Factors Affecting Employee Job Performance in the Poultry Processing Sector: A Case Study from Gampola, Sri Lanka

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ABSTRACT: In the poultry processing sector, employee performance plays a critical role in productivity and operational efficiency. Employee performance is shaped by multiple internal and external factors, ranging from demographic characteristics to organizational practices. This study explores the impact of various factors, demographic factors (age, gender, work experience, education level), working conditions, compensation, relationships with coworkers and supervisors, training and development, and performance appraisal on employee performance at a poultry processing plant in Gampola, Sri Lanka. The data was collected using a structured questionnaire from a sample of 131 employees, chosen through simple random sampling. The variables were measured on a five-point Likert scale, and data analysis was performed using the Statistical Package for Social Sciences (SPSS), involving both descriptive and inferential statistics. According to the results, a significant positive relationship was found between employee performance and factors such as work environment, performance appraisal, compensation, gender, and experience. In contrast, no significant impact on employee performance was shown by relationships with coworkers, relationships with supervisors, training and development, and age. The study findings proved that employing well experienced labourers with a sound compensation plan, creating a better working environment, and applying employee friendly performance appraisal methods would enhance the job performance of employees, and management should take in to consideration such relationships in developing strategies to increase employee's productivity of the Poultry Processing Sector.

KEYWORDS: Employee Job Performance, Factors affecting, Poultry Processing Sector, Sri Lanka, Workplace Environment, Workplace Productivity

I. INTRODUCTION

A. Background of the Study

Human resources (HR) are considered the main driving force behind all line activities aimed at achieving organizational goals. Employee job satisfaction must also be taken into account to ensure the attainment of company objectives. Job satisfaction is typically desired by employees within a company, as it enables them to enhance their performance (Darmawan & Tanuwijaya, 2023). In poultry processing companies, semi-automated production lines are prevalent, requiring significant manpower and HR are a crucial asset, as their performance directly impacts the achievement of company goals (Opoku, 2024). High job performance enhances overall production efficiency, reduces losses, and boosts profitability. Conversely, inadequate supervision of labourers can lead to lower-quality production and increased machinery maintenance, which negatively affects employee performance (Yulius et al., 2023).

Job performance in the poultry processing sector is influenced by a variety of factors. Research has shown that reward packages, including fringe benefits, feedback, bonuses or commissions, autonomy, career development, and recognition, positively impact performance measures (Nsiah et al., 2022). Moreover, work discipline, work ethos, and the work environment play crucial roles in enhancing employee performance (Rahmawati & Ubaidillah, 2023). Additionally, factors such as work motivation, communication, and stress management have a significant positive relationship with employee performance, contributing greatly to overall performance in the poultry processing sector (Yulius et al., 2023).

Having critically reviewed the interplay among the aforementioned factors, this study examines factors affecting employee job performance in the poultry processing sector, with a focus on the a leading poultry processing company based in Gampola. It

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explores the relationships between job performance and variables such as demographic factors (age, gender, work experience, education level), employee compensation, working environment, training and development, relationships with co-workers and supervisors, and performance appraisal. The insights gained aim to assist management in developing strategies to enhance employee job performance and ensure the long-term profitability and sustainability of the company.

B.   Research Problem

HR are essential to the success of any organization, particularly in semi-automated industries where machinery supports but does not replace human effort. In Sri Lanka's poultry processing sector, as exemplified by the case study company, operations rely extensively on manpower. Inefficiencies in employee performance, however, can lead to substantial financial losses and resource wastage. A comprehensive study can help identify areas of inefficiency, skill gaps among employees, and other contributing factors to suboptimal performance. Therefore, understanding and enhancing the factors influencing employee job performance is critical to achieving organizational economic goals and improving overall operational efficiency. the objective of the study is to identify factors affecting employee performance in the poultry processing sector and provide recommendations for improving employee performance.

C.   Objectives

To identify factors affecting employee performance in the poultry processing sector and provide recommendations for improving employee performance.

II.   LITERATURE REVIEW

A.   Employee Performance Factors

Several studies have examined factors influencing employee performance. Viswesvaran and Ones (2000) identified the interplay between contextual performance, task performance, and organizational behaviours. They emphasized the need for further research on individual differences that affect performance dimensions. Susanty et al. (2013) highlighted that job satisfaction, driven by positive work attitudes, organizational commitment, and good relationships with coworkers and supervisors, enhances employee performance. Similarly, Dizgah et al. (2012) supported these findings. Muda et al. (2014) studied Islamic banks in Indonesia and found that job stress, motivation, and communication significantly affect performance. Effective training and development, coupled with proper supervision and motivational strategies, were identified as key factors for improving performance. Ghani et al. (2016) discussed the impact of leaders' personality traits on employee performance, while Kurata et al. (2015) highlighted the benefits of effective workforce utilization, including cost reduction and improved task clarity. Artcer et al. (2015) found mentoring to be an effective strategy for enhancing workforce utilization.

B.   Demographic Factors

Demographic factors such as age, gender, work experience, and education level play a significant role in shaping employee performance. Studies suggest that age and experience are positively correlated with job performance due to accumulated knowledge and skills (Kotur & Anbazhagan, 2014). Gender, however, shows mixed results, with some studies indicating no significant impact on performance, while others suggest gender-specific strengths in different job roles (Powell, 2012). Education level also influences job performance, with higher educational attainment generally associated with better performance outcomes (Giragama & Sooriyabandara, 2018).

C.   Work Environment

The work environment has a significant impact on employee performance. According to Harischandra & Hettiarachchi, (2020) a detrimental work environment characterized by poor design, unsuitable furniture, inadequate ventilation, and noise, can have a negative effect on productivity. Chaurasia and Shukla (2014) emphasized that a supportive work environment enhances employee comfort and performance. Siagian & Mon (2024) found that factors like lighting, cleanliness, and security can significantly affect workplace efficiency. Good environmental conditions with higher employee productivity (Purwati et al., 2024). Effective management, including transformational leadership and organizational support, is crucial. Employees who perceive strong management are more likely to perform well (Siagian & Mon, 2024).

D.   Relationships with Co-workers and Supervisors

Interpersonal relationships at work are vital for productivity. Social network theory suggests that strong relationships between coworkers are associated correlate with better performance. The relationships with supervisors, defined as the interactions between employees and their managers, also significantly influence job performance. Positive coworker relationships and

supportive supervisory interactions contribute to a collaborative work environment, which is essential for job performance (Harischandra & Hettiarachchi, 2020).

E. Compensation

Compensation management is a key HR function that involves implementing, fair and consistent payment strategies based on employee contributions (Purwati et al., 2024). Farooqui & Nagendra, (2014) highlighted the role of various incentive plans in aligning compensation with organizational goals. Employee attitudes and perceptions play a crucial role in shaping compensation strategies, impacting motivation and job satisfaction. Tailoring compensation packages to align with employee expectations fosters a motivating work environment, enhancing performance (Fan, 2024). Higher levels of compensation correlate positively with increased job satisfaction, which in turn boosts performance (Gamlath, 2019).

F. Training and Development

Training and development are essential for improving employee performance. Effective training programs enhance employee performance by improving job satisfaction and engagement (Warsame, 2023). Training programs, including leadership development, industry updates, and remote work adaptation, enhance employees' skills and effectiveness. It is also important to address performance review findings and develop soft skills to enhance job performance.

G. Performance Appraisal

Performance appraisal is a systematic approach to enhancing organizational performance by evaluating individual and team contributions (Gamlath, 2019). It involves establishing clear objectives and assessing performance against these targets to ensure continuous improvement. Effective appraisals support goal alignment and employee development, ultimately improving organizational outcomes. Regular performance appraisals can motivate employees and align their goals with organizational objectives, thereby enhancing overall performance (Giragama & Sooriyabandara, 2018).

III. CONCEPTUAL FRAMEWORK

Conceptual framework, represents the relationship between independent variables and dependent variable which is employee performance. Independent variables are demographic factors (age, gender, work experience and education level), employee compensation, working environment, training and development, relationship with co-workers and supervisors and performance appraisal. The employee performance, which is the dependent variable in this study, was conceptualized by efficiency, quality, productivity and timeliness (Nassazi, 2013).

Figure 01: Conceptual framework
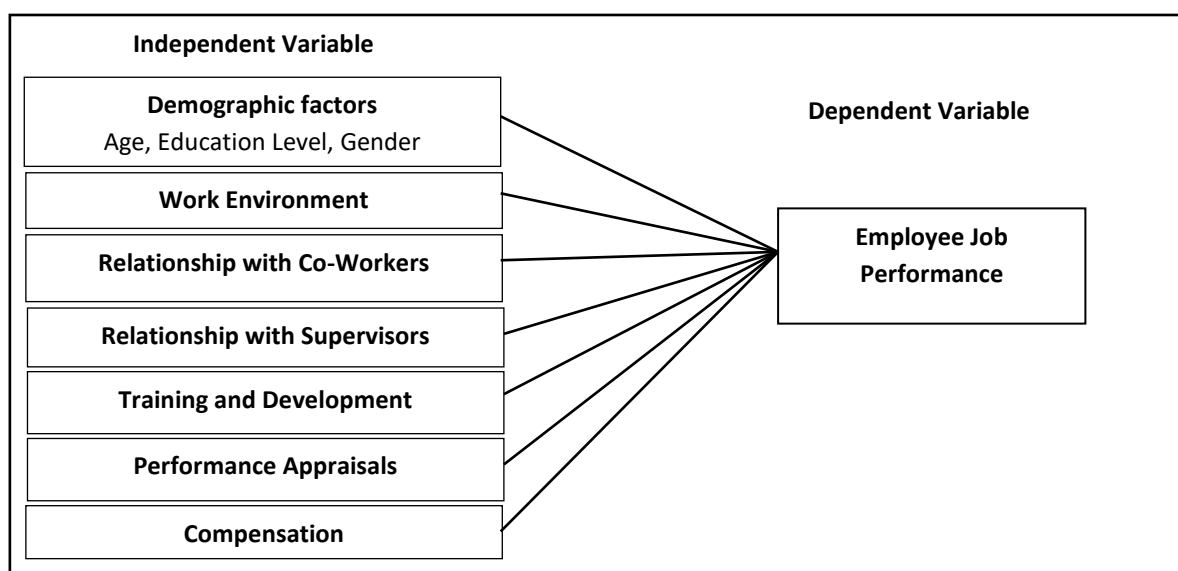
IV. MATERIALS AND METHODS

A. Study Population

This study targeted employees from a poultry processing company, specifically focusing on laborers at various departments within the facility. The total sample comprised 131 employees from the Bird Receiver Unit, Evisceration Unit, Packing Unit, and

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Cool Room Unit. This study employed a Simple Random Sampling (SRS) technique. SRS was selected to ensure that each section of the population was equally represented in the sample. By assigning sequential numbers to employees and using a random number generator, we ensured that all subgroups were adequately represented. This technique enhances the accuracy and reliability of the research findings.

B. Methods of Collecting Data

Data collection involved using a structured questionnaire to gather primary data. The questionnaire was divided into seven sections; demographic factors, compensation effects on performance, work environment effects, relationships with co-workers and supervisors, training and development effects, and performance appraisal impacts. Each section aimed to evaluate different variables affecting employee performance. The questionnaire was administered to the employees, and a separate set of questions was used to gauge performance as reported by supervisors.

The structure questionnaire with open ended questions validated by application of reliability test was administrated to collect the primary data from employees using five Likert scale for measuring variables. It ensured the presence of a specific or main subgroups inside the sample category. The questionnaire with 7 units including independent variables were designed. To measure the dependent variable which was employee performance, a different questionnaire contained questions demonstrating the dependent variable was deployed among each 4 sections' supervisors to measure the influence of the performance of the employees. The secondary data were collected from organization office records.

C. Methods of Data Analysis

Both descriptive analysis and multiple regression models were used for data analysis. The descriptive and inferential analysis were done using the Statistical Package for Social Sciences (SPSS). The following hypothetical model was applied.

$$\hat{Y} = C + (\beta_1) X_1 + (\beta_2) X_2 - (\beta_3) X_3 - (\beta_4) X_4 - (\beta_5) X_5 - (\beta_6) X_6 + (\beta_7) X_7 + (\beta_8) X_8 + (\beta_9) X_9 + (\beta_{10}) X_{10} + \varepsilon$$

Where;

$\hat{Y}$ = Employee Job Performance

X_1 = Age

X_2 = Gender

X_3 = Experience

X_4 = Education Level

X_5 = Work environment

X_6 = Relationship with coworkers

X_7 = Relationship with supervisor

X_8 = Training and development

X_9 = performance appraisal

X_{10} = Compensation

ε = Error term

V. RESULTS AND DISCUSSION

A. Demographics of the Sample

The demographic analysis reveals that a significant majority of the respondents, 86 individuals or 65.6%, were female, while the remaining 45 respondents or 34.4% were male, suggesting that female employees are more prevalent in this industry. This could be attributed to the nature of work in the packing and evisceration divisions, where tasks are equally suitable for both genders, making female labor more beneficial for the company. Age distribution among respondents shows that 45.7% are aged 40 to 55, followed by 26.7% of respondents aged 30 to 39, 22.9% aged 55 and above, and only 4.7% aged 18 to 29, indicating that younger employees are less represented. Regarding work experience, 32.1% of respondents have worked at the company for five to seven years, 16% for more than ten years, 16% for two to four years, 13% for less than a year, and 16% for eight to ten years, suggesting a workforce with substantial experience. When examining educational levels, 1.5% of respondents had no formal education, while 22.1% had completed primary education, 28.2%, had studied up to grade 10, and 38.2% had completed the Ordinary Level (O/L) examination. Meanwhile, 9.9% had completed the Advanced Level (A/L) examination. This indicates that most respondents had attained at least a primary or secondary level of education.

A normality test was conducted to assess whether the data followed a normal distribution (Arabmazar & Schmidt, 1982). Table 1 presents the results, indicating that all variables are symmetrical, as the skewness and kurtosis values fall within the acceptable range of -2 to +2. Thus, these variables are considered normally distributed (George & Mallery, 2010).

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Table 01: Normality Test output

Variable	Skewness	Kurtosis
Work environment	-.296	1.838
Relationship with coworkers	-.289	-.495
Relationship with supervisor	-1.785	1.204
Training and development	-.014	.393
Performance appraisal	.112	1.740
Employee Job performance	.266	-.627
Compensation	.184	-.913

B. Reliability Test

Cronbach's Alpha was employed in this study to assess the reliability of the variables, as highlighted by Ismail (2012). According to Sekaran (2003), a Cronbach's Alpha value close to 1.0 indicates a high level of internal consistency. A value above 0.8 is considered good, a value around 0.7 is acceptable, and a value below 0.6 is considered poor. In this study (table 02), the Cronbach's Alpha was above 0.7, with a significance level of $P < 0.001$. This indicates that the research tools used are reliable and can be expected to produce credible results.

Table 2: Reliability Test Results

Variable	Number of items	Cronbach's Alpha
Work environment	05	0.707
Relationship with coworkers	05	0.725
Relationship with supervisor	05	0.754
Training and development	11	0.731
Performance appraisal	10	0.722
Employee Job performance	10	0.776
Compensation	13	0.760

C. Main Factors Influencing on Employee Job Performance

Multiple regression analysis was used to analyze the effect of independent variables on the effectiveness of the employ job performance. According to adjusted R square value, 70.5% of the dependent variable, which is employee job performance, is explained by the variations of other independent variables (P = 0.000). Durbin-Watson value was indicated that there was no any autocorrelation. According to VIF and tolerance values, there was no any multicollinearity trouble for independent variables.

Table 03: Model Summary Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig. F Change
1	.853[a]	.728	.705	.07894	.000

This study utilized multiple regression analysis. According to the results in Table 4.2, factors such as work environment, performance appraisal, compensation, gender, and experience were found to have a significant positive relationship with employee performance. In contrast, relationships with coworkers, relationships with supervisors, training and development, and age did not show a significant impact on employee performance. Therefore, the hypothesis stating that work environment, performance appraisal, compensation, experience, and gender significantly influence employee performance is accepted. This finding suggests that employee performance in the poultry processing sector improves when these factors are present.

According to the results multiple linear regression equation is as follows;

Employee Job Performance = 1.526+0.171(Working Environment) +0.113(Performance Appraisal) +0.095(Compensation)+0.069 (Experience) +0.027 (Gender)+ϵ

Table 04. Multiple Linear Regression Test Results

Coefficient							
	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Model	B	Std. Error	Beta	t	Sig.	Tolerance	VIF

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1	(Constant)	1.526	.262		5.824	.000		
	Work environment	.171	.047	.197	3.629	**.000*****	.778	1.285
	Relationship with coworkers	-.032	.028	-.065	-1.123	.264	.689	1.451
	Relationship with supervisor	.015	.022	.038	.702	.484	.794	1.259
	Training and development	.046	.039	-.067	1.182	.240	.716	1.397
	Performance appraisal	.113	.034	.201	3.364	**.001****	.643	1.555
	Compensation	.095	.036	.162	2.651	**.009***	.614	1.629
	Gender	.027	.016	.088	1.722	**.088**	.875	1.143
	Age	2.908E-5	.001	.002	.034	.973	.800	1.251
	Experience	.069	.006	.612	10.565	**.000*****	.681	1.467
	Education Level	-.005	.007	-.030	-.603	.548	.907	1.102
a. Dependent Variable: Employee Job performance								

*Significant at the 0.05 level, **significant at the 0.01 level, ***significant at the 0.001 level

The results indicate that the work environment significantly affects employee performance. This finding suggests that an employee's performance is influenced by the conditions of their workplace. These results align with Chaurasia and Shukla's (2014) assertion that a supportive work environment is essential for employees to feel comfortable, satisfied, and able to reach their full potential. It is crucial to provide proper working conditions, ambiance, and support to enable employees to perform their duties effectively.

Additionally, the results show that compensation has a significant impact on employee job performance. Chen and Sandino (2012) support this by noting that increasing employee pay can enhance motivation. Companies often use both financial and non-financial compensation systems to incentivize high-performing employees, particularly those in positions of authority and status. Higher compensation is often associated with greater social influence, which can contribute to higher job satisfaction.

Furthermore, the study indicates that gender and experience significantly affect employee job performance. This finding is consistent with Kotur and Anbazhagan (2014), who stated that male and female employees exhibit different performance levels at work. As individuals gain more experience, they naturally develop deeper insights into their tasks, enabling them to handle their jobs more effectively.

CONCLUSION

In conclusion, it has been determined that factors such as work environment, performance appraisal, compensation, gender, and experience exhibit a significant positive relationship with employee performance. Conversely, factors including relationships with coworkers, relationships with supervisors, training and development, and age were found to have no significant impact on job performance in the Poultry Processing Sector.

Limitations

A limitation of this study is the potential subjectivity of the interview responses, as participants may not have been entirely candid about sensitive topics. Despite efforts to encourage honesty, some individuals initially withheld information. Additionally, concerns about job security led some participants to refuse the questionnaire. Furthermore, verbal questioning was necessary for many laborers due to their limited education, which hindered their ability to complete the questionnaire independently.

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