



## Recruitment and Selection, Training and Development on Job Satisfaction Mediated by Motivation: Exploratory and Confirmatory Factor Analysis in the Ghanaian SMEs

Ohene Afriyie Emelia, Owusu-Acheampong Eugene,  
Jabez Arkaifie Samuel & Doumbia Musah Osumanu

### ABSTRACT

**Purpose** - The specific objectives were to determine the extent to which recruitment and selection and, training and development affect job satisfaction, and evaluate the impact of recruitment and selection, training and development on SMEs' job satisfaction using motivation as a mediating factor.

**Design/methodology** - The data were collected from 367 microfinance staff in the Greater Accra Region, Ghana, using a survey design and a questionnaire. IBM SPSS analyzed the data for descriptive statistics and AMOS for the structural equation model (SEM) to study relationships among the variables.

**Findings** - The study found that recruitment and selection, and training and development positively linked job satisfaction. Furthermore, the study revealed that recruitment and selection and, training and development had little impact on employee work satisfaction. Motivation does not mediate the job satisfaction of SME employees. According to the research, job satisfaction necessitates recruiting, selection, training, and development.

**Limitations of the study** - The context of this study was limited to microfinance institutions within the Greater Accra Region, Ghana. Besides, the scope was also limited to recruitment and selection and training and development and how they affect job satisfaction as mediated by motivation.

**Practical Implications** - This research contributes to our understanding of the elements that determine employee job satisfaction. The findings will help microfinance attract and choose the right people for success.

**Originality/Value** - In an emerging country like Ghana, this study employed a unique technique to evaluate employee job satisfaction in microfinance firms. The study investigated the impact of job satisfaction on planned recruitment and selection, training and development, and motivation.

### KEY WORDS

Microfinance institutions, Training and Development, Recruitment and Selection, Motivation, Job Satisfaction

JEL Code: M12, J24, O15

DOI: 10.46287/jhrmad.2022.25.1.5

## 1 INTRODUCTION

The world of work in the contemporary business environment has changed dramatically due to globalization. Globalization and workforce diversity have brought about new dimensions to the recruitment and selection, and training and development of employees (Chakraborty & Biswas, 2020).

### CONTACT INFORMATION:

Emelia, Ohene Afriyie, Department of Management and Public Administration, Accra Technical University, Ghana, e-mail: eoheneafriyie@atu.edu.gh

Eugene, Owusu-Acheampong, Department of Secretaryship and Management Studies, Cape Coast Technical University, Ghana, email: e.owusu-acheampong@cctu.edu.gh;

Samuel, Jabez Arkaifie, Department of Secretaryship and Management Studies, Cape Coast Technical University, Ghana, email: samuel.arkaifie@cctu.edu.gh

Musah, Osumanu Doumbia, Procurement and Supply Chain Management, Accra Technical University, Ghana, email: modoumbia@atu.edu.gh

The world of work in the contemporary business environment has changed dramatically due to globalization. Globalization and workforce diversity have brought about new dimensions to the recruitment and selection, and training and development of employees (Chakraborty & Biswas, 2020). The ability of organizations to grow, develop and sustain their operations is largely dependent on the calibre of their human capital. There is no misgiving about the urgent need for firms to pay prominent attention to the planning, recruitment, selection, training and development of the workforce to ensure that organizational members acquire the right competencies. The enhancement of the workforce's knowledge, skills and abilities serves as a source of competitive advantage, which no firm can imitate (Soundararajan & Singh, 2017). The development of the workforce competencies aims to create and add value to the repertoire of experiences that assist in the implementation of business strategies and help firms to take advantage of opportunities in the competitive global market (Biswas & Chakraborty, 2018; Rodjam et al., 2020).

However, for businesses to compete keenly in this volatile business environment, it is crucial to attract, obtain, manage and sustain the workforce due to their distinct abilities and a source of competitive urge to organizations (Upadhyay et al. 2016). Employing various means to motivate and satisfy the workforce must be a concern to organizational leaders. The human resource function must streamline activities and align individual goals to corporate strategy to unearth and utilize workforce potentials to organizational advantage (Parameswari & Yugandhar, 2015; Singh & Gaur, 2018; Ghalamkari et al., 2015; Almatrooshi et al., 2016). Organizational leaders must adopt systematic and varied approaches to evaluate employee performance, which is mostly measured on skill level, personal, organizational and environmental factors and level of motivation (Ali & Anwar, 2021). The provision of suitable training and development opportunities and a clear performance evaluation criterion will enable the workforce to work hard to achieve competitiveness in the ever-changing business environment (Al-Kassem, 2021).

One of the most growing SMEs in Ghana is the microfinance industry even though the rate of entry and exit is high, there has been a continuous expansion in the industry (Ewusie et al., 2021). In order to perform and survive in such an environment and not exit within the shortest period, a microfinance organization must ensure they attract, recruit, select, retain, train and develop their human resource base in order to offer their services to the organization. This will ensure the organization will continue to make profits, succeed and expand in such a turbulent environment. Such a move can be possible when MFI pay critical attention to their recruitment and selection processes as well as their training and development practices. On the other hand, for employees to give out their best, they need to feel motivated and satisfied in their job to enhance the growth of the organization. Yet, the challenge is whether their employees will feel motivated and satisfied if the organization is able to adapt and use recruitment and selection and training and development practices. Therefore, the purpose of this important study was to understand the intervening role of motivation affecting recruitment and selection, and training and development to give job satisfaction. The study specifically determined the extent that recruitment and selection, and training and development affect job satisfaction and, assess the impact of recruitment and selection, and training and development on workforce job satisfaction of SMEs using motivation as the intervening variable. The study is of great significance as it aims to contribute to the existing body of literature on job satisfaction.

## **2 LITERATURE REVIEW**

### **2.1 RECRUITMENT AND SELECTION**

The survival of an organization in today's globalized, technological and highly competitive environment is not dependent only on the amount of financial and physical resources but also on the quality of the human resources available in the organization. Identifying, attracting, and engaging individuals with the right competencies at the right time is crucial to the survival of the organization.

A thorough recruitment and selection process, as noted by Hamza et al. (2021), can guarantee an organization's productivity and consistency of performance and aid in further moulding employee behaviour and attitude. That is, having comprehensive recruitment and selection approaches can determine the organization's productive atmosphere (Malik, et al., 2021) since the recruitment and selection of suitable employees with high-level talents and abilities significantly affect the production efficiency of the organization (Venkateshwar, et al., 2017). Effective recruitment and selection strategies significantly impact organizational performance and development because employees recognize the organizational need and work toward the achievement of the organization's goal (Anand, et al., 2018).

Jashari and Kutllovc (2020) posit that attracting a pool of human resources with capabilities, experience, and a wide range of skills leads to quality work and aids in achieving the firm's strategic goals. With a well-designed laid down recruitment and selection process, an organization is likely to obtain personnel with the needed skills, talents, attitudes and commitment (Halid, et al., 2020) which would ensure that the organization's outcomes are beneficial to society and the nation. Proper recruitment and selection also ensure that the suitable job applicant is employed (Kanyemba et al., 2015). A planned recruitment and selection process also reduces employee turnover, aids in lowering unnecessary expenses, and significantly contributes to improving organizational performance (Hamza et al., 2021). This minimizes the turnover rate and reduces the investment made in frequent advertisements. Successful employee recruitment and selection activities enable organizations to obtain a dedicated and satisfied workforce who are capable of meeting the organization's goals and increasing profitability (Hossain et al., 2015; Cherif, 2020). Lack of strategic recruitment and selection process, on the other hand, hampers the growth of the organization (Gopinath, 2021).

## 2.2 TRAINING AND DEVELOPMENT

The quality of an organization's human resources determines the success or failure of modern commercial enterprises. Employees who are well trained and developed are regarded as the foundation of such achievement (Sal & Raja, 2016). Workforce training and development is a strategic move by organizations to improve employee competencies for current and future work demands. This puts the organization in a strategic position for competitiveness in the global marketplace since an employee's skills and knowledge acquired via training and development are unique and cannot be imitated (Murtiningsih, 2020). Training and development programmes impact positively on firm performance. Therefore, organizational leaders must envisage it as critical to the success of the performance and achievement of organizational goals and objectives (Rodriguez & Walters, 2017). Training is an intervention employed to bridge employees' skill gap between current performance and what is expected. In a globalized world powered by information technology and fierce competition among firms, employee training has become an essential tool to enhance the workforce's technical, managerial and personality competencies for improved performance and the means to build the human capital for wealth creation and provides a sense of job security, employee engagement and boost employee morale (Rodriguez & Walters, 2017; Manju & Suresh, 2011; Rama & Shaik, 2012).

In Chakraborty and Biswas (2020) it was found that training and development, retention plan, succession plan, job analysis and design affect organizational performance. Halid et al. (2020) also identified that training and development were essential factors in determining the intention of lecturers to stay in Malaysia with their employers, that is, private higher education institutions. Similarly, Adeyi et al. (2018) found that training and development affect employee retention. In another development, Sal and Raja's (2016) study of some private transport companies in Jordan, revealed a statistically significant relationship between training and development and employee performance and productivity. Hence, training and development are tools that help human capital discover their skills and substantially impact firms' performance and productivity.

### 2.3 MOTIVATION

Workforce motivation is described as a psychological process by which a person becomes inspired and encouraged to work consistently to achieve the desired outcome (Ali & Anwar, 2021). It is also the willingness to exert an effort in a sustained manner in order to obtain a desired need or want (Shenhav et al., 2021). Schunk and DiBenedetto (2020) define motivation as the processes that initiate and sustain goal-directed behaviour. Thus, workforce motivation requires direction and persistence in doing a particular activity (Nye, et al., 2021) which Rahiem, (2021) and Caligiuri, et al (2020) emphasize that motivation can be seen to address the question, why, as to the reason behind an individual choosing one action against another and the reason behind sticking to the selected course of action in periods of difficulties and problems.

A substantial body of research believe that motivation influence employee training and contribute to return on investment for organisations (Williams, et al., 2015). The pleasure of activity is commonly referred to as intrinsic motivation (Rheinberg & Engeser, 2018) while extrinsic motivation urges an individual to accomplish something which brings satisfaction to the job (Xu et al., 2020). For example, Herzberg (1966) considers promotion, conditions at work, work environment, pay or allowance, fringe benefits and job security as extrinsic motivation. This is also consistent with the study of Williams, et al., (2015) who observed from their study that employees were more motivated in the banking sector with other forms of rewards aside from their salaries. Nevertheless, extrinsic motivation is not persisted as long as the intrinsic motivation is natural and not forced by external factors and leads to job satisfaction (Ryan & Deci, 2020; Rheinberg & Engeser, 2018). A well-motivated person is a satisfied worker (Kuranchie-Mensah, & Amponsah-Tawiah, 2016; Lasisi, 2020).

### 2.4 JOB SATISFACTION

Job satisfaction has recently been the most investigated topic, as it is critical to employee performance and retention (Gopinath, 2021). Job satisfaction may be influenced by leadership, conflicts, level of motivation, performance, attitude and morale (Sarwar & Abugre, 2013; Singh & Jain, 2013). The definition of job satisfaction is broad, with numerous variations provided in the literature. Intrinsic and extrinsic satisfaction are among the characteristics of job satisfaction (Rasheed et al. 2020). Other researchers argue that job satisfaction is how employees feel about their employment (Davidescu et al., 2020; Nguyen, 2020). Employee job satisfaction plays a fundamental role in ensuring that employees work hard and invest more time and energy in performing tasks which eventually, results in improved output of a firm (Leonova, et al., 2021; Ravenna & Walsh, 2022; Saeed & Waghule, 2021). Job satisfaction is defined as a person's feelings and attitudes toward their job (Aziri, 2011). Jawaad, et al. (2019) also see job satisfaction as the action and reaction (whether positive or negative) of employees which are exhibited towards a task.

Studies have shown that salary and promotion are the most important elements influencing employee job satisfaction (Ali & Anwar, 2021; Dorta-Afonso et al., 2021; Obineli, 2013; Sarwar & Abugre; 2013, Treputtharat & Tayiam, 2014; Zakaria, et al., 2022). Sapada et al. (2018) also found that corporate culture and work ethics boost employee job satisfaction. This implies that a positive organizational culture and employee job satisfaction can increase employee performance. Organizations with good practices in terms of training and development have also been seen to have a higher job satisfaction rate among their employees (Jawaad, et al., 2019). Employees who feel motivated are mostly identified to feel satisfied with their jobs (Zakaria, et al., 2022) and even though they may not be receiving higher rewards Jawaad, et al. (2019) revealed that higher reward systems do not predict satisfaction since some employees may not have any option not to quit their current jobs, due to unavailability of secured jobs. Employee job satisfaction is the most crucial factor in employee performance, whereas money is the least important. As a result, motivated and maintained personnel must realize the firm's strategic goal and enhance organizational competence to deliver innovative business outcomes



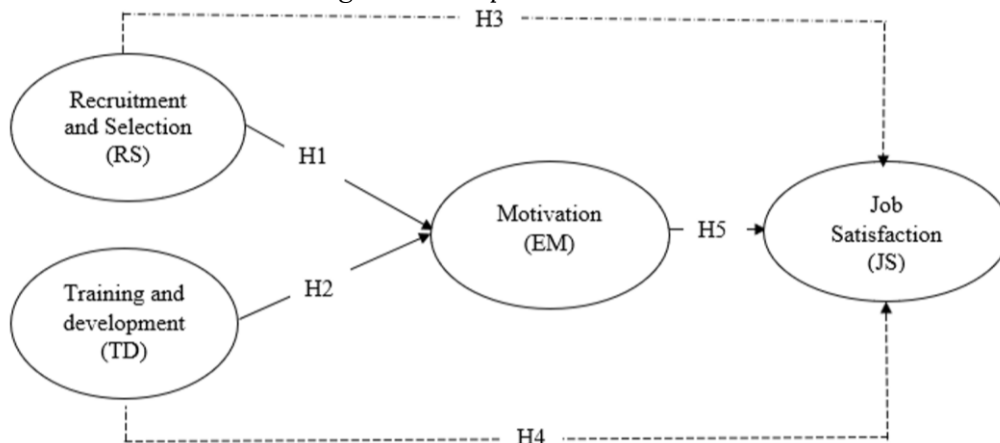
(Parameswari & Yugandhar, 2015; Singh & Gaur, 2018). Thus, there is a positive relationship between motivation and job satisfaction.

## 2.5 MICROFINANCE

Microfinance institutions are noted globally for their leading role in supporting small and medium enterprises (SMEs) to gain ground and conduct business by providing them with needed financial resources to grow, manage and sustain their businesses. They also contribute to reducing poverty, empowering individuals (Ewusie et al., 2021), especially women (Addai, 2017), and SMEs financially, and improving living standards, an element of the Sustainable Development Goal thus, reducing poverty. Batinge and Jenkins (2021) identified that aside from microfinance institutions (MFI) offering financial assistance, MFI also offer services to women which include training on financial management, skill development and other social services in order to help enhance the welfare of the women. It is also crucial to the socio-economic development of nations. About 75 per cent of the Ghanaian populace in the informal sector obtain their source of funding from microfinance institutions (Turkson et al., 2022). The challenge of the informal sector to secure funds for business operations is orchestrated by the springing up of MFI in the country. The main reason for their existence is to provide alternative sources of funding for small and medium enterprises and to support the development and growth of small enterprises (Nyanzu, et al., 2019).

In Ghana, Ewusie et al., (2021) note that a census of MFI project their number to be approximately 3000 while Alimo (2015) also posits that by categorization, 92% of companies in the country, are SMEs. Thus, micro-credit from MFI is a unique development intervention for small enterprises and also a source of economic relief to the poor. Microfinance institutions provide credit facilities to SMEs and rekindle their entrepreneurial desire which is fundamental for business growth and sustainability (Duramany-Lakkoh, 2021). They provide alternative sources of funding to small businesses and also give employment opportunities to the youth in Ghana (Gakpo et al., 2021). Besides, they promote a saving culture among the citizenry at the lower level of the economic structure and offer guidance and training to people on strategic investment opportunities they can take advantage of to better their living conditions (Karmakar et al., 2011). Notwithstanding, microfinance institutions experience difficulties resulting in lock-up of depositor's funds (Addae-korankye, 2021), inexperience fund managers and poor liquidity (Karmakar et al., 2011); excessive inter-microfinance lending and borrowing resulting in a liquidity crunch (Bugg-Levine et al., 2012). Additionally, over-reliance on donor funds for capital put MFI at a great disadvantage as they endure some unnecessary bureaucratic arrangements and other political connections weak corporate governance structures, and weak financial and accounting practices (Agyeman et al., 2020). Microfinance over-indebtedness and lack of information on operations also account for their frequent winding up (Kasoga, P. S., & Tegambwage, 2021; Saefullah et al., 2022).

Fig 1. Conceptual Model



### 3 METHODOLOGY

#### 3.1 RESEARCH APPROACH

The approach for the study was quantitative and the design was a cross-sectional survey. The approach and design were appropriate for the study's numerical data and to establish statistical relationships and associations between variables. Walters (2021) points out that a survey design assists in the collection of numeric data that are not readily available. It also helps to generalize the findings of the research. As noted earlier, it is estimated that there are approximately 3000 MFI in Ghana (Ewusie et al., 2021) which makes it significant for the study to use them as representative of SMEs. The MFI is made up of susu operators (individuals and companies), money lenders, savings and loans, credit unions, microfinance companies, rural and community banks, and financial non-governmental organizations. The study employed the simple random sampling technique to select (100) micro-finance that has been in existence for more than three years. This was obtained from the Bank of Ghana and Microfinance Institutional Bodies. A sample size of 400 employees were selected for the study using the Krejcie and Morgan (1970) table.

About three hundred and sixty-seven (367) questionnaires were retrieved and used for analysis. Confirmatory factor analysis was used to test the measurement model on the data set with IBMSPSS version 24 and the AMOS Structural Equation Model (SEM). The measurement model was used to establish connections between variables. This aided in calculating the convergent and composite reliabilities. The SEM helped to estimate the sequence of connectedness and relationships simultaneously (Yeh & Li, 2009). The model allowed for the interpretation of results in multicollinearity compared to multiple regression (Sarstedt et al., 2021). The factor construct used in this study was based on a maximum likelihood estimate to test the research questions by assessing the general fit indices used in the study.

##### 3.1.1 MEASUREMENT OF THE CONSTRUCT

To ensure content validity, items for the construct were taken mostly from previous studies. Aside the personal characteristics of the respondent, the rest of the questionnaires was based on the five-point Likert scale starting from strongly agree (5) to strongly disagree (1). The questionnaires were reviewed by three human resource experts and piloted among twenty (20) employees from four (4) microfinance institutions in Accra.

##### 3.1.2 RESEARCH HYPOTHESIS

- H1: Recruitment and selection directly and positively affect motivation
- H2: Recruitment and selection directly and positively affect job satisfaction
- H3: Training and development directly and positively affect motivation
- H4: Training and development directly and positively affect job satisfaction
- H5: Motivation directly and positively affect job satisfaction

#### 3.2 RESEARRCH RESULTS

##### 3.2.1 RESULTS OF THE MEASUREMENT MODEL

A confirmatory factor analysis using AMOS version 24 was used to test the measurement model. Nine model fit indices were used for the assessment of the overall goodness of fit of the model: the ratio of X2 of degrees of freedom (d.f.), Goodness of fit index (GFI) the adjusted goodness of fit index (AGFI) root mean square residual (RMR), Tucker Louis index (TLI) Non fit index (NFI) comparative fit index (CFI), root mean square of approximation (RMSEA) and PCLOSE. The model has the following

goodness of fit index ( $\chi^2/df = 1.68$ ,  $GFI = 0.98$ ,  $AGFI = 0.91$ ,  $RMR = 0.03$ ,  $TLI = 0.96$ ,  $NFI = 0.93$ ,  $CFI = 0.97$ ,  $RMSEA = 0.04$  and  $PCLOSE = 0.88$ ). All model indices met the acceptable cut-off values. After the acceptance of the overall model indices the study went on to evaluate the psychometric properties of the measurement model in terms of composite reliability, convergent validity and discriminate validity.

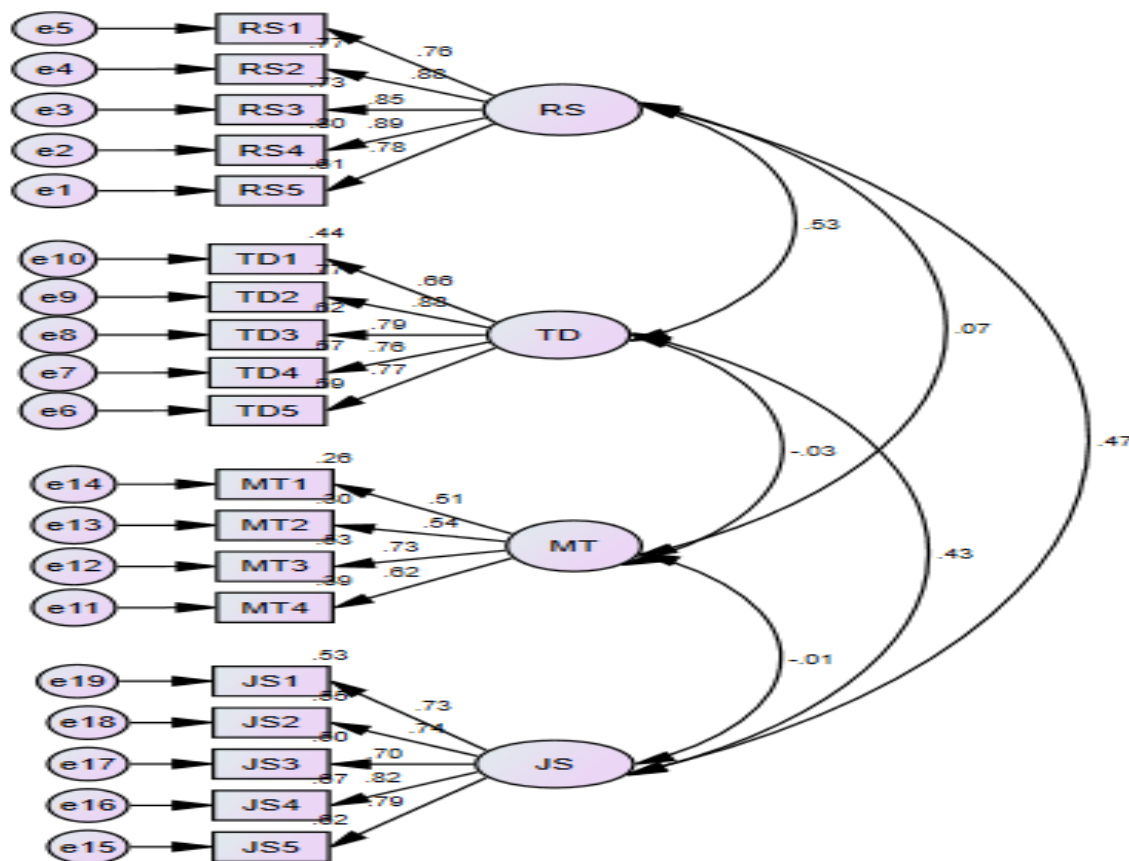


Fig 2. Measurement model (N=367)

Note: Model 1 fit indices:  $\chi^2/df = 1.68$ ;  $GFI = 0.98$ ;  $AGFI = 0.91$ ;  $RMR = 0.03$ ;  $TLI = 0.96$ ;  $NFI = 0.93$ ;  $CFI = 0.97$ ;  $RMSEA = 0.04$ ;  $PCLOSE = 0.88$

Table 1. Results of CFA for the measurement model

Construct	Coding	Mean	SD	CA	Factor Loadings	CR	AVE
Recruitment and Selection	RS5	3.47	0.91	0.91	0.78	0.93	0.86
	RS4	3.49	0.93		0.89		
	RS3	3.54	0.91		0.85		
	RS2	3.72	0.83		0.87		
	RS1	3.38	0.95		0.76		
Training and development	TD5	2.72	0.82	0.87	0.76	0.91	0.82
	TD4	2.85	0.89		0.75		
	TD3	2.71	0.88		0.78		
	TD2	3.09	0.92		0.87		
	TD1	2.99	0.95		0.66		
Motivation	MT4	3.99	0.78	0.67	0.62	0.88	0.77
	MT3	3.84	0.77		0.72		
	MT2	3.82	0.80		0.54		
	MT1	3.86	0.75		0.51		

Job Satisfaction	JS5	3.47	0.79	0.86	0.78	0.90	0.81
	JS4	2.92	0.93		0.82		
	JS3	2.79	0.85		0.70		
	JS2	3.13	0.86		0.74		
	JS1	3.26	0.95		0.72		

Note: SD: Standard Deviation, CA = Cronbach's Alpha, CR = Composite Reliability = (square of the summation of the factor loadings) / (square of the summation of the factor loadings), AVE: Average Variance Extracted = (summation of the square of factor loading) / (summation of square of the factor loadings) + (summation of error variances).

Cronbach's alpha values ranged from MT = 0.69 to JS = 0.86 to TD = 0.87 to RS = 0.91, with a KMO value of 0.89, an approximate chi-square value of 3824.28, df, 171 and a significance of 0.000. The findings suggest that the data is sufficient to run the CFA model. The SEM analysis found the observable variables that are critical to describing the numerous constructs used in this research's conceptual model.  $\chi^2/df = 1.68$ , GFI = 0.98, AGFI = 0.91, RMR = 0.03, TLI = 0.96, NFI = 0.93 were achieved by all elements in the CFA model. The CFI is 0.97, the RMSEA is 0.04, and the PCLOSE is 0.88.

The model met all of the conventional model fit indices thresholds. The study went on to examine the composite reliability (CR) and convergent validity (AVE). The CR values were RS = 0.88, TD = 0.88, MT = 0.69, and JS = 0.86. All of the CR values were greater than 0.60, indicating that all of the measurement models of MT, JS, TD, and RS have required composite reliability greater than 0.6, implying that all of the constructs have internal consistency between all of the indicator variables. The researchers continued to test the AVE and differentiate construct values. In addition, the AVE values ranged from RS = 0.86 to TD = 0.82 to MT = 0.77 to JS = 0.81. All construct AVE values were greater than 0.50, indicating the presence of convergent validity.

Table 2. Discriminate Validity

Constructs	Recruitment & Selection	Training & Development	Motivation	Job Satisfaction
Recruitment & Selection	0.92			
Training & Development	0.53	0.91		
Motivation	0.07	-0.02	0.88	
Job Satisfaction	0.46	0.42	-0.00	0.90

Note: Discriminate values of all latent variables are greater than the correlations

Table 2 gives the summary of the results of internal consistency and convergent validity for the constructs. The internal consistency reliability was conducted to test the unidirectionality and this was assessed using Cronbach's alpha. The result of the Cronbach's alpha ranges from 0.67 to 0.91. Barclay et al (1995) and Nunnally and Bernstein (1994) state that for an item to be accepted, it should have a threshold of > 0.7, which means more than 50% share of variance between one construct. Hair et al. (1998), Chau and Hu (2002) have indicated that  $\geq 0.7$  is not the outright standard and any figure ranging from  $\geq 0.5$  is the acceptable level. The study further conducted composite reliability and convergent validity and all factors in the measurement model revealed adequate reliability and convergent reliability. The convergent validity is therefore considered reasonably satisfactory. Fornell and Larcker (1981), established that to determine discriminate validity, it is important to compare the squared correlations between constructs and the variance extracted for each construct. The results indicated that the square correlations for all constructs were lesser than the square root of average variance extracted (AVE) which means that discriminate value greater than the square correlation. This means there is discriminate validity present with all constructs as indicated in Table 2.



### 3.2.2 THE STRUCTURE MODEL

Figure 2 showed the structural model's overall goodness of fit indices. The model overall provides a good model fit  $\chi^2/df = 2.14$ , GFI = 0.94, AGFI = 0.92, RMR = 0.05, TLI = 0.94, NFI = 0.91, CFI = 0.95, RMSEA 0.05, PCLOSE = 0.20. The study proceeded to examine the path coefficients of the model. The structural model was evaluated based on the magnitude and significance of the path coefficient generated from AMOS structural equation model. The coefficient represents the hypothesized relationships linking the constructs in the model. The path coefficient of the constructs was tested to examine the relationship if they were significant using the p-value. The analysis of the study was based on a 5 per cent significant level (i.e.,  $p \leq 0.05$ ) therefore, the critical region for the t-test was between -1.96 and +1.96. Figure 3 and Table 2 present the results of the standardised path coefficient between the proposed constructs.

The results pertaining to model show that each HRM activity, that is, recruitment and selection, and training and development were not positively linked to motivation and also not statistically significant at  $p \leq 0.05$ . Therefore, the HRM practices constructs were not collectively and positively related and cannot predict employees' level of motivation. Hence, hypothesis one and two are rejected. It is concluded that motivation does not mediate on the relationship between recruitment and selection and training and development.

Model 2 - the path coefficient, shows that the two HRMP constructs (recruitment and selection, training and development) were positively related to job satisfaction and statistically significant at 5% confidence level i.e.,  $p \leq 0.05$ . Therefore H3-H4 are acceptable implying that constructs were collectively and positively related and, therefore determine the level of performance. Model 3 - the results indicate that (H5) does not have a statistically positive relationship with job satisfaction at  $p \leq 0.05$ . Therefore, H5 is rejected. The direct and indirect and total effect was not performed because from the results of the study motivation does not mediate the performance of recruitment and selection, training and development.

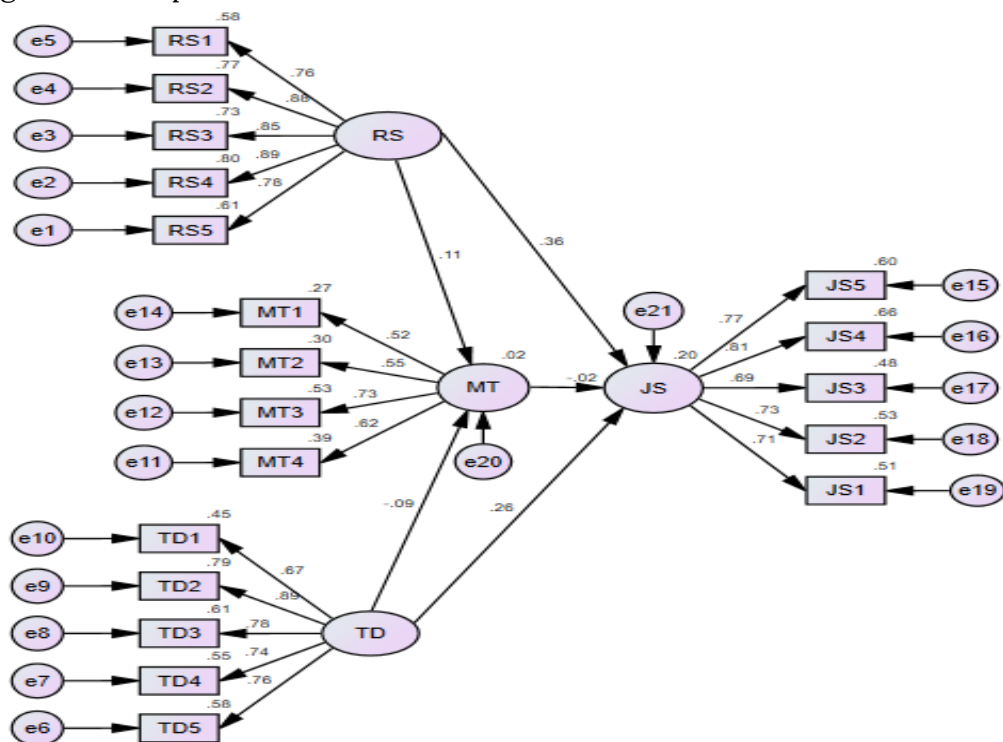


Fig 3. Measurement Model (N=376)

Note: Model 3 fit indices:  $\chi^2/df = 2.141$ ; GFI = 0.94; AGFI = 0.92; RMR = 0.05; TLI = 0.94, NFI = 0.91; CFI = 0.95; RMSEA 0.05; PCLOSE = 0.20

Table 3. Summary Results of the Hypotheses Testing

Model	Hypotheses	Path	Estimate ( $\beta$ )	S.E.	C.R.	P-value	Results
Model 1	H1	MT -->TD	-0.08	0.04	1.14	0.25	Not significant
	H2	MT-->RS	0.11	0.04	1.52	0.12	Not significant
Model 2	H3	JS -->TD	0.26	0.06	4.08	0.00	Significant
	H4	JS -->MT	-0.02	0.09	0.37	0.70	Not significant
Model 3	H5	JS -->RS	0.36	0.06	5.58	0.00	Significant

Note  $\beta$ = standardized beta coefficients: S. E. = standard error: C. R. = critical ratio \* $p < 0.05$   
 \*\*\* Correlation is significant at the level of 0.01 (two-tailed)  
 \*\* Correlation is significant at the level of 0.05 (two-tailed)

Table 3 depicts the relationship among the variables. The results showed a statistically significant effect that training and development ( $p = .000$ ) and recruitment and selection ( $p = .000$ ) have on job satisfaction. However, there was no relationship between motivation and recruitment and selection, training and development and job satisfaction.

#### 4 DISCUSSION

It is stated that recruitment and selection, training and development constructs were substantially and positively associated with employee job satisfaction construct and that these relationships were statistically significant at the 5 per cent confidence level. The findings of this study support the work of Jashari and Kutillovc (2020), Gopinath (2021), and Nguyen et al. (2021). Thus, the success of a business is achieved when owners/managers recognize the importance of recruiting and selecting the right calibre of employees with the requisite competencies for the job and provide the appropriate training and development programmes to handle current and future job demands. Managers/owners of SMEs must budget for training and development programmes, and provide training that will equip employees with the right skills for the jobs they perform. This will make the employees satisfied and contribute to organisational growth and sustainability. This is because a satisfied employee invests more time and energy to discharge tasks. This eventually, contributes to the productivity and performance of the organization (Leonova, et al., 2021; Ravenna & Walsh, 2022; Saeed & Waghule, 2021).

However, the path coefficient implies that recruitment and selection variables have a greater impact than training and development indicators. This can be explained by a study conducted by Hamza et al. (2021), which revealed that the appropriate selection techniques during the recruitment process are critical to determining the right calibre of people for the job. Employees who acquire the desired job are more satisfied than those who are not interested in the work that is being offered. This proves that employee recruitment and selection are crucial to the success of the organization and employee satisfaction.

#### 5 CONCLUSIONS

Some studies have shown a statistically significant relationship between recruitment and selection, and training and development on employee job satisfaction. This important study revealed that motivating the workforce does not mediate employee satisfaction on the job among SMEs. However, the study concludes that recruitment and selection, and training and development have positive effects on employee job satisfaction among SMEs.

Despite the importance of this study, the results should be considered with caution, as the sample is limited to Ghana and particularly, SMEs in the Greater Accra Region. Further studies should be conducted using a qualitative approach to provide detailed and vivid descriptions of SMEs' experiences and why motivation does not influence the performance of SMEs. This will help find a solution

to the problem of motivation in SMEs. This is because studies have found that motivation influences job satisfaction and this could be one of the reasons for some SMEs' growth. Finally, a study can also be conducted on why employees of SMEs are not motivated in their jobs.

The scope of this research was limited to microfinance institutions in the Greater Accra Region, Ghana. The study also used the quantitative approach. The study, therefore, recommended that the scope be expanded to include other regions and SMEs in the manufacturing sector. Besides, other approaches example, the mixed method or the qualitative study could be used to study the phenomenon.

## REFERENCES

- Addae-korankye, (2021) A Microfinance Sector in Ghana: Challenges and Recommendations. A Critical Review of Literature. *International Journal of Economics, Business and Management Research* Vol. 5, No.07; 2021
- Addai, B. (2017). Women empowerment through microfinance: Empirical evidence from Ghana. *Journal of Finance and Accounting*, 5(1), 1-11.
- Adeyi, A. O., Apansile, E. K., Okere, W., & Okafor, L. I. (2018). Training and development and organisational performance: Standpoint from Private tertiary institutions in Nigeria. *Journal of Economics, Management and Trade*, 1-10.
- Agyeman, A. S., Gyimah, A. G., & Adu-Asare, S. (2020). Assessing the impact of operational flaws on the performance of microfinance institutions in Ghana: a case study of selected microfinance institutions. *Journal of applied research on industrial engineering*, 7(2), 137-153.
- Ali, B. J., & Anwar, G. (2021). An Empirical Study of Employees' Motivation and its Influence Job Satisfaction. Ali, BJ, & Anwar, G. (2021). An Empirical Study of Employees' Motivation and its Influence Job Satisfaction. *International Journal of Engineering, Business and Management*, 5(2), 21-30.
- Alimo, M. T. (2015). The experiences of successful small business owners in Ghana (Doctoral dissertation, Walden University).
- Al-Kassem, A. H. (2021). Significance of Human Resources Training and Development on Organizational Achievement. *PalArch's Journal of Archaeology of Egypt/Egyptology*, 18(7), 693-707.
- Almatrooshi, B., Singh, S. K. & Farouk, S. (2016), "Determinants of organizational performance: a proposed framework", *International Journal of Productivity and Performance Management*, Vol. 65 No. 6, pp. 844-859, doi: 10.1108/IJPPM-02-2016-0038.
- Anand, V. V., Shanthanlakshmi, M., Ieewarya, G., Nandhu, S. & Kamatchi, S. M. (2018), "A study on effectiveness of recruitment organizational support in ITes", *International Journal of Pure and Applied Mathematics*, Vol. 119 No. 7, pp. 2755-2763.
- Aziri, B. (2011). Job satisfaction: a literature review. *Management Research & Practice*, 3(4).
- Barclay, D., Higgins, C., & Thompson, R. (1995). The partial least squares (PLS) approach to casual modeling: personal computer adoption and use as an illustration.
- Basa, B., Erari, A., & Setiani, M. Y. (2022). The Effect of Training, Career Development, Empowerment and Work Discipline on Job Satisfaction at Class I Airport Operator Unit of Mopah Merauke. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 5(1), 1832-1845.
- Batinge, B. K., & Jenkins, H. (2021). Gender and poverty reduction in Ghana: the role of microfinance institutions. *International Journal of Economics and Finance*, 13(8), 1-71.
- Biswas, W. & Chakraborty, D. (2018), "Effect of HRM practices in implementation and adoption of human resource information system (HRIS) in some selected manufacturing industries of Midnapore district of West Bengal – an empirical analysis", *International Journal of Innovative Technology and Exploring Engineering*, Vol. 8 No. 2, pp. 246-250.
- Bugg-Levine, A., Kogut, B., & Kulatilaka, N. (2012). A New Approach to Funding Social Enterprises. *Harvard Business Review*, 90(1/2), 118-123

- Caligiuri, P., De Cieri, H., Minbaeva, D., Verbeke, A., & Zimmermann, A. (2020). International HRM insights for navigating the COVID-19 pandemic: Implications for future research and practice. *Journal of international business studies*, 51, 697-713.
- Chakraborty, D., & Biswas, W. (2020). Articulating the value of human resource planning (HRP) activities in augmenting organizational performance toward a sustained competitive firm. *Journal of Asia Business Studies*.
- Chau, P. Y., & Hu, P. J. (2002). Examining a model of information technology acceptance by individual professionals: An exploratory study. *Journal of management information systems*, 18(4), 191-229.
- Cherif, F. (2020). The role of human resource management practices and employee job satisfaction in predicting organizational commitment in Saudi Arabian banking sector. *International Journal of Sociology and Social Policy*, 40(7/8), 529-541.
- Davidescu, A. A., Apostu, S. A., Paul, A., & Casuneanu, I. (2020). Work flexibility, job satisfaction, and job performance among Romanian employees—Implications for sustainable human resource management. *Sustainability*, 12(15), 6086.
- Dorta-Afonso, D., González-de-la-Rosa, M., García-Rodríguez, F. J., & Romero-Domínguez, L. (2021). Effects of high-performance work systems (HPWS) on hospitality employees' outcomes through their organizational commitment, motivation, and job satisfaction. *Sustainability*, 13(6), 3226.
- Duramany-Lakkoh, E. K. (2021). Surveying the Socioeconomic and Business Dimensions of Microfinance Institutions in Rural Sierra Leone before the Ebola Outbreak: A Descriptive Statistical Approach. *Journal of Financial Risk Management*, 10(2), 172-186.
- Ewusie, E. A., Annim, S. K., & Brafu-Insaidoo, W. (2021). The density of microfinance institutions and multiple borrowing in Ghana: Are rural borrowers vulnerable?. *Journal of International Development*, 33(8), 1217-1237.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39-50.
- Gakpo, M. D. Y., Wujangi, M., Kwakye, M., & Asante, V. G. (2021). The Impact of Microfinancing on Poverty Alleviation and Small Businesses in Ghana. *The International Journal of Social Sciences and Humanity Studies*, 13(1), 1-28.
- Ghalamkari, B., Mahmoodzadeh, N., Barati, N., Isah-Chikaji, A., Alkali, A. U. & Anvari, R. (2015), "The role of HR managers: a conceptual framework", *Asian Social Science*, Vol. 11 No. 9, pp. 118-124.
- Gopinath, R. (2021). A Study on Recruitment and Selection in BSNL with special reference to Job Satisfaction in three different SSAs using SEM Modeling.
- Hair HF, Anderson RE, Tatham RL, Black WC (1998), *Multivariate Data Analysis* Prentice-Hall, London.
- Halid, H., Kee, D. M. H., & Rahim, N. F. A. (2020). Perceived human resource management practices and intention to stay in private higher education institutions in Malaysia: the role of organizational citizenship behaviour. *Global Business Review*, 0972150920950906.
- Hamza, P. A., Othman, B. J., Gardi, B., Sorguli, S., Aziz, H. M., Ahmed, S. A., ... & Anwr, G. (2021). Recruitment and selection: The relationship between recruitment and selection with organizational performance. *International Journal of Engineering, Business and Management*, 5(3).
- Herzberg, F. (1966): *Work and the nature of man*. New York: Crowell.
- Hossain, M. S., Rahman, S. M. T. & Labony, S.S. (2015), "Effect of recruitment and selection process on employee turnover and its consequences on organization's profitability – a study on financial sector of Bangladesh", *European Journal of Business and Management*, Vol. 7 No. 35, pp. 36-44.
- Jashari, A., & Kutillovci, E. (2020). The impact of human resource management practices on organizational performance case study: manufacturing enterprises in Kosovo. *Business: Theory and Practice*, 21(1), 222-229.
- Jawaad, M., Amir, A., Bashir, A., & Hasan, T. (2019). Human resource practices and organizational commitment: The mediating role of job satisfaction in emerging economy. *Cogent Business & Management*.



- Kanyemba, M., Iwu, C. G. & Allen-Ile, C. O.K. (2015), "Impact of recruitment and selection on organizational productivity – evidence from staff of a university in South Africa", *Corporate Ownership and Control*, Vol. 12 No. 2, pp. 177-185.
- Karmakar, S., & Deb, N. A (2011). Study on Evolution of Financial Inclusions from Indian Perspective.
- Kasoga, P. S., & Tegambwage, A. G. (2021). An assessment of over-indebtedness among microfinance institutions' borrowers: The Tanzanian perspective. *Cogent Business & Management*, 8(1), 1930499.
- Kuranchie-Mensah, E. B., & Amponsah-Tawiah, K. (2016). Employee motivation and work performance: A comparative study of mining companies in Ghana. *Journal of Industrial Engineering and Management (JIEM)*, 9(2), 255-309.
- Lasisi, T. T., Ozturen, A., Eluwole, K. K., & Avci, T. (2020). Explicating innovation-based human resource management's influence on employee satisfaction and performance. *Employee Relations: The International Journal*, 42(6), 1181-1203.
- Leonova, I. S., Pesennikova-Sechenov, E. V., Legky, N. M., Prasolov, V. I., Krutskikh, I. A., & Zayed, N. M. (2021). Strategic Analysis of the Motivation on Employees'productivity: A Compensation Benefits, Training and Development Perspective. *Academy of Strategic Management Journal*, 20, 1-11.
- Malik, S. Y., Hayat Mughal, Y., Azam, T., Cao, Y., Wan, Z., Zhu, H., & Thurasamy, R. (2021). Corporate Social Responsibility, Green Human Resources Management, and Sustainable Performance: Is Organizational Citizenship Behavior towards Environment the Missing Link? *Sustainability*, 13(3), 1044.
- Manju, S., & Suresh, B. H. (2011). Training Design Interventions and Implications for the Productivity Effectiveness. *Synergy (0973-8819)*, 9(1).
- Murtiningsih, R. S. (2020). The Impact of Compensation, Training &Development, and Organizational Culture on Job Satisfaction and employee Retention. *Indonesian Management and Accounting Research*, 19(1), 33-50.
- Nguyen, C. (2020). The impact of training and development, job satisfaction and job performance on young employee retention. *Job Satisfaction and Job Performance on Young Employee Retention (May 1, 2020)*.
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric theory*, (3rd ed.). McGraw-Hill.
- Nyanzu, F., Peprah, J. A., & Ayayi, A. G. (2019). Regulation, outreach, and sustainability of microfinance institutions in Sub-Saharan Africa: A multilevel analysis. *Journal of Small Business Management*, 57, 200-217.
- Nye, C. D., Prasad, J., & Rounds, J. (2021). The effects of vocational interests on motivation, satisfaction, and academic performance: Test of a mediated model. *Journal of Vocational Behavior*, 127, 103583.
- Obineli, S.A, (2013). Teachers' perception of the factors affecting job satisfaction in Ekwusigo Local Government of Anambra State, Nigeria. *African Research Re-view: An International Multidisciplinary Journal*, Ethiopia, 7 (4-31), 225-237. Doi: <http://dx.doi.org/10.4314/afrev.7i4.13>.
- Okoyo, P. V. C. & Ezejiofor, R. A. (2013), "The effect of human resources development on organizational productivity", *International Journal of Academic Research in Business and Social Sciences*, Vol. 3 No. 10, pp. 250-268.
- Parameswari, B.N. and Yugandhar, V. (2015), "The role of human resource management in organizations", *International Journal of Engineering, Technology, Management and Applied Sciences*, Vol. 3 No. 7, pp. 58-63
- Rahiem, M. D. (2021). Remaining motivated despite the limitations: University students' learning propensity during the COVID-19 pandemic. *Children and youth services review*, 120, 105802.
- Rama Devi, V., & Shaik, N. (2012). Evaluating training & development effectiveness-A measurement model.productivity. *Global journal of commerce and management perspective*, 2(6), 91-93.

- Rasheed, M. I., Jamad, W. N., Pitafi, A. H., & Iqbal, S. M. J. (2020). Perceived compensation fairness, job design, and employee motivation: The mediating role of working environment. *South Asian Journal of Management*, 14(2), 229-246.
- Ravenna, F., & Walsh, C. E. (2022). Worker heterogeneity, selection, and unemployment dynamics in a pandemic. *Journal of Money, Credit and Banking*, 54(S1), 113-155.
- Rheinberg, F., & Engeser, S. (2018). Intrinsic motivation and flow. In *Motivation and action* (pp. 579-622). Springer, Cham.
- Rodjam, C., Thanasrisuebwong, A., Suphuan, T., & Charoenboon, P. (2020). Effect of human resource management practices on employee performance mediating by employee job satisfaction. *Systematic Reviews in Pharmacy*, 11(3), 37-47.
- Rodriguez, J., & Walters, K. (2017). The importance of training and development in employee performance and evaluation. *World Wide Journal of Multidisciplinary Research and Development*, 3(10), 206-212.
- Ryan, R. M., & Deci, E. L. (2020). Intrinsic and extrinsic motivation from a self-determination theory perspective: Definitions, theory, practices, and future directions. *Contemporary Educational Psychology*, 61, 101860.
- Saeed, O. A., & Waghule, S. N. (2021). Exploring the Association between Job Satisfaction and Productivity: empirical evidence from India. *Studies in Economics and Business Relations*, 2(1).
- Saefullah, K., Sadikin, I., de Bekker, J. C. M., & Chirangi, M. M. (2022). Mapping Over-indebtedness of Microfinance Clients in Indonesia and Tanzania: The Importance of Analysing Microfinance beyond its Outreach and Sustainability. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 5(1), 4998-5011.
- Sal, A., & Raja, M. (2016). The impact of training and development on employee's performance and productivity. *International Journal of Management Sciences and Business Research*, 5(7).
- Saleem, R., Mahmood, A., & Mahmood, A. (2010). Effect of work motivation on job satisfaction in mobile telecommunication service organizations of Pakistan. *International journal of business and management*, 5(11), 213.
- Sapada, A. F. A., Modding, H. B., Gani, A., & Nujum, S. (2018). The effect of organizational culture and work ethics on job satisfaction and employee's performance.
- Sarstedt, M., Ringle, C. M., & Hair, J. F. (2021). Partial least squares structural equation modeling. In *Handbook of market research* (pp. 587-632). Cham: Springer International Publishing.
- Sarwar, S., & Abugre, J. (2013). The influence of rewards and job satisfaction on employees in the service industry. *The Business & Management Review*, 3(2), 22.
- Schunk, D. H., & DiBenedetto, M. K. (2020). Motivation and social cognitive theory. *Contemporary Educational Psychology*, 60, 101832.
- Shenhav, A., Prater Fahey, M., & Grahek, I. (2021). Decomposing the motivation to exert mental effort. *Current directions in psychological science*, 30(4), 307-314.
- Singh, J. K., & Jain, M. (2013). A study of employees' job satisfaction and its impact on their performance. *Journal of Indian research*, 1(4).
- Singh, S.K. and Gaur, S.S. (2018), "Entrepreneurship and innovation management in emerging economies", *Management Decision*, Vol. 56 No. 1, pp. 2-5.
- Soundararajan, R. & Singh, K. (2017), *Winning on HR Analytics*, Sage Publications, New Delhi, India.
- Treputtharata, S., & Tayiam, S. (2014). School climate affecting job satisfaction of teachers in primary education, Khon Kaen, Thailand. *Procedia-Social and Behavioral Sciences*, 116, 996-1000. doi: 10.1016/j.sbspro.2014.01.334
- Turkson, F. E., Amissah, E., & Gyeke-Dako, A. (2022). The role of formal and informal finance in the informal sector in Ghana. *Journal of Small Business & Entrepreneurship*, 34(3), 333-356.
- Upadhyay, P., Singh, R., Jahanyan, S. & Nair, S. (2016), "Measuring the effects of role efficacy enhancement on knowledge workers", *International Journal of Productivity and Performance Management*, Vol. 65 No. 6, pp. 860-872, doi: 10.1108/IJPPM-03-2016-0065

- Venkateshwar, A., Agarwal, N. & Singhvee, N. (2017), "The effectiveness and efficiency of the various graduate recruitment methods", *IOSR Journal of Business and Management*, Vol. 19 No. 1, pp. 26-31. Ver. I.
- Walters, W. H. (2021). Survey design, sampling, and significance testing: Key issues. *The Journal of Academic Librarianship*, 47(3), 102344.
- Williams, A. A., Owusu-Acheampong, E., & Edusei, C. A. A. (2015). Impact of motivation on employee's commitment at Société General SSB Bank in Accra, Ghana. *International Journal of Economics, Commerce and Management*, 3(2), 1-8.
- Xu, Y., Chen, Z., Peng, M. Y. P., & Anser, M. K. (2020). Enhancing consumer online purchase intention through gamification in China: Perspective of cognitive evaluation theory. *Frontiers in Psychology*, 11.
- Yeh, Y. S., & Li, Y. M. (2009). Building trust in m-commerce: contributions from quality and satisfaction. *Online Information Review*.
- Zakaria, N. A., Ab-Murat, N., & Che Musa, M. F. (2022). Malaysian dental therapists' job motivation, job satisfaction, intention to leave and perceived future roles. *International Journal of Dental Hygiene*, 20(2), 225-232.