedural Justice, MPS, Job Characteristics, Organizational Commitment

**JEL Classifications** : I31, J23, J71, J81, M10.

## 1. Introduction

Precarious work, especially temporary workers are deepening in the age of economic crisis in Korea. According to currently data released by the Statistics Korea, nearly 6 million temporary workers, accounting for 34.2 percent of the entire wage workers were estimated in Korea. These results increased 5.4 percent over the same month a year earlier (Statistics Korea, 2011).

Increasing number of temporary workers can lead to social problems as well as anxiety for a personal living. And ultimately, the Korea industry will be negatively impacted. According to previous studies, temporary workers tend to show low organizational effectiveness such as weak psychological relations with the organization, low organizational commitment and job satisfaction compared to full-time workers (Belous, 1989; Pfeffer & Baron, 1988). Thus, it is suggested that organizations need to develop different perspectives on the management skills for temporary workers.

This study will focus on motivation of temporary workers, especially MPS (motivating potential score) proposed by job characteristics model (Hackman & Oldham, 1976). They attempted to identify exactly which job characteristics contribute to intrinsically motivating work and what the consequences of these characteristics are (George & Jones, 2000). According to the job characteristics model, any job has five core dimensions that affect intrinsic motivation: skill variety, task identity, task significance, autonomy and feedback, and the motivating potential score (MPS) is a measure of the overall potential of a job to foster intrinsic motivation (i.e., MPS is equal to the average of the first three core characteristics (skill variety, task identity, and task significance) multiplied by autonomy and feedback) (Hackman & Oldham, 1976). We think that temporary workers required intrinsic motivation in order to commit with their organization because they are difficult switch-regular workers due to glass ceiling.

In addition, this study will focus on self-efficacy of temporary workers. According to Bandura (1977), self-efficacy is chiefly defined as the personal attitude of one's ability to accomplish concrete tasks. In general, higher levels of self-efficacy can lead to higher levels of organizational commitment. However, temporary workers do not have the same rights as well as relatively unimportant job compared to full-time workers in their work. Therefore, if they are motivated in their workplace and at the same time perceived higher levels of their self-efficacy will be negative impact on their organizational commitment.

To identify appropriate strategies and directions for organizational

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commitment, this study will investigate (Q1.) the relationship between justice (separate distributional and procedural justice) and organizational commitment, (Q2.) the possibility of the mediating effect of MPS on the relationship between justice and organizational commitment. (Q3.) Finally, this study will investigate the moderating effect of self-efficacy on the relationship between MPS and organizational commitment.

## 2. Literature Review

### 2.1. Justice

Issues of justice or fairness are a key concern to virtually all individuals. For example, Adams (1965) and Leventhal (1976) reported that when in work settings, employees often gauge whether the rewards they receive match their contributions to the organization or the rewards by their colleagues. Employees also judge the fairness of the decision-making procedures used by organizational representatives, to see whether those procedures are consistent, unbiased, accurate, correctable, and representative of worker concerns and opinions (Greenberg, 1986; Judge & Colquitt, 2004; Leventhal, 1980; Thibaut & Walker, 1975). Judge & Colquitt (2004) reported that research on organizational justice has demonstrated that concerns about fairness can affect the attitudes and behaviors of employees (for reviews, see Colquitt & Greenberg, 2003; Cropanzano et al., 2001; Cropanzano & Greenberg, 1997). Justice scholars have focused on distributive justice, the perceived fairness of decision outcomes (Adams, 1965; Leventhal, 1976), and procedural justice, the perceived fairness of decision-making processes (Leventhal, 1980; Thibaut & Walker, 1975).

### 2.2. MPS (Motivating Potential Score)

According to the job characteristics model, the overall potential of a job to prompt internal work motivation on the part of job incumbents should be highest when all of the following are true: (a) the job is high on at least one (and hopefully more) of the three job dimensions that lead to experienced meaningfulness, (b) the job is high on autonomy, and (c) the job is high on feedback (Hackman & Oldham, 1976). They explained that The Motivation Potential Score (MPS) is a measure of the degree to which the above conditions are met. MPS is computed by combining the scores of jobs on the five dimensions as follows:

$$\text{Motivating Potential Score (MPS)} = \left[ \frac{\text{Skill Variety} + \text{Task Identity} + \text{Task Significance}}{3} \right] \times \text{Autonomy} \times \text{Feedback}$$

As can be seen from the formula, a near-zero score of a job on either autonomy or feedback will reduce the overall MPS to

near-zero; whereas a near-zero score on one of the three job dimensions that contribute to experienced meaningfulness cannot, by itself, do so.

### 2.3. Self-efficacy

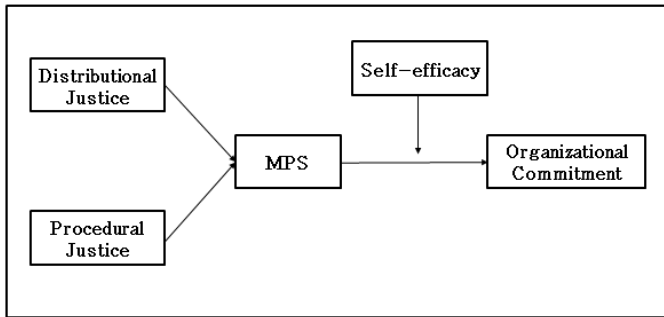
When an organization requests a task to be completed, organizational members may form a perception based on their beliefs about how they can utilize their resources to accomplish it, or in other words, form a perception about task accomplishment based on their level of self-efficacy (Bandura, 1977). Thus, how organizations present tasks to appeal to the organization member's level of self-efficacy may influence the level of motivation. In further detail, self-efficacy is a concept derived from social cognitive theory. According to Bandura (1977), who first coined the term 'self-efficacy', self-efficacy is defined as the personal attitude of one's ability to accomplish concrete tasks. Therefore, it is not an indicator of one's actual abilities, but an opinion of the extent of how one will use that ability. Second, self-efficacy can be influenced by new information and experience. Third, judgments of self-efficacy depends on the situation and how it affects one's ability to mobilize resources to deal with the task, so even if people possess the same levels of ability, there may be differences in self-efficacy (Gist & Mitchell, 1992). As such, Bandura (1977) posited that individual capacity is central to expectations about one's self-efficacy, which affects behavior in the organization such as direction of behavior, level of effort, and persistence and that all of a person's actions is dependent on self-efficacy beliefs. Marsh and O'Neill (1984) tested the idea that organizational members' anger and decline in performance is caused by deficiencies in their level of effort and found that self-efficacy promotes accomplishment, decreases stress and negative consequences like depression and emotional instability.

### 2.4. Organizational commitment

Organizational commitment has the following three properties. First, strong trust and submission to organization's goals and values, second, tendency to work hard for the organization, third, a desire to remain a member of the organization (Mowday et al., 1982). Both Porter et al. (1974) and Northcroft & Neale's (1990) definitions posit that organizational commitment is not simply loyalty towards the organization but a process by which organizational members work for the long-term benefit of the organization. Social exchange theory states that employees form relationships at work, which could form the basis of commitment. Organizational commitment has the following three properties. First, strong trust and submission to organization's goals and values, second, tendency to work hard for the organization, third, a desire to remain a member of the organization (Mowday et al., 1982). Organizational commitment is conceptualized as a state where many aspects of the individual and organization's values are in agreement, and in these state, organizational members strive to accomplish organizational goals through self-actualization efforts, increasing the effectiveness of the organization.

### 3. Study design

Figure 1 illustrates relationships such as; distributive justice and procedural justice have the ability to induce the level of MPS, and high MPS will have a positive impact on organizational commitment. Also, temporary worker's level of self-efficacy moderates the relationship between MPS and organizational commitment. Specific hypotheses are as follows:



<Figure 1> Research Model

- H1: The two dimensions of organizational justice will be positively related to perceptions of MPS. Specifically, distributive justice and procedural justice will be positively related to perceptions of MPS.
- H2: MPS will be positively related to perceptions of organizational commitment.
- H3: Self-efficacy would moderate the relationship between MPS and organizational commitment.
- H4: The positive relationships between the two dimensions of organizational justice and organizational commitment will be mediated by MPS.

### 4. Methods

A total of 144 participants (93 males, Mean age=32.17; and 51 females, Mean age= 30.94) took part from a staffing company in this study. The following self-report measures were used. Specifically, Colquitt's (2001) 7 item, 5-point likert scale measure was used to assess justice, Hackman & Oldham's (1980) 25 item, 5-point likert scale measure was used to assess job characteristics, Bandura's (1977) 11 item, 6-point likert scale measure was used to assess self-efficacy, and Mowday et al.'s (1979) 9 item, 7-point likert scale measure was used to assess organizational commitment. In order to compensate for scale difference of the variables, we converted z-score.

### 5. Results

#### 5.1. Reliability and Validity of the Measurement Scale

In this study, Cronbach Alpha was used to test reliability and to check internal consistency of measuring items. And we performed Confirmatory Factor Analysis (CFA) to evaluate construct validity regarding convergent and discriminant validity. According to Nunnally (1978), Cronbach Alpha coefficient should exceed 0.7 (Nunnally, 1978). The results are shown in Table 1.

<Table 1> Reliability and Validity

Variables	Final items	Cronbach's α	Construct Reliability	Variance Extracted
Distributive justice	3	.723	.878	.714
Procedural justice	3	.727	.860	.672
Job characteristics	25	.937	.969	.556
Self-efficacy	11	.843	.920	.513
Organizational commitment	8	.838	.900	.531

#### 5.2. Correlation Analysis

The mean, standard deviations, and correlation matrix are shown in Table 2.

<Table 2> Mean, standard deviations, and correlation matrix

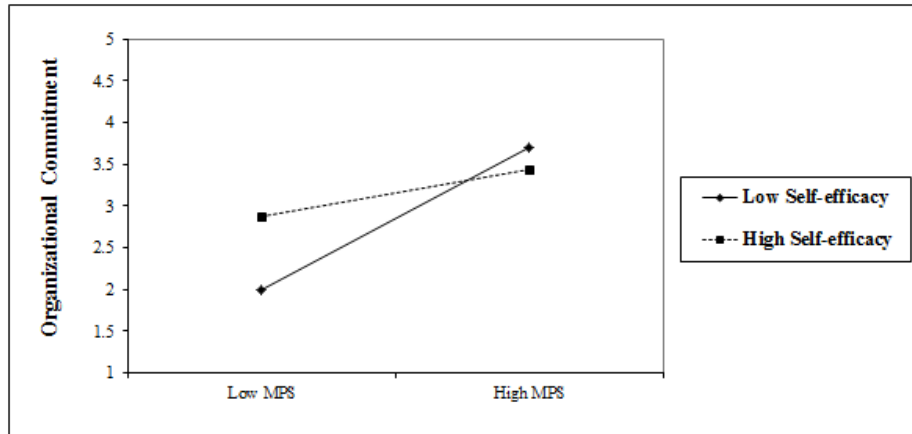
	1	2	3	4	5
1. Distributive justice	(.714)				
2.Procedural justice	.639**	(.672)			
3.MPS	.234**	.137	(.556)		
4.Self-efficacy	.099	-.009	.688**	(.513)	
5.Organizational commitment	.364**	.264**	.597**	.556**	(.531)
Mean	2.87	2.80	32.86	3.59	3.78
Standard deviation	0.51	0.52	15.26	0.56	0.58

Notes: \* p < .05, \*\* p < .01, variance extracted is marked in ( ).

#### 5.3. Hypothesis Test

Results of simple regression analysis showed that the relationship between distributive justice and MPS ( $\beta = .170, p < .05$ ), procedural justice and MPS ( $\beta = .163, p < .05$ ) were positively significant controlling for demographic variables (e.g., gender, age and education level), respectively. Therefore, hypothesis 1 was supported. And the relationship between MPS and organizational commitment was statistically significant ( $\beta = .482, p < .01$ ). Therefore, hypothesis 2 was supported, too.

The result of multiple regression analysis showed that self-efficacy was significantly moderated the relationship between MPS and organizational commitment ( $\beta = -.283, p < .01$ ), however it showed that a negative direction (See Figure 2). Therefore, hypothesis 3 was supported.



<Figure 2> Moderating effects between MPS and organizational commitment by self-efficacy

Finally, the results of three-step validation from Baron and Kenny (1986), MPS was partial mediated the relationship between distributinal justice and organizational commitment, and the relationship between procedural justice and organizational commitment, respectively. Therefore, hypothesis 4 was supported. The results are shown in Table 3.

Finally, this study showed that both justice and Job characteristics were very important to increase organizational commitment. Therefore, in order to inspire temporary workers, the company provides placing enough considering job characteristics as well as fairness of the procedure and distribution. Also, to more fully understand the underlying processes between HRM (Human Resource

<Table 3> Results of three-step mediated regression analysis

Mediating variable	Independent variable	step	dependent variable	R2	F
MPS	Distributinal justice	1( $\beta_1$ )	.170*	.473	24.793**
		2( $\beta_2$ )	.291**		
		3( $\beta_3, IV$ )	.217**		
		3( $\beta_4, MV$ )	.436**		
	Procedural justice	1( $\beta_1$ )	.163*	.463	23.814**
		2( $\beta_2$ )	.266**		
		3( $\beta_3, IV$ )	.192**		
		3( $\beta_4, MV$ )	.443**		

Notes: \* p < .05, \*\* p < .01

## 6. Discussion

The results partially reflected harmful situation faced by temporary workers in Korea and chaotic situation in organization-wide for the treatment of temporary workers. The results showed that the high level of perceived distributinal justice and procedural justice was increased the level of organizational commitment, respectively.

And, MPS was increased the level of organizational commitment, too. But if companies will considerate job characteristics and placed temporary workers enhance for their motivation, and if temporary workers have high level of self-efficacy, the results will be contrary to expectation and fall into serious dilemma (e.g., they showed low level of organizational commitment then low level of self-efficacy in this study). These results suggested that it needed cautious approach in order to inspire temporary workers.

Management) concepts, new fundamental methods may be required such as switch full-time opportunities.

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