

# CHAPTER 1

## INTRODUCTION

This chapter gives a background to job satisfaction, provides the purpose and significance of the study, discussed the research questions, scope, limitations and structure of the present study.

### **I. Background**

Today, the antecedents of job satisfaction are becoming increasingly varied and are multiplying rapidly with demands of the current workforce. There must be continuous effort in determining the important variables contributing to job satisfaction, to help organizations focus on these factors that contribute towards achieving their human resource objectives. The exploration of factors determining job satisfaction is plentiful as job satisfaction has been a widely researched topic since the beginning of the twentieth century (Larke, 1998). The growth of research literature on job satisfaction could be attributed to the fact that job satisfaction has been found to be related to aspects of work behavior such as quitting, productivity, turnover rates and absenteeism.

Despite this wealth of research done both in western and eastern countries, very little has been done on specific economic and non-

economic factors, in respect to Malaysian professionals. While most of the studies on job satisfaction in Malaysia seem to focus on level of job satisfaction in different professions, a few others examines the effect of ISO certification, organization size, demographics and political motives of performance appraisal on job satisfaction (Kam, 2002; Poon, 2003). Local studies (Liow, 1994; Rosnah, 93/94; Wong, 1994 and Tan, 1986) in comparing job dimensions found that respondents were more satisfied with factors related to work rather than the other job dimensions such as supervision and pay.

Research in job satisfaction should be a continuous effort as the same factors are not consistently related to job satisfaction in all workplaces and the relationship between these factors and job satisfaction may differ on the group being investigated.

## **II. Purpose and Significance of the Study**

A 2004 study conducted by Watson Wyatt Worldwide called WorkMalaysia (Refer to Appendix 1 for the press release article), indicate that many employees in Malaysia have job satisfaction, but are not necessarily satisfied with their pay, their companies

leadership and supervision. These three components scored the lowest on "What Malaysian employees like about work".

While the above study treated job satisfaction as satisfaction with work itself and as a separate factor from pay, leadership, supervision and other factors, previous researches have proven that these factors are correlated to overall job satisfaction. Therefore, the purpose of this paper is to understand the relationships of these factors (which the Watson Wyatt study found that employees in Malaysia are least satisfied) with overall job satisfaction. These factors will be divided into two categories; economic and non-economic factors.

The significance of the study is mainly for employers and human resource practitioners, to know whether economic factors related to pay and non-economic factors of supervision and top management leadership have a significant relationship with overall job satisfaction. From prior research overall job satisfaction was found to be correlated to intention to quit, productivity and employee turnover. If this research proves that factors such as pay, satisfaction with supervisor and top management leadership has a significant relationship with overall job satisfaction, Malaysian

employers should take steps to improve satisfaction in these areas by implementing specific programs.

### **III. Research Questions**

This study will examine selected economic and non-economic factors and its relationship with overall job satisfaction. The main questions this study aims to answer are:

- i. Is there a significant relationship between pay and overall job satisfaction?
- ii. Is there a significant relationship between pay and pay satisfaction?
- iii. Is there a significant relationship between pay satisfaction and overall job satisfaction?
- iv. Is there a significant relationship between satisfaction with supervisor and overall job satisfaction?
- v. Is there a significant relationship between trust in top management and overall job satisfaction?
- vi. What is the relative strength of the above relationships?

#### **IV. Scope of the Study**

In terms of respondents, the scope of study is limited to Malaysian professionals. According to dictionary definition, a professional is a person with a high degree of knowledge or skill in a particular field. In many areas, a person must overcome a barrier before gaining recognition as a professional. Such barriers include academic degrees, certifications, or licenses. While some definitions refer to professionals as someone with a first degree, other also refers to professionals as someone at least with a diploma. For this research purpose, all persons with a first degree will be considered as the population.

More than twenty variables have been researched on their relationship with job satisfaction. In this study however, the effect of the selected factors on overall job satisfaction will be studied without controlling the effects of all other variables that could effect job satisfaction.

#### **V. Limitations of the Study**

First, it does not include many variables such as job characteristics, career opportunities and training, which may be relevant to

understanding variations in job satisfaction. These variables should be considered as antecedents of job satisfaction. Moderators such as demographic variables and role stressors can also be included to examine the variations. In addition, consequences of job satisfaction such as turnover, intention to quit and productivity should be incorporated in an extended model which will highlight the importance of the job satisfaction research.

Second, the effect of other variables that may affect job satisfaction is not controlled in this research. When the effect of other variables are controlled by multivariate methods (regression analysis), the strength of the relationship reduces to be low statistical significance (Weaver, 1977). In other words, what appeared to be a significant relationship between the variables was shown at a multivariate level to be explained by the effects of variables previously uncontrolled.

Third, the study employed the correlation design technique thus measuring the significance, strength and direction of the relationship only. Causal inferences are implied but not proven.

Lastly, the respondents who although are from different work background representing Malaysian professionals, majority of the

respondents were from the age of 30 to 39 years. The least respondents were from the age group of 40 to 49. Where Malaysian professionals could be from all the age groups, this survey does not equally cover all the age groups.

## **VI. Organization of the Study**

This study is reported in five chapters.

Chapter One gives an introduction on the purpose and significance of the study, research questions, scope, limitations and organization of the present study.

Chapter Two discusses the literature of job satisfaction, the measurement of job satisfaction, factors effecting job satisfaction in general, the relationship between specific economic and non-economic factors on job satisfaction and past research on job satisfaction in Malaysia.

Chapter Three describes the research methodology of the study. This includes the research hypotheses, selection of the measures,

sampling design, data collection procedure and data analysis techniques.

Chapter Four presents the results of this research providing a summary of the respondents, an analysis of the measures, the results for the hypotheses testing and ends with a summary of the research results. The research results are examined and compared with the research results reported by earlier researchers.

Chapter Five presents the conclusion of the present study, future study recommendations and implications of the study.

As a conclusion, this chapter provides the purpose of this study (which is to study the relationship between the factors identified as “what Malaysians like least about work” in a recent survey, with overall job satisfaction), the scope, limitations and structure of this report. This will be followed by the following chapter which will provide a literature review on job satisfaction and the relevant factors to this topic.