

Perceived Underemployment and Self-Improvement Behaviour: The Effects of Job Satisfaction and Locus of Control

N K Abeyesiriwardena

B J H Arachchige

Abstract

Underemployment has already been recognized as a global issue. There is a concern about overinvestment on self-improvement of underemployed employees when they are sufficiently qualified at present, and this has given rise to a public debate. Thus, it is questionable on what basis some underemployed employees engage in self-improvement behaviour while others do not. The objective of this study is to explain under what conditions underemployed employees engage in actions such as self-improvement behaviour. To this end, this study theorized job satisfaction and locus of control as determinants that explain how perceived underemployment of an individual leads to his/her self-improvement behaviour. To verify the hypothesis empirically, a survey method was used to collect 278 data samples from prospective underemployed employees through a structured questionnaire. The data was analyzed using Structural Equation Modelling with AMOS. It was found that perceived underemployment has a positive impact on self-improvement behaviour, and that job satisfaction acts as a partial mediator of the relationship between perceived underemployment and self-improvement behaviour. The relationship between perceived underemployment and job satisfaction varies according to the locus of control of individual employees. This study contributes to the Relative Deprivation Theory by extending it to include job 'satisfaction and locus of control as determinants of the varying reactions of underemployed workers to their deprived situation. It is suggested that managers profile their employees when these employees have been deprived of work, and also facilitate employee job satisfaction and internal locus of control which, in turn, leads to self-improvement behaviours.

Keywords: Underemployment, Self-improvement behaviour, Job satisfaction, Locus of control, Level of equity sensitivity

Ms. N K Abeyesiriwardena is a Lecturer, Department of Business Economics, Faculty of Management and Finance, University of Colombo, Sri Lanka. E-mail: nipuniabeyesiriwardena@dbe.cmb.ac.lk

Prof. B J H Arachchige is a Professor, Department of Human Resource Management, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura, Nugegoda, Sri Lanka. Email: bhadra@sjp.ac.lk

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