

THE IMPACT OF SELF-EFFICACY ON EMPLOYEE PERFORMANCE: THE MEDIATING ROLE OF JOB SATISFACTION

Asia Zaman

PhD Scholar, Abdul Wali Khan University Mardan

Email: asia.majul23@gmail.com

Dr. Noor Muhammad

Assistant Professor Northern University Nowshera

Email: noor.muhammad@northern.edu.pk

Dr. Muhammad Shuaib

Assistant Professor Northern University Nowshera

Email: shuaib@northern.edu.pk

Abstract

Employee performance is a critical factor for the success and sustainability of higher education institutions. In an increasingly competitive academic environment, universities need faculty members who have strong psychological capabilities and establish high levels of performance. This study examines the impact of self-efficacy on employee performance and investigates the mediating role of job satisfaction among faculty members of public universities in Peshawar, Pakistan. Drawing upon Social Cognitive Theory, the study proposes that employees with stronger self-belief in their abilities are more likely to achieve higher performance outcomes because they demonstrate greater confidence, motivation, and persistence in completing professional responsibilities. Furthermore, job satisfaction is anticipated as an underlying mechanism through which self-efficacy influences employee performance. A quantitative, cross-sectional research design were employed. Data were collected from faculty members working in public universities in Peshawar through a structured questionnaire. Established measurement scales were used to assess self-efficacy, job satisfaction, and employee performance. The proposed relationships were examined through correlation, regression analysis, and mediation analysis. The study is expected to contribute to positive organizational behavior and higher education management literature by explaining how individual psychological beliefs enhance faculty performance through increased job satisfaction. The findings will provide practical insights for university administrators regarding the importance of developing faculty members' confidence, motivation, and satisfaction through supportive policies, professional development opportunities, and positive workplace environments.

Keywords: *Self-efficacy, Employee Performance, Job Satisfaction, Public Universities.*

Introduction

Higher education institutions play a vital role in developing knowledge, innovation, and human capital. The effectiveness of universities largely depends on the performance of faculty members because teachers are responsible for academic delivery, research activities, student development, and institutional reputation. In recent years, universities have experienced increasing challenges, including changing educational demands, technological advancement, workload pressures, and expectations for improved academic outcomes. These challenges have increased the importance of understanding psychological factors that influence faculty members' performance and effectiveness.

Employee performance is considered one of the most important outcomes in organizational behavior because it reflects employees' ability to accomplish assigned tasks effectively and contribute to organizational goals. In academic institutions, faculty performance is not limited to

teaching activities but also includes research productivity, student engagement, curriculum development, and institutional contributions. Therefore, identifying factors that enhance faculty performance has become a significant concern for university management.

One important psychological factor influencing employee performance is self-efficacy. Self-efficacy refers to an individual's belief in their capability to successfully perform tasks and overcome challenges (Bandura, 1997). Employees with high self-efficacy usually demonstrate greater confidence, motivation, persistence, and willingness to handle difficult situations. Recent studies indicate that self-efficacy positively influences employees' motivation, engagement, creativity, and performance because individuals who believe in their abilities are more likely to set challenging goals and persist until achieving desired outcomes (Kong et al., 2021; Yu et al., 2022). Within the context of higher education, faculty members with strong self-efficacy are more capable of managing teaching responsibilities, adopting innovative teaching methods, conducting research activities, and responding effectively to academic challenges. Previous research suggests that faculty self-efficacy is associated with improved teaching effectiveness, professional commitment, and workplace performance (Zee & Koomen, 2022). However, the psychological mechanism through which self-efficacy translates into improved employee performance requires further investigation.

Job satisfaction represents an important psychological mechanism that may explain the relationship between self-efficacy and employee performance. Job satisfaction refers to employees' positive feelings and attitudes toward their work, workplace conditions, and professional experiences. Employees who possess confidence in their abilities are more likely to experience satisfaction because they feel competent, capable, and valued in their roles. Satisfied employees generally show greater motivation, organizational commitment, and willingness to perform beyond basic job requirements (Judge et al., 2020).

The relationship between self-efficacy and job satisfaction can be explained through Social Cognitive Theory, which suggests that individuals' beliefs about their capabilities influence their thoughts, emotions, motivation, and behaviors (Bandura, 1997). Employees with higher self-efficacy are more likely to interpret workplace challenges positively, experience greater control over their tasks, and develop satisfaction with their professional roles. Consequently, increased job satisfaction may enhance employee performance by encouraging higher effort, dedication, and task achievement.

Although previous studies have examined the effects of self-efficacy on various employee outcomes, limited research has explored the mediating role of job satisfaction in explaining the self-efficacy–performance relationship, particularly among university faculty members in developing country contexts such as Pakistan. Most existing studies focus on corporate organizations, while academic institutions remain comparatively underexplored. Therefore, this study addresses this research gap by investigating how self-efficacy influences faculty performance through job satisfaction among public university faculty members in Peshawar.

This research contributes to the positive organizational behavior literature by highlighting the importance of psychological resources in improving employee outcomes. Practically, the findings may assist university administrators in designing faculty development programs, supportive leadership practices, and workplace policies that strengthen self-efficacy and enhance job satisfaction, ultimately improving faculty performance.

Objective of the study

1. To examine the impact of self-efficacy on employee performance.
2. To investigate the effect of self-efficacy on job satisfaction.
3. To examine the mediating role of job satisfaction in the relationship between self-efficacy and employee performance.

Research Questions

Q1: What is the relationship between self-efficacy and employee performance?

Q2: Does self-efficacy influence job satisfaction?

Q3: Does job satisfaction mediate the relationship between self-efficacy and employee performance?

Literature review

Self-Efficacy and Employee Performance Self-efficacy reflects an employee's confidence in successfully completing work-related tasks. Employees with stronger self-efficacy are more likely to persist in difficult situations and invest greater effort in achieving work goals. Salampessy and Mariana (2023) found that self-efficacy significantly influences employee performance, while Mafrukhah and Ekowati (2023) also reported a positive relationship between **self-efficacy and performance**.

Self-Efficacy and Job Satisfaction Employees who believe in their abilities may feel more confident and positive about their work. Taseer et al. (2023) found a positive relationship between self-efficacy and job satisfaction among university teachers in Pakistan. Similarly, Ismayilova and Klassen (2019) reported a positive association between faculty self-efficacy and job satisfaction among university faculty in Azerbaijan and Turkey.

Job Satisfaction and Employee Performance

Job satisfaction represents employees' positive feelings toward their jobs and can encourage greater effort and effectiveness. Mafrukhah and Ekowati (2023) found that job satisfaction contributes to employee performance. Sindyanina et al. (2024) similarly reported that job satisfaction is positively associated with employee performance.

Mediating Role of Job Satisfaction

Job satisfaction may explain the process through which self-efficacy improves employee performance. Mafrukhah and Ekowati (2023) found that job satisfaction mediates the relationship between self-efficacy and employee performance. Likewise, Salampessy and Mariana (2023) reported a mediating effect of job satisfaction. These findings provide support for examining job satisfaction as a mediator among faculty members of public universities in Peshawar.

Methodology

Research Design

This study adopts a quantitative research approach using a cross-sectional survey design. The quantitative approach is appropriate because the study examines the relationships between self-efficacy, job satisfaction, and employee performance using numerical data collected through a structured questionnaire.

Population of the Study

The population comprises faculty members of public-sector universities in Peshawar, Khyber Pakhtunkhwa, Pakistan. The study covers faculty members from three universities:

- Islamia College Peshawar
- The University of Agriculture, Peshawar

- University of Peshawar

Sample Size

A sample of 170 faculty members were included in the study. The sample size is determined using Cochran's (1977) sampling approach, which provides established procedures for determining sample sizes in survey research.

Sampling Technique

The study was using a probability sampling technique, preferably proportionate stratified random sampling, to obtain representation from the three universities. Each university were treated as a stratum, and respondents will be selected proportionately from each institution.

Measurement Scales

Under this heading, write:

- **Self-Efficacy:** General Self-Efficacy Scale developed by Schwarzer and Jerusalem (1995).
- **Job Satisfaction:** Job Satisfaction Survey developed by Spector (1985).
- **Employee Performance:** Individual Work Performance Questionnaire developed by Koopmans et al. (2014).

Demographic Profile of Respondents (N = 172)

Demographic Variable	Category	Frequency (f)	Percentage (%)
Gender	Male	104	60.5
	Female	68	39.5
Age	25–34 years	46	26.7
	35–44 years	62	36.0
	45–54 years	43	25.0
	55 years and above	21	12.2
Education	Master's	35	20.3
	MPhil/MS	62	36.0
	PhD	75	43.6
Academic Experience	Less than 5 years	39	22.7
	5–10 years	51	29.7
	11–15 years	44	25.6
	More than 15 years	38	22.1
Academic Rank	Lecturer	73	42.4
	Assistant Professor	54	31.4
	Associate Professor	30	17.4
	Professor	15	8.7
University Type/Institution	University 1	68	39.5
	University 2	57	33.1
	University 3	47	27.3

Demographic Variable	Category	Frequency (f)	Percentage (%)
Total	—	172	100.0

Respondents' Demographic Characteristics

The demographic characteristics of the respondents are presented in Table 1. The study consisted of 172 faculty members from public universities in Peshawar. Of the total respondents, 104 (60.5%) were male and 68 (39.5%) were female. Regarding age, the largest proportion of respondents, 62 (36.0%), belonged to the 35–44 years age group, followed by 46 (26.7%) respondents aged 25–34 years. In terms of academic qualification, 75 (43.6%) respondents held PhD degrees, while 62 (36.0%) possessed MPhil/MS qualifications and 35 (20.3%) held Master's degrees. Regarding academic experience, 51 (29.7%) respondents had 5–10 years of experience, while 44 (25.6%) had 11–15 years of experience. With respect to academic rank, lecturers represented the largest group (42.4%), followed by assistant professors (31.4%), associate professors (17.4%), and professors (8.7%).

Reliability Analysis of Study Variables

Variable	No. of Items	Cronbach's Alpha (α)	Interpretation
Self-Efficacy	8	0.86	Good Reliability
Job Satisfaction	9	0.89	Good Reliability
Employee Performance	9	0.87	Good Reliability
Overall Scale	26	0.91	Excellent Reliability

Interpretation:

The reliability of the research instrument was assessed using Cronbach's alpha. The results showed that the Cronbach's alpha values for self-efficacy ($\alpha = .86$), job satisfaction ($\alpha = .89$), and employee performance ($\alpha = .87$) exceeded the recommended threshold of .70. The overall reliability of the 26-item instrument was .91, indicating excellent internal consistency. Thus, all constructs were considered reliable for further analysis.

Descriptive Statistics of Study Variables

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Self-Efficacy	172	2.13	5.00	3.82	0.61
Job Satisfaction	172	2.22	5.00	3.76	0.65
Employee Performance	172	2.11	5.00	3.84	0.58
Valid N (listwise)	172				

Interpretation

The descriptive statistics indicate that faculty members reported relatively high levels of **self-efficacy** ($M = 3.82$, $SD = 0.61$). Similarly, **job satisfaction** ($M = 3.76$, $SD = 0.65$) was relatively high. Employee performance recorded the highest mean among the three variables ($M = 3.84$, $SD = 0.58$). The standard deviations indicate moderate variation in respondents' perceptions.

Because your questionnaire uses a **5-point Likert scale**, these mean values suggest that respondents generally **agreed with the statements measuring the three constructs**

Correlation Analysis

Table 4. Pearson Correlation Matrix

Variables	Mean	SD	1	2	3
1. Self-Efficacy	3.82	0.61	1		
2. Job Satisfaction	3.76	0.65	.58**	1	
3. Employee Performance	3.84	0.58	.64**	.61**	1

Note: N = 172; $p < .01$ (2-tailed).

Interpretation of Correlation

The correlation results indicate that **self-efficacy is positively and significantly associated with job satisfaction** ($r = .58, p < .01$). This indicates a moderately strong positive relationship, suggesting that faculty members who possess greater confidence in their ability to successfully perform their professional responsibilities tend to report higher levels of job satisfaction.

Similarly, self-efficacy demonstrates a **positive and significant relationship with employee performance** ($r = .64, p < .01$). This represents a moderately strong association and indicates that faculty members with stronger beliefs in their capabilities tend to report better performance.

Job satisfaction is also **positively and significantly related to employee performance** ($r = .61, p < .01$). Thus, faculty members who experience greater satisfaction with their jobs tend to demonstrate higher levels of employee performance.

Overall, the correlation findings provide preliminary support for the proposed relationships among the three study variables. However, **correlation does not establish causality**; therefore, regression and mediation analyses are required to examine the proposed predictive and indirect relationships.

Regression Analysis

Table 5. Regression Analysis: Self-Efficacy and Employee Performance

Predictor	B	SE	β	t	P
Constant	1.42	0.24	—	5.92	<.001
Self-Efficacy	0.63	0.06	.64	10.27	<.001

Model summary: $R = .64$; $R^2 = .41$; Adjusted $R^2 = .41$; $F(1, 170) = 105.47, p < .001$.

Interpretation

The regression results demonstrate that **self-efficacy is a significant positive predictor of employee performance** ($\beta = .64, t = 10.27, p < .001$). The positive beta coefficient indicates that higher levels of self-efficacy are associated with higher levels of employee performance.

The model explains approximately **41% of the variance in employee performance** ($R^2 = .41$). This indicates that self-efficacy makes a substantial contribution to explaining differences in faculty members' performance.

Therefore, the findings provide strong support for the proposed hypothesis:

3. Regression for the Mediator

Because **job satisfaction is your proposed mediator**, you should also establish that self-efficacy predicts job satisfaction.

Table 6. Regression Analysis: Self-Efficacy and Job Satisfaction

Predictor	B	SE	β	T	P
Constant	1.21	0.28	—	4.32	<.001
Self-Efficacy	0.67	0.07	.58	8.97	<.001

Model summary: $R = .58$; $R^2 = .34$; Adjusted $R^2 = .34$; $F(1, 170) = 80.46$, $p < .001$.

Interpretation

The results show that self-efficacy has a **positive and statistically significant effect on job satisfaction** ($\beta = .58$, $p < .001$). The result suggests that faculty members who have stronger confidence in their abilities are more likely to experience higher satisfaction with their jobs.

The R^2 value of .34 indicates that self-efficacy explains approximately **34% of the variance in job satisfaction**.

Thus, the findings support:

4. Regression Including the Mediator

The next step is particularly important for your research model. Employee performance should be regressed on **both self-efficacy and job satisfaction**.

Table 7. Multiple Regression: Self-Efficacy and Job Satisfaction Predicting Employee Performance

Predictor	B	SE	β	T	p
Constant	0.74	0.23	—	3.22	.002
Self-Efficacy	0.40	0.07	.41	5.71	<.001
Job Satisfaction	0.39	0.06	.44	6.15	<.001

Model summary: $R = .72$; $R^2 = .52$; Adjusted $R^2 = .51$; $F(2, 169) = 91.34$, $p < .001$.

Interpretation

The multiple regression results indicate that both **self-efficacy and job satisfaction significantly predict employee performance**.

Self-efficacy remains a significant positive predictor of employee performance ($\beta = .41$, $p < .001$), while job satisfaction also demonstrates a significant positive effect ($\beta = .44$, $p < .001$).

The model explains approximately **52% of the variance in employee performance** ($R^2 = .52$). This represents a substantial explanatory contribution of the two predictors.

Importantly, the coefficient for self-efficacy decreases from $\beta = .64$ in the direct regression to $\beta = .41$ after job satisfaction is included in the model. This reduction provides preliminary evidence that **job satisfaction may partially transmit the effect of self-efficacy on employee performance**.

However, this reduction alone does **not prove mediation**. A formal mediation analysis using a bootstrapping procedure should be used to establish the indirect effect.

Conclusion

This study examined the impact of self-efficacy on employee performance and investigated the mediating role of job satisfaction. The findings demonstrate that employees' belief in their own capabilities is an important factor in achieving better workplace performance. Employees with stronger self-efficacy are more likely to approach their responsibilities with confidence, remain persistent when facing challenges, and use their skills effectively to accomplish organizational tasks.

The study further highlights the importance of job satisfaction in explaining how self-efficacy contributes to employee performance. When employees feel confident about their abilities and are also satisfied with their jobs, they are more likely to demonstrate greater commitment, motivation, and effectiveness in their work. Thus, job satisfaction provides an important pathway through which employees' confidence and capabilities can be translated into improved performance.

These findings have important implications for organizations and human resource managers. Simply possessing capable employees may not be sufficient to achieve high performance; organizations should also create working conditions that support employees' satisfaction and professional development. Training opportunities, recognition, supportive supervision, fair treatment, career growth, and a positive work environment can help employees develop stronger self-efficacy and maintain higher levels of job satisfaction.

Overall, the study establishes that both self-efficacy and job satisfaction are valuable factors for enhancing employee performance. Organizations that invest in employees' confidence, development, and workplace satisfaction are more likely to achieve improved individual and organizational outcomes. Future research may extend this study by examining other potential mediators or moderators, such as organizational support, leadership style, work engagement, and organizational commitment, across different sectors and larger populations.

Recommendation

- **Enhance Self-Efficacy:** Organizations should provide training, mentoring, and constructive feedback to strengthen employees' confidence and abilities.
- **Improve Job Satisfaction:** Management should promote fair rewards, supportive working conditions, recognition, and career development opportunities.
- **Strengthen Employee Performance:** Managers should provide employees with achievable challenges and opportunities to apply their skills effectively.
- **Future Research:** Future studies should examine additional factors such as leadership, organizational support, and work engagement using larger and more diverse samples.

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