A Study on Employee Job Satisfaction in Manufacturing Sector

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ABSTRACT
Job satisfaction represents one of the most complex areas 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. There is a considerable impact of the employee’s perceptions for the nature of his work and the level of overall job satisfaction. Financial compensation also has a great impact on the overall job satisfaction of employees.

KEYWORDS: satisfaction, performance, employees, organization.

INTRODUCTION
Globalization of individual companies and capital markets over the past two decades has changed the business landscape. To respond to global competition, firms are using new technologies to provide better, low-cost solutions for their customers, but these technological innovations have led to constant movement of customers and competitors. At the same time, global capital markets are pressuring firms to innovate and reduce costs – not an easy feat.

Lean, a methodology focused on recognizing and eliminating waste, is now part of conversations among the HR community worldwide. It includes anything from extra processing and layers of approval levels to a misaligned human talent and skills. Applying Lean to human resources functions has proven beneficial only to HR organization, but also to the bottom line. Employees that are satisfied with their jobs are more productive, loyal, produce happy customers and positively impact the company’s profitability. Accomplishing that requires a lot of focus from company’s human resource groups.

A firm must also have a set of customer’s metrics that show how well it is serving that group. In addition, other operational metrics can help evaluate the effectiveness of business processes. The balanced scorecard offers a way of calculating all the aspects of operation that go into creating HR strategy. The balance scorecard suggests that measuring employees learning outcomes can help monitor the performance of a firm based on how well it is able to generate and transfer knowledge. These categories are related in a way known as strategy map.

MEASURING EMPLOYEE SATISFACTION
Employee satisfaction can be measured 2 ways: indirectly, by watching trends in employee turnover; and directly, by asking employees about their level of satisfaction via surveys, interviews and focus groups

In indirect measurement, management watches the trend in employees leaving the organization and assumes that satisfaction levels are adequate when turnover levels are at or below industry norms. Direct measurement methods involve asking employees about their level of satisfaction

Once the results are in, information will be analysed and various breakdowns may be reviewed to see if there are specific areas that need to be addressed.
The specific impact of job satisfaction can be hard to quantify, but not a higher level of employee satisfaction would be expected to result in:

- Fewer employees voluntarily leaving the company for new positions
- Experienced employees staying with the company longer, which helps control hiring and training costs and avoids dips in productivity while training new staff
- An easier time filling open positions, since the company will have a reputation of being a good place to work and more people will be interested in working there

It helps in the interest of building a relationship of honesty, integrity, trust and team bonding in the organization. It also results in bringing out the “Best Work Practices” which lead to setting up of better professional standards of work ethics and taking up new initiative programs. The surveys evaluate the comfort areas, successful areas and help the organization to understand the scope of improvements. The purpose of the survey is to:

- Measure employee perceptions of the work environment
- Identify job satisfaction levels
- Identify areas of strength and opportunities for improvement

**STRATEGY FORMULATION**

With the emergence of post-industrial era, the organizational environment has been dynamic, full of changes. Changes have been so intense that, predicting functions have lost their validity and new unexpected challenges have emerged. Markets have become intensively competitive. Nowadays, many organizations are mainly concerned about codification and implementation of strategies which ensure their success and survival in ever-changing, complex environmental circumstances. Successful strategy execution has two basic rules, understand the management cycle that links strategy and operations and know what tools to apply at each stage of the cycle.

**REVIEW OF LITERATURE**

Review of literature is the most important aspect in any research work. It is a measure, stating the recent output on a particular area of research and organised in a helpful sequence to strengthen the present research techniques. The main objective of the review of literature is to understand the research activities that have taken place in a particular discipline in general and the area of research in particular.

Great workplaces are built through the day-to-day relationships that employees experience – not a checklist of programmes and benefits. From employee’s perspective a great workplace is one where they:

- TRUST the people they work for;
- Have PRIDE in what they do; and
- ENJOY the people they work with

Trust is the defining principle of great workplaces – created through management creditability, the respect with which employees feel they are treated, and the extent to which employees expect to be treated fairly.

**EFFECT OF JOB SATISFACTION**

Job Satisfaction has become a major focus of research. According to Blum and Naylor “Job satisfaction is a general attitude, which is the result of many specific attitudes in three areas namely: Specific job factors, Individual Characteristics and Group relationship outside the job”

Job satisfaction ensures that the right employees are recruited and retained. It also maintains productivity by keeping the workforce constantly engaged and motivated. It has also been proven that job satisfaction controls the ill effects of role conflicts and job induced stress thus minimizes labour turnover for great employees.
There are two views about the relationship between job satisfaction and productivity: A happy worker is a productive worker; a happy worker is not necessarily a productive. When a job satisfaction increases, productivity increases; when satisfaction decreases productivity decreases. The happy worker will put more effort for job performance.

Employee loyalty is one of the most significant factors that human resource managers in particular must have in mind. Usually three types of employee loyalty are considered: affective loyalty, normative loyalty and continuity loyalty. Affective loyalty has done with the cases when an employee feels an emotional connection to the company, normative loyalty is a sort of loyalty that appears in cases when the employee feels like he owes something to the company and continuity loyalty comes as a result of the fact that the employee does not have an opportunity to find a job somewhere else.

Employee absenteeism causes serious additional costs for companies, therefore managers are in permanent peruse of ways how to decrease and reduce it to its minimum. Probably, the best way to reduce employee absenteeism would be through an increase in the level of employee satisfaction.

MEASURING JOB SATISFACTION
Job satisfaction can be measured using various methods, and the most common method for collecting the data regarding job satisfaction is Likert scale. Other common approaches for assessing job satisfaction is by questionnaire, checklist and forced choice answers. The Job Descriptive Index measures one’s satisfaction in five facets: pay, promotion and opportunities, co-workers, supervision and the work. The job in general index is an overall measurement of job satisfaction. Various studies have been conducted to find out the factors which determine the job satisfaction and the way it influences the productivity in the organization.

MODELS OF JOB SATISFACTION
There are various methods and theories of measuring job satisfaction level of employees in the organization.

AFFECT THEORY
Edwin A. Locke’s Range of Affect Theory (1976) is arguably the most famous job satisfaction model. The main premise of this theory is that satisfaction is determined by a discrepancy between what one wants in a job and what one has in a job. Further, the theory states that how much one values a given facet of work moderates. When a person values a particular facet of a job, his satisfaction is more greatly impacted both positively (when expectations are met) and negatively (when expectations are not met), compared to one who doesn’t value that facet. This theory also states that too much of a particular facet will produce stronger feelings of dissatisfaction the more a worker values that facet.

DISPOSITIONAL THEORY
Another well-known job satisfaction theory is the Dispositional Theory that suggests people have innate dispositions that cause them to have tendencies towards certain level of satisfaction, regardless of one’s job. This approach became a notable explanation of job satisfaction in light of evidence that job satisfaction tends to be stable over time and across careers and jobs. Research also indicates that identical twins have similar levels of jobsatisfaction. A significant model that narrowed the scope of the Dispositional Theory was the Core Self-Evaluations Model. The four core self-evaluations that determine one’s disposition towards job satisfaction: self-esteem, general, self-efficacy, locus of control, and neuroticism. This model states that higher levels of self-esteem and general self-efficacy lead to higher work satisfaction. Having an internal locus of control leads to higher job satisfaction. Finally, lower levels of neuroticism lead to higher job satisfaction.

TWO-FACTOR THEORY (MOTIVATOR-HYGIENE THEORY)
Frederick Herzberg’s Two-factor theory also known as Motivator Hygiene Theory attempts to explain satisfaction and motivation in the workplace. This theory states that satisfaction and dissatisfaction are driven by different factors: motivation and hygiene factors, respectively. Motivating factors are those aspects of the
job that make people want to perform, and provide people with satisfaction. These motivating factors are considered to be intrinsic to the job, or the work carried out. Motivating factors include aspects of the working environment such as pay, company policies, supervisory practices, and other working conditions. Furthermore, the theory does not consider individual differences, conversely predicting all employees will react in an identical manner to changes in motivating/hygiene factors. Finally, the model has been criticised in that it does not specify how motivating/hygiene factors are to be measured.

**JOB CHARACTERISTICS MODEL**

Hackman & Oldham proposed the JobCharacteristics Model, which is widely used as a framework to study how particular job characteristics impact on job outcomes, including job satisfaction. The model states that there are five core job characteristics (skill variety, task identity, task significance, autonomy, and feedback) which impact three critical psychological states (experienced meaningfulness, experienced responsibility for outcomes, and knowledge of the actual results), in turn influencing work outcomes (job satisfaction, absenteeism, work motivation, etc.).The five core job characteristics can be combined to form a Motivating Potential Score (MPS) for a job, which can be used as an index of how likely a job is to affect an employee's attitudes and behaviours. A meta-analysis of studies that assess the framework of the model provides some support for the validity of the JCM.

**RESEARCH METHODOLOGY**

The research design chosen for the purpose of the study is descriptive of which the questionnaire method was used. This method fetches better responses and thus effective information can be gathered from the respondents as they can fill the questionnaire at ease. This can also be done using the five-point scale data values to compute the rating index on each of the indicator established to influence the overall satisfaction.

**OBJECTIVE OF THE STUDY**

- To study the employee’s perception towards the organization
- To offer suggestions to improve the satisfaction level of employees
- To identify problem areas in relation to job satisfaction
- To find the factors which influences the job satisfaction of the employees
- To assess the level of satisfaction for between different age group and between different positions
- To identify the factors to improve the satisfaction level of employees

**SAMPLING**

The convenience sampling method is a statistical method of drawing representative data by selecting people because of the ease of their volunteering or selecting units because of their availability or easy access. It is a type of sampling where the first available primary data source will be used for the research without additional requirements. In convenience sampling no inclusion criteria identified prior to the selection of the employees. The study is concerned with 30% of employees out of 571. Samples were selected position-wise which ensured a variation in age as well as experience level.

<table>
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<tr>
<th>Position</th>
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<tr>
<td>General Manager</td>
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<td>9</td>
</tr>
<tr>
<td>Deputy General Manager</td>
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<td>Total</td>
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Table 1: Sample Determination
DATA COLLECTION

The survey tool in the form of a questionnaire developed based on a standard questionnaire in accordance with “Great places to work” model, which identifies some factors that are addressed for measuring employee satisfaction. The factors include working condition, autonomy, job security, relationship with co-workers, salary, career advancement and growth.

DEVELOPMENT OF QUESTIONNAIRE

Based on the factors, the questionnaire is divided into ten facets measuring these factors

- **Retention Policies**: This facet is used to measure the job security related satisfaction among employees
- **Ecological Environment**: This facet measures the satisfaction with working conditions on the job, while performing the job
- **Working Place**: This facet measures quality of relationship between employees and between the supervisor and employees and the treatment of employees
- **Health and Safety measures**: It measures the condition and hygiene of the workplace and the quality of health measures taken by the company for its employees
- **Rewards and Recognitions**: It measures the satisfaction of employees by the current benefits given to them for the work they do
- **Training and Development**: It measures the focus on career and growth development of employees
- **Reasons for choosing manufacturing company**: It measures the employer branding of the company
- **Motivating Factors**: It informs about the strengths of the company in terms of employee satisfaction
- **Demotivating Factors**: It informs about the areas that require improvement and the facilities that are required by the employees but are not yet provided to them
- **Employee Engagement Activities**: It measures the effect of employee engagement activities on employee satisfaction and informs about which activities are preferred by the employees.

MEASUREMENT OF VARIABLES:

Each question is to be answered on a 5 point Likert scale. All he statements used in the scale are “Strongly disagree”, “Disagree”, “Neutral”, “Agree”, and “Strongly Agree”. The aim was to obtain feedback from a large potential respondent. This activity also involved informal and open ended questions. The questionnaire is validated with the help of HR employees at manufacturing company whether the questionnaires are carefully scrutinized an errors are rectified.

STATISTICAL TOOL

Data is analysed using Microsoft excel and using the statistical package in MS excel and Mat lab. It is used for entering and coding the Data. Descriptive Statistics was aimed at identifying the pattern of the data and consistency of the responses in each of the identified factors influencing the employee satisfaction of the manufacturing industry. In the study, correlation Analysis is used to find out the significant difference and the effects between all the factors of employee satisfaction. The data collected using the questionnaire is compiled using an excel sheet and the data is analysed based on the bar charts.

CORRELATION ANALYSIS

The analysis is done to check the relationship among the facets and to find out the influence of one facet to other
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Table 2: Facet Correlation

Correlation is a measure of change in one facet with respect to another. All the facets are positively correlated which indicates that one doesn’t come in the expense of another. This helps the company to focus on certain facets of all the facets to improve the overall satisfaction level.

Table 3: Experience & Age Correlation

The correlation between experience and satisfaction levels as well as between age of employees and satisfaction is not significant. This means that more year of experience does not mean that the employee is more satisfied and vice-versa. Thus the level of satisfaction and years of experience of an employee are independent factors and does not possess a linear correlation. The same goes with the age of employees.

RESULT DISCUSSION

The manufacturing company takes all the possible efforts, initiatives and measures to engage employee and make them actively participate in the events and mostly to make them feel valued and treasured. But with more added efforts the organization will be able to attain maximum level of satisfaction which creates a win-win situation to both the employees and the organization.

Based on the analysis overall satisfaction of the employees is good. Some of the key regions identified to further improve the satisfaction levels of employee are

- Shortage of Parking space
- Safety issue for providing open snacks
- Top level employees were more satisfied with employee engagement activities as compared to other employees
• Town hall meetings are not happening timely
• Decline in the number of ideas after installing idea factory because of unfamiliarity with the system
• Support from the management for higher education for employees was found to be dissatisfactory
• Employees were not being awarded and recognized among various designations
• No transportation provided for night shift employees
• Failed to provide training for short term visit to abroad and the productivity thereby declines

Based on the study, following suggestions are being made in Transportation, parking, Food and snacks, Employee engagement and Training.

• Providing transportation for night shift employees will help them feel more secure and there is a need for service as there is no connectivity at night
• The company has to come up with a long term plan for expanding the parking area as the number of employees are increasing. But temporary action can be taken by providing specified parking space for various designations
• Coffee and vending machines can be installed inside the building for employee who stays back to work
• Installing snack vending machine can be costly but there are no security issues and the company can own the contract
• Providing tickets to cultural events as it increases the employee’s loyalty
• Keeping the employees update about the issues being discussed with HR
• Bringing families to workplace on special occasions thereby increasing the employee’s loyalty
• As some of the employees are not satisfied with their experience on abroad trainings few things can be done to improvise: Constant monitor by HR, Interaction between employees who have first abroad experience and training the employees for short term visit.

CONCLUSION
Job satisfaction represents one of the most complex areas 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. There is a considerable impact of the employee’s perceptions for the nature of his work and the level of overall job satisfaction. Financial compensation also has a great impact on the overall job satisfaction of employees.

There is a general dissatisfaction regarding the transportation facility as it was not provided to the employees who were working at night. Most of the employees are dissatisfied with the parking facility due to the shortage of space to park the vehicles which in turn leads to the damage of vehicle. There are no refreshments provided especially for those who stay back often because of work. Job satisfaction is very important to promote well-being of the organization, positive attitude and behaviour of employees towards work. Moreover, improving job satisfaction results in better quality of care, less physical and mental problems to health care staff. Staff nurses experience with stress in their work and work environment

The objectives and measures of all the departments are engaged to monitor the performance of objectives in order for the company to achieve the determined targets. The strategy maps show how the multiple measures on a properly constructed balanced scorecard provide the instrumentation for a single strategy. The company can formulate and communicate the strategy with an integrated system of approximately two or three dozen measurements that identify the cause and effect relationships among the critical variable includes leads, lags and feedback loops that describe the trajectory or the flight plan of the strategy.
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