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Determinants Influencing Employee Satisfaction: A Case of Government and Project Type Organization

Waqar Ahmad[1], Zeeshan Mustafa[2,*], Waqas Ahmad[3] and Tusawar Iftikhar Ahmad[4]

[1]Faculty of Agriculture, Food and Natural Resources, The University of Sydney, NSW 2006, Sydney, Australia
[2]Faculty of Agricultural Economics and Rural Sociology, University of Agriculture, Faisalabad, Pakistan
[3]Faculty of Chemical, Mineral & Metallurgical Engineering, The University of Engineering and Technology, Lahore
[4]Laboratoire Dynamiques Rurales, Université de Toulouse-le Mirail, Toulouse, France

ABSTRACT

The relationship of employer supervisory and monitoring style, motivation level provided to the employees and other determinants in context to employee's satisfaction regarding their job was studied during 2007-09 in Government organization and UNDP Biosaline-II project of Punjab, Pakistan. A total of 300 employees were selected randomly through multiphase sampling from the Govt. organization (Agriculture House, Punjab, Lahore), while 120 project employees of UNDP Biosaline-II were interviewed, thus making a total sample size of 420. The data was collected through personal interviews following validated interview schedule. The employees satisfaction level (ESL) was measured on 4 points scale. On measuring scale, mean value of 1 represents highly satisfied, 2 moderately satisfied, 3 represents least satisfied and 4 accounts for dissatisfied from the job. The results from present investigation revealed that only 43.1 percent employees were satisfied (11.9 percent highly satisfied, 14.3 percent moderately, 16.9 percent least satisfied) with the job. Out of about 57 percent dissatisfied employees, supervisory style accounted 21 percent employees to be dissatisfied. The employees were dissatisfied due to low salary (14 percent), contractual job nature (10 percent), poor capacity building and training (8 percent) and poor working environment (4 percent). Therefore, the competent authorities must keep consideration on salary structure, job nature, training need assessment and working environment prior to the recruitment in concerned department.

INTRODUCTION

The employees are the most important resource of an organization. Specifically, satisfied employees always enthusiastically welcome new and challenging responsibilities. An organization having satisfied employees flourishes in multilateral ways. In such organizations each employee recognizes his responsibility and performs his assigned duty with commitment and plays role in organizational productivity. Subsequently, the employer rewards employees accordingly.

Several studies have underpinned various factors involved to make an employee satisfied. Amongst the influential determinants driving employee's satisfaction revealed from the studies are job nature, salary structure, working environment/ambience (Becker, 1985 and George, 2000), capacity building and training (Armstrong and Baron, 2005; Chiang et al., 2005; Fletcher and Perry, 2001 and Garvan et al., 2006) and type of the organization. All these variables can make an employee dynamic and impotent. In addition to these determinants, employers play a key role in motivating, coaching, organizing resources, facilitating in development opportunities with no exception to monitoring of employees (Berson and Linton, 2005; Choo and Bowley, 2007 and Torrington et al., 2005). These influential roles call for proper

management/supervisory style by the employer for the better utilization of employees in context to achieve specific objectives and targets. General objective of the study was to identify the human resource related factors that could make an employee feeling good or bad regarding its job. Besides, the study also aimed to answer the questions, like: How does the same set of factors influence the employees of two different types of organizations? What kind of supervisory styles are being practiced in two different types of organizations? How can an organization make their employees score high regarding their job satisfaction?

Keeping in view the utmost importance of a satisfied employee and its productive role in the organizational growth, a study was conducted during 2007-2009 in the district of Lahore, Sargodha, Jhang and Hafizabad. The comparison of government and project type organizations make our study exclusive to the most of the previous studies undertaken for identifying the human resource related factors in relation to employee's satisfaction.

MATERIALS AND METHODS

The present study was undertaken during 2007 to 2009. Two different types of organizations were selected for measuring employee's satisfaction in relation to contributing determinants including supervisory style. A sample of 300 employees was randomly selected through multistage sampling from the Govt. Organization (Agriculture House, Punjab, Lahore) while 120 project employees of UNDP Biosaline-II were interviewed, thus making a total sample size of 420 employees. The data was collected following an interview schedule, analyzed and interpreted by using Statistical Package for Social Sciences (SPSS). Satisfaction of employees was measured on four points scale. On measuring scale, mean value of 1 highly satisfied, 2 represents moderate satisfied, 3 represents satisfied and 4 represents dissatisfied. Derivation of our 4-points measuring scale to gauge the level of employees' job satisfaction is originally from the work of Griffin et al (2001). They utilized 7-points scale ranged from *extremely dissatisfied (1)* to *extremely satisfied (7)* for measuring job satisfaction for a sample of 48 manufacturing companies comprising 4708 employees (Griffin et al., 2001).

Selected Organizations Profile
Agriculture House Punjab, Lahore
Agriculture House is situated on Davis Road in the capital city of Punjab, Lahore. There are different Directorates working in this house including; Directorate of Agriculture Extension & Adaptive Research, Directorate of Agricultural Information, Pest

Warning, Floriculture, Water Management, Marketing etc. The 300 employees (respondents) were selected for interviewing in the context of relative satisfaction level correlated with the management styles and other variables.

UNDP Biosaline-II Project
This project is the second phase of Community Development Project for Rehabilitation of Saline and Waterlogged Land commonly known as Biosaline, which worked at three district level: Sargodha, Jhang and Hafizabad. Biosaline-II is the upscaling of the achievements of phase-I by increasing depth of coverage in the same three districts. The project goal is to contribute to poverty reduction by increasing farm incomes. The project outcome is increased land productivity and agriculture production. The outputs of the project include; (a) mobilized communities that partner with the Government on agriculture and land rehabilitation schemes, (b) land rehabilitated and improved agricultural techniques promoted, and (c) improved access to services, market, increased farm incomes and employment.

The activities to be carried out by the project include base line survey, formation of community organizations, capacity building of community members and line departments, demonstration of improved varieties of crops at farmers' fields, linking up local communities with line departments and other service providers for accessing both financial and non financial services.

Project employees working in three districts were interviewed through structured and semi-structured styles to have an insight into the role of various factors on the employee's satisfaction.

RESULTS AND DISCUSSION

Sustained organizational success can be achieved through a strategic and integrated approach. This may include improving the performance and developing the capabilities of individuals and diversified teams (Armstrong and Baron, 2005). Although competitive pressures have been the driving force in the increased interest in performance management, organizations have also used these processes and some other measures to support or drive cultural change and to shift the emphasis to individual performance and self-development (Fletcher and Perry, 2001).

The study revealed that all the factors /variables i.e. employer, salary, job nature, capacity building & training and working environment contributed to either satisfaction or dissatisfaction of the employees; thereby targeting organizational productivity. Furthermore, 43.1 percent employees were found to be satisfied with their present job. Four scale measurement of the employee satisfaction distributed as 11.9 percent highly satisfied,

Table 1: Percentage distribution for overall employees satisfaction level (ESL), and respective measuring scales

Respondents/Employees		Highly satisfied (percent) (1)	Moderately satisfied (percent) (2)	Least satisfied (percent) (3)	Dissatisfied (percent) (4)
Q1	(50)	11.9			
Q2	(60)		14.3		
Q3	(71)			16.9	
Q4	(239)				56.9
Total	(420)	11.9	14.3	16.9	56.9

14.30 percent moderately and 16.9 percent were categories as least satisfied (Table 1).

Employer's Supervisory Style

Employer's supervisory styles have a positive influence on job commitment, individual job performance and organizational performance and decision making (Bartolo and Brett, 2000; Basu and Green, 1997; Berson and Linton, 2005 and Gerstner and Day, 1997). Many definitions and forms of management/ supervisory styles are found in the literature (Bass, 1985; Golemann, 2000 and Spector, 2004). A variety of styles are used by the employers in dealing with all subordinates (Purcell and Hutchinson, 2007). These are characterized by mutual trust, respect, liking and reciprocal influence (Liden and Maselyn, 1998). Among various styles, some are associated with good individual and organizational performance and others are related with less productivity.

In the present study, following four management/ supervisory styles were taken into consideration during scheduled interview of the employees. These management styles which have been described below are more closely linked to the personality and leadership qualities of a leader-employer. They are based on the style and principles followed by an employer in particular, not the organization, as a whole. If there is a change in an employer, the style can be changed from one form to another form.

a) Autocratic or Authoritarian: In this style the only one person enjoys complete authority. It creates an atmosphere of discipline in the organizations. This style can cause dissatisfaction and a lack of "creative space" for the employees. The employers adopting this supervisory style consider the employees as a replaceable resource. The employers believe in top-down communication, wherein orders are given by the higher hierarchical level to the lower ones. Such employers do not give much importance to employee's satisfaction. The employers suffer from higher staff turnover and low employee morale. Low morale, in turn, causes a decline in productivity and in the quality of services.

b) Paternalistic: In this style, although the authority is in the hands of one individual but he cares more about the employees than the outcomes and profits. The employer using this style behaves more like a parent rather than a boss. The method of functioning is very different as compared to Autocratic because the employees are considered as "heart of the organization" and employee's satisfaction is given higher priority than profits. Such employers believe in both forms of communication (top-down and bottom-up).

c) Democratic: In this management style, the employers allow the employees to voice their opinions. The employers make policies and decisions after taking into consideration employees opinions. It is also known as "participative style". This means that a meeting is held with representatives from each hierarchical level, in order to take a decision about the organizational policies. Such employers prefer an open-door policy in the organization to ensure that the management and the employees communicate openly and freely with each other.

d) Laissez-faire: In this management style, the targets are communicated to the employees. The employees can opt for any measure for meeting those targets. It is a very liberal management style. However, there is a lot of chaos in the delegation of authority as well as responsibility. Although the communication is free but the mode is grapevine. This leads to the employees taking their work for granted. On the other hand, the employers can evade their duty very conveniently by putting their due responsibility on the shoulders of employees.

From the present study the percent distribution of the employees (respondents) for each supervisory style is presented in table 2. A keen look reveals that out of 300 employees of the Agricultural House (Government Organization), 62 percent (186 respondents) responded as autocratic style of management (supervision) is being used in this organization. The order of other forms of management style followed was found to be as paternalistic (15 percent) > democratic (12 percent) > laissez-faire (11 percent). Contrary to this Govt. Organization, out of 120 employees in UNDP Biosaline-II project; 11.67 percent (14 respondents) were of the view that autocratic style of management (supervision) is being used in the project. The other forms of management style that was followed were reported to be as paternalistic (5 percent), democratic (79.16 percent) and laissez-faire (4.17 percent). It is clear from the table-2 that democratic supervisory style
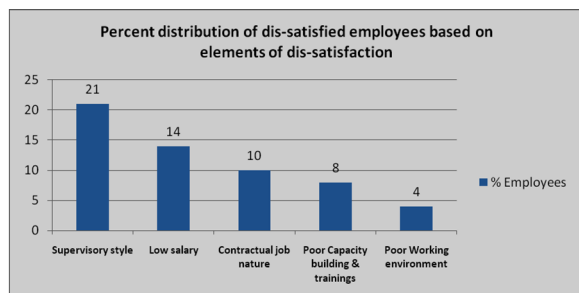
Table 2: Percent distribution of the employees for each supervisory style

Styles	Agriculture House		UNDP Biosaline- II		Overall	
	Q1 (percent)	Number	Q2 (percent)	Number	Q (percent)	Number
Autocratic	62	(186)	11.67	(14)	47.61	(200)
Paternalistic	15	(45)	5.00	(6)	12.14	(51)
Democratic	12	(36)	79.16	(95)	31.20	(131)
Laissez-faire	11	(33)	4.17	(5)	9.05	(38)
Total	100	(300)	100	(120)	100	(420)

Table 3: Organization wise comparison of employees and respective employees satisfaction level

ESL	Organization				Total		Remarks
	Government*		Private/other**				
	Percent		Percent		Percent		
	frequency	Q	frequency	Q	frequency	Q	
1	10.0	30	16.67	20	11.90	50	
2	12.34	37	19.17	23	14.29	60	
3	15.33	46	20.83	25	16.91	71	
4	62.33	187	43.33	52	56.90	239	Autocratic supervisory style, poor salary, contractual job, capacity building percent training facility, poor working environment
Total	100	300	100	120	100	420	

ESL = Employees Satisfaction Level, * Agricultural House, ** UNDP-Biosaline-II Project, Q number of employees

Fig. 1: Percent distribution of dissatisfied employees based on the elements of dissatisfaction

was the dominant one as compared to the employers of each directorate of the Agricultural House. As an overall trend, it can be inferred that 200 employees from the both organizations (420 respondents) were under the supervision of the employers implementing autocratic style of management. However, democratic style was only employed to only 131 employees (31.20 percent). This variation in implementing the respective style is one of the most important reasons of the employee's dissatisfaction. It was reflected (Table-1) that out of 57 percent dissatisfied employees 21 percent employees were dissatisfied due to supervisory style which was major cause of dissatisfaction. But this correlation of employee's satisfaction with supervisory style does not confirm to the earlier findings (Griffin et al., 2001). This contradiction might be due to their

analysis of the team work, or different working environment.

Poor Salary Structure

Job satisfaction with "good remuneration'/good salary structure" has been found to have a significant positive relationship with effective commitment and vice versa. The study depicted that besides supervisory style, low salary was emerged as second most important factor contributing towards the employee's dissatisfaction. Hence our finding is in line with the finding of Carrell et al., (1998). They identified salary amongst the factors which prohibited employee's job dissatisfaction. The overall percentage of dis-satisfied employees due to poor or low salary from both organizations was 14 percent.

Job Nature

Studies have confirmed that satisfied employees are more committed to their organizations and offer high quality service to the customers. The three most important factors to motivate employees are interesting work, job security (job nature i.e. permanent vs. contractual) and opportunities for advancement and development (Scandura and Lankau, 1997). During scheduled interviews the employees working in different directorates of Punjab agricultural house shared that induction in the agriculture house after 1994 was made purely on contract bases. This contractual job nature always felt like a threat and reduced job security. Overall contribution of contractual job nature in

employee's dissatisfaction in both of the organizations (Govt. and Private) was appeared as 10 percent.

Capacity Building & Training

Training and capacity building activities are important for employees because these enable organizations/ employers to adapt and change to altering ambience condition (Garvan et al., 2006) and to perform optimally in competitive environment. Increased Job commitment and improvement in the organizational financial performances with proper trainings and capacity building modules have also been noticed (Barling et al., 1996). Furthermore, results of regression analysis showed that training was positively related to training satisfaction and job satisfaction. Job satisfaction led positively to intention to stay. The indirect effect of training quality on intention to stay was mediated by job satisfaction (Chiang et al., 2005).

The effectiveness and efficacy of a training program are dependent on evaluation of training quality, course design and learning experience (Tansky and Cohen, 2001). Consequently there has to be a difference in the training need assessment depending upon the organizational type and employers Terms of Reference (ToR's) which are considered according to the specific need of the organization to recruit particular type of employees.

The results from the present study revealed that out of 239 employees who were dissatisfied in both the organization; 8 percent of them were due to the poor training and capacity building.

Working Environment/Ambience

The environment is an important but an overlooked component affecting job satisfaction and performance as well (Becker, 1985; Rafaeli and Sutton 1989 and Staw et al., 1994). The employee satisfaction has also been found to be influenced by innovative work ambience, positive emotions of the employees, company values and job responsibilities (Barry et al., 1994; Choo and Bowley, 2007; Janssen, 2000 and Pailhe, 2005).

In the present investigation, poor working environment generated dissatisfaction amongst the employees of both the organizations. It was concluded that out of 56.9 percent (239) dissatisfied employees; 4 percent were affected by poor working environment. This poor working environment affected their quality of work and hence; dissatisfaction was produced.

Conclusion and Recommendations

Building employees competence and self-confidence through training, feedback and recognition are probably the most important ways to achieve higher job satisfaction. The employers must give due importance to these factors in order to make their employees satisfied.

Provision of proper orientation prior to the joining of the employees and sharing of information related with value, nature of the organization's products and services provided to the target community defiantly will lead to better employees commitment to the job; hence contribute to the organization productivity.

Allocation of performance based annual increments, honorarium, bonuses and other pay incentives is important in determining employee's motivation. People with high job satisfaction also score high on the desire to adopt innovative measures, face challenges and perform problem-solving both individually and while working as a team.

People who are highly satisfied in their jobs report good feelings about their bosses, peers and coworkers. Therefore, efforts should be made for positive workplace relations.

Specific ToR's must be designed and shared with the employees prior to recruitment. The employees should be aware of their job responsibilities and fringe benefits along with salary to be attained from the concerned department.

Employer should use their knowledge of employee differences to individualize the rewards they control, such as pay, promotion, recognition, desirable work assignments, autonomy and participation.

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