CHAPTER 2: THEORETICAL CONCEPT AND THEORIES OF JOB SATISFACTION

Job satisfaction is not a destination but a journey. There exists a complex relationship between job satisfaction and employee performance. Several factors like employee recognition, monetary rewards, social rewards, etc. may lead to job satisfaction which may ultimately lead to higher and better job performance.\(^{32}\)

This chapter takes into consideration the various theories of job satisfaction and also throws light on the dimensions and consequences of job satisfaction. It describes the Collins model of the three dimensions of job satisfaction. It brings in front the positive effects of job satisfaction and the negative effects of job dissatisfaction.

Further, this chapter describes the measurement of job satisfaction by the way of Happock scale that considers six factors affecting job satisfaction. It also takes into consideration the various theories like the Minnesota Satisfaction Questionnaires (M.S.Q.), Herzberg theory, E.R.G. theory, Theory X and Theory Y, Vroom’s Valance theory, Equity theory, Porter and Lawler theory and Maslow’s need hierarchy.

2.1 JOB SATISFACTION

Job satisfaction is considered to be one such factor that has attracted the attention of not only organizations, business houses, banks, etc. but it is also proven to be an important aspect for academicians too. Since the times immemorial, the evidences of the presence of job satisfaction can be felt.\(^{33}\) Even when the caveman, old Bonk must have designed the wheel for the very first time, his boss (or his tribe leader) must have rewarded him. Might be the reward was in the form of a new pelt or may be appreciation for the good work done by him. This clarifies the fact that reward surely is a major performer of job satisfaction.

The term reward may mean different things to different people. To some it may, mean ‘money’ to others it may mean ‘reward’ to some, ‘recognition’. In this chapter we will highlight what job


satisfaction is, the sense of accomplishment a person can get and the positive and negative factors influencing job satisfaction.

Taylor (1911), the father of scientific management had a very pragmatic approach towards job satisfaction. He considered that their satisfaction level has a direct relation with the economic return they get from their jobs.\(^{34}\)

With the passage of time we have moved towards a more humanistic approach. From simply money to the complex phenomenon job satisfaction, a long journey has been travelled. With each passing day, new dimensions of knowledge, new understanding of variables, etc. have made the term job satisfaction more complex.

2.2 MEANING AND DEFINITION OF JOB SATISFACTION

Hoppack (1935) brought the term job satisfaction, to limelight, for this he reviewed thirty two studies and observed that it is a combination of environmental, physiological and psychological circumstances and the variables influencing the level of satisfaction of an individual.\(^{35}\)

Job satisfaction is more of a journey, not a destination. Still it is said that job satisfaction is the end state of feelings. End here is experienced once the task assigned to him is accomplished or an activity has taken place. These activities or tasks may be very small or very large, they might be based on experience or observation but the end result is the satisfaction of a certain need. The end result can be in a positive or a negative form depending upon whether the task has been finished or not and whether satisfaction has been derived from it or not.

The reason behind this could be anything, efforts taken by an individual or the situational opportunities made available to him.

For instance if a task is assigned to an employee with a deadline, he may experience positive job satisfaction due to the authority given to him. He might feel good about his status and there are great chances that he likes to do his job, as it would fetch him extra wages. On the contrary, this assignment can be a major source of dissatisfaction for him as extra working hours may be annoying for him and money may be not a major motivator for him. Each one of these variables

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lead to an end-state called satisfaction; various attributes contribute towards job satisfaction such as attitude, morale and motivation.

2.3 CONCEPTS OF JOB SATISFACTION

A clear understanding of the concepts of job satisfaction illuminates the various dimensions of job satisfaction.

2.3.1 JOB SATISFACTION AND MOTIVATION

Motivation implies the willingness of a person to work. A person may possess various skills and abilities; he may be talented but unwilling to work. Satisfaction on the contrary, implies to a positive emotional state which has very less to do with productivity.

2.3.2 JOB SATISFACTION AND ATTITUDE

An attitude is based on numerous factors brought by an employee to the organization. Generally, employees having positive attitude exhibit higher performance and employees with negative or poor attitude show average or less than required performance. Employers should encourage those employees who are having positive attitude and are good performers as they are the major contributors to a healthy environment at the workplace. Recognition is one of the factors that should be adopted by employees to promote continued achievement.

2.3.3. JOB SATISFACTION AND MORALE

Morale is considered to be a state where an employee/person:

- is motivated towards high productivity,
- is satisfied with his job,
- wants a secure position in the organization,

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• subordinates individual interest to general interest,
• acts wisely at the time of crisis,
• prefers working in a dynamic environment.

Morale relates to the general attitude of an employee and it relates to a group on the other hand job satisfaction is an individual phenomenon affected by various factors; group is one factor among all other.\(^{38}\)

2.3.4. JOB SATISFACTION AND REWARDS

Rewards may be monetary (money) or non-monetary (recognition, appreciation, etc.). Reward in one of the major motivators for job satisfaction. Rewards mean different things to different people. Each employee as an individual expects a different kind of reward. For motivating him the employer needs to apply the correct reward to each individual receiving it. For instance just salary as a reward to a teacher for her outstanding performance in teaching may not be as motivating as good marks and respect from her students.\(^{39}\)

Rewards are also related to opportunities in certain cases example, promotion, which is a means of employee recognition that leads to job satisfaction.

2.3.5 JOB SATISFACTION AND PERFORMANCE

The relation between job satisfaction and employee performance is a complex one. The two terms are interrelated to one another. A few say satisfaction leads to performance while others believe that performance leads to satisfaction this means a person satisfied with his job will yield better results but to yield such results, one has to be satisfied with his job.\(^{40}\)

These are various cases where an employee gives his 100 percent input and performs well but he might not be working to the level required by the organization. The employee may be satisfied with his job but the employer may not consider his work apt for his organization.

\(^{39}\) Baldev R. Sharma, Determinants of Job Satisfaction among Bank, 2010
2.4 DIMENSIONS OF JOB SATISFACTION

Past experience of managers and employers mark the fact very clear that a sustained emotional return from employees is very difficult if they don’t get emotional support in return most of the times the employees remain unsatisfied. Thus the employers should realize the fact that fulfilling employees physical needs such as pay and conditions is utmost important. But the fact is only monetary benefits does not increase job satisfaction there are other aspects too that have to be considered.

‘The Three Dimensions of Job Satisfaction’, a model by Jan Collins makes it clearer. According to him, employees work needs fall under three categories: physical, intellectual (or mental) and emotional. In most of the organizations, physical and intellectual needs are easily satisfied. The most difficult aspect is coping up with their emotional needs. This affects productivity on one hand and employee turnover on the other.\textsuperscript{41} Employers and employees both need to put in an effort to work on the following three dimensions or areas:

(a) The Physical aspect: It works at the conscious level which is very easily noticed by the management.

(b) The Intellectual aspect: It also works on the conscious level but it is not necessary that they are always visible. They may or may not be easy to judge.

(c) The Emotional aspect: This includes feelings at an unconscious level like caring, commitment and concern. Even the results are not always as visible.

Figure 2  2.1 Collins Pie Chart

<table>
<thead>
<tr>
<th>Investment → Return</th>
<th>Physical</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Intellectual</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Emotional</td>
<td></td>
</tr>
</tbody>
</table>

Collins Pie Chart

The experts believe that for any additional investment from employees in any of these dimensions first step should be taken by the employer in the same field. If employers want their employees to be humble, polite and empathetic towards customers they should take the initiative to behave in the same way with their employees. Simply giving them monetary benefits will not solve the purpose.
In the following chart, just a few examples are mentioned to make it more clear.

2.2 Collins Pie Chart – Example

<table>
<thead>
<tr>
<th>Physical</th>
<th>Investment → Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turn Up</td>
<td>Get paid</td>
</tr>
<tr>
<td>Punctual</td>
<td>Uniform</td>
</tr>
<tr>
<td>Dress appropriately</td>
<td>Safe working practices and conditions</td>
</tr>
<tr>
<td>Do the job</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Intellectual</th>
<th>Investment → Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiative</td>
<td>Give responsibility</td>
</tr>
<tr>
<td>Creativity</td>
<td>Interesting work</td>
</tr>
<tr>
<td>Skills</td>
<td>Opportunity for promotion</td>
</tr>
<tr>
<td>Flexibility</td>
<td>Challenges</td>
</tr>
<tr>
<td></td>
<td>Provide variety</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Emotional</th>
<th>Investment → Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respect</td>
<td>Respect</td>
</tr>
<tr>
<td>Loyalty</td>
<td>Loyalty</td>
</tr>
<tr>
<td>Empathy</td>
<td>Empathy</td>
</tr>
<tr>
<td>Enthusiasm</td>
<td>Enthusiasm</td>
</tr>
</tbody>
</table>

Source: http://www.terrifictrading.com/the-3-dimensions-of-job-satisfaction/

2.5 CONSEQUENCES OF JOB SATISFACTION

Confirmation indicated that employment fulfillment is emphatically identified and reliably identified with prosperity. High job satisfaction may lead to high productivity, reduced turnover, improved attendance, diminished mis-chances, lower unionization, etc. Low job satisfaction is usually the main reason behind job stress, overall poor performance, lack of productivity, high employee turnover, etc.
2.5.1 PRODUCTIVITY

Tyson Burke said, “Happy worker is a productive worker”. Job satisfaction may not have an immediate effect on productivity but its benefits are long term. This is still a debatable issue as research evidence concludes the opposite. However, the fact is that an employee reward or recognition would be more satisfying and would definitely contribute to high job performance (productivity). Many a times job satisfaction may not directly have a visible effect on individual performance but it has improvements on departmental and organizational level.42

2.5.2 REDUCED TURNOVER

Any organization with high employee turnover has greater chances of disrupted operations, it also adds to extra cost on recruitment and training. The employer does every possible effort to make the employees satisfied and minimize turnover.

The other factors upon which employee satisfaction depends are commitment to the organization, even if they are dissatisfied they would not prefer switching their jobs. Even better jobs opportunities affect employee turnover, if an employee gets better offer he tends to leave the existing job but if no opportunities are available the employee however dissatisfied will remain in the existing job.43

2.5.3 ATTENDANCE

There is an inverse relationship between job satisfaction and absenteeism. High job satisfaction leads to low absenteeism and low job satisfaction leads to high absenteeism. Voluntary absenteeism is very common in the organizations these days. Employees who are less satisfied are more likely to take more leaves as against unavoidable absenteeism e.g. sick leaves. Research also shows that satisfied employees have lower absenteeism. The fact is, high job satisfaction

42Ford, L. 2005, Transform your workplace: 52 proven strategies to motivate, energize, and kick productivity up to the next level, Mc Graw Hill, New York, U.S.
may not result in low absenteeism (because of unavoidable absenteeism), but low level of job satisfaction will surely lead to high absenteeism.\textsuperscript{44}

\textbf{2.5.4 MIS-HAPPENINGS}
Safe work environment leads to high level job satisfaction. Poor safety practices demotivate employees. Even if people are not satisfied with their supervisors, company or jobs they become more prone to accidents. One reason for all these accidents is that discouragement distracts the attention of employees and they are prone to accidents due to inattention.\textsuperscript{45}

\textbf{2.5.5 JOB STRESS}
Job stress is the most popular phrase seen and heard in the modern era. A huge amount of human potential is drained away due to job stress. The major reasons are overwork, job insecurity, overload and increasing pace of life. It actually results from a misfit between individuals and their aspirations.

If an employee has prolonged stress he can get affected by heart diseases, dermatitis, blurred vision, lower back pain, etc. If this continues the employees may start consuming alcohol, drugs and tobacco.

\textbf{2.5.6 UNIONIZATION}
Unions in India are quite strong and persuasive. They play a more prominent role in urban areas rather than in rural areas. The reason behind setting up of unions is organization’s unhealthy climate, personnel policies and practices of management. The employees rely upon union officials for grievance settlement. The union leaders expect the employees to gain membership from them.\textsuperscript{46}

2.5.7 ADJUSTMENT

If an employee is unable to adjust in his job, it can affect his work-life, family tensions, job stress, social isolation, anxiety, emotional instability, fear. All these factors contribute to the problem of adjustment of an employee. Even the level of anxiety influences job satisfaction. It varies from individual to individual and many a times, it varies from time to time in the same individual. One person’s reason for stress and anxiety may differ from that of others. Many studies in this context have shown a positive relation between adjustment and job stress.

2.6 JOB SATISFACTION AND PERSONAL CHARACTERISTICS

Any employee joining an organization brings along with him, his personality traits which directly or indirectly affects his performance in the job and the work environment too.

2.6.1 AGE

One of the most complex phenomenons to understand is the relationship between age and job satisfaction. A general belief of people is that job satisfaction increases with an increase in the age of an employee as he would be more experienced and this would bring an ease in performing a better job. This concept had a very few exceptions.

2.6.2 MARITAL STATUS

In various studies conducted about how marital status affects job satisfaction only a few could establish relationship between the two. The general notion being that married people having more financial and family responsibilities tend to value their job some that the unmarried ones. But the studies conducted at large do not conclude the same.

2.6.3 EDUCATION

A very unusual review regarding this aspect has been noted down in the studies conducted in this sphere. Majority believed a positive relationship between education and job satisfaction.

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Moreover, it is just to assume that more qualified employees will be more frustrated of allotted routine jobs. But a few researchers found that higher education leads to high satisfaction.

2.6.4 NUMBER OF DEPENDENTS

The number of dependents on an employee has a major role to play in determining the level of job satisfaction of the employee. It is considered that an employee having a lot of dependents has more responsibility towards the family and has to pay more attention towards his job whereas on the other hand an employee having no or less dependents tend to be more carefree and have a casual attitude towards their jobs.

2.6.5 INCOME

Higher income leads to higher job satisfaction. Emoluments have a positive relation with productivity and satisfied employee. If an employee finds a job that pays him in accordance to his skill-set i.e., he gets a fair income from his job, he is sure to get motivated and show positive results.

2.6.6 EXPERIENCE

Varied results were shown in the studies conducted on the relationship between years of experience and job satisfaction. If we look into the general understanding, we would probably say that a person, who starts his career development stage, is more enthusiastic as compared to later stages of his job. The interesting thing to understand here is that it increases once again when he is close to his retirement. This happens due to the lack of alternative opportunities available to him.

2.7 SOURCES OF JOB SATISFACTION

Many elements combined together lead to job satisfaction. A few prominent among them are nature and type of work, salary package, promotion opportunities, organizations policies, group norms, work environment, etc.
2.7.1 ORGANIZATIONAL FACTORS

Organization plays an important role in determining the level of job satisfaction of an employee. The following factors affecting job satisfaction of an employee:

2.7.1.1 Compensation/Pay

Pay package plays a significant role in influencing the level of job satisfaction. There are twin purposes solved by good packages. Firstly, money is an important motivator and secondly, it shows employer’s attitude and concern towards employees.\(^{48}\)

Employees always expect a fair compensation package, which is simple and fulfills their expectations. It is not always the amount received but the fairness shown by the employees that affect job satisfaction.

\(^{48}\)Morse, N.C., “Satisfactions in the White Collar Job”, University of Michigan, Michigan, 1953.
2.7.1.2 Nature of Work

In today’s competitive era, to survive in the organization an employee has to perform a variety of tasks that involve creative ways of performing jobs. These characteristics make jobs mentally challenging. Less challenging jobs create boredom but on the other hand too many challenges lead to frustration and failure. If an employee is satisfied with his job profile he is sure to develop a congenial work environment.

2.7.1.3 Promotions

The fairness of promotional opportunities has a positive effect on job satisfaction. The aspiration of an employee to show better performance in his job increases if the organization provides better scope for promotions. The public sector employees are satisfied in this aspect as they hope to get promotions every two to three years in his entire service, the promotion of a private sector employee depends upon his performance in the jobs.49

2.7.2 WORK ENVIRONMENTAL FACTORS

Environment in which an employee works plays an important role in determining the level of job satisfaction of an employee. The following environmental factors affecting job satisfaction of an employee:

2.7.2.1 Supervision

There is a positive relationship between the quality of supervision and job satisfaction. If the superior acts congenially with his subordinates, the subordinates feel motivated to work and a better environment is established. If the superior is not supportive, the morale of the employees automatically goes down.50

2.7.2.2 Work Group

A healthy group provides employees with an environment of support, comfort, advice and assistance. It provides a scope for interaction too. If the members have common interests higher level of satisfaction can be seen. Smaller work groups provide more mutual trust and understanding.

2.7.2.3 Working conditions

Better working conditions lead to better physical comfort. A clean and healthy environment is always desired by the employees. Temperature, lighting, noise, ventilation, cleanliness and humanity affect job satisfaction. Good working conditions do not directly affect productivity but poor conditions do.

2.7.3 WORK ITSELF

Up till an employee feels happy about the work he is doing, he can never give good and positive results. The following factors are considered at work for an employee to be satisfied:

![Figure 5: Work As A Motivator](http://www.yourarticlelibrary.com/hrm/jobs/factors-influencing-job-satisfaction-with-diagram/53312/)

2.7.3.1 Job Scope

Job scope includes in itself the amount of responsibility, feedback and work pace. It has a positive relation with job satisfaction.\footnote{Irwin L. Gold Stein, Kevin Ford, J., Training in Organisations’, 4th Edition, Thomas Asia P. Ltd., Singapore, 2001.}

2.7.3.2 Variety

Monotonous jobs always reduces job satisfaction, and too many types of job responsibilities create confusion. A moderate amount of variety is highly effective.

2.7.3.3 Autonomy and Freedom

If an employee is given a scope for using his powers and has autonomy in taking decisions, his level of job satisfaction will automatically increase. Employees get frustrated when they have to ask their superiors for every minute decision.

2.7.3.4 Role Ambiguity and Role Conflict

Role ambiguity and Role conflict always leads to confusion and chaos in the organization. Employee and employer both get dissatisfied with this.

No two bosses should lead and direct a group of employees. There should always be separate bosses for separate work groups.

2.7.3.5 Interesting work

An interesting job profile provides better satisfaction to the employees as compared to boring and monotonous jobs that creates dissatisfaction and lack of interest in the employees.
2.7.4 PERSONAL FACTORS

Employee himself is an important determinant of his level of job satisfaction in an organization. The following personal factors affect the job satisfaction of an employee:

2.7.4.1 Age and Seniority

With age, the maturity level of the employees increase and they tend to become more satisfied with the available resources. They also move to higher positions and more challenging jobs. Those employees who do not move up tend to be more dissatisfied.\textsuperscript{52}

2.7.4.2 Tenure

Those employees that work for longer tenure are more satisfied employees. Longer tenure ensures job security that result in job satisfaction. The fear of losing is reduced when there is job security.

2.7.4.3 Personality

Self-esteem, self-assurance, maturity, autonomy, responsibility, challenges are a few traits that lead to job satisfaction. A person with positive personality traits provides a healthy work environment, this type of satisfaction comes from within the person and it shows that the employee is happy and has a positive attitude.\textsuperscript{53}

2.8 THE WORKPLACE AND SATISFACTION

A study on the contribution of various elements in the workplace towards job satisfaction was done by Harry Onsman in North America. It was done by “group – level” items that include the relationship between managers, colleagues and workplace friends. This study had twelve core

elements considered important for job satisfaction that influence the employees in giving better output and productivity and also in reducing employee turnover.\textsuperscript{54} The elements are as follows:

1. I should know the expectations of my employer from me.
2. Whether sufficient and right equipments or materials are available at the workplace for my efficient working.
3. Is there a scope for me to take initiatives in my daily routine work?
4. Is there the policy of giving recognition of praise for any good job done?
5. The environment is congenial enough where the superiors and peers care about everybody.
6. The scope for encouragement there is present to what extent for my development.
7. My opinion has weightage or not.
8. Do the aim of my company and my interest coordinate or not?
9. The quality of work done by my co-workers.
10. Are the people pally with me in my workplace?
11. The discussion about my progress in the past six months.
12. Is there any scope for learning and growth in the organization?

These elements also confirm the previous studies and theories. It can be confirmed by the following facts:

   Firstly, most of the elements are related to the “motivators”.

   Secondly, majority of the motivators are related to group not to a corporate level.

   Thirdly, this shows that the employees have to fit, themselves within the organization because their values contribute to better performance.

   Lastly, various dis-satisfiers at the corporate level must be removed from the workplace so that the individuals can concentrate on work in a better way and the scope for the group-level elements to be harmonious enhances.

2.9 FACTORS INFLUENCING EMPLOYEE SATISFACTION

Employee satisfaction literally means how happy the employees are with their jobs and their level of commitment towards the organization. If it is present in the organization, the employees will hardly wish to switch their jobs and they will motivate the other employees too for better work performance.

Better working conditions make the employee comfortable and happy. Otherwise the employee does not contribute to this assigning people responsible for cleanliness of offices, proper drawers/cabinets for keeping documents and other important things, having fire resistant devices, etc. Treating employees with utmost care and respect can give wonderful results.55

Giving proper benefits to the employees also motivates employees and avoids nasty office politics. Well paid employees with proper designations and roles and responsibilities are always appreciable. As soon as the employee realizes that he is underpaid, he starts making it sure that the incentives and monetary benefits are directly proportional to the efforts of the employees.


The employer should not expect a person with five years of experience, performing as entry level task. Hikes, benefits and promotions are the rights of an efficient employee. Give challenging tasks to the employees and be transparent with them, should be the thumb rule of a sense of responsibility towards the organization if he finds himself to be an indispensable part of the organization, if proper space and freedom is given to him, if he has autonomy of taking decisions.

![Figure 7: 2.6 Components of Job Satisfaction](https://wikispaces.psu.edu/display/PSYCH484/11.+Job+Satisfaction)

Source: https://wikispaces.psu.edu/display/PSYCH484/11.+Job+Satisfaction

### 2.10 MEASURING JOB SATISFACTION

In the earlier times only measurements of intelligence was considered to be important but with the growing global era, even measurement of job satisfaction has acquired fate. With no specific definitions, generally questionnaires are developed for this purpose. Majority of the studies conducted on it, emphasize on operationalizing it rather than defining it. There are certain approaches that describe that a particular relationship works but it tells nothing about why it
works. Various attempts have been done in the past to measure job satisfaction, and surely numerous will be done in the future too.

The earliest scale is known to be by Hoppock (1935), with four items having seven alternative responses each. His is, perhaps, the only direct measure of job satisfaction. A lot of others have indexed job satisfaction in terms of a variety of questions dealing with various aspects that are directly or indirectly connected with jobs. There are various measures used to measure these responses: 5-points, 7-points, agree disagree scale or may be simple yes-no responses.

Hoppock (1935) identified six factors that contributed to job satisfaction:

- The reaction of individual in unpleasant situations
- His adjustment capacity with others
- His status in the organization and social group
- The work assigned to him in respect to his interests, abilities, etc.
- The sense of security
- His loyalty towards the organization.

These were considered to be the general factors contributing to jobs satisfaction. However, a number of Indian studies are concerned with specific aspects of work. Generally, any one of these methodologies of data collection is adopted in the Indian context.

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2.10.1 CRITICAL INCIDENCE

Herzberg developed the critical incidence approach to measure job satisfaction. He and his associates called it the two-factor way of motivation. In this approach, the employees were told to mention those incidences where they were particularly satisfied or dissatisfied. Analysis of these incidents was done later to determine which incident was more closely associated with the positive or negative attitudes of the employees.  

2.10.2 RATING SCALES

Rating scales are considered to be the most common of all approaches used for measuring jobs satisfaction. This type of scale usually falls under two categories: first, commonly known as factor made scales, are constructed for a setting or a project in particular. Second, these are

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standardized scales, which even before their use, have been developed to establish group norms reliability and validity of the instruments used. This instrument is tailor made and is used frequently.59

2.10.3 INTERVIEW

Personal interviews are considered to be a good measure of job satisfaction. Under this approach, each employee is personally interviewed and on the basis level of satisfaction or dissatisfaction is judged.

2.10.4 MINNESOTA SATISFACTION QUESTIONNAIRE (MSQ)

Minnesota satisfaction questionnaires are another popular rating scales used. They have 20 factors. To study these 20 factors, a set of five questions is made. In all there are hundred question divided into five questions of 20 factors each.60 These are

1. Ability Utilization
2. Achievement
3. Activity
4. Advancement
5. Authority
6. Company policies and practices
7. Compensation
8. Co-workers
9. Creativity
10. Independence
11. Moral values
12. Recognition
13. Security
14. Responsibility

2.10.5 JOB DESCRIPTIVE INDEX (J.D.I.)
Smith, Kendall and Hulin identified a five-point scale to measure job satisfaction. The Job Descriptive Index measures satisfaction on separate scales for pay, promotion, supervision, work and co-workers. Since many years it has been widely used by various researchers to provide a broad picture of the attitude of an employee towards various job elements.\(^6\)

2.10.6 ACTION TENDENCIES
Action tendencies basically measure employee’s level of job satisfaction by representing the inclinations of people towards approaching certain things.\(^6\) Information is gathered about their feelings with respect their jobs and the factors influencing their jobs.

2.11 THEORIES OF JOB SATISFACTION
Job satisfaction is considered to be a set of complex variables, a combination of psychological, physiological and environmental circumstances under which a person says that he is satisfied with his job. This indicates a variety of variables influencing the satisfaction of an individual but it does not make anything clear about the nature of job satisfaction. In fact, one can consider job satisfaction to be the end state of feeling. The term end here makes it very clear that the task has been finished, it could be an individualistic or a group task, a minute or a large task, based on

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observations or experiments or experience, it can be anything but under any situation, the end result is a satisfied need. The feeling derived out of it can be positive or negative depending upon whether it is satisfied or not, as it does not only depend upon the efforts put in by an individual but also the situational factors available to him.63

In general, job satisfaction covers the feeling of an employee towards his job; it also includes a few specific aspects such as, the colleagues or the working conditions, expectations of superiors, etc. However, job satisfaction does not only include the pleasure an employee derives from his work, there are numerous attributes contributing towards its.

The theories of job satisfaction have two different perspectives: Content theories and Process theories.

Content theories are more concerned with individual needs and individual goals. They basically deal with “what” motivates employees in an organization. The popular content perspective theories are Maslow’s Need Hierarchy theory, Herzberg Motivator-Hygiene theory, Clowton’s SRG theory, McGregor’s theory X and theory Y and McClelland’s Need theory.

Process theories are more concerned about the way motivation can take place. They deal with the “process” of motivation and “how” does motivation occur. The popular process theories are Vroom’s Valance Expectancy theory, Adam’s Equity theory, Locke’s Goal Setting theory, Porter and Lawer model.

2.11.1 CONTENT THEORIES

Content theories explain why the human needs change from time to time and what leads to this change. They explain the factors motivating change. Content theories include the work done by Maslow, Herzberg, Alderfer, McGregor, etc.

2.11.1.1 Hierarchy of Needs Theory

Hierarchy of needs theory, popularly known as Maslow’s need hierarchy theory was one of the first theories to emphasize and examine the important contributors of job satisfaction.

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According to Abraham Maslow, human needs are categorized under five heads in order of preference thus forming a five level hierarchy consisting of basic physiological needs, safety and security needs, belongingness/affiliation needs, and self-actualization.\textsuperscript{64} This can be made clearer with the following figure:

![Maslow's Need Hierarchy Theory](http://changingminds.org/explanations/needs/maslow.htm)

Source: http://changingminds.org/explanations/needs/maslow.htm

Maslow developed this theory to explain human motivation aspect in general. However, it is applicable to the work environment and is being used to explain job satisfaction most popularly.

In the organizational context, the basic physiological needs include the pay package and medical benefits of an employee. Safety and security needs manifest through the efforts or the equipment provided by the employer for the physical safety of an employee, first-aid boxes, sick rooms, etc. are a few examples in this category. It also includes security aspect that includes company’s structure and policies regarding employee selection and retention. If the employees feel safe and secure in the workplace, he tends to develop a feeling of belongingness towards the workplace. Once he is satisfied with the environment in which he is working, then comes the third phase of belongingness and affiliation. Now he starts seeking recognition and appreciation from his colleagues and superiors. He would wish to be treated as an important part of the organization and develop a positive and harmonious relationship with others.\textsuperscript{65}

The final step is where the employee seeks self-actualization. In this stage, the employee shows his best capability of doing a task. In fact, each stage is a step taken towards the last stage, therefore, the organization should pay emphasis in satisfying the low level basic needs of an employee as an attempt to progress towards his high order needs.

Recently, this approach is losing its’ popularity as it does not consider the cognitive process of an employee and does not provide any empirical evidence.

2.11.1.2 Motivator-Hygiene Theory

Frederick Herzberg in his motivator-hygiene theory suggested that job satisfaction and dissatisfaction are not actually two opposite ends of the same continuum, but if practically analyzed both of them are two absolutely separate and unrelated concepts.

The satisfiers or the motivators include pay, benefits, rewards, recognition, achievement, etc. Whereas the hygiene factors or the dis-satisfiers include working conditions, company policies, structure, communication, job security, etc.66

Both the motivational and the hygiene factors are considered to be independent because there is a great probability that an employee is neither satisfied nor unsatisfied.

This theory explains us how an employee gets dissatisfied if the hygiene factors are low, but at the same time if these factors are high, it means that the employee is not dissatisfied. The satisfaction or dissatisfaction of an employee largely depends upon the motivators.  

There may be certain circumstances where an employee may have a mixed feeling of being satisfied and unsatisfied at the same time or may be neither satisfied nor unsatisfied.

### 2.11.1.3 ERG Theory

Clayton Alderfer synchronized Maslow’s need hierarchy theory of motivation with empirical research, in his own terms. In his rework, he kept the basic structure of Maslow’s theory but re-categorized it into three simpler and broader classes of needs overlapping the middle layers and named it as ERG theory.

![](Figure_11_2.10_ERG_Theory.png)

Existence needs: This is the lowest level of needs including the basic necessities required for the physical survival. In the organizational context it includes salary, fringe benefits, better and safe working environment and job security. In all, it includes the physiological and safety needs of an individual.

Relatedness needs: These include the aspirations an individual holds in terms of maintaining interpersonal relations with his colleagues, superiors, and subordinates in the form of emotional support, respect, recognition and a sense of belongingness, social needs and the external components of esteem needs fall under the relatedness needs.

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67 ibid

Growth needs: This included the need for self-development, advancement and personal growth by focusing on self. This can be done by utilizing one’s capabilities to the fullest.

Self-actualization needs and the intrinsic components of esteem needs fall under this category. According to this theory, if the manager concentrates only on a single need at a time, this will not effectively motivate the employee.

2.11.1.4 Theory X and Theory Y

Douglas McGregor, in his Theory X and Theory Y suggested two different aspects of human behaviour at work: Negative (Theory X) and Positive (Theory Y). Certain assumptions were also laid down in this context.\(^{69}\)

Assumptions of Theory X

- An average employee does not wish to work always and finds out means to escape it whenever possible.
- In order to make an employee work, he should be persuaded, compelled, warned or punished. For this close supervision with dictatorial style is needed.
- Most of the employees treat job security as the top priority and thus have almost negligible ambition or aspiration.

Assumptions of Theory Y

- Here, employees perceive their jobs to be relaxing and normal and try to put in their physical and mental efforts to the task assigned.
- Self-direction and self-control are more important for them than threat, external control or coercion.
- They will be more loyal and committed if the job is rewarding, resourcefulness and innovative capacities should be fully utilized to solve the organizational problems.

McGregor considers Theory Y to be more valid and reasonable and so he is in favour of encouraging cordial team relations that can be held responsible for carrying on jobs and tasks by participating in decision making.

2.11.1.5 Need Theory

In his needs theory, David McClelland considered that human beings get motivated by three basic human needs. These were:

N-Ach- Need for Achievement: Employees with high N-Ach wish to excel and thus they usually avoid low and high risk situation. They prefer that work has 50 percent chance to success i.e. moderate probability. They always wish for a regular feedback so that they themselves can also monitor their progress. They tend to either work alone or with other high achievers only.

N-Pow- Need for Power: The need for power can be categorized either as personal or institutional. Employees aspiring for personal power always desire to direct others, which is undesirable. Those wanting institutional or social power tend to organize the efforts of everyone towards organizational goals. Managers with high institutional power are always more desirable than those with personal power.

N-Aff- Need for Affiliation: The employees with the need for affiliation always feel the need to be accepted by others and establish harmonious relationship with everyone. They prefer accepting the group norms and work on tasks giving more scope for personal interactional. They can show their best in customer service and client interaction situations.

2.11.2 PROCESS THEORIES

Process theories explain how an employee gets motivated. These theories generally have a scientific base and they explain the way in which the needs of an individual changes. Some of the process theories are given by Vroom, Edwin, Locke, Porter-Lawer, etc.

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2.11.2.1 Vroom’s Valence Expectance Theory

Victor H. Vroom, in his valence expectancy theory provides a systematic explanation about the workplace motivation. According to him, motivation depends upon an individual’s expectation about an act to be followed by a given outcome and the attractiveness an individual has towards that outcome. In most simple terms, an individual gets motivated to work when he is aware of the fact that his performance will lead to better appraisals and his personal goals shall be achieved in the form of rewards.\(^\text{72}\) The three components of Expectancy theory are:

- **Expectancy:** \( E \rightarrow P \). This is also known as efforts and performance relationship. Here the employee believes that his efforts would lead him towards the attainment of the desired performance (P) goals.

- **Instrumentality:** \( P \rightarrow R \). This is also known as performance and reward relationship. Here, the employee believes that he will get a reward (R) if the performance (P) expectation is met.

- **Valence:** This is known as rewards and personal goal relationship. Here, the employee assess whether the reward and the value of the reward is attractive for him or not.

An example for this is

\[
\text{Motivation} = \text{Valence} \times \text{Expectancy}
\]

Thus,

\[
\text{Valence} \times \text{Expectancy}
\]

\[\downarrow\]

\text{Motivation}

\[\downarrow\]

\text{Action}

\[\downarrow\]

\text{Results}

\[\downarrow\]

\text{Satisfaction in the form of rewards}

\(^{72}\text{Whitley, P. 2002, Motivation, Capstone Publishing, Oxford, Great Britain}\)
2.11.2.2 Equity Theory

John Stacey, Adams in his equity theory suggests that an individual compares the rewards received by other employees on similar positions with his rewards. And if he finds them equitable, fair and just, he feels satisfied.  

He says, that an employee always seeks to maintain equity between the efforts and hard work he contributes with the rewards and appraisals given by the organization. If an employee finds an organization giving similar outputs to two employees with high level of variations in their inputs the one with greater efficiency and productivity is sure to get demotivated and unsatisfied and give poor results.

2.11.2.3 Goal Setting Theory

Edwin a Locke in his goal setting theory explains human actions in specific work situations. He says that goal or targets motivate employees to work better and in specific directions. An orientation of employees towards goals avoids chaotic situations in the organization.

Locke explains that if the goals for employees are set at higher standards, they tend to put in maximum effort to achieve it. The concept of ‘self-efficiency’ is related to this, where an individual believes that he is capable of performing the task and gets motivated to finish it.

2.11.2.4 Porter and Lawler Theory

The theory propounded by Porter and Lawler used expectancy theory to develop their model. Vroom suggested that the performance of an employee depends upon the expected rewards Porter and Lawler added a few aspects to it.

Intrinsic and Extrinsic Rewards:

Intrinsic rewards included inner positive feelings of an employee where he gets motivated with his own experiences from completing the task. This includes sense of achievement, satisfaction, etc.

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Extrinsic rewards are those external motivators which work due to company’s policies like bonus, increments, commission etc.

Ability and Perception:

An individual’s capabilities and mindset, his ways of looking different aspects affects his work performance. An optimist is seen to give better results than a pessimist.

![2.11 Facets of Job Satisfaction](https://wikispaces.psu.edu/display/PSYCH484/11.+Job+Satisfaction)

2.12 CONCLUSION

In today’s competitive era, it is very crucial for an employee to choose right people for their organization and create a congenial work environment for them so that it is free from dissatisfies and the employees also develop a positive attitude towards the organization and can work for accomplishing organizational goals along with satisfying their personal goals.

A better work environment is a state where employees are not only satisfied with their job but are also committed towards the organization and develop a long-term association. The managers should also take efforts where the employee is assigned interesting and challenging jobs so that
no monotony creeps in. If the employee enjoys his work he would be more inclined towards his work, all these issues needed to be considered for a research in job satisfaction are presented briefly in this chapter.

The long journey of evolution of human motivation from monetary benefits to job satisfaction can therefore be seen in this chapter. The immediate effect of job satisfaction may not result into increased productivity but its benefits can definitely be seen in long run.

This chapter describes that job satisfaction may result into increased productivity, reduced attrition as well as reduced absenteeism. Aspects like safety, unionization, productivity, absenteeism, turnover, measures for job satisfaction, reading scale, questionnaire, critical incidence, action tendencies, etc. are explained. Theories like Abraham Maslow’s need hierarchy, Clayton Alderfer’s ERG theory, Douglas McGregor theory and various other relevant theories are also explained.

In continuation of the above, the next chapter deals with the profiles of both the banks i.e. State Bank of India and Industrial Credit and Investment Corporation of India Bank; as the study deals with a comparative study on job satisfaction of these two banks. It also describes the history, origin and growth of both these banking institutions.