



# REVIEW OF LITERATURE ON FACTORS AFFECTING THE EMPLOYEE SATISFACTION

<sup>1</sup> Dr. Jayeeta Majumder, <sup>2</sup> Dr. Sourav Gangopadhyay,

<sup>1</sup> Assistant Professor, <sup>2</sup> Assistant Professor

<sup>1</sup> Department of Management,

<sup>1</sup> Haldia Institute of Management, Haldia, India

**Abstract :** Job satisfaction is a blessing for any organization. It ensures continuous productivity and it will be increasing the good will of the organization. It was found evident that employee satisfaction is able to increase the customer satisfaction. In a way to sustain in the business world, every organization should go for continuous process of customer satisfaction and satisfying customer without satisfying employee is not possible. So increasing employee satisfaction is must to survive in the business world but employee satisfaction is depending on several factors, many researchers have tried to find it out. In this paper we are trying to find out the factors affecting the job satisfaction. We have found organizational culture, job security, pay structure, level of stress, opportunity for training and development and job recognition are playing most important role in the employee satisfaction. It is also realized that multiple cross sectional studies on different organization is necessary to confirm this findings.

**IndexTerms** - employee satisfaction, organizational culture, job security, pay structure, level of stress training and development, job recognition.

## Introduction

In a way to improve the productivity of the organization, the management should always try to motivate the employee by increasing their job satisfaction. Satisfied employees are always are blessing for any organization as it ensures continuous productivity, high retention rate of skill full employees, increase loyalty towards organization and many more (Schermerhorn, et al., 2005). Job satisfaction is able to create positivity and self esteem among employee (Wright, 2001), these are the indicators of job satisfaction. Finding out the factors affecting the job satisfaction is the key important role for any organization according to many researchers (Okpara, Squillance and rondou, 2005). In this paper we will be trying to find out the factors affecting the employee satisfaction by doing extensive literature review.

## Review of Literature on factors Influencing Job Satisfaction

### Organizational Culture

It was evident that different factors of organizational culture are able to influence the employee satisfaction (Probst et al., 2010). Positive culture in the organization is able to increase the job motivation and commitment (Al- Mohammad, 2014). A good organizational culture is able to retain the key employees so as to reduce the attrition rate (Kim et al., 2017). Isolated working condition is able to create dissatisfaction towards the job (Feldman et al, 1983). Employees are demanding a comfortable and pleasant working condition so that they can finish their work efficiently (Locke, 1976). Low involvement in the work is able to decrease job satisfaction significantly (Balouch and Hassan, 2014).

### Job Security

The job security has a positive influence on the job satisfaction. The employees who are perceiving the job as secured one, are able to work more efficiently and they are showing commitment towards job (Rosow & Zager, 1985). Secured job environment is able to create sense of self pride, competence and self-confidence among employees, which ultimately able to increase the job satisfaction (Hebb, 1949). Many organizations are trying to increase the job security among employees so that they can achieve a positive job satisfaction among employees (Waqas et al., 2014).

### Pay structure

It was evident that there is a positive and significant relationship existing between wages or the pay structure and the employee performance (Nguyen et al.2003). A good pay structure is able to increase the job motivation, and it also decrease the job attrition rate (Wang & Seifert, 2017). It was evident that if an organization is able to implement the system of reward and bonus system, then it will increase the performance of the employee (Heneman, 1992). Poor salary structure is responsible to decrease job motivation and increases the job dissatisfaction (Boggie, 2005). Employees see their payment structure as an indicator to know how much valuable they are to the management (Arnold 1983). It has been proved that the pay structure has a significant influence on the intrinsic job satisfaction (Ilies and Judge, 2004). Job satisfaction is greatly related to compensation, salary structure, reward system have positive impact on the employee satisfaction (Sabarwal 2009)

### Stress

Stress is a having negative impact on the employee and employers point of view (Leong, Furnham, & Cooper, 1996). It causes role ambiguity, role conflict (Chang, 2008), poor working environment, excessive work load which causes negative mental and physical health consequences of employees as well as employers (Murphy, Cooper, & Payne, 1988) like low job motivation, high turnover, low quality of product and increased absenteeism (Allen, 2010) these are all regarded as negative to every employee and the organization.

### Opportunity for training and development

Regular training and development of the existing employees are necessary to increase the accuracy, decrease the conflict and enhance the learning process (Shannak et al., 2010). The change in the organisation leads to develop an opportunity for training and development for the employees, in this situation if these are provided properly it will be able to increase the employee to employee relationship, feeling of being a part of the organization, good leadership, confidence etc develop (Malik & Kanwal, 2016). To ensure the learning culture in the organization the top management should be involved in the training program (Tom & Harris, 2017).

### Development and job recognition

Doing same job in a same way for long period of time is not a healthy for any employees. It is boring, causes loss of interests in the job. Holding a same position is not a comfortable situation for any employee. Every enthusiastic employee is always looking for assurance promotion and development from the organization (Gupta, 2011). Job recognition is also playing a pivotal role in the employee satisfaction as the job recognition means provision of rewards, increment in the salary, promotion in a way to appreciate the employee for what they are doing (Herzberg, 1959).

### Discussion

It has been found that there are many factors which are known to be organizational centric, having significant impact on the employee satisfaction. We have also gone through different research papers where other kinds of factors are discussed and they are all known as employee factors like age, gender, experience. They are also having different level of impact on the employee satisfaction but in most cases organizational centric factors are being covered. According to different researchers employee satisfaction is mainly depending upon six factors - organizational culture, job security, pay structure, level of stress, opportunity for training and development and job recognition. According to researchers organizational culture is depending upon several sub factors like leadership, job environment, job description etc. These sub factors is able to influence on the employee satisfaction. So if the management is not serous on the organizational culture then it would be impossible to achieve the optimum employee satisfaction. Employees are not comfortable with unsecured job. Unsecured job destroys creativity and employee satisfaction. According to the researchers the salary structure, job recognition are playing a central role in the employee satisfaction, because every employees wants to be appreciated and recognized. Increments, incentives, promotion a decent salary make the employee motivated and enthusiastic and ultimately make them satisfied and loyal towards organization. Apart from that according to many researchers, the employees are always satisfied with those organizations where ample opportunity for training and development is there. Training makes every employee more skilled in those works what he is doing every day and by development every employee can learn and gain knowledge on new things. So every organization should have such environment.

### Conclusion

The impact of employee satisfaction on the overall growth of the organization is realized by many organizations. In the recent time business world is getting more and more competitive. New technology, new concepts are coming, customer need is changing, and global scenario is able to impact on a kind of business; in this situation competitors are making the scenario more and more challenging. In this regard getting and keeping skilled employee in the organization is always being an advantage. In this regard assessing employee satisfaction is playing a pivotal role in it. We have done an extensive review of literature to find out the factors responsible for employee satisfaction. Six factors have identified. If we can perform multiple cross sectional study

on employee of different sectors of different areas, then we will be able to find the magnitude of impact of every factor on employee satisfaction.

## References:

1. Allen, M. (2010). Corporate Universities 2010: Globalization and greater sophistication. *The Journal of International Management Studies*, 5(1), 48-53.
2. Al-Mohammad, S., Akroush, M. & Lutfi, O. A. (2014). Marketing culture and business performance: Re-examination of Webster's marketing culture measurement scale. *Marketing Intelligence & Planning*, 32(7), 794-822.
3. Arnolds, C. A. & Boshoff, C. (2002). Compensation, Esteem Value and Job Performance: An Empirical Assessment of Alderfer's ERG Theory. *International Journal of Human Resource Management*, 13(4).
4. Balouch, R., & Hassan, F. (2014). Determinants of job satisfaction and its impact on employee performance and turnover intentions. *International journal of learning and development*, 4(2), 120-140.
5. Boggie, T. (2005). Unhappy employees, *Credit Union Management*, 28 (4).
6. Borcharding, J.D. (1978), Factors Which Influence Productivity On Large Projects, *Journal of American Association of Cost Engineers* 7 (4).
7. Cronley, C. & Kim, Y. K. (2017). Intentions to turnover: Testing the moderated effects of organizational culture, as mediated by job satisfaction, within the Salvation Army. *Leadership & Organization Development Journal*, 38(2), 194-209.
8. Gupta, C.B. (2011). *Human Resource Management*, 19th Ed., New Delhi: Sultan Chad and Sons.
9. Heneman, R.L., (1992). Merit pay: Linking pay increases to performance ratings. Addison-Wesley/Addison Wesley Longman. <http://dx.doi.org/10.14738/abr.53.2758>.
10. Herzberg, F. Mausner, B., & Snyderman, B. (1959), *The Motivation to Work*, 2nd edition, New York: John Wiley & Sons.
11. Ilies, R., & Judge, T. A. (2004). An experience sampling measure of job satisfaction and its relationships with affectivity, mood at work, job beliefs, and general job satisfaction. *European journal of work and organizational psychology*, 13(3), 367-389.
12. Judge, T. A. & Bono, O. E. (2001). Relationship of Core Self-Evaluations Traits—Self-Esteem, Generalized Self-Efficacy, Locus of Control, and Emotional Stability—With Job Satisfaction and Job Performance: A Meta-Analysis. *Journal of Applied Psychology*, 86(1):80-92. DOI:10.1037/0021-9010.86.1.80
13. Judge, T. A. (2002), Promote Job Satisfaction through Mental Challenge, In: Locke, (Ed.), *Handbook of principles of organizational behaviour*. Oxford, UK: Blackwell Publishing Ltd.
14. Leong, C. S., Furnham, A. & Cooper, C. L. (1996). The moderating effect of organizational commitment on the occupational stress outcome relationship. *Human relations*, 49(10), 1345-1363.
15. Malik, M., & Kanwal, M. (2016). Impacts of Organizational Knowledge Sharing Practices on Employees' Job Satisfaction: Mediating Roles of Learning Commitment and Interpersonal Adaptability. *Journal of Workplace Learning*, 30(4).
16. Mueller, C.W. & Kim, S.W. (2008) The contented female worker: Still a paradox?. In *Justice*, 117-149 Emerald Group Publishing Limited.
17. Nguyen, A., Taylor, J. & Bradley, S. (2003). Relative pay and job satisfaction: some new evidence, 1382.
18. Probst, J. C., Baek, J. D., & Laditka, S. B. (2010). The relationship between workplace environment and job satisfaction among nursing assistants: Findings from a national survey. *Journal of the American Medical Directors Association*, 11(4), 246-252.

## Reference

19. Rosow, J. M., & Zager, R. (1985), The Case for Employment Security., *Across the Board*, 22(1), 34-41.
20. Sabarwal, L., & Sharma, P.(2019). Emotional Intelligence and Job Satisfaction among Police Personnel. *International Journal of Health Sciences and Research*, 9(5), 332-336.
21. Schermerhorn, J. R. (1996), "Management and Organizational Behaviour Essentials", New York, John Wiley & Sons.
22. Schermerhorn, J. R. Hunt, J. R & Osborn, N. R. (2005), *Organizational Behaviour*, 9th Ed. New York: John Wiley & Sons.
23. Shannak, R., Obeidat, B., & Almajali, D. (2010). Information Technology Investments: A Literature Review. Proceedings of the 14<sup>th</sup> IBIMA Conference on Global Business Transformation through Innovation and Knowledge Management: An Academic Perspective, Istanbul-Turkey, 23rd-24th June, 1356-1368.
24. Short, T. & Harris, R.M. (2017). Harmonising training and development across an industry: the case of Australian rail. *European Journal of Training and Development*, 41(4), 373-387.
25. Wang, W. & Seifert, R. (2017). Pay reductions and work attitudes: the moderating effect of employee involvement practices. *Employee Relations*, 39(7), 935-950.
26. Waqas, A., Bashir, U., Sattar, M. F., Abdullah, H. M., Hussain, I., Anjum, W., & Arshad, R. (2014). Factors influencing job satisfaction and its impact on job loyalty. *International Journal of Learning and Development*, 4(2), 141-161.
27. Wright, B. (2001). Public-Sector Work Motivation: A Review of the Current Literature and a Revised Conceptual Model. *Journal of Public Administration Research and Theory*, 11(4). DOI:10.1093/oxfordjournals.jpart.a003515