

## **A Study of Antecedents of the Job Satisfaction amongst Employees in ITES/ITIS Sector**

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### **Abstract**

*Job satisfaction represents one of the most complex areas facing today's managers when it comes to managing their employees. Many studies have demonstrated an unusually large impact on the job satisfaction on the motivation of workers, while the level of motivation has an impact on productivity, and hence also on performance of business organizations. This applies more to IT organizations, where job pressures are even more and job satisfaction is pretty much less resulting in job hopping. Unfortunately, in this region, job satisfaction has not still received the proper attention from neither scholars nor managers of various business organizations.*

*The purpose of this study was to identify variables that explain the job satisfaction in IT firms. If such variables are identified, efforts can be made to eliminate or reduce the effects of those variables which lead to dissatisfaction and enhance those which lead to satisfaction. Data was collected from 179 IT IS/ITES employees working for banking and insurance projects in some of the top IT firms in Chennai, which is an IT hub.*

*Participants' job satisfaction had three measures: extrinsic, intrinsic, and general job satisfaction. The variables believed to explain employees job satisfaction (gender, age, opportunity for advancement, career aspirations, compensation, feelings of compensation fairness, supervisor relations, and ability utilization) were analyzed to determine the effects of the independent variables on the three measures of job satisfaction. Results revealed that employees were only marginally satisfied with their jobs. Employees are not as interested in advancing their careers as reported in prior studies. Examination of the data revealed that the hypothesized models did not fit the data. Of the variables theorized to explain job satisfaction, age, compensation, and opportunity for advancement were found to have no significant effect on intrinsic, extrinsic, or general job satisfaction. However, a supervisor relation was found to have a significant effect on all three measures, as did ability utilization. The other variables in the models either did not have significant effects on the three measures of job satisfaction or were too small to be considered important. Relationships between the independent variables were also examined and reported. None of the hypothesized indirect path effects were large enough to be considered important.*

**Keywords: Job satisfaction, Motivation, ITES/ITIS employees**

### **Introduction**

Job satisfaction or employee satisfaction simply how content an individual is with his/her job, in other words, whether or not they like the job or individual aspects or facets of job, such as nature of work or supervision. Researchers have not been able to conclude on one single definition of job satisfaction despite its wide usage in scientific research, as well as in everyday life. Hoppock way back in 1951, defined job satisfaction as any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say I am satisfied with my job. According to him job satisfaction is under the influence of many external factors, even though it remains something internal that has to do with the way how the employee feels. Job Satisfaction has more to do with the psychology of the employees, in fact it more to deal with the responses that employees make to work place situations. An aggregation of these affective and cognitive responses corresponds to what may be termed as job satisfaction. Researchers have also indicated that job satisfaction has a strong overlap with motivation theories. Maslow's needs hierarchy was developed to explain human motivation in

general. However, its main tenants are applicable to the work setting, and have been used to explain job satisfaction. Within an organization, financial compensation and healthcare are some of the benefits which help an employee meet their basic physiological needs. Safety needs can manifest itself through employees feeling physically safe in their work environment, as well as job security and/ or having suitable company structures and policies. When this is satisfied, the employee's can focus on feeling as though they belong to the workplace. This can come in the form of positive relationships with colleagues and supervisors in the workplace, and whether or not they feel they are a part of their team/ organization. Once satisfied, the employee will seek to feel as though they are valued and appreciated by their colleagues and their organization. The final step is where the employee seeks to self-actualize; where they need to grow and develop in order to become everything they are capable of becoming. Although it could be seen as separate, the progressions from one step to the next all contribute to the process of self-actualization. Therefore, organizations looking to improve employee job satisfaction should attempt to meet the basic needs of employees before progressing to address higher-order needs.

The Job Characteristics Model (JCM) given by Hackman & Oldham (1975) explains that job satisfaction occurs when the work environment encourages intrinsically motivating characteristics. Five key job characteristics: skill variety, task identity, task significance, autonomy and feedback, influence three psychological states. Subsequently, the three psychosocial states then lead to a number of potential outcomes, including: job satisfaction. Therefore from an organizations' point of view, it is thought that by improving the five core job dimensions this will subsequently lead to a better work environment and increased job satisfaction.

Information Technology has basically been used under two different avenues in Banking, one is Communication and Connectivity and other is Business Process Reengineering. Information technology enables sophisticated product development, better market infrastructure, implementation of reliable techniques for control of risks and helps the financial intermediaries to reach a geographically distant and diversified market which helps them to reach their customers. In view of this, technology has changed the contours of three major functions performed by banks, i.e., access to liquidity, transformation of assets and monitoring of risks. Further, Information technology and the communication networking systems have a crucial bearing on the efficiency of money, capital and foreign exchange markets and also manage other transaction.

The Software Packages for Banking Applications in India had their beginnings in the middle of 80s, when the Banks started computerizing the branches in a limited manner. The early 90s saw the plummeting hardware prices and advent of cheap and inexpensive but high-powered PCs and servers and banks went in for what was called Total Branch Automation (TBA) Packages. The middle and late 90s witnessed the tornado of financial reforms, deregulation, globalization etc coupled with rapid revolution in communication technologies and evolution of novel concept of 'convergence' of computer and communication technologies, like Internet, mobile / cell phones. The dependency of banking services on IT enabled services has been tremendous and inevitable.

The major objectives of the study were to identify the factors constituting job satisfaction among ITES and IT IS employees working on banking and insurance projects.

## **Research Design**

**Research Instrument:** The research instrument used in this study was a self administered structured questionnaire. It comprised of ten questions of employee satisfaction was derived from the research work by Anitha (2014). Statements on working environment were derived

from work by Amah and Ahiauzu (2013). Five questions of work life balance were taken from the source Frank et al. (2004). Four questions of career development were taken from the work by Davis (2015). Four questions of leadership authority were derived from work by Michela (2008). Four questions of organization culture were taken from the source Saks (2006). All responses were collected on 5 point Likert Agree-Disagree scale.

**Sample:** The questionnaires were distributed to 200 respondents out of which 179 complete questionnaires were received.

**Major Results and Discussions**

The mean standard deviation of the all variables were computed and tabulated in the table (Table 1). This enables to compare the scores among the independent variables. The mean of such variables are computed by deploying the total scores of each variable, by the number of respond (N), the Mean score of the variables a study on employee engagement, where found to be within the range from 4.34 to 2.31. This score suggests that all the variable are given equal emphasis across respondents as the mean does not vary and are close and each other.

The Mean and Standard deviation of independent variables are listed in analysis descriptive table. The Working Environment mean is 2.44 and standard deviation 0.89 , Work Life Balance mean is 4.31 and standard deviation 0.682, Career Development mean is 4.20 and standard deviation 0.728 , Leadership Authority mean is 4.29 and standard deviation 0.699, Organization Culture mean is 4.235 and standard deviation 0.722.

**Table 1 Descriptive statistics**

Variables	Mean	Std. Deviation	N
Working Environment 1	2.31	0.93	179
Working Environment 2	2.68	1.17	179
Working Environment 3	2.34	0.56	179
Work Life Balance 1	4.34	0.69	179
Work Life Balance 2	4.32	0.64	179
Work Life Balance 3	4.31	0.72	179
Work Life Balance 4	4.32	0.64	179
Work Life Balance 5	4.26	0.71	179
Career Development 1	4.17	0.74	179
Career Development 2	4.14	0.78	179
Career Development 3	4.28	0.71	179
Career Development 4	4.20	0.66	179
Leadership Authority 1	4.31	0.74	179
Leadership Authority 2	4.26	0.66	179
Leadership Authority 3	4.28	0.67	179
Leadership Authority 4	4.31	0.70	179
Organizational Culture 1	4.31	0.76	179
Organizational Culture 2	4.22	0.73	179
Organizational Culture 3	4.26	0.66	179
Organizational Culture 4	4.15	0.71	179

The following hypotheses were evaluated for the study:

H01: There is no significant impact of work environment on job satisfaction

H02: There is no significant impact of work life balance on job satisfaction

H03: There is no significant impact of career development on job satisfaction

H04: There is no significant impact of leadership authority on job satisfaction

H05: There is no significant impact of organization culture on job satisfaction

**Table 2: ANOVA Table**

<b>Null Hypothesis</b>	<b>F Value</b>	<b>Sig</b>	<b>Status of Hypothesis</b>
<b>H01</b>	2.83	0.04	<b>Accepted</b>
<b>H02</b>	0.25	0.03	<b>Accepted</b>
<b>H03</b>	0.37	0.76	<b>Rejected</b>
<b>H04</b>	0.09	0.04	<b>Accepted</b>
<b>H05</b>	1.55	0.21	<b>Accepted</b>

The above results suggest that all variables, namely work environment, leadership authority, organizational culture and work life balance significantly influence job satisfaction. The only null hypothesis that got rejected was on career development indicating that it doesn't have a significant impact on job satisfaction at 95% level of confidence. The results also suggested relationship between these variables, further investigation into their combined impact was judged using multiple regression. A multiple regression analysis was conducted using working environment, work life balance, career development, and leadership authority and organization culture as independent variables and job satisfaction as dependent variable.

**Table 3: Showing Regression coefficient from Regression Results for Work Life Balance by factors**

Multiple R	.910
Coefficient of determination (R <sup>2</sup> )	.818
Adjusted R <sup>2</sup>	.810
Standardized error of the estimate	.564

**Table: Showing Beta Coefficients of Regression Results for Job Satisfaction by factors**

<b>Table 7: Regression Results for Overall Satisfaction</b>			
<b>Independent Variables</b>	<b>Standardized Betas</b>	<b>t-values</b>	<b>Significance</b>
Constant	3.680	8.310	0.000
Work Environment	0.427	6.193	0.000
Work Life Balance	0.424	3.807	0.000
Career Development	0.540	6.039	0.000
Leadership Authority	0.423	4.427	0.000
Organizational Culture	0.345	2.345	0.002

In the multiple regression model, least square method was used. Since, the independent variables were in the form of factors, multicollinearity was not an influencing factor. The results indicate that the the adjusted coefficient of determination  $R^2$  (considered because of different sample sizes), is .810. This indicates that the proportion of variance of the dependent variable about its mean that is explained by independent variables is 81%. The ANOVA value,  $F = 56.070$ , is significant at 0.05 level of significance, indicating the model fit. All beta coefficients were found to be significant and having positive values, hence indicating that all the five independent variables significantly have a positive impact on job satisfaction.

Job satisfaction represents a combination of positive or negative feelings that workers have towards their work. Meanwhile, when a worker employed in a business organization, brings with it the needs, desires and experiences which determinates expectations that he has dismissed. Job satisfaction represents the extent to which expectations are and match the real awards. Job satisfaction is closely linked to that individual's behaviour in the work place (Davis et al.,1985). Job satisfaction is a worker's sense of achievement and success on the job. It is generally perceived to be directly linked to productivity as well as to personal well-being. Job satisfaction implies doing a job one enjoys, doing it well and being rewarded for one's efforts. Job satisfaction further implies enthusiasm and happiness with one's work. Job satisfaction is the key ingredient that leads to recognition, income, promotion, and the achievement of other goals that lead to a feeling of fulfillment (Kaliski, 2007).

Job satisfaction can be defined also as the extent to which a worker is content with the rewards he or she gets out of his or her job, particularly in terms of intrinsic motivation (Statt, 2004). The term job satisfactions refers to the attitude and feelings people have about their work. Positive and favourable attitudes towards the job indicate job satisfaction. Negative and unfavorable attitudes towards the job indicate job dissatisfaction (Armstrong, 2006). Job satisfaction is the collection of feeling and beliefs that people have about their current job. People's levels of degrees of job satisfaction can range from extreme satisfaction to extreme dissatisfaction. In addition to having attitudes about their jobs as a whole, people also can have attitudes about various aspects of their jobs such as the kind of work they do, their coworkers, supervisors or subordinates and their pay (George et al., 2008). Job satisfaction is

a complex and multifaceted concept which can mean different things to different people. Job satisfaction is usually linked with motivation, but the nature of this relationship is not clear. Satisfaction is not the same as motivation. Job satisfaction is more of an attitude, an internal state. It could be for example, be associated with a personal feeling of achievement, either quantitative or qualitative (Mullins, 2005).

We consider that job satisfaction represents a feeling that appears as a result of the perception that the job enables the material and psychological needs (Aziri, 2008). Job satisfaction can be considered as one of the main factors when it comes to efficiency and effectiveness of business organizations. In fact the new managerial paradigm which insists that employees should be treated and considered primarily as human beings that have their own wants, needs, personal desires is a very good indicator for the importance of job satisfaction in contemporary companies. When analyzing job satisfaction the logic that a satisfied employee is a happy employee and a happy employee is a successful employee.

### **Conclusion**

The results indicate that in order to increase job satisfaction amongst their employees, organizations should maintain good relation with managers and employees. Organizations should measure engagement and take action on survey results along with making managers accountable for engagement. They should connect people with the future goals and to achieve targets. Targets can be meaningful and effective in motivating employees; they must be tied to larger organizational ambitions. Organizations should aim at improving performance through transparency by sharing numbers with employees and increase employees' sense of ownership. They should also ensure employees hear the messages from the business as soon as possible. Actively promoting organizational effectiveness, reputation, values and ethics could reap positive results. They should encourage employees to find a personal fit with the company culture. Strong employee engagement is dependent on how well employees get along, interact with each other and participate in a team environment. Organizations should actively demonstrate to staff how their feedback is being used. Organizations have to give their employees the freedom to make their work exciting and an environment having an engaged work life with increase in responsibilities at home and a desire to excel in their careers, employees often get distracted from their work which needs to be taken care of. Employees are the assets of the organization and if they are not given a space whereby they can make a perfect blend of both work, fun, optimum performance from them may be difficult. An organization should realize the importance of employees, more than any other variable, as the most powerful contributor to an organization's competitive position. Organizations and employees share a symbiotic relation, where both are dependent on each other to satisfy their needs and goal.

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