JOB SATISFACTION AND ITS IMPACT FACTORS: A STUDY USING FACTOR ANALYSIS

Ms. Joice Swarnalatha.R,
Assistant Professor, Sree Vidyanikethan Institute of Management,
Sree Sainath nagar, A.Rangampet, Tirupati, A.P., India
E-mail: rjswarnalatha@gmail.com
&
Dr. V. Murali Krishna,
Assistant Professor, SITAMS, Chittoor, A.P., India

ABSTRACT

There are number of changes going on in the world. The organization has to perform much effectively and efficiently in order to with stand the competition in the market. The employees of the organization have to contribute to their maximum extent towards the organisational performance. Job satisfaction is one of the factors which are observed to be the most influencing factor of employees' performance. Hence this study is done to identify the factors influencing the job satisfaction levels of the employees. By using factor analysis of SPSS 5 more influencing factors have been identified. Among them Motivation and Rewards and recognition were more influencing factors of job satisfaction levels of the employees. Based on this the companies under the study are advised to concentrate on the Motivation and Rewards and recognition policies to meet the expectations of the employees'.

Key words: *Job satisfaction, Motivation, Rewards and Recognition*

1. Introduction

In order to compete in the present situation the companies should enhance the employees' performance. The employees' performance depends on many factors. Mostly the company policies have much impact on their performance. The employees should be satisfied with the organisational policies. In this present study we are trying to identify the factors which are influencing the satisfaction levels of the employees'. The employees' job satisfaction levels have high degree impact on their performance. Here we are trying to identify the job satisfaction levels and its impact factor.

1.1. Job satisfaction

Many of us believe that job satisfaction can be simply termed as how content the employees are with their job. Some people say that it is not so simple in nature to define since this statement includes the psychological factors of the employees.

The most widely used definition of Job satisfaction is that which is given by Locke (1976). He defines it as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences".

The recent definition is given by Hulin and Judge (2003) and he concluded that job satisfaction includes

multidimensional psychological responses to an individual's job, and that these personal responses have cognitive (evaluative), affective (or emotional), and behavioral components. The concept of job satisfaction and employee responses has come into existence from the period of 1930. The different models of job satisfaction are:

- Affect theory
- Dispositional approach
- Equity theory
- Discrepancy theory
- Two-factor theory (motivator-hygiene theory)
- Job characteristics model

2. Review of literature

- Pugno & Sara Depedri (2009) has conducted a research on Job performance and job satisfaction: an integrated survey. His results showed that job performance is positively correlated with job satisfaction factors. He also observed that job satisfaction was not influenced much with economic incentives. Interest is another factor which contributes to job satisfaction. The key factors intrinsic motivation and self-esteem explains both job satisfaction and job performance.
- Dr Ruchi Jain & Surinder Kaur (2014) conducted research on Impact of work environment on Job satisfaction. This study concludes that workload, stress, overtime fatigue, boredom are some factors to increase job dissatisfaction. Good working condition, refreshment and recreation facility, health and safety, fun at workplace increase the degree of job satisfaction.
- Geeta Kumari and K. M. Pande (2011) in their study on job satisfaction in public sector and private sector: A comparison, found that there was high performance in the individuals having positive beliefs and affective experiences. The individuals with negative beliefs and affective experiences were having low job performance.
- Bulent Aydin and Adnan Ceylan (2009) studied on A Research Analysis on employee Satisfaction in terms of Organizational Culture and Spiritual Leadership. In their study they have constructed a model and done the research analysis. The main study of the research model is to identify the employee satisfaction in terms of organisational culture and spiritual leadership. The model developed by them was significant and employee satisfaction was found to be positively correlated with organisational culture and spiritual leadership.
- Mark G. Resheske (2001) has done the research on A Descriptive Study Of Job Satisfaction And Its Relationship With Group Cohesion. In his study he identified that group cohesion was the important factor of job satisfaction. Group cohesion was observed to have significant relationship with job satisfaction. He identified the three reasons for working in the unit that were job autonomy working with the students and fellow colleagues and supervisors. For improving work environment, he identified three major factors pay, time and assistance in meeting deadlines and equal workloads.
- Mosammod Mahamuda Parvin and M M Nurul Kabir (2011), conducted a study on Factors Affecting Employee Job Satisfaction Of Pharmaceutical Sector. This study highlights the relative importance of job satisfaction factors and their impacts on the overall job satisfaction of employees. The researcher identified that salary, efficiency in work, fringe supervision and co-worker relation are the most important factors contributing to job satisfaction. The overall job satisfaction was positive.
- Rizwan, Khan, Aqeel Tariq, Abdul Ghaffar, Malik Zubair Anjum and Ehsan Ullah Bajwa has studied on Empirical study of Employee job Satisfaction. The researchers' main aim was to elaborate the key factors essential for job satisfaction. The key factors were workplace environment, rewards and recognition, training and development and team work. They identified positive relationship between team work and all other factors.
- Ekta Sinha (2013) has conducted a research work on Employee Satisfaction measurement with special reference to KRIBHCO, Surat. The researcher indentified that welfare measures, role clarify, and freedom of decision-making and recognition was not having much impact on job satisfaction levels of the employees. The innovations and creativeness of employees were also at the back which contributed to the employee satisfaction.
- Lutz C. Kaiser (2014), has studied on Job Satisfaction and Public Service Motivation. The results showed that a general dominance

of intrinsic motivators. Intrinsic motivators played important role in improving job satisfaction. Transferability of competencies, autonomy, regular appraisal interviews and productivity feedback has positive significance towards job satisfaction.

3. Research Methodology

In this study sample is selected from the service companies like Polaris, Balley technologies. The sample size is 204. The Sampling technique used for selecting the sample is Convenience sampling. The research design is Descriptive design. Structured questionnaire is the tool used for data collection through survey method. The questionnaire has both positive and negative type of questions with five-dimensional scaling measurements.

3.1 *Objectives of the Study*

1. To identify the various factors that impacts the Job satisfaction levels of the employees.
2. To study the high impact factor of job satisfaction

4. Data Analysis and Discussion

Table 1: Reliability Statistics

Cronbach's Alpha	N of Items
.814	16

After collecting the data, the questionnaire is tested for its validity and reliability. For this purpose, the Cronbach's alpha test is being conducted and the results are interpreted in the table I. The table 1 shows the Alpha value. The cronbach's alpha value is .814 which indicates that the data is highly reliable and valid.

4.1. *Correlation Matrix*

Table 2 shows the Correlation coefficient and significant matrix. The first half of the matrix is correlation coefficient matrix and the second half is one tailed significance matrix. First we observe the significant matrix most of the values are greater than 0.05. If we see the correlation coefficient matrix the values are below 0.9. So, there are no factors which are highly correlated and singularity. The determinant at the end of the table is 0.05 which is also greater than 0.0001. From the above discussion, it is clear that there are no factors which are highly correlated and therefore there is no need to eliminate any of the factors.

Table 2: Correlation Matrix

		JS1	JS2	JS3	JS4	JS5	JS6	JS7	JS8	JS9	JS10	JS11	JS12	JS13	JS14	JS15	JS16
Correlation	JS1	1.00	.348	.297	.237	.196	.212	.087	.051	.056	.014	.009	-.062	-.040	.009	.100	-.134
	JS2	.348	1.00	.430	.246	.233	.335	.170	.103	.175	.251	.171	.169	.166	.067	.116	-.010
	JS3	.297	.430	1.00	.291	.242	.036	-.080	-.015	.043	-.060	.017	-.042	-.030	.003	-.004	-.122
	JS4	.237	.246	.291	1.00	.516	.136	.192	.244	-.004	.194	.173	.165	.108	.158	.058	.157
	JS5	.196	.233	.242	.516	1.00	.130	.125	.354	.027	.224	.234	.242	.324	.245	.220	-.007
	JS6	.212	.335	.036	.136	.130	1.00	.521	.119	.265	.241	.325	.227	.239	.146	.165	-.019
	JS7	.087	.170	-.080	.192	.125	.521	1.00	.258	.262	.492	.242	.290	.431	.352	.355	.247
	JS8	.051	.103	-.015	.244	.354	.119	.258	1.00	.330	.291	.255	.334	.258	.377	.212	.042
	JS9	.056	.175	.043	-.004	.027	.265	.262	.330	1.00	.205	.123	.079	.086	-.050	.106	-.112
	JS10	.014	.251	-.060	.194	.224	.241	.492	.291	.205	1.00	.473	.613	.538	.316	.329	.281
	JS11	.009	.171	.017	.173	.234	.325	.242	.255	.123	.473	1.00	.540	.350	.275	.286	.131
	JS12	-.062	.169	-.042	.165	.242	.227	.290	.334	.079	.613	.540	1.00	.556	.408	.384	.323
	JS13	-.040	.166	-.030	.108	.324	.239	.431	.258	.086	.538	.350	.556	1.00	.478	.456	.267
	JS14	.009	.067	.003	.158	.245	.146	.352	.377	-.050	.316	.275	.408	.478	1.00	.503	.383
	JS15	.100	.116	-.004	.058	.220	.165	.355	.212	.106	.329	.286	.384	.456	.503	1.00	.440
	JS16	-.134	-.010	-.122	.157	-.007	-.019	.247	.042	-.112	.281	.131	.323	.267	.383	.440	1.00

Sig. (1-tailed)	JS1		.000	.000	.000	.002	.001	.108	.233	.212	.422	.452	.188	.283	.447	.077	.028
	JS2	.000		.000	.000	.000	.000	.008	.072	.006	.000	.007	.008	.009	.172	.049	.441
	JS3	.000	.000		.000	.000	.306	.128	.416	.270	.199	.403	.278	.337	.480	.479	.041
	JS4	.000	.000	.000		.000	.026	.003	.000	.479	.003	.007	.009	.062	.012	.207	.012
	JS5	.002	.000	.000	.000		.031	.037	.000	.352	.001	.000	.000	.000	.000	.001	.462
	JS6	.001	.000	.306	.026	.031		.000	.046	.000	.000	.000	.001	.000	.018	.009	.394
	JS7	.108	.008	.128	.003	.037	.000		.000	.000	.000	.000	.000	.000	.000	.000	.000
	JS8	.233	.072	.416	.000	.000	.046	.000		.000	.000	.000	.000	.000	.000	.001	.274
	JS9	.212	.006	.270	.479	.352	.000	.000	.000		.002	.040	.131	.110	.240	.066	.056
	JS10	.422	.000	.199	.003	.001	.000	.000	.000	.002		.000	.000	.000	.000	.000	.000
	JS11	.452	.007	.403	.007	.000	.000	.000	.000	.040	.000		.000	.000	.000	.000	.031
	JS12	.188	.008	.278	.009	.000	.001	.000	.000	.131	.000	.000		.000	.000	.000	.000
	JS13	.283	.009	.337	.062	.000	.000	.000	.000	.110	.000	.000	.000		.000	.000	.000
	JS14	.447	.172	.480	.012	.000	.018	.000	.000	.240	.000	.000	.000	.000		.000	.000
	JS15	.077	.049	.479	.207	.001	.009	.000	.001	.066	.000	.000	.000	.000	.000		.000
	JS16	.028	.441	.041	.012	.462	.394	.000	.274	.056	.000	.031	.000	.000	.000	.000	

a. Determinant = .005

4.2. *KMO and Bartletts test of Sphericity*

The table 3 below exhibits the results of KMO and Bartletts Test of Sphericity. This test gives the measure of sampling adequacy. The Value of the KMO must be greater than 0.5 where our value is .750. Therefore, this indicates that the sample selected for the study is adequate.

Table 3: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.750
Bartlett's Test of Sphericity	Approx. Chi-Square	1041.197
	Df	120
	Sig.	.000

4.3. *Factor Extraction Interpretation*

Table 4 shows the results of the Factor Extraction Interpretation. This table gives the Eigen values which are associated with the factors before extraction and after extraction. From the first column that is initial Eigen values of the table it is clear that 16 factors have been identified before extraction. The first 5 factors indicate the initial Eigen values greater than 1. The second column of the table Extraction sums of squared loadings gives the percentage of the variance values greater than 1 leaving with us 5 factors. These values are same as that of the initial Eigen Values. These are the values before extraction. The last column is Rotation sums of squared loadings which displays the factor values after rotation. It gives the values lesser than that of the before extraction values. From this factor extraction table, it can be identified that the 5 factors are influencing. The five factors influence the study to 64.315 percent.

4.4. *Communalities*

Table V shows the communalities before and after extraction. Before extraction the values are 1 and after extraction are the values are displayed. For example, considering the value of JS1 it is .555, which means that 55.5 % of the variance is included in the question JS1. Table 6 shows the component matrix which shows the values before rotation. We requested to display the values not less than .3. Hence, some of them are left blank.

4.5. *Factor Rotation*

Table 4 shows the rotated component matrix, which gives the values of factor loadings after rotation. Since, we requested to display the values not less than .3 is shown in the table. The values are displayed size wise. We can observe the five factors. The variables are loaded into only one factor. When compared with that of the matrix before rotation we can find that most are loaded very high to the first factor, while others are not.

Table 4: Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.469	27.931	27.931	4.469	27.931	27.931	2.521	15.757	15.757
2	2.140	13.377	41.309	2.140	13.377	41.309	2.336	14.603	30.360
3	1.485	9.284	50.593	1.485	9.284	50.593	1.998	12.490	42.850
4	1.173	7.330	57.923	1.173	7.330	57.923	1.755	10.966	53.816
5	1.023	6.392	64.315	1.023	6.392	64.315	1.680	10.499	64.315
6	.882	5.514	69.828						
7	.792	4.951	74.780						
8	.689	4.308	79.087						
9	.646	4.039	83.126						
10	.593	3.706	86.832						
11	.497	3.105	89.937						
12	.398	2.485	92.421						
13	.351	2.194	94.615						
14	.317	1.981	96.595						
15	.307	1.918	98.513						
16	.238	1.487	100.000						

Extraction Method: Principal Component Analysis.

Table 5 : Communalities

	Initial	Extraction
JS1	1.000	.555
JS2	1.000	.639
JS3	1.000	.585
JS4	1.000	.569
JS5	1.000	.684
JS6	1.000	.635
JS7	1.000	.677
JS8	1.000	.766
JS9	1.000	.660
JS10	1.000	.662
JS11	1.000	.637
JS12	1.000	.743
JS13	1.000	.583
JS14	1.000	.641
JS15	1.000	.623
JS16	1.000	.633
Extraction Method: Principal Component Analysis.		

Table 6: Component Matrix[a]

	Component				
	1	2	3	4	5
JS10	.738				
JS12	.731				-.375
JS13	.725				
JS7	.644		-.360		
JS14	.635				
JS15	.622				
JS11	.613				-.478
JS5	.485	.400	.394	-.362	
JS3		.681			
JS1		.632		.303	
JS2	.376	.602			
JS4	.392	.463	.409		
JS16	.405	-.445	.349	.361	
JS9			-.640		
JS6	.474		-.520		
JS8	.522			-.601	.354
Extraction Method: Principal Component Analysis.					
a. 5 components extracted.					

Table 7: **Rotated Component Matrix[a]**

	Component				
	1	2	3	4	5
JS12	.794				
JS11	.781				
JS10	.724				
JS13	.567				
JS16		.751			
JS15		.746			
JS14		.709			
JS2			.731		
JS3			.715		
JS1			.681		
JS9				.773	
JS6				.616	
JS7				.608	
JS8					.737
JS5					.722
JS4					.578
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 11 iterations.					

4.6. Factor Interpretation

We have to now look at the questions which fall under the factors. Now we have to find the common themes for the questions which fall under the 5 factors. Considering the factor1 the questions of the common theme are training and motivation. The factor2 is career planning and development. The factor3 is team spirit. The factor 4 is open communication system and factor5 is rewards and recognition. From these the most important factors influencing the study are observed to be training and motivation, career planning and development, team spirit, open communication system and reward and recognition.

The figure 1 shows the various factors which have impact on the job satisfaction levels of the employees. Now let us identify which factor has more impact on the job satisfaction. For identifying highest impact factor, we applied regression analysis in SPSS.

First **team spirit** factor is selected to identify its impact on Job satisfaction. The table 8 shows the results of Impact level of Team spirit on job

satisfaction. The R square value is .209 and the R value is .457.

Table 8: Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.457[a]	.209	.197	.40920
a. Predictors: (Constant), TS2, TS3, TS1				
b. Dependent Variable: JS				

Figure 1 factors

Table 9: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.747	.230		11.920	.000
	TS3	.066	.046	.097	1.419	.158
	TS1	.244	.042	.420	5.820	.000
	TS2	-.007	.046	-.011	-.161	.872
a. Dependent Variable: JS						

From the table 9 the regression equation is JS=.066(TS1) +.244 (TS2)-.007(TS3) +2.747

- When the same was applied to other factor rewards and recognition the R square value is .454. The regression equation is JS=.128(RR1)+.135(RR2)+.176(RR3)+ 2.299
- Communication system was observed to have R square value is .421. The regression equation is JS=.072(CS1)+.116(CS2)+.255(CS3)+2. 153.
- Motivation was having the R Square value of .691. the regression equation is JS=

.096(M1)+.106(M2)+.133(M3)+.147(M4)+2.122

- When career planning and development was considered the R square value is .500. the regression equation is JS=.033(CPD1)+.189(CPD2)+.176(CPD3)+2.514

From all the above observed values the R square value was more for Motivation. Hence it can be concluded that Motivation was having high impact on Job satisfaction levels of the employees. Therefore, the companies should concentrate on the Motivation factors and policies of the companies.

In order to find out the impact of two factors on job satisfaction same regression method was applied. When all the factors were observed the two factors Motivation and Rewards & recognition was observed to have very high impact on job satisfaction levels of the employees. The following table shows the R square value as .834.

Table 10: Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.913[a]	.834	.828	.18945
a. Predictors: (Constant), RR1, RR3, M4, M2, RR2, M3, M1				
b. Dependent Variable: JS				

From this it can be concluded that the Job satisfaction levels of the employees are highly influenced by the motivation policies and rewards and recognition policies of the companies. Hence the companies under the study are suggested to improve these policies to the extent of employees' satisfaction such that the job satisfaction levels of the employees can be improved. When the employees' satisfaction levels increase simultaneously the organisational performance can be enhanced.

5. Conclusion

From all the above discussion, it is observed that Job satisfaction is being influenced by the factors like team spirit, communication system, rewards and recognition, Motivation, Career planning and development. The more influence was from the Motivation and Rewards and recognition. Hence the companies should concentrate on the effective planning of the policies related to Motivation and rewards and recognition. The job satisfaction of the employees can be improved leading to enhancement of the organisational performance.

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