Factors That Affect The Employee’s Job Satisfaction: An Evidence From Service Sector Of Pakistan

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Abstract

Purpose - The purpose of the study is to examine the factors which cause employees job satisfaction in Pakistani context.
Design/methodology/approach - It is a causal study; survey has been conducted in banking sector of Pakistan through adopted questionnaire.
Findings - Findings show that Employee empowerment and Team work have the positive influence on Employee Job Satisfaction. Whereas, Role conflict and Employee benefit have an insignificant impact on Employee Job Satisfaction.
Practical implications - It has practical implication from policy makers’ perspectives. Moreover, banking sector of Pakistan can use these findings to make their employees more satisfied with the job which ultimately leads to enhance employee’s retention and able to achieve more success.
Originality Value - It is the unique study conducted in the Pakistani context.

Keywords Employee empowerment, Team work, Employee benefit, Role conflict, Employees job satisfaction.

Research type Research Paper

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1.0 INTRODUCTION

It is a social reality that man spends his major part of life in work, even though only financial needs never satisfied men. That’s why this thing is always of great importance that how anyone becomes satisfies with his/her job. According to some researchers, the level of employee’s satisfaction influences the service quality which they perform for the organization. Now-a-days companies are operating and competing in the global world. So, for competing successfully satisfied employees enhance the productivity of the organization. For that job satisfaction is the favorableness or un-favorableness with which employees view their work and it is affected by both the internal and external environment of the organization. It can also say that job satisfaction is an essential component for the employees and for an overall organization in order to achieve its strategic goals. Therefore, the impact of various factors studies here like employee empowerment, teamwork, employee benefits, and role conflict on job satisfaction of Pakistani bank employees. Previously, in the context of Pakistan different combination of factors analyzed to determine employees’ job satisfaction but factors that use by this study (i.e. employee empowerment, teamwork, employee benefits, and role conflict) not used before in order to determine employees’ job satisfaction.

1.1 Research objectives

The aim of this study is to analyze the factors which cause job satisfaction among employees of banking sector in Pakistani. Considering this, the objectives of the current study are as following:

- To identify the impact of Employee empowerment on employee job satisfaction?
- To identify the impact of Employee benefits on employee job satisfaction?
- To identify the impact of Team work on employee job satisfaction?
- To identify the impact of Role conflict on employee job satisfaction?

2.0 LITERATURE REVIEW

According to Conger and Kanungo (1988), empowerment is the procedure of feeling oneself enhanced in terms of efficiency among various employees of an organization, by the recognition of those circumstances which discourage power. Seibert et.al (2004) studied empowerment climate in terms of macro and micro approaches and found its positive relationship with job satisfaction. He et.al. (2010) indicated a positive relationship between an employee’s empowerment on perceived service quality and job satisfaction. Moreover, Pelit et.al (2011)
revealed that there exists a significantly positive impact of psychological and behavioral empowerment on job satisfaction, and they also proved that if empowerment is taken as a whole then its effect becomes much greater. In the light of that, the study takes employees empowerment as a whole. Whereas Hunjra et.al (2011) highlighted the same relationship except the level of satisfaction among males and females was found different. Similarly, Chiang et.al (2012) concluded that the impact of psychological empowerment on job performance has been positive through the organizational citizenship behavior, which ultimately creates satisfaction among employees. Furthermore, Wong et.al (2013) conducted the study in the hospitals and yielded that if nurses recognize more structural empowerment at their workplaces than job satisfaction increases along with their job performance. Raza et.al (2015) conducted the study on Pakistani banking sector and concluded that the job satisfaction of employees is positively influenced by the employee empowerment. Likewise, Sohail & Malik (2016) found in its study that employee empowerment establishes the positive effect on job satisfaction of print media employees in Pakistan. Generalizability of the studies is limited as they were conducted with small sample sizes and specific geographical area of Pakistan (Raza et.al 2015, Sohail and Malik 2016). Whereas, Sun X. (2016) indicated that the relationship of Psychological Empowerment, Job satisfaction and job performance is significant which means that increase in psychological empowerment results in enhanced employee's job performance and due to which satisfaction increases. It has been learned that there has been no contradiction found among researchers regarding the positive relationship of employee’s empowerment and job satisfaction. Moreover, throughout the years, there has been no change in the nature of relationship between employee’s empowerment and job satisfaction due to geographical boundaries and different industries.

Employee benefits are provided to the employees in monetary or non-monetary form. Numerous research studies examined the effects of employee’s benefits on job satisfaction. According to the Artz B. (2010), fringe benefits are positively related with job satisfaction. Also, from the viewpoint of Dainsh & Usman (2010) reward and recognition has the direct positive influence on the job satisfaction and motivation of employees. Tessema & Embaye (2011) argued that there exists the positive impact of financial and non-financial benefits on job satisfaction which eventually affect the performance of employees. Similarly, Mishra & Dixit (2013) found that there is the strong relationship between financial and non-financial benefits and motivation of employees which leads towards work satisfaction of employees, which means that employee’s motivation increased by giving them benefits either in financial or non-financial form and hence highly motivated employees are more satisfy with their job. Whereas, Rafiq & Ahmed (2012)
confirmed in its study that extrinsic rewards are much essential than intrinsic rewards, which means if extrinsic rewards are given to employees then they become more satisfied with their work as compared to intrinsic rewards. Likewise, Fareed et.al (2013) indicated that extrinsic and intrinsic rewards are positively related to job performance and satisfaction of employees. Sarwar & Abugre (2013) suggested that the rewards are positively influenced by job satisfaction of service sector employees.

Hitotsuyanagi & Peltokorpi (2014) concluded that Merit based rewards are the cause of high job satisfaction among male and high educated employees, which ultimately leads to minimize the voluntary turnover. On the other hand, the results of Terera & Ngirande (2014) yielded that there exists a significant correlation between rewards and employee retention but these rewards do not lead towards job satisfaction of employees, which is the contradiction of previous research studies. Hina et.al (2014) conducted a study on university and reported that if the management of university put its focus on providing benefits to employees then it make possible to enhance job satisfaction. M. Ibrar and O. Khan (2015) performed a study on Malakand private school and confirmed that rewards either extrinsic or intrinsic have positively related with employee’s performance, which ultimately leads towards their job satisfaction. Hence, the generalizability of the studies is limited as they were conducted with small sample sizes and specific geographical area of Pakistan (Hina et.al 2014, M. Ibrar and O. Khan 2015). Moreover, it has been learned that there found some contradiction among researchers regarding the relationship of employee benefit and job satisfaction, but most researchers agreed with the positive relationship between them.

Teamwork defines as the group of people that working mutually in a supportive atmosphere, to attain their common objectives through sharing of their expertise and skills with each other (Tarricone & Luca 2002). For that, there are various researchers that discussed effect of teamwork on job satisfaction previously which are as follows. Kalisch et.al (2010) conducted study on hospital and found that if teamwork among nursing staff increases it results in higher level of job satisfaction with respect to current position and occupation. Manzoor et.al (2011) argued that there exists positive impact of teamwork on job performance and when employee’s performance enhances it ultimately leads towards their job satisfaction. Likewise, Abdullah et.al (2012) posits a view that greater teamwork of frontline employee results in greater job satisfaction and its loyalty. Results of Mishra (2013) yielded that teamwork is positively correlated with job satisfaction. It means high employee involvement in the teamwork ensures high job satisfaction.
Also, Luciano & Ruddy (2013) found that team empowerment results in increase of both team performance and job satisfaction of team members.

Madhusmita et.al (2014) revealed that teamwork significantly influences the job satisfaction and also the more satisfied employees provide high job performance. Further, Shujaat et.al (2014) confirmed that teamwork induced significantly positive effect on employee job satisfaction and its productivity. Similarly, Agwu (2015) concluded that teamwork is significantly related with employee motivation and productivity, which causes job satisfaction among employees. Whereas, Korner (2015) studied interprofessional teams and suggested that teamwork of interprofessional teams has significantly enhances job satisfaction level of employees. Dhurup et.al (2016) also highlighted positive relationship among them. Hence, generalizability of the studies is limited as they were conducted with small sample sizes and specific geographical area (Korner 2015, Dhurup et.al 2016). It has been learned that there has been no contradiction found among researchers regarding the positive relationship of teamwork and job satisfaction. Moreover throughout the years, there has been no change in the nature of its relationship because of geographical boundaries and different industries.

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3.0 RESEARCH METHODOLOGY

Based upon the review of literature, the following model is suggested for the study:

Model and Hypothesis

![Figure 1 Proposed Theoretical Model](image)

As evident from the model, the following four hypothesis statements can be suggested:

H₁: Employee empowerment has positive impact on employee job satisfaction.

H₂: Employee benefits have significant impact on employee job satisfaction.

H₃: Teamwork has positive impact on employee job satisfaction.

H₄: Role conflict has negative impact on employee job satisfaction.
It is a cross-sectional study data is collected at one point of time. In this study adapted questionnaire was used as a tool for the collection of data. There were two portions of questionnaire first was getting the information of respondents and second consisted of the questionnaire itself having five points Likert scale (Ranging from ‘1’ Strongly disagree to ‘5’ Strongly agree). Questionnaires were got filled through the personal visit of the researcher. Convenience sampling method was used. Data were collected from southern Punjab’s banking sector of Pakistan. For the interpretation of data Multiple regression, test for Heteroskedasticity, Multicollinearity, Kurtosis, Skewness, and Normality were applied. Population for this study will be all the managerial employees of banks. Data were analyzed using the statistical package for the social sciences (SPSS 20).

4.0 FINDINGS AND RESULTS

Table1: ANOVA

<table>
<thead>
<tr>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>1.802</td>
<td>15.778</td>
<td>.000b</td>
</tr>
<tr>
<td>68</td>
<td>.114</td>
<td></td>
<td></td>
</tr>
<tr>
<td>72</td>
<td>114</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The main objective of the study is to analyze the impact of different factors (i.e. employee empowerment, team work, and employee benefit and role conflict) on employee’s job satisfaction in the service sector of Pakistan. Several tests have been utilized for the analysis of data and summary of results are given in Table 1, which shows that our model is fit.

The results reported in Table 2 represent that positive hypothesis of employee empowerment and team work is proved in the context of service sectors of southern Punjab Pakistan having ‘p’ value less than 0.5. While the hypothesis regarding employee benefit is rejected with the ‘p’ value of 0.814 in the context of southern Punjab Pakistan. And the hypothesis of role conflicts also rejected with the ‘p’ value of .113 in the Pakistani context.

Table 2: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.462</td>
<td>.446</td>
<td></td>
<td>3.281</td>
</tr>
<tr>
<td>Employee_Emp</td>
<td>.559</td>
<td>.108</td>
<td>.581</td>
<td>5.184</td>
</tr>
<tr>
<td>Employee_benefits</td>
<td>.024</td>
<td>.103</td>
<td>.026</td>
<td>.236</td>
</tr>
<tr>
<td>Team_work</td>
<td>.250</td>
<td>.100</td>
<td>.262</td>
<td>2.486</td>
</tr>
<tr>
<td>Role_conflicts</td>
<td>-.184</td>
<td>.115</td>
<td>-.159</td>
<td>-1.603</td>
</tr>
</tbody>
</table>

Table 3: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.694a</td>
<td>.481</td>
<td>.451</td>
<td>.33799</td>
<td>1.867</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Role_conflicts, Employee_benefits, Team_work, Employee_Emp

b. Dependent Variable: Emp_Job_Sat

c. Predictors: (Constant), Role_conflicts, Employee_Emp, Employee_benefits, Team_work
d. Predictors: (Constant), Role_conflicts, Employee_benefits, Employee_Emp, Team_work
e. Predictors: (Constant), Role_conflicts, Employee_Emp, Team_work, Employee_benefits
f. Predictors: (Constant), Role_conflicts, Team_work, Employee_benefits, Employee_Emp
g. Predictors: (Constant), Role_conflicts, Team_work, Employee_Emp, Employee_benefits
The results of regression analysis for job satisfaction are presented in Table 3. Having the value of adjusted R2 is 0.451 which shows 45% of the variance is explained by dependent variable (employee’s job satisfaction) due to change in predictors like employee empowerment, team work, employee benefit and role conflict.

5.0 CONCLUSION

This study aims at measuring the effect of factors (i.e. employee empowerment, team work, employee benefit and role conflict) on employee’s job satisfaction in the service sector of Pakistan. It attempts to evaluate the importance of each factor on the level of job satisfaction. Some findings of this study confirm the literature and some are contradicted to literature i.e. the hypothesis of employee empowerment, team work is inconsistent with literature and these factors positively impacts on employee job satisfaction. While the hypothesis of role conflict contradicts the literature and employee benefit shows no impact on employee job satisfaction in the context of southern Punjab Pakistan.

Future research can be directed to see the employee satisfaction in other sectors of Pakistan, by taking big sample size and wide geographical areas to enhance the generalizability.

REFERENCES


