Achieve Competitive Advantage through Job Motivation

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ABSTRACT In today’s fast-paced economy competition is an issue of services and products. Much attention has been directed to a better service and the best product and how this can be achieved through utilising the human resources. This research paper identifies how job motivation, one of the important activities of HRM, can affect organisational success, and how it is important in achieving competitive advantage. This relationship has been empirically investigated. The data has been analyzed using SPSS. The results indicated a significant relationship between job motivation and competitive advantage.

1. INTRODUCTION

The competitive forces that managers face today demand organisational excellence. The efforts to achieve such excellence are driven by the way organisations get things done and how they manage their people. Barney (1991) suggests that, in order for a resource to qualify as a source of sustained competitive advantage, the resource must add value to the firm, it must be rare, it must be inimitable and it must be non-substitutable. Wright et al. (1994) have shown that human resources meet Barney’s criteria for being a source of sustainable competitive advantage. Coff (1994) argues that human assets are a key source of sustainable advantage because of causal ambiguity and systematic information making them inimitable. Guest (1990) says that if management trust their workers and give them challenging assignments, workers in return will respond with high motivation, high commitment and high performance. Gratton (1997) identified six factors for success: the commitment of top management; the motivation and aspirations of recruits; the core capabilities of the management team; the team’s aspiration; its ability to build and maintain alliances; and the integration of the business into a global network. What does that mean to us? Its means that sources of competitive advantage have shifted from financial resources to technology resources and now to human capital. In other words, success does not depend primarily on the size of the budget or the products supporting technologies. It really depends on employee’s attitudes, competencies and skills; their ability to generate commitment and trust, communicate aspirations and work in complex relationships.

Motivation is an important (HRM) functions to join and stay talented workers and perform better and do extra for organization, is one of the most important parts that organisations need to focus on in order to gain success and competitive advantage. Kinicki (2006) defined motivation as “the psychological process that arouse and direct goal-directed behaviour.” Therefore. Motivation has become a very important function that helps organisations to achieve their objectives; it gives them the power to increase effectiveness in many areas of their business, and helps them to achieve organisational strategies (Kleiman 2000).

This research explores how motivation as one of HRM activities can help in gaining and sustaining competitive advantage. The main theoretical conclusion is that; motivation is a significant factor that supports business strategy; increases organisation productivity by improving employees performance. Moreover, motivation gives organisations the ability to achieve competitive advantage. Motivation increases employees’ loyalty; improve their skills and willingness to achieve organisational goals.

2. METHODOLOGY OF THE STUDY

The study’s main variables are job motivation and competitive advantage. These two variables are construct variables with multi- dimensions. This research is essentially exploratory in nature based on a review of the existing knowledge. An empirical investigation using actual manager
interviews is also conducted in this research in
order to examine the postulations found in the
existing knowledge. Based on the theoretical
background of the study. The main hypothesis
concerned with the relationship between job
motivation and competitive advantage. The null
form of this hypothesis would be stated as follow:

HO1: There is no significant relationship
between employee motivation and competitive
advantage.

The researcher has interviewed sixteen
managers from different successful Jordanian
organizations. The interviews are centered on
main issues. The first part in the interview focused
on three-dimensional representing employee
motivation. The second part contains seven
questions related to competitive advantage. The
expected answers from the managers on these
questions are ratings on a 5-point scale to the
effect of each question on four dimensions of
competitive advantage.

However, four of the manager interviews were
not continued. The remaining twelve interviews
are used to investigate the study hypotheses by
analyzing them using SPSS statistical technique

3. STUDY ANALYSIS

The main hypothesis (HO1) investigates the
relationship between job motivation and
competitive advantage. It has been examined by
asking the interviewed managers to rate on a 5-
point scale their perceptions about the impact of
three job motivation dimensions on four
competitive advantage dimensions. The two
groups of dimensions are:

- Job Motivation dimensions: (Predetermined
  performance standards, referred to as Pre
  standards, Satisfying pay and rewards,
  referred to as Sat. Reward, and Open and fair
  reward system, referred to as Fair Reward)
- Competitive advantage dimensions: (Compe-
tent and skilled employees, Willingness to
achieve goals, Cost effective employees and
Loyal and committed employees)

According to managers’ perceptions, table 1
indicates that all job motivation dimensions are
not effective in creating competent and skilled
workers. The means for the three motivation
dimensions are below 3.0. This finding indicates
that the interviewed managers do not agree on
the notion that these dimensions are important in
creating competent and skilled workforce.

In contrast, employees’ willingness to achieve
organizational goals, the second source of
competitive advantage, is perceived to be highly
affected by these motivational dimensions. All
respondent means for these dimensions are over
4.33 which indicates an agreement by managers
that these motivational dimensions lead to
employees willingness to achieve goals.

With respect to the third source of competitive
advantage, cost effective workforce, the table
indicates that there are two important motivational
dimensions; Pre determined performance
standards and satisfying pay and reward system
(each has mean of 3.92). However, the third
motivational dimension, open and fair reward
system, is moderately important in creating cost
effective employees (mean = 3.75).

Finally, there are two motivational dimensions
that are perceived to be important in creating loyal
and committed workforce. These dimensions are;
satisfying pay and rewards and open and fair
reward system. Their perceived means are 4.58
and 4.1, respectively. The first motivational
dimension, pre determined performance
standards, is perceived less important, but not
weak, for loyalty and commitment. Its perceived
mean is 3.66.

The overall relationship between all job
motivational dimensions and all competitive
advantage sources has been perceived to be
moderate (overall mean of 3.73).

In order to examine the significance of this
relationship as stated in the main hypotheses,
the data are analyzed using SPSS statistical

Table 1: The means and standard deviations of managers’ ratings:

<table>
<thead>
<tr>
<th>Sources of competitive advantage thro people</th>
<th>Job motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pre standards</td>
</tr>
<tr>
<td></td>
<td>Mean</td>
</tr>
<tr>
<td>Competent and Skilled</td>
<td>2.33</td>
</tr>
<tr>
<td>Willingness to achieve</td>
<td>4.42</td>
</tr>
<tr>
<td>Cost effective</td>
<td>3.92</td>
</tr>
<tr>
<td>Loyal and committed</td>
<td>3.66</td>
</tr>
<tr>
<td>Overall mean = 3.73</td>
<td></td>
</tr>
</tbody>
</table>
ACHIEVE COMPETITIVE ADVANTAGE THROUGH JOB MOTIVATION

Table 2: Model summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R square</th>
<th>Adjusted R square</th>
<th>Std. error of the estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.835</td>
<td>.698</td>
<td>.668</td>
<td>.1067</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), MOTIVAT

Table 3: ANOVA analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of squares</th>
<th>df</th>
<th>Mean square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.263</td>
<td>1</td>
<td>.263</td>
<td>23.107</td>
<td>.001*</td>
</tr>
<tr>
<td>Residual</td>
<td>.114</td>
<td>10</td>
<td>1.139E-02</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>.377</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), MOTIVAT
b. Dependent Variable: Competitive advantage

Table 4: Relationship between job motivation and competitive advantage

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>1.471</td>
<td>.467</td>
</tr>
<tr>
<td>MOTIVAT</td>
<td>.599</td>
<td>.125</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Competitive advantage

(HO1): There is no significant relationship between job motivation and competitive advantage, a simple regression model has been run in which competitive advantage is the dependent variable while job motivation is the independent variable.

The results indicate a high correlation between the two variables (r = .84). The coefficient of determination of the model (R Square) is .668 which indicates a moderate ability of the explanatory power of the predictor variable (job motivation) in explaining the variations in the dependent variable (competitive advantage) (Table 2).

The analysis of variance (ANOVA) for the model has shown a significant effect of the predictor variable (F = 23.1) at the %99 level of confidence with 1 degree of freedom (Table 3).

Testing the null hypothesis (HO1) at the %99 level of significance results in a rejection to the hypothesis since calculated t (4.807) is higher than the critical t of (3.1) at that level of significance. This result indicates that there is a significant relationship between job motivation and competitive advantage (Table 4).

4. CONCLUSION

“The successful organisations of the future – those which secure a true competitive advantage – will be those which understand the link between their business results and people. By understanding this link, they will be able to vastly improve the performance of people in their organisation, and achieve in reality the propositions that ‘people are our most important assets’ and ‘people are our source of competitive advantage. So company should motivated and satisfied employees who are willing to work effectively and efficiency to achieve their organisation goals. The results indicated a significant relationship between job motivation and competitive advantage.

REFERENCES