

A study of employees' jobs satisfaction & its impact on job Performance

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Abstract: Satisfied employees are more productive employees & productive employees are likely to be happy. Employee job satisfaction is essential to face the dynamic and ever-increasing challenges of maintaining quality & productivity of any organization by keeping their workforce constantly engaged, satisfied and motivated. In today cut throat competition, environmental pressures, rising health costs and various needs of the workforce also pose a challenge for the Human resource manager. Job satisfaction & Employee retention represents one of the most key issues faced by the managers today when it comes to managing their workforce. This could be overcome by creating a work environment that maintains employee job satisfaction as well as motivates people towards better performance at the organization achieving work-life balance. This paper outlines the broad areas of various reasons responsible for employee satisfaction and various variables which one can maximize employee satisfaction.

Keywords: Job Satisfaction, Employee retention, Attitude, Motivation, Organizational Commitment, Employee Performance, Turnover.

I Introduction

Employee Job satisfaction & Employee performance represents one of the most difficult issues faced by managers today when it comes to managing their employees. Many researchers have researched in their exploratory research, the impact of job satisfaction on the motivation of employees, while the level of motivation has an impact directly on productivity, and hence also on overall performance of the organizations. Employee satisfaction refers to a collection of positive or negative thoughts that an individual employee keeps toward his or her job. Job Satisfaction is an emotional and rational response to a job. Job satisfaction is one of the most common and widely used topic for research in the field of organizational psychology (Spector, 1997). Job satisfaction has been studied both as a consequence of work environment and many individual characteristics and as an

antecedent to many outcomes. Employees who have higher job satisfaction are usually less likely to leave, less half-day, less absent, , more productive efficiency, more likely to display commitment towards organization, and more likely to be satisfied with their personal as well as professional lives. Organizational performance cannot be viewed as a simple sum of individual performances. Although the research results of many studies suggest the existence of positive correlation between job satisfaction and individual performances (Brayfield & Crockett, 1955) Evans and Jack (2003) Evans, J. R., & Jack, E. P. (2003). Validating key results linkages in the Baldrige Performance Excellence Model. The Quality Management Journal, Taylor & Francis Online, showed that employee satisfaction has a positive impact on market performance, which was analyzed through earnings per share, and market performance has a significant impact on financial performance. Which comes first: Employee attitudes or organizational financial and market performance? Journal of Applied Psychology, found out that higher return on assets (ROA) and higher earnings per share were positively correlated with higher job satisfaction.

There are several of factors that can influence a person's level of job satisfaction. Some of these factors include the level of pay and benefits, the perceived fairness of the promotion system within a organization, the quality of the working conditions, motivation, leadership and social relationships, the job itself .The happier employees are within their job, the more satisfied they are said to be. The concept of job satisfaction has gained importance ever since the human relations approach has become popular.

Job satisfaction

The term 'Job satisfaction' was brought to limelight by the assessment of job satisfaction through employee anonymous surveys became commonplace in the 1930s. Although prior to that time there was the beginning of interest in employee attitudes, there were only a handful of studies published. Latham and Budworth note that Uhrbrock in 1934 was one of the first psychologists to use the newly developed attitude measurement techniques to

assess factory worker attitudes. They also note that in 1935 Hoppock conducted a study that focused explicitly on job satisfaction that is affected by both the nature of the job and relationships with co-workers and supervisors. by Hoppock (1935). Hoppock described job satisfaction as, “any combination of psychological, physiological and environmental circumstances that cause and person truthfully to say I am satisfied with my job.” a feeling of fulfilment or enjoyment that a person derives from their job. Hulin and Judge (2003) have noted that job satisfaction includes multidimensional psychological responses to an individual's job, and that these personal responses have cognitive (evaluative), affective (or emotional), and behavioral components.

Job performance

First, Campbell defines performance as behavior—something done by an employee. This concept differentiates performance from outcomes. Campbell allows for exceptions when defining performance as behavior

. For instance, he clarifies that performance does not have to be directly observable actions of an individual. It can consist of mental productions such as answers or decisions. *Job performance* is a person's *performance* in a *job*, something that's often difficult to measure. The job related works expected of an employee and how well those different activities were executed. Many business personnel directors assess the employee performance of each staff member on monthly or annual or quarterly basis in order to help them identify suggested areas for improvement require.

II Review of literature

The study of job satisfaction is a topic of wide interest to both people who study them. and people who work in organizations and .Job satisfaction has been closely related with many organizational phenomena such as emotional intelligence. Motivation, leadership, learning, attitude, conflict, moral, ethics etc. Researchers have attempted to identify the several components of job satisfaction, measure the relative importance of each component of job satisfaction and examine what effects these components have on employees' efficiency in productivity.

Hooi Lai Wan(2013) in his study, revealed that there existed no correlation between employee loyalty and the extent of Japanese style of Human Resource Management policies used at workplace. Whereas Hassan et al (2013) found that compensation was the most important factor for

job satisfaction whereas employee empowerment was also a significant factor for employee loyalty. Jain and Singh (2013) stated that employee attitudes reflect the values of the company. Schermerhorn (1993) defines job satisfaction as an affective or emotional response towards various aspects of an employee's work. C.R. Reilly (1991) defines job satisfaction as the feeling that a worker has about his job or a general attitude towards work or a job and it is influenced by the perception of one's job. J.P. Wanous and E.E. Lawler (1972) refers to job satisfaction as the sum of job facet satisfaction across all facets of a job. Abraham Maslow (1954) suggested human need from a five-level hierarchy ranging from physiological needs, safety, belongingness and love, esteem to self-actualization. Based on Maslow's hierarchy need theory, job satisfaction has been approached by many researchers from the reason of need fulfillment. Job satisfaction and dissatisfaction not only depends on the nature of the job, it also depends on the expectations what the job supply to an employee (Hussami, 2008). Lower convenience costs, higher organizational and social and intrinsic reward will increase job satisfaction (Mulinge and Mullier, 1998). Adjetey and Prako (2013) revealed that there were significant linear correlations among employee loyalty, engagement and performance. They also found out significant positive correlations of human relation, leadership style, job content, personal development, creativity and their effect on employee loyalty. Bauer (2004) showed that higher involvement of workers in high performance workplace organizations is associated with high level of job satisfaction. This positive effect is dominated by worker's involvement in flexible work system, workers particularly associated with opportunities in the organization regarding functional autonomy and coordination among workers.

The compensation is defined by American Association as “cash and non-cash remuneration provided by the employer for services rendered”. Salary was found to be the prime factor for the motivation and job satisfaction of salaried employees of the automobile industry in the results of the survey done by Kathawala et al. (1990). The survey tried to assess the various job characteristics and the way the employees ranked them as motivators and satisfiers. The results showed that compensation was ranked as the number one job element for job satisfaction and increase in salary for performance was ranked as the number one job element for motivation. Compensation is very valuable tool for retention and turnover. It is also a motivator for an employee in commitment with the organization which in result enhances attraction and retention (Zobal, 1998; Moncarz et al., 2009; Chiu et al., 2002). It also works as communicator when it is given to

employee against his services which shows how much an employee is valuable for its organization (Zobal, 1998).

According to the study conducted by Friedlander and Margulies (1969), it was discovered that management & friendly staff relationships contribute to the level of job satisfaction. However, this result contradicts with view of Herzberg (1966) who supported the view that supervision is irrelevant to the level of job satisfaction. Arnold and Feldman (1996), promoted factors such as temperature, lighting, ventilation, hygiene, noise, working hours, and resources as part of working conditions. The worker would rather desire working conditions that will result in greater physical comfort and convenience. The absence of such working conditions, amongst other things, can impact poorly on the worker's mental and physical well-being (Baron and Greenberg, 2003).

III Objectives of the research

- To identify the relationship between job satisfaction & performance.
- To identify the several factors which improve the satisfaction level of employees?
- To determine the influence of work conditions on employee job satisfaction.

Importance of Employee satisfaction for Various Stakeholders.

A) Importance of Employee Satisfaction for the Organization.

Employee satisfaction is very essential to ensure increases in revenues for the organization. No amount of trainings or motivation would help, unless and until individuals develop a feeling of attachment, honesty and loyalty towards organization. Employees waste half of their time fighting with their counter parts or sorting out issues with them.

Satisfied employees tend to adjust more and handle pressure with ease as compared to frustrated ones. Employees who are not satisfied with their jobs would find a problem in every small issue. She/he finds it extremely difficult to compromise or cope up with the changing times.

Enhance employee retention. When people are unhappy with their jobs, they leave to search for other opportunities. This can be costly if there is a high turnover rate. Employee satisfaction is a reliable predictor of employee retention.

Increases productivity. A satisfied employee is a productive employee. Management plays a significant role in enhancing employees' job satisfaction. This includes ensuring that employees have the necessary tools and

resources they require to successfully accomplish their job.

Increase customer satisfaction. Satisfied employees help produce satisfied customers. Conversely, low employee satisfaction and overall low employee morale can negatively affect company operations greatly, causing dissatisfied customers and hurt profitability. Forbes has referred to employee engagement as "the wonder drug for customer satisfaction."

And many more advantages of employee satisfaction:-

- Reduced accidents.
- Improves a corporate brand
- Reduced Absenteeism.
- Enhanced customer loyalty.
- Energetic employees.
- Improved teamwork among all.
- Higher quality products and/or services due to more competent, energized employees.

B) Importance of Employee Satisfaction for the Employee

A dissatisfied employee expresses her negative perceptions more in external forums (family, neighbors, friends) than internal ones, for fear of repercussion. And when an existing employee speaks bad about the company, it reduces the prospects of the candidate to join the company and the reputation of the organization is affected. Hence it is also important that HR identify such employees and work towards alleviating their problems and converting negative impressions into positive manner. Employee will believe that the organization will be satisfying in the long run. They will care about the quality of their work.

Factors influencing employee job satisfaction

1. Working Conditions:

Because employees spend so much time in their work environment each week, it's important for companies to try to optimize working conditions. Such things as providing spacious work areas rather than cramped ones, adequate lighting and comfortable work stations contribute to favorable work conditions.

2 Workload and Stress Level:

Dealing with a workload that is far too heavy and deadlines that are impossible to reach can cause job satisfaction to erode for even the most dedicated employee. Falling short of deadlines results in conflict between employees and supervisors and raises the stress level of the workplace. Many times, this environment is caused by ineffective management and poor planning.

3. Opportunity for Advancement:

Employees are more satisfied with their current job if they see a path available to move up the ranks in the company and be given more responsibility and along with it higher

compensation. Many companies encourage employees to acquire more advanced skills that will lead to the chance of promotion. Companies often pay the cost of tuition for employees taking university courses, for example.

4. Relationship with Supervisors

Effective managers know their employees need recognition and praise for their efforts and accomplishments. Employees also need to know their supervisor's door is always open for them to discuss any concerns they have that are affecting their ability to do their jobs effectively and impeding their satisfaction at the office.

5. Job Security:

Job security is an employee's assurance or confidence that they will keep their current job. Employees with a high level of job security have a low probability of losing their job in the near future. Certain professions or employment opportunities inherently have better job security than others; job security is also affected by a worker's performance, success of the business and the current economic environment.

6. Promotion and Career Development:

Promotion can be reciprocated as a significant achievement in the life. It promises and delivers more pay, responsibility, authority, independence and status. The opportunity for promotion determines the degree of satisfaction to the employee.

7. Leadership Styles:

The satisfaction level in the job can be determined by the leadership style. Employee satisfaction is greatly enhanced by democratic style of leadership. Democratic leaders promote friendship, respect and warmth relationship among the employees. On the contrary, employees working under authoritarian and dictatorial leaders express low level of employee satisfaction⁸. Encouragement and feedback: Creative ideas should always be motivated. It doesn't matter that idea will work or not but employee will be encouraged.

Impact of job satisfaction on employee performance

Satisfaction and Absenteeism: Satisfied employees have fewer avoidable Absenteeism, while it certainly makes sense that dissatisfied employees are more likely to absent on work. Better environment consists of several elements such as motivation, reward system, incentives, etc which contributes to employee performance in the organization.

Turnover and Satisfaction: Satisfied employees are less likely to quit in short time. Organizations take actions to retain high performers and to weed out lower performers.

Workplace Deviance and Satisfaction: Satisfied employees are less likely to create a deviant behavior at the workplace, while dissatisfied employees creates an anti-

social kind of behavior at the workplace including unionization attempts, substance abuse, stealing at work, undue socializing and tardiness.

Organization Citizenship Behavior and Satisfaction: Satisfied employees who feel fairly treated by and are trusting of the organization are more willing to engage in behaviors that go beyond the normal expectations of their job.

Customer Satisfaction and employee Satisfaction: Satisfied workers provide better customer service. Satisfied employees increase customer satisfaction because they are more friendly, upbeat, and responsive; they are less likely to turnover, which helps build long-term customer relationships; and they are experienced. Dissatisfied customers increase employee job dissatisfaction as well.

How to improve employee satisfaction?

Dr. Edwards Deming said, "The aim of leadership should be to improve the performance of man and machine, to improve quality, to increase output, and simultaneously to bring pride of workmanship to people." A motivating environment is one that gives workers a sense of pride in what they do. Employee attitudes typically reflect the moral of the company. In areas of customer service and sales, happy employees are extremely important because they represent the company to the public.

Provide a positive working environment:

Creating job satisfaction begins by first providing a positive work environment. Fran Tarkenton says, to find what motivates people, "you have to find what turns people on." This is the very important factor in this process to satisfied employees. A motivating working environment requires going over and beyond the call of duty and providing for the needs of the worker.

Involve and engage employees:

Employee may show up for work, but are they engaged and productive? People are more committed and engaged when there is a process for them to contribute their creative ideas and employee suggestions. That gives them a sense of involvement, ownership and pride in their work.

Recognition and reward :

Mark Twain once said, "I can live for two months on a good compliment." employee recognition is a powerful tool in building morale and motivation. A pat on the back, a personal note from a peer or a supervisor does wonders. Small, informal celebrations are many times more effective than a once a quarter or once a year formal event.

Create a wonderful working environment:

The physical environment's impact on your company culture, and staff happiness levels. Create an Atmosphere of career growth:

Jobs are more than a source of income. Jobs are a venue

for employees to grow and learn. In a survey about employee motivation, employees ranked job characteristics that motivated them. Surprisingly, high wages and promotion were not in the top three. Instead, the number one desire was "Full Appreciation of Work Being Done."

IV Findings

Research hypothesis. There is a positive statistically significant relationship between job satisfaction and organizational performance. Trying to perform the analysis of job satisfaction as a variable that was explored on an individual level, and Educational institutional performance which will be investigated at the institute level, the empirical research of this article focused on two levels of observation. An individual or a worker, because the analysis of job satisfaction assumed questioning each individual employee about his/her job satisfaction, and the other level will be the institutional-level which implied the analysis of its institutional performance.

The main purpose of this research is to explore the differences in satisfaction dimensions between the academic and administrative employees in higher education institutions in a education hub, Indore. According to the research, it will be study of various factors such as "colleague relations satisfaction", "colleague competition level satisfaction", "other work group satisfaction", "professional satisfaction", "work environment satisfaction", and "salary satisfaction" with respect to the satisfaction of academic and administrative employees. this study proposes (a) to extend our previous conceptualization and understanding of those issues that comprise the dimensions of faculty work life, satisfaction, and intentions to leave, (b) to examine relationships between these three dimensions, and (c) to determine the extent to which demographic variables and the quality of work life have an impact on satisfaction, and faculty members' intentions to leave. So far a large number of researches on job satisfaction and performance at work place will be carried out. Job satisfaction is a complex variable, and there is an abundance of theories which seek to explain it. The major theories of job satisfaction can be classified as need fulfilment, cognitive, motivation-hygiene, facet and value. Need fulfilment theories According to self determination theory (Deci & Ryan, 1991, 1995, 2000, 2008), individuals experience the fundamental need to experience autonomy, feel competent, and development relationships?

V Conclusions

On the basis of above research, we can say that employee attitudes typically reflect the moral of the organization. In areas of customer service, marketing, production and sales, happy employees are extremely important because they represent the company to the customer. Every organization should develop strategies that strengthen the work environment and increase the employee's morale and employee's satisfaction to enhance employee performance and productivity, which ultimately results in high profits, customer satisfaction as well as customer loyalty & retention.

Job satisfaction represents one of the most complex areas facing today's managers when it comes to managing their employees because of high turnover issue. Human resource policy makers and managers have turned their attention to provide different kinds of facilities to their employees in order to satisfy their employees. A comfortable work environment and good work conditions can increase employee job satisfaction and the employees will try to give their best which can increase the employee work performance.

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