

## **A STUDY OF JOB SATISFACTION AMONG EMPLOYEES WORKING IN PRIVATE AND PUBLIC SECTOR ORGANIZATIONS**

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### **ABSTRACT**

Job Satisfaction is a sense of fulfillment that a person gets from his job. It is a positive feeling that an employee gets as a result of various job related factors. Job Satisfaction directly impacts the performance of an employee. Job Satisfaction is the core element to be studied since it is one of the key instruments for improving organizational performance. Employees who are satisfied with their jobs are the ones who will be committed and dedicated to their jobs and also will remain loyal to the organization employing them.

**Keywords:** job satisfaction; organizational performance; organizational factors; productivity

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### **1. INTRODUCTION**

Job Satisfaction is an important attitude of all employees, as this attitude will have an overall impact on the performance of employees in their job, thus determining their productivity and the overall success of the organization. High level of job satisfaction reflects a favorable organizational climate. Job satisfaction is the amount of pleasure or contentment associated with a job (Prasad 2015).

Shmailan (2016), focused on the objective of understanding the factors influencing employee satisfaction and job performance and also to determine the correlation between job satisfaction and performance. It is concluded that employee satisfaction has been directly linked to employee engagement. Also employee satisfaction necessarily leads to increasing the productivity through noticeable performance. Grund et al (2001), carried out a study under the title "The Impact of Wage Increases on Job Satisfaction - Empirical Evidence and Theoretical Implications" in order to analyze the impact of increase in wage on job satisfaction with the help of a job satisfaction function which was constructed based upon empirical results as well as through detailed analysis of theoretical implications. The results showed that job satisfaction is very much dependent upon relative wage increase. Positive linkages exist between general workplace attitudes and individual performance outcomes (Iaffaldano and Muchinsky 1985).

Job satisfaction is influenced by a number of factors such as the respect an employee receives at his or her workplace, the level of trust and understanding between the employer and employee, a healthy working environment and good working conditions, the pay and benefits that an employee receives and also the scope for advancement. There are numerous positive outcomes of job satisfaction which can be seen in the form of increased employee productivity, increased industrial safety thus reducing the number of industrial accidents. Job satisfaction minimizes labour absenteeism and labour turnover as employees find their place of work as a source of happiness. Satisfied employees will speak positively about their employer and their organization. They will be able to cope up with stressful situations. These employees will also have a positive outlook towards life and better physical and mental health (Aswathappa 2012).

## 2. OBJECTIVES AND HYPOTHESES OF THE STUDY

1. To determine the levels at which the organizational factors play a role in influencing the level of job satisfaction.
2. To determine the role of an individual's psychological and genetic make-up in influencing job satisfaction.
3. To study the correlation between Job Satisfaction and organizational performance.

The following are the hypotheses for this study:

- $H_{0a}$ : Organizational factors do not have an impact on job satisfaction of employees.
- $H_{1a}$ : Organizational factors have an impact on job satisfaction of employees.
- $H_{0b}$ : Individual's psychological and generic make up do not influence job satisfaction.
- $H_{1b}$ : Individual's psychological and generic make up influences job satisfaction.
- $H_{0c}$ : There exists no correlation between job satisfaction and organizational performance.
- $H_{1c}$ : There exists a positive correlation between job satisfaction and organizational performance.

## 3. IMPORTANCE OF THE STUDY

Job Satisfaction is the core element to be studied since it is one of the key instruments for improving organizational performance. Job Satisfaction is found to be important in the light of growing challenges faced by managers and employers, in finding solutions to raising the productivity and performance of their employees. Since job satisfaction is considered as an important factor that could lead to improved organizational performance, the study aims to understand the organizational factors that could raise the level of job satisfaction among employees. However, employers also need to



recognize the important role that psychology plays in determining how the genetic make-up of an individual is responsible for influencing the way in which an employee would respond to various aspects related to one's job.

#### 4. RESEARCH METHODOLOGY

For the purpose of conducting the study questionnaires were administered to 200 employees to study their satisfaction levels in relation to the current job they are holding.

##### 4.1 Tools and Techniques

In order to draw valid results for the study, Statistical Package for Social Sciences (SPSS 20) has been applied for coding as well as to derive statistical tests and tools for conducting the Factor Analysis, Mann Whitney Test and Correlation. Graphs were also used for data analysis.

#### 5. DATA ANALYSIS

Table 1: Demographic Data of Respondents

Variable	Description	Frequency	Percentage
Gender	Male	81	40.5
	Female	119	59.5
Age (Years)	20-30	122	61
	31-40	44	22
	41-50	18	9
	51-60	14	7
	61 & Above	2	1
Qualification	Upto HSSC	15	7.5
	Graduation	135	67.5
	Post Graduation	50	25
Marital Status	Married	89	44.5
	Unmarried	111	55.5

Source: Primary Data

Table 2: Employment Details

Variable	Description	Frequency	Percentage
Employment	Private Sector	110	55
	Public Sector	90	45
Tenure of Employment (Years)	0-5	99	49.5
	6-10	44	22.0
	11-15	23	11.5
	16-20	7	3.5
	21-25	5	2.5
	26-30	13	6.5
	31-35	6	3.0
	35 & Above	3	1.5
Workplace Atmosphere	Conducive	90	45
	Competitive	84	42
	Hostile	26	13
Job matching to employee expectations	Yes	170	85
	No	30	15
Job providing sense of self fulfillment	Yes	170	85
	No	30	15

Source: Primary Data

##### 5.1 Job Satisfaction among Employees working in Private and Public Sector Organizations

Mann-Whitney U test has been used to compare the differences in job satisfaction levels between employees of public and private sector. The dependent variable is taken as job satisfaction and independent variable as the employment sector which has two categories- private and public sector.

The following hypotheses have been used to test the differences of job satisfaction levels between public and private sector.

$H_0$ : There is no significant difference in the mean satisfaction levels of private and public sector employees.

$H_1$ : There is a significant difference in the mean satisfaction levels of private and public sector employees.



**Table 3: Results of Mann-Whitney test testing the association of Job satisfaction across sectors**

	Employment Sector	N	Mean Rank	Sum of Ranks	Mann-Whitney U Test-stat
Job Satisfaction	Private	110	98.61	10946.00	4730.000
	Public	90	102.85	9154.00	
	Total	200			(.592)

Source: Primary Data

Five point Likert scale was used and mean rank was calculated using SPSS. The Ranks shown in Table 3 provide the required information regarding the output of the Mann-Whitney U test, which shows the mean rank and the sum of ranks for the private sector and the public sector. Five point Likert scale was used and mean rank was calculated using SPSS.

The Mann-Whitney U Test shows the significance of the test with the help of the test statistic and the asymptotic significance (2-tailed) *p*-value. From the above table, the *p* value is 0.592 which is found to be greater than 0.05 and 0.01 at 5 per cent and 1 per cent levels of significance respectively. Therefore, the data is not statistically significant as there is no significant difference in the mean satisfaction levels of private and public sector employees.

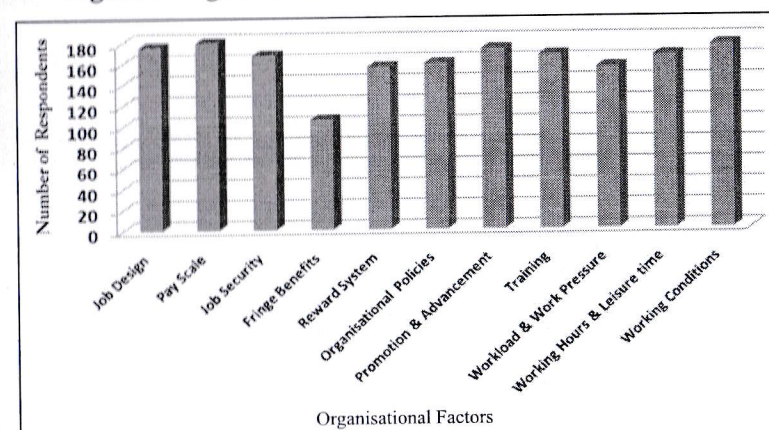
**Table 4: Comparative Levels of Job Satisfaction among Employees of Public and Private Sectors**

Sector	Total Respondents	Satisfied	Percentage	Dissatisfied	Percentage
Public	110	102	92.73	8	7.27
Private	90	70	77.78	20	22.22

Source: Primary Data

Table 4 shows the comparison of satisfaction levels among the respondents from the public as well as private sector. Out of the 200 respondents interviewed, 110 were public sector employees, while 90 of them were employees working in the private sector. 92.73 per cent of the public sector employees were satisfied with their jobs, while only 7.27 per cent of them were dissatisfied with their jobs. On the other hand, with regards to the private sector employees, 77.78 per cent of them experienced job satisfaction and 22.22 per cent were dissatisfied with their jobs. Thus, out of the total 200 respondents, 85.26 per cent of the respondents from both the public as well as private sectors are satisfied with their jobs, while 14.74 per cent of the respondents are dissatisfied with their jobs.

## 5.2 Organizational Factors influencing Job Satisfaction

**Figure 1: Organizational Factors influencing Job Satisfaction**

Source: Primary Data

The bar diagram in Figure 1 shows the satisfaction levels with respect to various organizational factors namely job design, pay scale, job security, fringe benefits, organizational policies and procedures, promotion opportunities, training, workload, working hours and working conditions.



Out of the respondents who claimed to have been satisfied with certain factors, the highest satisfaction level was reported to be with respect to pay scale which had 180 respondents as said to have been satisfied if not extremely satisfied with pay, while 20 employees have expressed dissatisfaction over the pay they receive. Also a good proportion of respondents were satisfied with regard to working conditions, job design and promotion, growth and advancement opportunities respectively. However, least amount of satisfaction among all the factors was reported with fringe benefits in the form of accommodation, transport, canteen allowance and concessions.

### 5.3 Factor Analysis for interpreting results of Organizational Factors influencing Job Satisfaction

Table 5: Correlation Matrix with respect to organizational factors influencing Job Satisfaction.

Correlation Matrix												
	Work Satisfying & Meaningful	Job Aspect/ Job Design	Pay Scale	Job Security	Fringe Benefits	Reward System	Organisation's Policies & Procedures	Promotion, Growth & Advancement Opportunities	Training	Workload & Work Pressure	Working Hours, Leisure Time & Flexibility	Working Conditions
Correlation	1.000	.653	.480	.323	.446	.478	.486	.490	.478	.563	.505	.540
Work Satisfying & Meaningful												
Job Aspect/ Job Design	.653	1.000	.596	.363	.557	.587	.556	.510	.602	.497	.409	.561
Pay Scale	.480	.596	1.000	.474	.552	.519	.501	.558	.551	.435	.453	.458
Job Security	.323	.363	.474	1.000	.477	.366	.406	.365	.456	.426	.280	.351
Fringe Benefits	.446	.557	.552	.477	1.000	.686	.588	.639	.587	.588	.473	.473
Reward System	.478	.587	.519	.366	.686	1.000	.649	.611	.590	.517	.541	.458
Organisation's Policies & Procedures	.486	.556	.501	.406	.588	.649	1.000	.631	.648	.576	.501	.475
Promotion, Growth & Advancement Opportunities	.490	.510	.556	.365	.639	.611	.631	1.000	.627	.547	.567	.504
Training	.478	.602	.551	.456	.587	.590	.648	.627	1.000	.533	.462	.474
Workload & Work Pressure	.563	.497	.435	.426	.588	.517	.576	.547	.533	1.000	.580	.555
Working Hours, Leisure Time & Flexibility	.505	.409	.453	.280	.473	.541	.501	.557	.462	.580	1.000	.531
Working Conditions	.540	.561	.458	.351	.473	.458	.475	.504	.474	.555	.531	1.000

Kaiser-Meyer-Olkin Measure of Sampling Adequacy 0.931

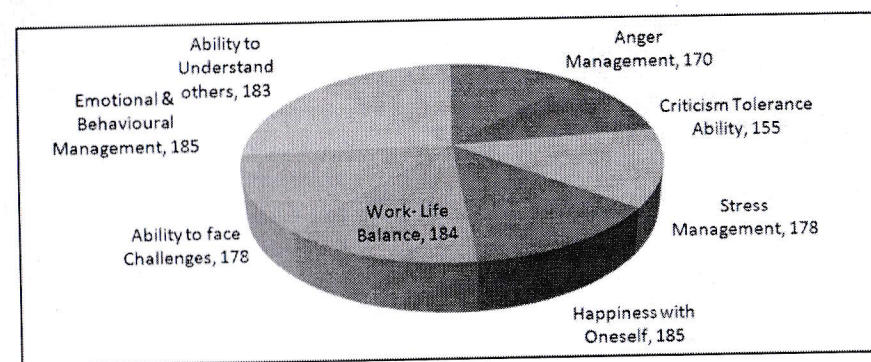
Source: Primary Data

Since the KMO value in Table 5 is close to 1 i.e. 0.931, it indicates with great reliability, confidence and strength that factor analysis is appropriate to be used.

The above correlation matrix in Table 5 shows the pattern of relationship among the variables. As can be seen above, there exists a positive correlation between all the variables. The correlation between job satisfaction as indicated by "work satisfying and meaningful" and "job aspect or job design" is 0.653.

Thus, if satisfaction levels of employees with respect to organizational factors like job design, workload, working hours, working conditions, organizational policies, pay scale, rewards system, fringe benefits, promotion and job security increases, it would definitely lead to increase in the job satisfaction levels among employees since there is a positive correlation between job satisfaction and these factors.

Figure 2: Psychological Factors influencing Job Satisfaction



Source: Primary Data

The pie chart in Figure 2 shows the psychological factors that influence job satisfaction. Ability to manage one's anger, ability to tolerate criticisms, ability to manage stress, ability to understand the emotions of oneself and that of others, ability to face challenges, etc.



are amongst the various psychological factors. The highest frequency was shared with two psychological factors with 185 respondents claiming to be happy with oneself as well the ability to manage one's own emotions and behavior. Work life balance followed by the ability to understand the feelings and actions of others too gained quite importance from 184 and 183 respondents respectively. The least level was noticeable in relation to an individual's ability to tolerate criticisms with 155 respondents agreeing to the same.

#### 5.4 Factor Analysis for interpreting results of Psychological Factors influencing Job Satisfaction

**Table 6: Correlation Matrix with respect to psychological factors influencing Job Satisfaction.**

Correlation Matrix									
	Work Satisfying & Meaningful	Anger Management & Control	Criticism Tolerance Ability	Ability to Cope in Stressful Situations	Happiness with Oneself	Work-Life Balance	Ability to Handle Challenges	Ability to Manage One's Emotions & Behaviour	Ability to Understand Feelings & Actions of Others
Correlation	1.000	.531	.327	.497	.476	.571	.479	.521	.373
Work Satisfying & Meaningful									
Anger Management & Control	.531	1.000	.502	.462	.494	.374	.376	.410	.388
Criticism Tolerance Ability	.327	.502	1.000	.414	.400	.291	.291	.314	.319
Ability to Cope in Stressful Situations	.497	.462	.414	1.000	.435	.390	.510	.537	.319
Happiness with Oneself	.476	.494	.400	.435	1.000	.460	.482	.496	.454
Work-Life Balance	.571	.374	.291	.390	.460	1.000	.517	.505	.330
Ability to Handle Challenges	.479	.376	.291	.510	.482	.517	1.000	.639	.425
Ability to Manage One's Emotions & Behaviour	.521	.410	.314	.537	.496	.505	.639	1.000	.473
Ability to Understand Feelings & Actions of Others	.373	.388	.319	.319	.454	.330	.425	.473	1.000

Kaiser-Meyer-Olkin Measure of Sampling Adequacy 0.898

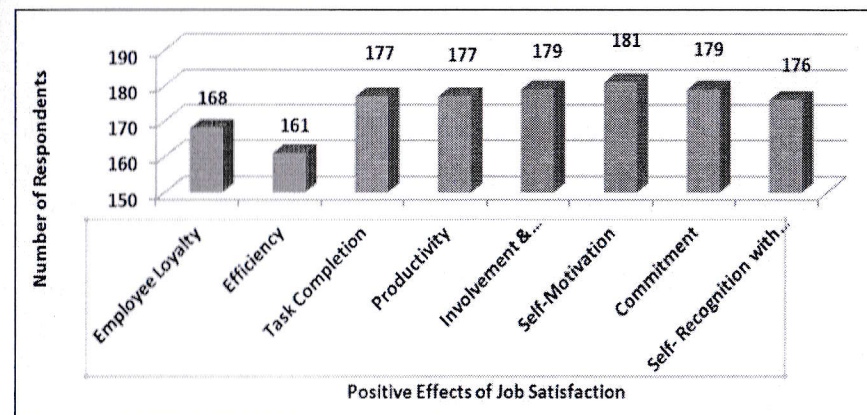
Source: Primary Data

The Kaiser-Meyer-Olkin Measure of Sampling Adequacy value is 0.898 in Table 6, which is greater than 0.5 thereby indicating that factor analysis can be used.

From the above correlation matrix, the relationship between job satisfaction and certain psychological factors such as anger management, stress management, ability to handle challenges and cope in stressful situations, ability to tolerate criticisms, ability to understand one's own emotions and that of others, satisfaction with oneself, satisfaction work-life balance can be analyzed to draw relationships between them. As it can be seen, there exists a positive correlation between job satisfaction on one hand and each of the individual's psychological factors. This implies that a positive change in any of these factors would certainly lead to a certain extent of increase in the levels of job satisfaction. Thus the alternative hypothesis is accepted stating that individual's psychological and generic make up influences job satisfaction.

#### 8.5 Effects of Job Satisfaction

**Figure 3: Effects of Job Satisfaction on Organizational Performance**



Source: Primary Data



The various levels of positive effects of job satisfaction are shown in the above graph such as employee loyalty, employee efficiency, employee productivity, employee involvement and participation, commitment, etc. As it appears in Figure 3, the highest effect of job satisfaction was noticeable in the form of self- motivation (181 respondents) followed by employee involvement and participation as well as employee commitment towards his or her job. The lowest effect of job satisfaction was visible in the case of efficiency at performing the job as said by 161 employees out of the satisfied category of employees. Thus the alternative hypothesis can be accepted that there is a positive correlation between job satisfaction and organizational performance.

## 6. FINDINGS

85.26 per cent of the total respondents are satisfied with the jobs that they are holding, while 14.74 per cent are dissatisfied with their jobs, thus showing that majority of the respondents are satisfied with their jobs. Employees working in the public sector were found to experience more job satisfaction than private sector employees, mostly owing to the pay scale, job security and other benefits.

It has been found that organizational factors like pay scale and promotion and advancement opportunities play a very important role in determining job satisfaction among employees. Among the psychological factors that influence job satisfaction, the ability to manage one's own behavior plays a crucial role in influencing whether an individual will be satisfied with his or her job.

There exists a positive correlation between job satisfaction and organizational performance. Self- motivation was found to be the major positive effect of job satisfaction, jointly followed by employee involvement and participation and commitment. On the other hand, job dissatisfaction leads to a series of negative outcomes

in the form of employee turnover, reluctance to work and labour absenteeism.

## 7. CONCLUSION

From the study it can be concluded that, organizational factors and psychological factors play a tremendous role in influencing the levels of job satisfaction of an employee. The public sector employees experience a higher level of job satisfaction as compared to their counterparts in the private sector. The findings of the study revealed a positive correlation between job satisfaction and organizational performance, employers and managers should strive hard to enhance the levels of employee's satisfaction so as to benefit from the results of improved organizational performance. Managers should do their best by providing all the necessary support, motivation and facilities to their employees in order to keep employees satisfied at their place of work. They should invest in their employees, as this will help them yield rich dividends in the form of satisfied, dedicated and loyal employees.

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