

Proposed an Expected Research Model of Factors Affecting Employee Satisfaction

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Abstract:

Employee satisfaction is the most important terminology used to describe their feelings and desires at work, it is the part of the work attitude which results in job involvement and commitment to the organization. Although there are many different definitions, but the last one, employee satisfaction is extremely important in an organization because what productivity depends on it. Employee satisfaction influences both the organization and the employees with different levels of intensity. The article has proposed an expected research model of factors affecting employee satisfaction.

Keywords: Employee satisfaction, research model, Vietnam

1. Introduction

Employees satisfaction is very important in an organization because what productivity depends on it. Generally, employees are forced to pay fair compensation and benefit, in order to satisfy the employees. Thus, human resource management department plays a vital role in an organization.

The Information Technology field is expanding due to the fast and unpredictable industrial revolution 4.0 in Vietnam. With the development of software manufacturing industry, the increasingly competitive market requires companies to improve their competitiveness. One way is to increase the productivity of workers which is to decrease production costs. Therefore, each business should have urgent actions to improve employee's satisfaction which each employee has a long-term commitment with their development business (Luddy, 2005). And the evaluation of factors affecting on the labor satisfaction is essential for businesses to adjust their Human Resources policies appropriately. The aim of research is to analysis the job satisfaction by using primary data, then suggest methods to improve it. Behavioral and human satisfaction studies have been carried out for a long time as well as Hoppock (1935), Weiss (1967) or famous theoretical of Herzberg or Maslow, etc. in many sectors.

2. Literature review

2.1. Definition of job satisfaction

Job satisfaction is a multifaceted concept which can be defined in many different ways by researchers. In this study, I bring some common concepts of job satisfaction viewed through different lenses by various scholars, then come up with the concept of job satisfaction used for it.

Hoppock (1935) defines job satisfaction as a combination of psychological, physiological and environmental factors that make a person really satisfied with their job. According to Robert Hoppock, there are two ways to measure job satisfaction: measure satisfaction job satisfaction in general and job satisfaction in facets related to work. He also states that general job satisfaction measurement is not merely a sum of different aspects but it can be treated as a separate variable.

Smith (1983) concludes that job satisfaction is simply the feeling that workers feel about their job. In this study, Smith points out that there are five main groups of factors that affect job satisfaction: (1) nature of work, (2) promotion opportunities, (3) leadership, (4) colleagues and (5) salary. This research has also received recognition from many other researchers in various studies (Spector 1997; Tran Kim Dung 2005; Luddy 2005).

Weiss (1967) defines job satisfaction as an attitude of work expressed by feelings, beliefs and behaviors of employees. He concludes that "Worker fulfillment at work is a curiously or positive enthusiastic state from the comes about of a person's work assessment or work involvement". Similarly, Fieldman and Arnold (1983) emphasizes, "Employee satisfaction at work will be defined as the amount of overall positive or (emotional) impact individuals have on their jobs."

Within the framework of this study, the author uses the definition of the job satisfaction as feeling comfortable of workers and the satisfaction with work in terms of emotions, thoughts and actions. Job satisfaction stems from organizational psychology and motivation theory. Follow by Green (2000), classical theories of job satisfaction can be classified into three main groups:

The content theory with two fundamental theories is hierarchy of needs (Maslow 1954) and two-factor theory (Herzberg 1966), showing that the fulfillment of these is needs will create job satisfaction.

Process theory explains satisfaction with work are the impact of the three relationships: (1) expectations, (2) values and (3) desires.

Contextual theory states that job satisfaction is the interaction of three variables: (1) individuals, (2) jobs and (3) organizations.

2.2. Theories about work and job satisfaction

This part takes into consideration the various theories of job satisfaction like Herzberg theory, Maslow's need hierarchy, and Vroom's expectancy theory.

2.2.1 Two Factor Theory (F. Herzberg 1959)

Herzberg proposed the two-factor theory (also known as Herzberg's motivation-hygiene theory) of job satisfaction. According to his theory, people are impacted by two factors. Two-factor theory distinguishes between:

- Motivational factors (e.g. challenging work, acknowledgment on accomplishment, obligation, opportunity to do something significant, association in choice-making, sense of significance to an organization) that lead to positive satisfaction, arising from intrinsic conditions of the nature of work, such as recognition, achievement, or personal growth.
- Hygiene factors (e.g. status, work security, compensation, benefits, work conditions, great pay, paid protections, excursion) that do not give positive fulfillment or lead to higher inspiration, in spite of the fact that disappointment comes about from their absence. The term "hygiene" is utilized within the sense that these are upkeep components. These are outward to the nature of work, and incorporate perspectives such as company arrangements, supervisory hones, or wages/salary.

Thus, Herzberg relatively separated these two groups of factors and thought that only the driving factors can bring satisfaction to the employees and the absence of maintenance factors can cause serious dissatisfaction.

In fact, factors that belong to the two groups above have a certain effect on job satisfaction. However, through Herzberg's theory we can also see the importance of the driving factor in job satisfaction as well as the impact of the maintenance factors that lead to the employees' dissatisfaction



Figure 1: Two Factor Principles of F. Herzberg

2.2.2 Maslow's Hierarchy of Needs (Maslow, 1943)

Maslow's hierarchy of needs is a theory of motivation in which needs are divided into five hierarchical levels, including (1) physiological needs, (2) safety needs, (3) Love and belonging, (4) Esteem and (5) self-actualization. The theory suggests that a person has to satisfy his lower-level needs before desires the next higher-level needs. Individuals are ready to act according to the level of increasing demand. Maslow's theory of motivation can be applied to employees' needs and motivations to work. Managers need to know what level of satisfaction their employees in order to motivate them.

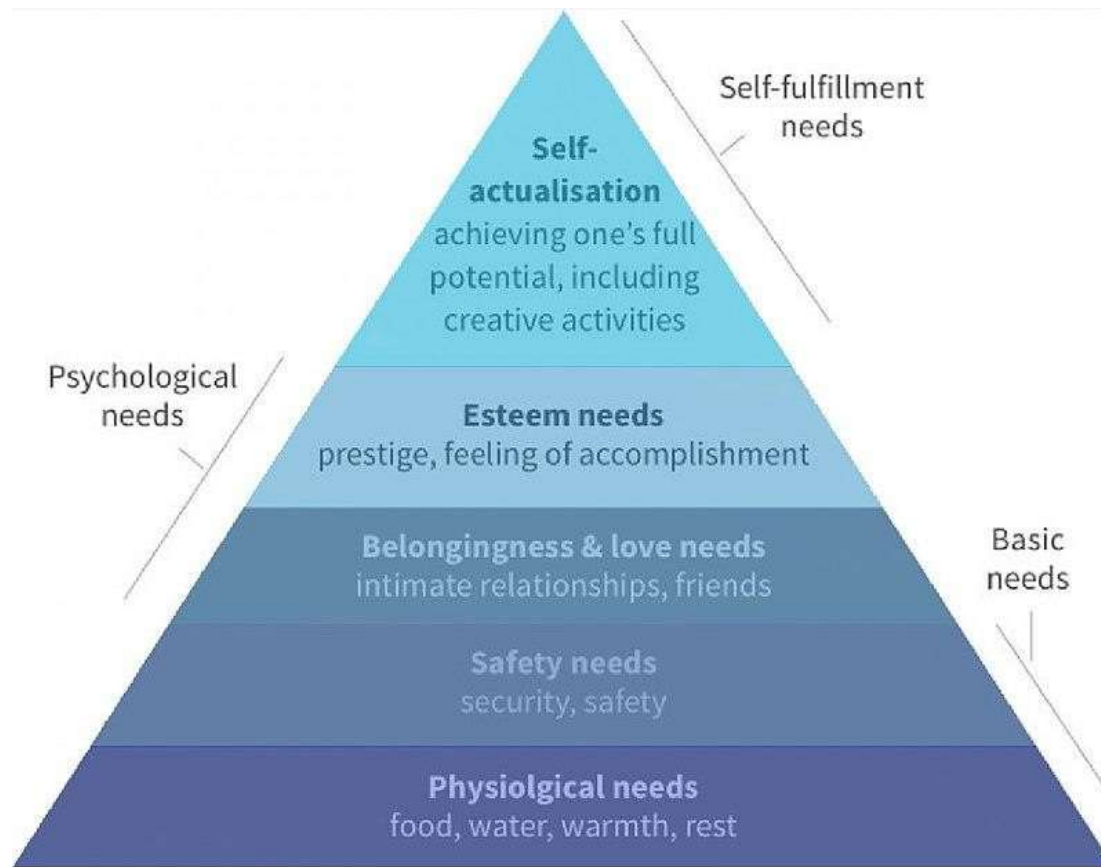


Figure 2: Maslow's Hierarchy of Needs

Level 1: Physiological needs are biological requirements for human survival such as homeostasis, health, food, water, sleep, clothes, shelters, etc. These are basic and strong needs of human that are not satisfied the human body cannot function optimally. It was ranked at the lowest level of Maslow's hierarchy and considered as the most important as all the other needs become secondary until these needs are met.

Level 2: Safety needs are security needs and are protected from physical and mental harm as well as ensure physical needs to be satisfied. Safety and Security needs include:

- Personal security
- Emotional security
- Financial security
- Health and well-being
- Safety needs against accidents/illness and their unfavorable impacts

Level 3: Love and belongingness needs - after physiological and safety needs have been fulfilled, the third level of human needs is social and involves feelings of belongingness. The need for interpersonal relationships motivates behavior. Examples include companionship, closeness, believe, receiving and giving affection and love. Affiliating, being portion of a group (family, companions, work).

Level 4: Esteem needs, which Maslow classified into two categories: (i) esteem for oneself (respect, achievement, dominance, freedom) and (ii) the desire for famous or regard from others (e.g., status, prestige).

Level 5: Self-actualization needs is to promote, achieve what people can and to be satisfied with themselves or the need to help them improve themselves.

Thus, these five levels of human needs are described in two groups as low-level needs (level 1 and 2) and high-level needs (level 3, 4 and 5). The differences between the two groups assume that high-level needs are usually satisfied from the inside, while low-level needs are mostly satisfied from the outside. Maslow's demand theory was widely recognized and applied in practice during the 1960s and 1970s (Robins et al, 2002). The weakness of Maslow's theory is that it fails to provide empirical evidence for the theory and some studies to validate it have failed (Robins et al, 2002).

2.2.3 Vroom's expectancy theory (Vroom, 1964)

Whereas Maslow and Herzberg see the relationship between inside needs and the coming about their effort expended to satisfy them, Vroom's expectancy theory isolates effort, performance, and outcomes.

Vroom's expectancy theory assumes that behavior comes about conscious choices among alternatives whose reason it is to maximize pleasure and to minimize torment. Vroom realized that an employee's execution is based on person variables such as personality, abilities, knowledge, experience and capacities. He expresses that effort, performance and capacities are linked in a person's motivation. He uses the variables Expectancy, Instrumentality and Valence to prove this.

- Expectancy: the belief that effort will lead to good results. This concept is communicated through the relationship between effort and performance.
- Instrumentality: the belief that good results lead to reward, which is expressed in the relationship between outcomes and rewards.
- Valence: the importance that the person places upon the anticipated result. For the valence to be positive, the individual inclined toward accomplishing the results to not achieving it. For example, if somebody is basically motivated by money, he or she might not esteem offers of extra time off.

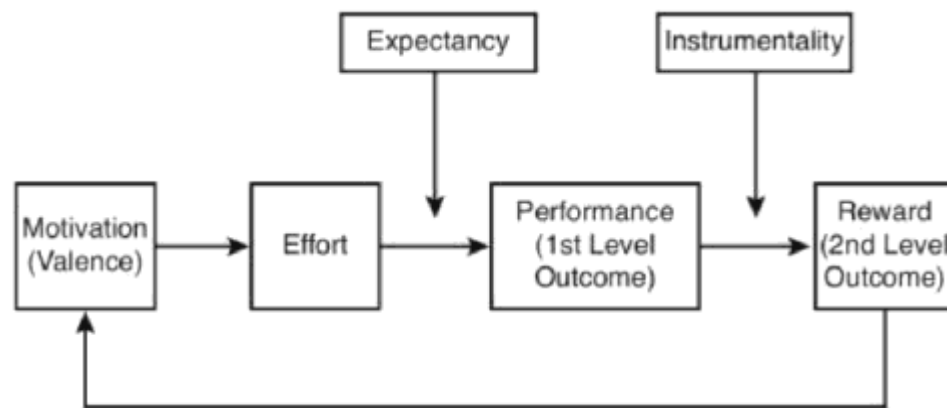


Figure 3: Vroom's expectancy theory

This theory is based on workers' perceptions, so it is possible for two employees to work for the same position in the same company but one is motivated to work and the other is not due to their awareness of the concepts.

2.2.4 Porter and Lawler Model of Motivation

The Porter and Lawler theory of motivation is based on the assumption that rewards cause fulfillment which some of the time execution produces compensate. They hypothesize that the relationship between satisfaction

and performance is linked by rewards. They look at good- performance leading to reward which leads to fulfillment. The theory used Vroom expectancy theory which suggested that the performance of an employee depends upon the expected rewards to develop their model.

In the model, Porter and Lawler's Expectancy Theory Model suggested that an individual's view regarding the attractiveness and fairness of the rewards will affect motivation. Therefore, Porter and Lawler view satisfaction as a deficiency measure. Satisfaction is determined by the difference between actual rewards and perceived equitable rewards. Once the individual has completed the task their motivation will drop if the intrinsic and extrinsic reward received does not match their expectations of the reward they has expected to receive. The degree to which a person is either satisfied or dissatisfied depends on the size of the difference between the actual and perceived equitable rewards

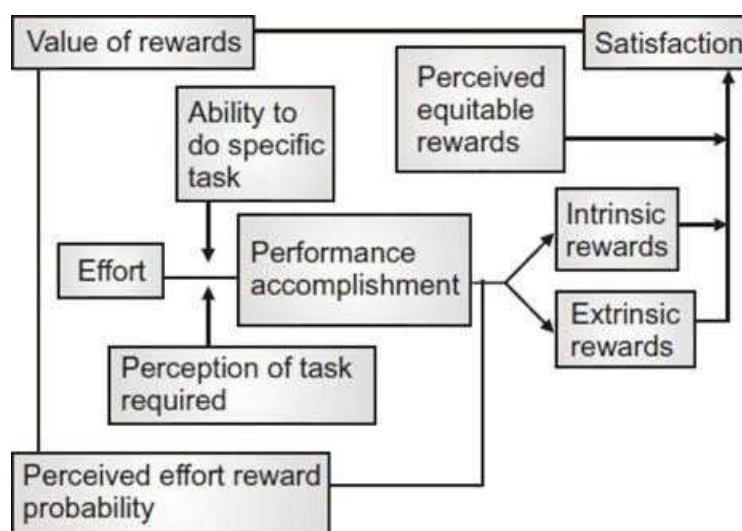


Figure 4: The Porter and Lawler Model

2.2.5 Job Descriptive Index (JDI)

The JDI was developed by Smith et al. (1969) at Cornell University, USA. It is with the Minnesota Satisfaction questionnaire (MSQ) developed by Weiss et al. (1967) - which is one of the main tools for job satisfaction. According to Worrell (2004), about 30 years after its inception, up to 1200 different studies have used JDI to evaluate job satisfaction. The JDI model was originally designed with 72 different questions about 5 facets: (1) Nature of work, (2) Supervision, (3) leadership, (4) co-worker and (5) pay. Kerr (1995) quoted by Tran Kim Dung (2005) stated that JDI possesses good content, the concept is well-founded and reliable. Price (1997) considers that JDI is the tool that should be chosen to measure job satisfaction of employee. Boeve (2007) conducted a study based on using of Herzberg's two-factor theory and JDI, the purpose is to test the validity of both theories, the results showed that job satisfaction in JDI is more trustworthy than the job satisfaction of Herzberg's two-factor theory.

Thus, through many studies on job satisfaction, JDI is the considered indicator to measure job satisfaction in existence, it has been used quite commonly by researchers. Most studies have found that JDI reflects employees' job satisfaction, either in any country or any field. This is also the basis for building a research model for this topic. That is why I use JDI to form the theoretical framework for this study.

2.3. Literature review of factors that Influence employee satisfaction

This section summarizes findings of the literature review on factors that influence job satisfaction.

Boeve (2007) conducted a research on job satisfaction in medical schools in the United States on the basis of using Herzberg's two-factor theory and the JDI of Smith (1969). Accordingly, job satisfaction factors are divided into two groups: internal factors including nature of work, promotion and external factors including salaries, supervisions, co-workers. The purpose of this research is to test the validity of both theories. In this research, quantitative statistics were applied such as Alpha coefficient of Cronbach, Spearman correlation coefficient and linear regression. The results of correlation analysis of the five facets in JDI for job satisfaction in general showed that factors of nature of work, co-worker and promotion are most strongly correlated with job satisfaction while the supervision and salary are weakly correlated with the job satisfaction of lecturers. Regression analysis has shown that out of four facets that are the nature of work, co-worker, promotion and the supervision, the time working in the department also affects the satisfaction of lecturers (the longer they stick to the faculty, the more they feel satisfied at work). The working time that affects job satisfaction in this case is due to the peculiarities of major in this faculty. Among in this research, the nature of work is the strongest facet affecting job satisfaction in general. Through the research, Boeve also tested the validity of Herzberg's theory and JDI

Luddy (2005) used the JDI to find out job satisfaction of employees at the Institute of Public Health in Western Cape, South Africa. Luddy surveyed satisfaction in five facets of job satisfaction, namely salary, promotion, supervision, co-worker and nature of work. The results showed that employees at the Western Cape Institute of Public Health were more than happy with their colleagues, followed by work-itself and the supervision of their superiors. Promotion opportunities and salaries are two facets that workers here feel dissatisfied. In addition, job type, race, gender, education level, seniority, age, income and job position also significantly influence job satisfaction. Although Luddy's findings suggest that all five facets including nature of work, compensations, supervisions, promotions, and co-worker are all related to employee job satisfaction (the number of sample is 203). He said the future of research need to be done further to confirm this relationship. A remarkable feature of Luddy's research is that he has tried to divide the facets affecting job satisfaction into two groups, the first group includes individual factors including race, gender, education, seniority, age and marital status. The second group he called the organizational facet including the nature of work, compensation/ salaries, supervisions, promotions and job title.

Worrell (2004) used the revised MSQ version in 1977 (short questionnaire - 20 questions) to conduct his research on the job satisfaction of psychologists at school. The results of his study indicate that 90% of school psychologists in the US are satisfied or very satisfied with their job. The study also found that this overall satisfaction increased over time compared to 1982 and 1992. Respondents to the research questionnaire also intended to continue to stay at their work positions at least five years. Promotion opportunities continue to be a factor that causes dissatisfaction but it is not an important factor affecting the dissatisfaction of school psychologists. They are still dissatisfied with the policies and procedures for doing the work. Intention to continue to work and the certificate of employment are two factors that really affect job satisfaction.

Sweeney (2000) studied and explored the job satisfaction of the Association of Staff Support Specialists. The study used Weiss's MSQ questionnaire to gather information and survey the experts' satisfaction. In general, the experts are satisfied with their work. Professionals working outside the institutions they provide services are more satisfied with the job than the professionals working at the association. Factors such as age, gender, race, job related to agriculture or not, state certification do not significantly affect their job satisfaction. Sweeney also made recommendations such as opening more channels for career advancement and organizational policy, gender inequality is a barrier to job satisfaction and a master's degree, and those are the qualifications they need for their career.

Schjoedt (2005) conducted a study of the factors that cause job satisfaction for small business owners on the basis of previous studies showing that business owners are very satisfied with their jobs. The researcher used three models: Job Characteristics Model (JCM) of Hackman & Oldman (1980), Big Five of Goldberg, and Person-Environment Fit (P-E fit) of Chatman and Spokane. In particular, the JCM model shows that job

satisfaction depends on job design, Big Five model thinks that job satisfaction depends a lot on human nature, and PE model fit said that employees only achieve satisfaction when they are really in harmony with the environment they are working. The results of Schjoedt's study show that the P-E fit model is best suited for solving the job satisfaction of small business owners in the US.

2.3 Literature review of Vietnam context studies

In Vietnam, PhD. Tran Kim Dung (2005) conducted a research to measure job satisfaction in Vietnam by using the Job Descriptive Index (JDI) of Smith et al. However, in addition to the five factors proposed in JDI, the author has added two more factors, namely corporate welfare and working conditions to suit the specific situation of Vietnam. The main objective of this study is to assess the value of JDI scales as well as to determine how factors affect employee job satisfaction in Vietnam. A seven-level Likert scale, Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA) were used. One drawback of this research is the characteristics of the sample, the respondents of the research questionnaire are employees performing evening courses at Ho Chi Minh City University of Economics. They are rated as people with more educational and future orientations, they are also rated as having non-material needs higher than physiological needs. The results also show that the nature of work and the opportunity for promotion are evaluated as the most important for the job satisfaction of the survey subjects. Therefore, the research results may not reflect the attitude of the entire staff in the Ho Chi Minh as well as in Vietnam.

There are also other researches such as: Nguyen Lien Son (2008) in Long An showed that there are 6 facets that affect job satisfaction are (1) nature of work, (2) salaries, (3) co-workers, (4) leadership, (5) training and promotion opportunities, and (6) work environment; Research by Nguyen Thi Thu Thuy (2011) examines the satisfaction of university lecturers in Ho Chi Minh City. The result showed that four factors affecting the satisfaction of lecturers at universities are: (1) co-workers, (2) income, (3) job characteristics and (4) religion; Research by Pham Van Manh (2012) in the field of telecommunications shows that there are four facets affecting employee satisfaction : (1) co-workers and benefits, (2) training and advancement, (3) initiative and (4) working environment.

3. Conclusions

According to Ferratt (1981), there is a linear relationship between job satisfaction and satisfaction with job components. Based on the proposed research model, the objective of this study is to test the level of explanation of the satisfaction of the components in job satisfaction with the general satisfaction level in the work of employ.

we adjust the initial theoretical research model to the new research model as follows:

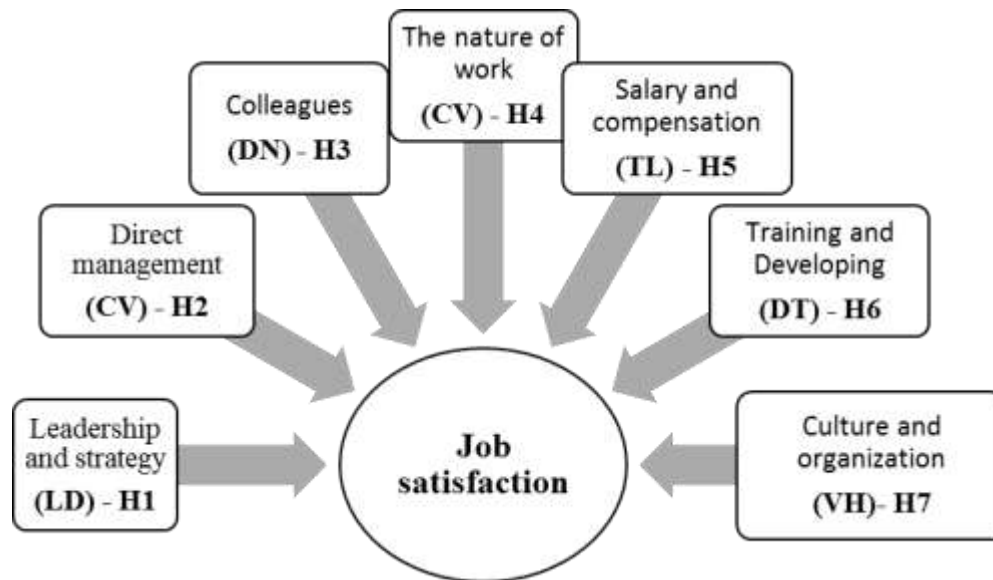


Figure 5: The new research Model

The new research hypotheses are as follows:

- H1: Leadership and strategy have a positive impact to the Job satisfaction
- H2: Direct management have a positive impact to the Job satisfaction
- H3: Colleagues have a positive impact to the Job satisfaction
- H4: Nature of work have a positive impact to the Job satisfaction
- H5: Salary and compensation have a positive impact to the Job satisfaction
- H6: Training and Developing have a positive impact to the Job satisfaction
- H7: Culture and Organization have a positive impact to the Job satisfaction

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