

IMPACT OF MOTIVATION ON JOB SATISFACTION OF SFL EMPLOYEES

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Abstract

This descriptive research endeavours to analyse the level of job satisfaction and motivation prevalent among employees of SFL and explore the impact of motivation on job satisfaction by administering a well structured interview schedule to 100 employees selected at a random. Using the statistical tools of Mean, Cluster analysis, Correspondence analysis, Anova, Confirmatory Factor Analysis (CFA), Structural Equation Modeling (SEM) and Regression, the study has revealed that the employees of SFL are pretty satisfied with their job and well-motivated. Employees with lesser education and income and those in lower cadre display lesser degree of job satisfaction while those with lesser work service, age, education, income and cadre and male employees possess relatively lower level of motivation. Only 12 and 5 employees are least motivated and discontented with their job. Motivation exerts significant positive impact on job satisfaction.

Keywords:

Motivation, Job satisfaction, Structural Equation Modelling, Confirmatory Factor Analysis, Cluster Analysis

1. INTRODUCTION

The term Motivation is used to refer to a positive behaviour, exhibited by an individual towards his work, instigated by his activities, longings and wants. Motivation exerts serious effect on the behaviour of an individual [6]. According to Maehr and Meyer (1997), "Motivation is a word that is part of the popular culture as few other psychological concepts are". Motivation stimulates, rejuvenates, guides and endures the conduct and performance of individuals [14].

Any business cannot sustain without good and committed employees as it is they who significantly contribute to the business gaining competitive advantage over its competitors [5], [10]. Loyal and motivated employees attain utmost satisfaction in their job and hence, strive hard to ensure that their organization attains all its goals [17].

Motivation binds the employees to their organization, boosting their morale and loyalty, thus diminishing the rate of labour turnover [23]. Motivated employees put in their best for attainment of organizational goals [21].

Magnitude of motivation can be measured based on the degree of attachment displayed by employees to their organization [1]. Catering to basic needs may act as a good motivator for some employees [11] while challenging work environment, good interpersonal and supervisory relationships and supportive top management might motivate other set of employees [9]. Such motivated employees work with vigour and excitement, resulting in good degree of job satisfaction [13].

Job satisfaction has been a subject of interest for psychologists and management practitioners for distant past and recently, economists have also started getting interested in it [24]. Job

satisfaction is a function of employees liking to come to work and how they get enforced to perform their jobs [18]. It is an outcome of work environment superseding their expectations and fulfilling their requirements [4]. A worker who has contributed his maximum to the organization attaining its goals become fully satisfied with his job [12]. Job satisfaction leads to motivation among employees while it can also be said that motivated employees attain utmost job satisfaction [19]. Many authors such as Aswathappa (2003) have propagated that monetary rewards and wage payments motivate employees to attain utmost job satisfaction, which significantly contribute to increasing performance and productivity [25], [7]; [8]. Job satisfaction among employees might contribute to customer satisfaction [3]. To survive in this highly competitive globalized market, it is indispensable to ensure quality production at minimum cost, which can be best accomplished only through motivated, skilled and satisfied labour fleet [22].

Considering the importance of motivation and job satisfaction for the success of any organisation, an attempt has been made in this study to assess the level of job satisfaction and motivation prevalent among employees of Sundaram Fosteners Limited (SFL), Puducherry, and the impact likely to be exerted by motivation on job satisfaction of the employees.

1.1 OBJECTIVES OF THE STUDY

- To assess the level of job satisfaction among the employees of SFL.
- To assess the level of motivation among the employees of SFL.
- To assess the impact of motivation on job satisfaction of SFL employees.

2. METHODOLOGY

The proposed study is Descriptive in nature, based on primary data collected by administering a well structured interview schedule. The schedule consists of questions relating to the demographic profile of the workers while 14 statements have been used to assess the level of motivation and job satisfaction prevalent among the employees, who are supposed to indicate their level of agreement to these statements in a Likert's five point scale, ranging from Strongly Disagree to Strongly Agree. The sample frame for the study is SFL, Puducherry, while the employees of this company have been taken as the Universe for this study. The sample technique used is Simple Random Sampling while the Sample size is 100. The data collected were suitably represented in tabular and diagrammatic forms and analysed using the Statistical software of SPSS, LISREL and Smart PLS, employing the statistical tools of Mean, Cluster analysis, Correspondence analysis, Anova,

Confirmatory Factor Analysis (CFA), Structural Equation Modeling (SEM) and Regression.

2.1 RESEARCH HYPOTHESIS

Motivation exerts significant positive impact on job satisfaction of employees. To test this hypothesis, job satisfaction and motivation have been considered as dependent and independent variables respectively.

Data Analysis and Interpretation

Demographic Profile of Respondents Studied

Of the 100 employees selected for this study, 85% are males and 15% are females; 24% are aged less than 25, 62% are aged 25-40 and 14 % are aged more than 40; 13 % are undergraduates, 37% are graduates, 18% are post graduates and 32 % are diploma-holders; 10% earn a monthly income of less than Rs. 10000, 55% earn 10000-25000, 26% earn 25000-40000 and 9% earn more than Rs. 40000; 14% belong to worker cadre, 44% to supervisory cadre and 42% to managerial cadre; 27% have served the company for less than 2 yrs, 42% for 2-5 yrs, 16% for 5-10 yrs and 15% for more than 10 yrs; 65% are married and 35% are unmarried.

The Fig.1 suggests that the five variables used for measuring job satisfaction aptly fit into the construct as the factor loadings in respect of these variables exceed the threshold limit of 0.4.

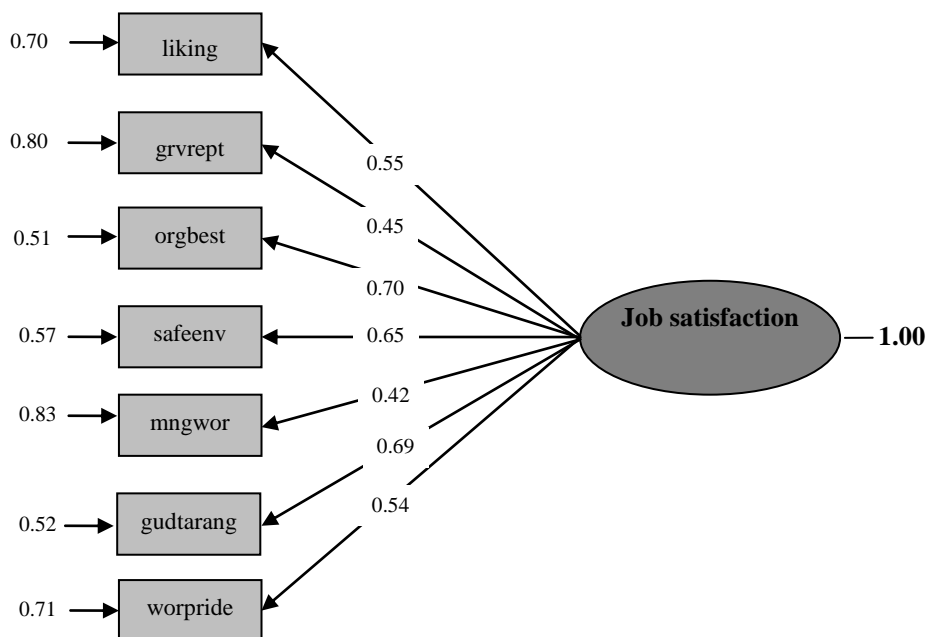


Fig.1. CFA for Variables used for Job Satisfaction

Table.1. Results of goodness of fit test for Job Satisfaction

Model	Normed Chi-square (X ² /df)	P-Value	GFI	AGFI	CFI	NFI	RMSEA
Study model	2.25	0.00	0.97	0.85	1.00	1.00	0.070
Recommended value	Less than 3	<0.05	0.8-1.0	0.8-0.9	0.8-0.9	0.8-0.9	Less than 0.080

The Goodness of Fit Index (GFI) in respect of the above conducted CFA has been displayed in Table.1.

The Table.1 depicts the Confirmatory factor analysis (CFA) results using LISREL, explaining the overall Measurement model. It can be inferred from the above table that the goodness of fit indices values are normed chi-square (X²/df) is 2.25, GFI is 0.97, AGFI is 0.85, NFI is 1.00, RMSEA is 0.070 and CFI is 1.00. The above results fall within the generally accepted limits and all the factor loadings of all the constructs in model are above 0.4. Hence this suggests that there is no need for any modifications and the available data.

2.2 EMPLOYEE OPINION ABOUT JOB SATISFACTION

It can be observed from Table.2 that the employees of SFL are pretty satisfied with their job as the mean in respect of job satisfaction is 3.9786. The level of job satisfaction is even among the employees segregated based on their gender, marital status and length of experience in the company. However, the employees with education of less than graduation, those with monthly income of less than Rs. 10000 and those in worker cadre have lesser magnitude of job satisfaction when compared with their respective counterparts.

Table.2. Employee opinion About Job Satisfaction

Group	Respondents	Mean	F	P
Gender	Males	3.9882	0.154	0.695
	Females	3.9238		
Marital Status	Married	4.0374	1.906	0.171
	Unmarried	3.8694		
Age	Less than 25	*3.8869	2.569	0.082
	25-40	*3.9424		
	More than 40	4.2959		
Education	UG	*3.4176	5.270	0.002
	PG	4.0159		
	Degree	4.0656		
	Diploma	4.0848		
Income	<10000	*3.5429	2.997	0.035
	10000-25000	3.9532		
	>40000	4.1270		
	25000-40000	4.1484		
Cadre	Worker	*3.5	6.774	0.002
	Supervisor	3.9903		
	Managerial	4.1259		
Experience (in years)	< 2	3.8995	1.660	0.181
	2-5	3.9082		
	5-10	4.0268		
	> 10	4.2667		
Overall Mean		3.9786		

2.3 CLUSTER ANALYSIS BASED ON JOB SATISFACTION

Proceeding further, the employees have been grouped based on their response about job satisfaction and the results are displayed in Table.3.

Table.3. Final Cluster Centers

	Dissatisfied Group	Immensely Satisfied Group	Reasonably Satisfied Group	F	P
Job Satisfaction	2.34	4.40	3.65	208.531	0.000
No. of Employees	5	52	43		

It can be inferred from Table.3 that three clusters may be formed based on opinion of the employees about job satisfaction. The value of significance being less than 0.05 suggests that job satisfaction factor significantly contribute to the segmentation process. Based on the mean values, the three clusters may be designated as “reasonably satisfied group”, “immensely satisfied Group” and “Dissatisfied Group”. Five employees constitute the “Dissatisfied Group” while 43 employees constitute the “reasonably satisfied group” and 52 constitute the “Immensely satisfied group”.

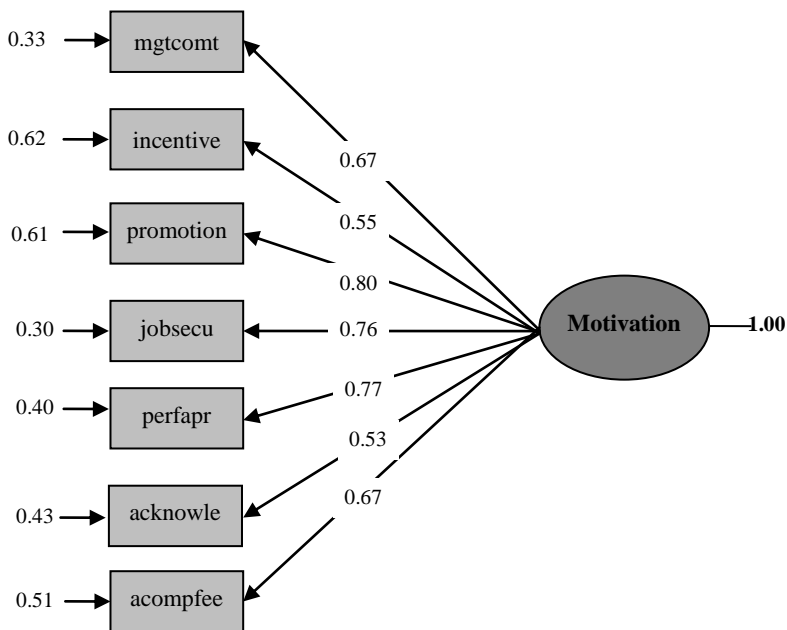


Fig.2. CFA of Variables used for Assessing Level of Motivation

Table.4. Results of goodness of fit test for Motivation

Model	Normed Chi-square (X ² /df)	P-Value	GFI	AGFI	CFI	NFI	RMSEA
Study model	2.78	0.00	0.87	0.81	0.87	0.91	0.077
Recommended value	Less than 3	>0.05	0.8-0.9	0.8-0.9	0.8-0.9	0.8-0.9	Less than 0.080

The Fig.2 highlights that the factor loadings in respect of all the statements used for assessing the level of motivation among the employees well exceed the threshold limit of 0.4.

The Table.4 depicts the CFA results using LISREL, explaining the overall Measurement model. It can be inferred from the above table that the GFI values are normed. The chi-square (X²/df) is 2.78, GFI is 0.87, AGFI is 0.81, NFI is 0.91, RMSEA is 0.077 and CFI is 0.87. The above results fall within the generally accepted limits and all the factor loadings of all the constructs in model are above 0.4. Hence this suggests that there is no need for any modifications and the available data aptly fits into the proposed conceptual model.

Table.5. Level of Motivation among SFL Employees

Group	Respondents	Mean	F	P
Gender	Males	^3.9966	11.361	0.001
	Females	*3.7524		
Marital Status	Married	^4.1341	1.396	0.240
	Unmarried	*3.6367		
Age (in years)	< 25	*3.7024	4.159	0.018
	25-40	*3.9608		
	>40	^4.3980		
Education	< Degree	*3.2637	5.595	0.001
	Degree	^3.9575		
	PG	^4.0873		
	Diploma	^4.1741		
Income (in Rs.)	< 10,000	*3.1286	5.426	0.002
	10,000-25,000	^4.0234		
	25,000-40,000	^4.1209		
	>40,000	^4.0317		
Cadre	Worker	*3.3980	6.879	0.002
	Supervisory	^3.9188		
	Managerial	^4.1905		
Experience (in years)	< 2	*3.660	2.883	0.040
	2-5	^3.9558		
	5-10	^4.3304		
	>10	^4.0762		
Overall Mean		3.9600		

It can be inferred from Table.5 that the employees of SFL are well motivated as the mean in respect of the issue hover around the 3.96 mark, which is quite satisfactory. The table further reveals that married and unmarried employees do not differ in

level of motivation possessed by them. However, those employees possessing lesser experience of less than two years, lesser education of less than degree, lesser income of less than Rs. 10000, younger employees aged less than 40 years, males and those belonging to the lower cadre of workers, have relatively lower level of motivation than their respective counterparts.

2.4 CLUSTER ANALYSIS BASED ON LEVEL OF MOTIVATION

Proceeding further, the employees of SFL have been segmented based on their opinion about level of motivation prevalent among them using Cluster Analysis and the results are depicted in Table.6.

Table.6. Final Cluster Centres

Factor	Passive group	momentously motivated group	Abstemiously motivated group	F	P
Motivation	2.37	4.56	3.81	315.436	0.000
Frequency	12	43	45		

The Table.6 suggests that three clusters have been formed based on the response of SFL employees about level of motivation prevalent among them and these three clusters may be labelled as "Passive Group", "Abstemiously motivated group" and "Tremendously motivated group". These clusters comprise of 12, 45 and 43 employees.

2.5 CHARACTERISTICS OF CLUSTERS

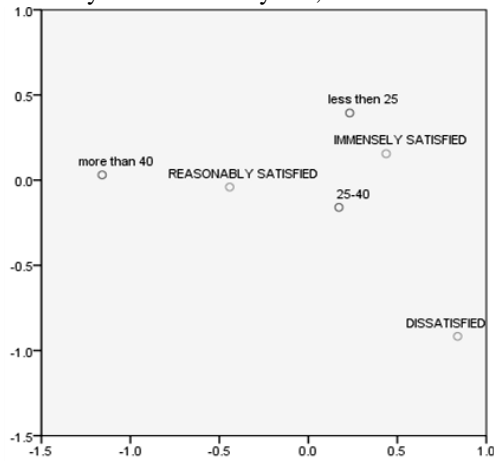
The characteristics of clusters formed based on Job satisfaction and motivation have been analysed using Correspondence Analysis and the results have been depicted in Fig.3.

It can be observed from Fig.3(a) to Fig.3(e) that employees aged less than 25, the graduates and under-graduates, those with monthly income of Rs. 25000-40000 and more than 40000, those who have served the company for less than 2 years and those belonging to Managerial cadre constitute the immensely satisfied group while Diploma-holders and post graduates, those aged 25-40 and more than 40, those with monthly income of Rs. 10000-25000, those belonging to Supervisory cadre and those who have served the company for more than 2 years constitute the reasonably satisfied group.

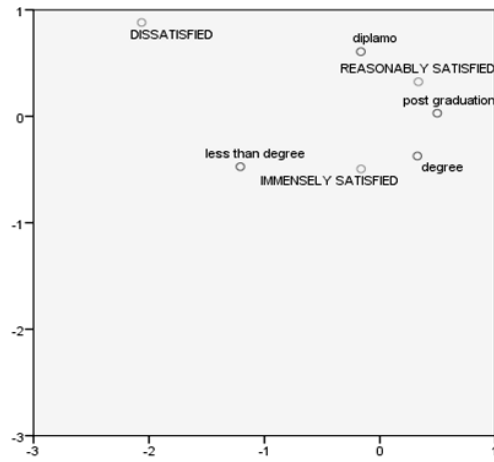
The Fig.3(f) to Fig.3(j) highlight that those employees possessing experience of less than 2 years and more than 10 years, those belonging to Supervisory cadre, those earning Rs. 10000-25000, graduates and those aged less than 25 years are associated with Abstemiously Motivated Group, while workers,

those with INCOME of less than Rs. 10000, those possessing education qualifications of less than degree and those aged 25-40 years are associated with passive group and those who are serving the company for 2-5 years and 5-10 years, those in the

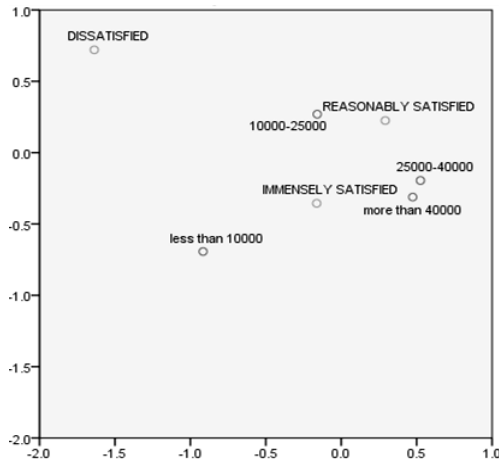
Managerial cadre, those earning Rs. 25000-40000, post graduates and Diploma-holders and those aged More than 40 are associated with Momentously Motivated Group.



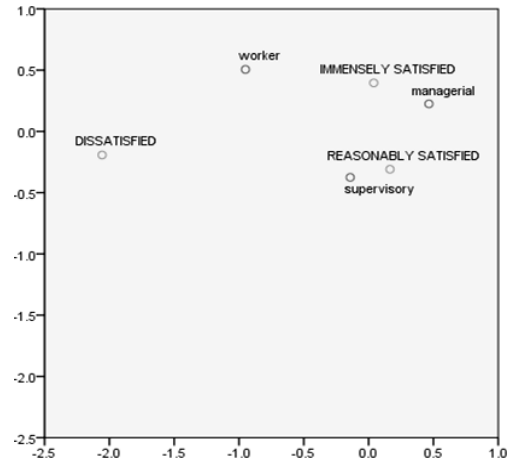
(a) Age And Job Satisfaction



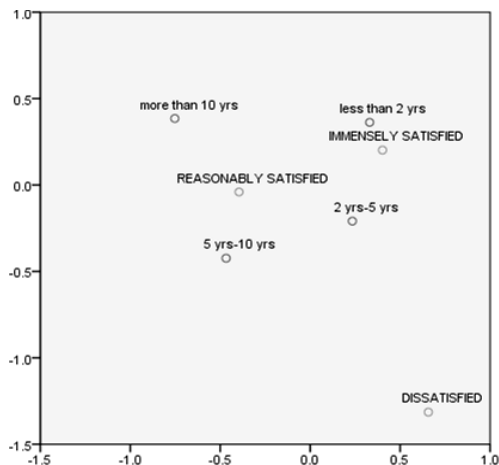
(b) Education And Job Satisfaction



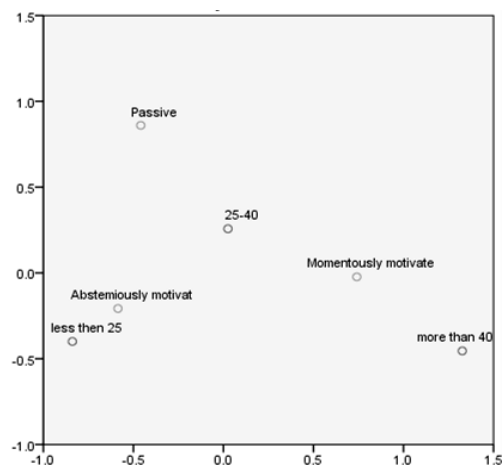
(c) Income And Job Satisfaction



(d) Cadre And Job Satisfaction



(e) Experience And Job Satisfaction



(f) Age And Motivation

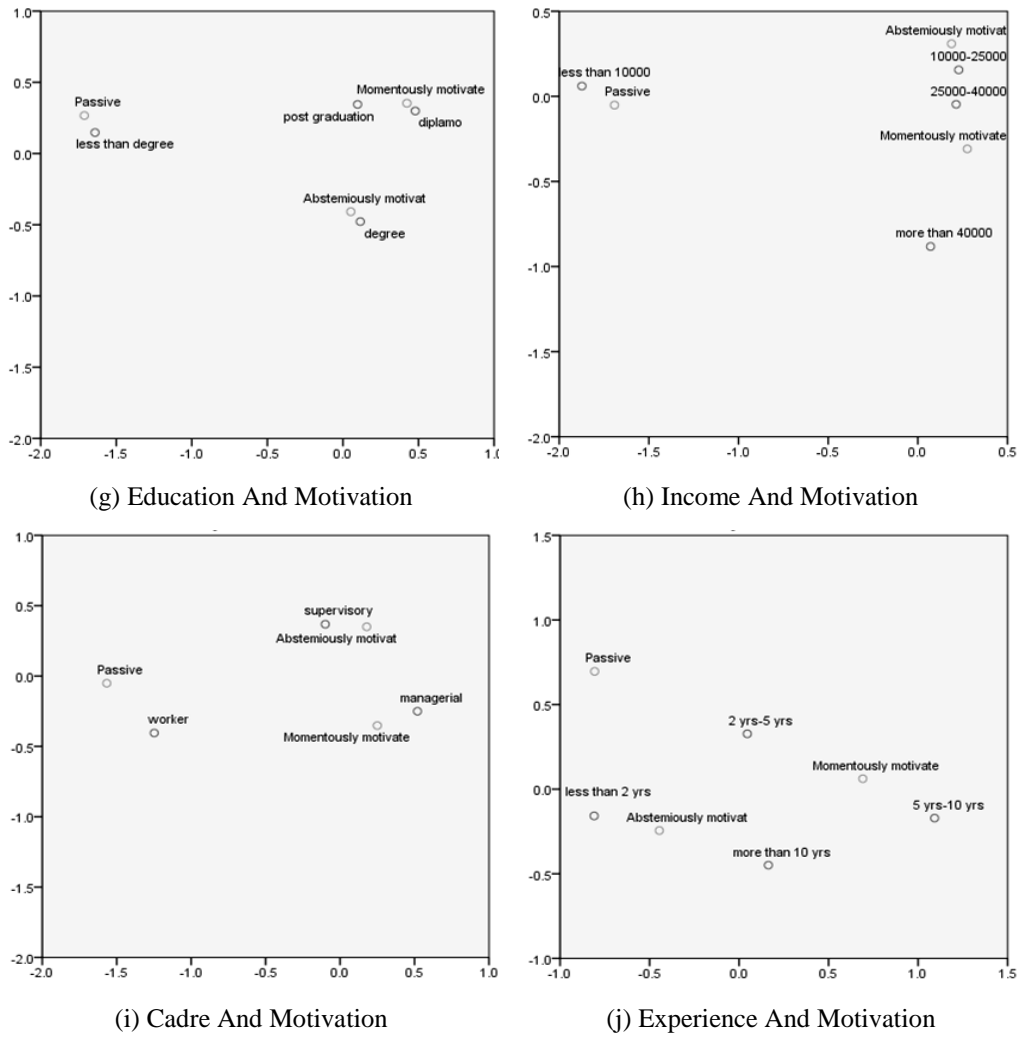


Fig.3. Characteristics of clusters based on Job satisfaction and motivation

2.6 IMPACT OF MOTIVATION ON JOB SATISFACTION



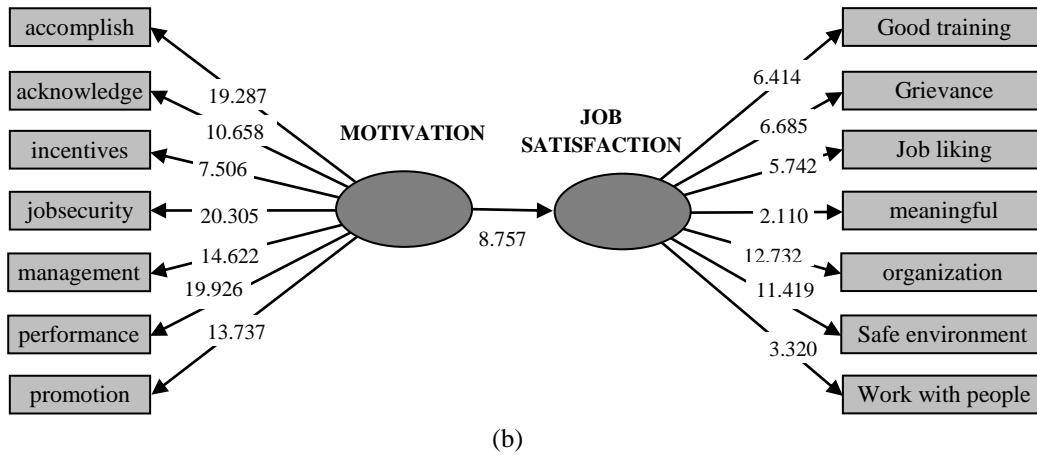


Fig.4. (a) and (b) SEM for Impact of Motivation on Job Satisfaction

The impact exerted by level of motivation on level of job satisfaction of SFL employees has been analysed using SEM and the results have been portrayed in Fig.4.

The Fig.4(a) and Fig.4(b) portray the results of SEM, exploring the nature of impact exerted by motivation on job satisfaction. It can be inferred from Fig.4(a) that the factor loadings in respect of all the statements included in the two constructs used for the model exceed 0.4, suggesting that all the statements well fit into the respective constructs. The coefficient value gives the extent of impact exerted by independent variables on dependent variable. It can be observed from Fig.4(b) that the coefficient value is 0.617, implying that motivation is exerting a high positive influence on job satisfaction.

The magnitude of impact exerted by motivation on job satisfaction has been assessed using Regression Analysis and the results have been portrayed in Table.7.

Table.7. Coefficient Summary

Factor	B	T	P	R ²	F	P
(Constant)	2.384	8.648	0.000	0.261	34.619	0.000
Motivation	0.403	5.884	.000			

The Table.7 shows that a 0.403% increase in motivation leads to 1% increase in job satisfaction.

Based on the Regression Analysis, the following model can be arrived at:

$$\text{Job Satisfaction} = 2.384 + 0.403 * \text{Motivation}$$

3. FINDINGS

Employees of SFL are pretty satisfied with their job and well-motivated. Employees grouped on the basis of gender, marital status and length of service possess even degree of job satisfaction while those segregated on the basis of marital status display identical level of motivation. Employees with lesser education and income and those in lower cadre display lesser degree of job satisfaction while those with lesser work service, age, education, income and cadre and the male employees

possess relatively lower level of motivation. Only twelve and five employees are least motivated and discontented with their job. Further, this study has revealed that motivation exerts significant positive impact on job satisfaction. Hence, the research hypothesis is accepted beyond any element of doubt.

4. INFERENCES AND CONCLUSION

The level of job satisfaction and motivation is at low ebb for few employees who possess lesser education, age, service, income and cadre. Hence, it can be said that growth motivates employees, resulting in good level of job satisfaction. Since motivation exerts strong positive impact on job satisfaction of employees, the management should seriously consider motivating its employees, which will have a positive impact on productivity of employees, ultimately resulting in better profitability for the company.

5. LIMITATIONS OF THE STUDY

Nothing in this world other than the word perfect is perfect and this research work is also subject to various limitations. Time and other resources constraint and non-availability of management’s permission restricted the sample size for the study to a mere 100, which is not big enough to represent whole of employee population. Further, the scope of this study is limited to just one company. Hence, the results of this survey cannot be generalized.

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