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Exploring 'employee satisfaction' as a productivity and quality enhancement tool in a small scale it sectors

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ABSTRACT

Employee satisfaction has been defined as a function of perceived performance and expectations. It is a persons' feeling of pleasure or disappointment resulting from comparing a products' outcome to his/her expectations. If the performance falls short of expectations, the employee is dissatisfied and if it matches the expectations, the employee is satisfied. This research mainly deals with the satisfaction level of an employee in a organization. The research results indicate positive relationships between general employee satisfaction and growth of the company Neglecting employee satisfaction can be harmful to corporate entrepreneurship, which have been previously developed in the right direction, contributing to performance, competitive advantage, and growth. This research deals with general employee satisfaction within small scale organization. In the following sections, the theory, hypotheses, research methodologies, recommendations and results of an empirical study on a sample of firms from small scale software organization are presented.

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Introduction

Employee satisfaction is an internal state based on assessing the job and job-related experiences with some degree of favor or disfavor. Support of Organization does influence ones satisfaction at work. Research on social exchange theory has shown that employees who feel they receive high levels of support from their organizations are more likely to perform better than those who do not [1]. The way Team is managed influence satisfaction one draws from his work. Researchers suggested that collectivist cultures have stronger bonds within a larger group, where helping behavior occurs for the good of the group [2]. Organization citizenship behavior is also one of the important factors that influence Employee satisfaction. Miao & Kim, 2009 [3] found a medium to strong relationship between job satisfaction and OCB. These include (a) helping behaviors, (b) courtesy, (c) conscientiousness, and (d) civic virtue. Since the 1970s Employee satisfaction is often conceptualized as a determinant of general work performance although the empirical relationship is of weak to moderate strength with meta-analytic estimates of the relationship ranging from [4] to [5]. Industry experts claimed, "... as adoption of handheld devices increases, as wireless and broadband technologies improve, and as solution to deliver mission-critical applications to home workers get enhanced, mobile and remote user growth will skyrocket." [6]. Support of Nomadic Culture is especially important in industries such as Life Insurance. Nomadic computing is "the use of portable computing devices in conjunction with mobile communications technologies to enable users to access the Internet and data on their home or work on computers from anywhere in the world." An organization that exhibits support for its employees' nomadic behaviors will actively facilitate anytime anywhere work by allowing employees to work at their own pace and at their chosen locations, evaluating employees based on performance rather than time they spend in the office,

and providing employees with the necessary hardware, software, network capabilities, data, and training. Technology alone is not enough to create sustainable competitive advantages as technological innovations can be easily duplicated or acquired by competitors. Unlike technologies, organizational culture takes longer and more effort to cultivate. In an organization that displays nomadic culture, employees have the same or comparable access to information, support mechanisms, and opportunities when working nomadically as when working in traditional settings. Using Schein's [7] [8] conceptualization of culture, this study considers organizational support for employees' nomadic behaviors (i.e. working anytime anywhere) to be the artifacts of nomadic culture.

Problem Statement

To assess the satisfaction level of Employees on various work related aspects and provide suggestion for improving the same as a way of tangible expression of concern of employers towards their employee's welfare and well being. To identify and assess the various factors influencing Employee satisfaction/dissatisfaction, its consequences and provide suggestion for improving the same.

Objective Of Study

- To identify and study the various factors influencing Employee satisfaction.
- To theoretically review the various personal (Internal) and organisation factors (External) influencing employee satisfaction.
- To analyse and develop the degree of association between various employee related factors/Demographic factors and level of satisfaction of employees.

Research Design

Research design means the framework of study that leads to the collection and analysis of data. The research design used for this study is of the descriptive type. Descriptive research studies

are those studies which are concerned with describing the characteristics of a particular individual or a group.

Population

The total element of the universe from which sample is selected for the purpose of study is known as population. The population of my research is the employees of company.

Sample Size

All the items consideration in any field of inquiry constitutes a universe of population. In this research only a few items can be selected from the population for our study purpose. The items selected constitute what is technically called a sample. Here our sample size is 50 employees from the total population to conduct the study.

Data Collection

The data source: Primary and Secondary

Primary data are those collected by the investigator himself for the first time and thus they are original in character, they are collected for a particular purpose.

Secondary data are those which have already been collected by some other persons for their purpose and published. Secondary data are usually in the shape of finished products. Two types of secondary data were collected for the preparation of the project work.

The research approach: Survey Method

The research instrument: Questionnaire Method

The respondents: Executives, Sr. Executives, Assistant Managers, Managers, officers.

Questionnaire Schedule

Questions are framed in such a way that the answers reflect the ideas and thoughts of the respondents with regard to level of satisfaction of various factors of employee satisfaction.

Tools Of Analysis

5.5a. Chi Square Analysis: Chi-square test is applied to test the goodness of fit, to verify the distribution of observed data with assumed theoretical distribution. Therefore it is a measure to study the divergence of actual and expected frequencies; Karl Pearson's has developed a method to test the difference between the theoretical (hypothesis) & the observed value.

Chi - square test $(X^2) = (O - E)^2 / E$,

Degrees Of Freedom = $V = (R - 1) (C - 1)$

Where,

'O' = Observed Frequency

'E' = Expected Frequency

'R' = Number of Rows

'C' = Number of Columns

For all the chi-square test the table value has taken @ 5% level of significance.

Data Analysis And Interpretation

This is allocated for analysis and interpretation of data. Preparing percentage analysis, chi-square test does the analysis of employee satisfaction, which is directly extracted from the questionnaire. The variations in the extent of the employee satisfaction can be measured with the variables such as job satisfaction, promotional opportunity, manager/supervisor co-operation, performance appraisal, compensation etc.

Data Analysis with Chi-Square Test or Test Of Hypothesis

Hypothesis - 1:

CHI - SQUARE TEST IS CONDUCTED TO EXTENT THE RELATIONSHIP BETWEEN THE GENDER AND LEVEL OF SATISFACTION.

HO:

There is no significant relationship between gender and level of satisfaction.

O	E	O - E	(O - E) ²	(O - E) ² / E
22	20.50	1.5	2.25	0.1098
3	4.50	-1.5	2.25	0.5000
15	14.76	0.24	0.0576	0.0039
3	3.24	-0.24	0.0576	0.0178
4	5.74	-1.74	3.0276	0.5275
3	1.26	1.74	3.0276	2.4029
Total				3.5617

Degree of freedom - 2

Table value - 5.99

Calculated value - 3.5617

Since the calculated value is less than the table value. So the Null hypothesis is accepted. Hence, there is no significant relationship between gender and level of satisfaction.

Hypothesis - 2:

CHI - SQUARE TEST IS CONDUCTED TO EXTENT THE RELATIONSHIP BETWEEN THE DESIGNATION AND LEVEL OF SATISFACTION.

HO:]

There is no significant relationship between designation and level of satisfaction.

O	E	O - E	(O - E) ²	(O - E) ² / E
2	1.76	0.24	0.0576	0.0327
10	9.24	0.76	0.5776	0.0625
10	11.00	-1	1	0.0909
1	1.60	-0.6	0.36	0.2250
9	8.40	0.6	0.36	0.0429
10	10.00	0	0	0.0000
1	0.64	0.36	0.1296	0.2025
2	3.36	-1.36	1.8496	0.5505
5	4.00	1	1	0.2500
Total				1.4570

Table value - 9.49

Calculated value - 1.4570

Since the calculated value is less than the table value. So the Null hypothesis is accepted. Hence, there is no significant relationship between designation and level of satisfaction.

Hypothesis - 3:

CHI - SQUARE TEST IS CONDUCTED TO EXTENT THE RELATIONSHIP BETWEEN THE QUALIFICATION AND LEVEL OF SATISFACTION.

HO:

There is no significant relationship between qualification and level of satisfaction.

O	E	O - E	(O - E) ²	(O - E) ² / E
17	18.56	-1.56	2.4336	0.1311
12	10.44	1.56	2.4336	0.2331
12	10.88	1.12	1.2544	0.1153
5	6.12	-1.12	1.2544	0.2050
3	2.56	0.44	0.1936	0.0756
1	1.44	-0.44	0.1936	0.1344
Total				0.8946

Degree of freedom - 2

Table value - 5.99

Calculated value - 0.8946

Since the calculated value is less than the table value. So the Null hypothesis is accepted. Hence, there is no significant relationship between educational qualification of employee and their level of satisfaction.

Hypothesis - 4:

CHI – SQUARE TEST IS CONDUCTED TO EXTENT THE RELATIONSHIP BETWEEN THE EMPLOYEE AGE AND LEVEL OF SATISFACTION.

HO:

There is no significant relationship between employee age and level of satisfaction.

O	E	O – E	(O – E) ²	(O – E) ² / E
9	8.74	0.26	0.0676	0.0077
10	10.58	-0.58	0.3364	0.0318
4	3.68	0.32	0.1024	0.0278
6	7.98	-1.98	3.9204	0.4913
12	9.66	2.34	5.4756	0.5668
3	3.36	-0.36	0.1296	0.0386
4	2.28	1.72	2.9584	1.2975
1	2.76	-1.76	3.0976	1.1223
1	0.96	0.04	0.0016	0.0017
Total			3.5856	

Degree of freedom - 4

Table value – 9.49

Calculated value – 3.5856

Since the calculated value is less than the table value. So the Null hypothesis is accepted. Hence, there is no significant relationship between age and level of satisfaction

Recommendations And Conclusion

To improve employee satisfaction, company should do followings in areas needs improvement:

Recommendations**A compensation (pay and benefits):**

➤ Benchmark rates of pay with other companies who compete in the same labor market. Make adjustments, if you are behind the market i.e. analyze industry trend and according to trend change in pay structure.

➤ Increase communication/education why the need to have the difference if there is no plan of standardization.

➤ Ensure that your employees recognize the value of their total package (bonus opportunities, health cover, sick pay etc) not just basic pay.

➤ Offer retention bonuses instead of sign-on bonuses. Retention packages could be designed to raise the salaries of technologists who become credentialed in additional specialty areas, obtain additional education or take on more responsibility. Sign-on bonuses encourage technologists to skip from job to job, while retention packages offer incentives for staying.

Training and development:

➤ Review approach to induction.

➤ Review approach to training and development.

➤ Train managers to more effectively train, coach and develop their teams.

➤ Improve infrastructure of training department.

➤ Outsource some of the training specially related to IT which need experience IT trainer with practical exposure.

➤ Use Training Need Analysis and ask each of the head of the department to act according to the guidelines given by HRD and send only employees who need desire skills to improve competency for job.

➤ Managers should utilize one-to-one employee meeting to develop and coach their staff.

➤ Implement smart training that is not only relevant but helps broaden employee experiences and provides development opportunities.

Manager/supervisor cooperation:

➤ Demonstrate to employees that the company cares about them, wants them to advance in their careers and will help them satisfy their need for personal growth.

➤ 'Walk the talk' by not only communicating the corporate strategy but also ensuring that it is applied consistently throughout the company, including making the reward system consistent with strategic goals.

➤ Watch for and eliminate all inconsistencies between promoting a belief in employees and managerial behavior or policies that undermines the commitment.

➤ Top management to clearly explain responsibilities and expectations regularly stress the importance of "hard and soft skills" and hold supervisors accountable for developing in these areas.

➤ A good employee/manager relationship is critical to employee satisfaction. Make sure your managers are not driving technologists away. Give them the training they need to develop good supervisory and people-management skills.

➤ Weed out poor managers because many employees leave their jobs because they are unhappy with their bosses – remember "people don't leave their jobs, they leave their managers".

Performance appraisal:

➤ Ensure that your appraisal system is in place and working well.

➤ Implement 360 degree appraisal system so that from top to bottom everyone included giving feedback for an employee.

➤ Encourage your employees to contribute to the success of the business. Ask for their opinions and suggestions.

➤ Introduce a suggestion scheme to get ideas on how the business could be improved. Reward the good ones.

➤ Encourage your line managers to 'catch people doing things right' and give positive feedback when people do things well.

➤ Conduct regular performance reviews to identify employees' strengths and weaknesses, and help them improve in areas that will lead to job advancement.

Conclusion

Research shows that satisfied employees are more efficient and productive so they positively influence organizational performance and work towards fulfillment of company's objectives and goals. Good Company Culture, Company Policies, Convenient Work location, Communication, job satisfaction, opportunities for promotion and career prospects, fair salary are few area which are critically important from the view point of most of the employees.

In conclusion, several themes emerged from the overall result of the survey. The cause of concern here is that employees have indicated that they need more for their compensation and from their superiors. Based on the results as a whole, without significant and meaningful improvement in Compensation, Manager/Supervisor Co-operation, Training and Development, Performance Appraisal and Opportunity for career and promotion, the company's current climate could eventually erode the employee's outlook and eventually their commitment to doing their job. The study on employee's satisfaction at IT company is cased out with full co-operation of the employees and management. As far as possible with in the given limits the study is completed with the satisfaction of many peoples. The data collected are analyzed scientifically. It is assured that the company may get high boosted moral in the organization provided some of the recommendations made in the report are carried out. Further from this survey I hope the organization will be benefited and with the help of the recommendations

given the organization can improve its functioning and the overall employee satisfaction level in the organization and its performance will increase.

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