CHAPTER 6

STUDY OF EMPLOYEES SATISFACTION
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6.1. INTRODUCTION

This Chapter handles the issue of employees satisfaction and motivation which in result helps to achieve customer satisfaction. The chapter throws light on the area of improvement and to build and maintain sustainable employees relationship.

6.2. EMPLOYEES SATISFACTION

Organizations today are facing major challenges in terms of competition, innovation, productivity and work force Diversity. (M. R. V. Bhaskar, K. Haritha, and S. E. V. Subrahmanyam, 2011) Over the past several years, all types of organizations have focused on supremacy in key financial areas. By searching the labour market for the most efficient resources, creating process improvements, and using technology to speed up operations, companies have improved financial performance and have created competitive advantages. Then what is the source sustainable competitive advantage over the competitors? The answer to this question is satisfied employees.

Job satisfaction is a pleasurable emotional state which results from the appraisal of one’s job, as achieving or facilitating the achievement of one’s job values. Job satisfaction can be viewed as an emotional state; positive in connotation which is because of the goodness emanating from the job the individual is doing. (Locke) The concept of job satisfaction is typically defined as an individual’s attitude about work (Vroom, 1967).

According to Nancy C. Morse (1997) “Satisfaction refers to the level of fulfillment of one’s needs, wants and desire. Satisfaction depends basically upon what an individual wants from the world, and what he gets.” Employee satisfaction is a measure of how happy workers are with their job and working environment.
It is sure that there may be many factors affecting the organizational effectiveness and one of them is the employee satisfaction. Effective organizations should have a culture that encourages the employee satisfaction, Bhatti & Qureshi, (2007).

Employee Job Satisfaction Level may be improved through the implementation of Management practices. Employee empowerment, employee compensation, teamwork and management leadership are significantly positive predictors of employee job satisfaction within the context of employees of automotive industries in India. (Swarnalatha C., Sureshkrishna G., 2012) In organization, productivity of the employees depends on their satisfaction.

Keeping employees motivated and customers loyal at the same time could indeed be a huge challenge to even the most progressive organizations in any sector including automobiles.

The term organizational development is becoming more common in organization across industries and sectors. Automobile dealers are experiencing the same issue. They want a curb on their labour expenses, at the same time they want to retain star employees, reduce the attrition rate. To achieve this goal of organizational development, dealers needs to have concrete process and policies to screen, select, train best staff available. In the periods of recession or dumb business, importance of individual productivity, trained employees and their retention becomes more important.

The satisfaction of employees at the workplace can be measured by looking at the following indicators.

- Employee Retention
- Customers Satisfaction
- Employees Productivity
- Profitability of the organization.
Satisfied employees are mentally more secured about their jobs in the organization and get involved in their job or task assigned to them and are found to be more creative and productive, which leads to higher customer satisfaction and profitability of the organization. This obviously saves more time, resources in terms of selection, training and compensation specially in turbulent times.

In the present study, while designing a questionnaire following aspects related to job and employee have been considered.

### 6.3. WELFARE SERVICES FOR EMPLOYEES

Welfare services may broadly be classified into two categories: Intramural activities which are provided within the establishment such as latrines and urinals, crèches, rest centers, canteens, uniforms, library, medical aid, subsidized food, shift allowances and so on.

Extramural activities which are undertaken outside the establishment such as family planning, child welfare, cooperative stores, credit societies, holidays homes, leave travel facilities, transport to and from the place of work and so on. In dealerships Intramural facilities are given priority but extramural facilities are not that popular. But as dealerships are located away from city, some dealerships provide for transport facilities where as the remaining facilities are not very popular. Labour welfare work may also be divided into two categories: Statutory and Non-Statutory. Voluntary welfare work includes those activities which are undertaken by employers for their workers voluntarily. Many employers, nowadays, offer the following amenities voluntarily: Providing health maintenance services, emergency care, on the job treatment care for minor complaints, health counseling, and medical supervision in rehabilitation, accidents and sickness prevention, health education programme and Medical benefits for the employee family members. They provide the facility of reimbursement of medical expenses borne by the employees.
According to Quinn, Staines and McCullough differentiated factors responsible for satisfaction were divided between Blue and White Collar workers in order of their importance which are as under:

<table>
<thead>
<tr>
<th>Blue-Collar Workers</th>
<th>White-Collar Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The Pay is good</td>
<td>1. The Work is interesting</td>
</tr>
<tr>
<td>2. Receive enough help and equipment to get the job done</td>
<td>2. Have an opportunity to develop ones special abilities</td>
</tr>
<tr>
<td>3. The job security is good</td>
<td>3. Have enough information to get the work done</td>
</tr>
<tr>
<td>4. Have enough information to get the job done</td>
<td>4. Have enough authority to do the job</td>
</tr>
<tr>
<td>5. The work is interesting</td>
<td>5. Receive enough help and equipments for getting the job done</td>
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Source: Quinn, et al.

6.4. FACTORS THAT PLAY A ROLE IN SATISFYING EMPLOYEES AND WAY TO IMPROVE SATISFACTION

The study reveals that the priorities were different for different classes of employees. Satisfaction goes hand-in-hand with expectations or desires. Therefore, in an attempt to explain job satisfaction, one needs to know what the staff expects in their working environment. Steers and Porter (1992) explained need as a person’s internal state of disequilibrium that has the power to trigger a behavior-related response. This explains the link between needs and motivation. There first has to be a need and a will to satisfy that need for there to be a response to satisfy the need.

Growing competition has left less room for differentiation in many segments, on average, sales staff forms 50% of the showrooms workforce. The question arises as to why do these frontline battle men or women sometimes fall short on holding a potential customer. The
reason being due to the variations which exist between the manufacturers and even within the same network.

All good dealers and customers need either a great salesperson or a highly different, differentiated product to make customers put their hard earned money on the table to purchase a commodity like a car. Due to growing competition in all segments of cars and technological inventions, it is becoming easy for the manufactures to copy their competitors models thereby making it difficult for the companies to differentiate their products. The importance of finding employees and especially finding a salesperson equipped with a perfect attitude and knowledge of product is very essential.

An employee spends half of his life time in the organization hence organizational factors are very influential in deciding the level of satisfaction not only in the professional life but in personal life also. The number of organization determinants of employees satisfaction are numerous. The employees satisfaction in the organization can be increased by organizing and managing the organizational variables or organizational factors.

6.4.1. Clearly Explained Career Path and Avenues of Professional Growth

Today talent is at the center of the 21st century business equation. This is true around the world, India is no exception. Dealers should provide all relevant information about the career opportunities available in the company, provide training to enable employees to enhance their skills, knowledge and abilities. Due to higher educational levels and more opportunities outside, retention of star employees is a matter of concern. One of the valid reason for this problem is lack of career progress. Because of the flat nature of the dealership organisation, even well performing employees do not have a clear progress path. This is coupled with less salaries as compared with other industries like hospitality so employees are running toward
other industries. It is time for the dealers and the company to show a bright future benefits and must take the necessary step toward it.

Graph No. 6.01

Graph Showing Employees Views about Utilisation of their Skills at their Workplace

Source: Questionnaire

In the ongoing research, 3% of the employees preferred to be neutral on this issue and did not comment about the statement, 31% were dissatisfied whereas 65.5% of the employees were strongly dissatisfied with the statement, as they felt they were underutilised in their present jobs. If skills do get utilized at the workplaces, employees start being board and just remain like a mechanical part of the organization and do not feel that they are a part of it.

6.4.2. Training and other Improvement Programs

While empowering people for future positions, training becomes crucial. Training for job related tasks is important and it is a must. Training for implementation strategic goals is difficult. It is essential to provide necessary education, training and coaching that would increase employees skills and show them that the dealer are interested in their success and readiness for new responsibility. The study reveals that 80% of the employees said that,
training was offered to them whereas 20% of the employees said that they did not receive any training at their respective work place.

It is observed that 47% of the employees said that they received training after every six months, 23% said that they received it after a year whereas 10% of the employees said that they got training after two years of being employed from their respective dealers.

6.4.3. Empower Employees Across the Company

Dealerships should step up appropriate levels of new responsibility across the company. When employees are prepared for different positions by job rotations or job enlargement. It makes them feel empowered and are prepared to take the next level of challenges. Employee attitudes typically reflects the moral of the company. The study reveals that 47.7% of the employees were satisfied whereas 51% strongly satisfied, however only 1% of the employees were not satisfied with the morals in their organisation.

In areas of customer service and sales, happy employees are extremely important because they represent the company to the public. Satisfaction, however, is not linked solely to compensation. A rise or benefits would probably improve employees contentment, at least temporarily, but small, inexpensive changes could have a long-term impact.

6.4.4. Retention

Employee turnover is an enormous problem for any company as it creates negative bottom-line impacts. Its root cause is low motivation and satisfaction levels during employment. Argyle (1989) states that labour turnover is strongly correlated with job satisfaction and that there is clear evidence that low job satisfaction causes high attrition rate. Numerous factors are prevailing which contribute to the low levels of employee satisfaction and poor management. Factors such as poor communication from leadership, lack of training, too much change, lack of resources necessary to do the job, lack of recognition that an employee
is dissatisfied with, career development opportunities, harassment, demeaning behavior and a lack of flexibility toward employees. The above statements can be backed by research that was done by the Surveyz Group (2006) wherein they state that avoidable losses result from employee job dissatisfaction, poor management practices, the lack of advancement opportunity, and sometimes personal harassment by or conflict with a co-worker or manager. A recent employee retention survey suggests that nearly 70% of employees leave their jobs because they do not feel valued.

Fortunately in the present study, the factors mentioned above have been found satisfactory as in case of communication from supervisors, provision of resources required, training required, lack of recognition were found.

6.4.5. Recognition from Company and at Dealerships

Sometimes employees works at the dealership, works hard, get incentives for recognition for his contribution as well. But it does not help in building brand affiliation. Thus recognition to the employees by the dealers and original equipment manufacturers (OEMs) is vital but nonmonetary incentives by nominating him/her in different teams, leisure activities, original equipment manufacturer learning programmes, nomination for training programmes help to build affiliation which is a higher level need of any individual.
In the present study, it is observed that 45% of the employees were satisfied that they received recognition for their work, 28% were strongly satisfied whereas 11% of employees preferred to stay neutral, however 11% said that they were somewhat dissatisfied only 3% said that they were strongly dissatisfied. This is a good indication of organization health.

6.4.6. Workload at the dealership

**Source:** Questionnaire
In the dealerships studied, the employees were quite comfortable with the workload assigned to them. It indicates that management was not pulling employees to work more or more than what they could perform, as 50% of the employees were satisfied, whereas 36% of them were strongly satisfied with the statement that the amount of work assigned to them was reasonable.

6.4.7. Salary & Compensation

Whatever be the economic cycle, salary and monetary components will always continue to attract employees – good and bad. Compensation can be described as the amount of reward that a worker expects from the job. Pay, in one form or another is certainly one of the main springs of motivation in Indian society. It provides more than means of satisfying the physical needs – it provides recognition, a sense of accomplishment and a sense of social status. Hence the formulation and implementation of sound compensation policy to attract and retain the right kind of employees is a prime responsibility of any organization. (P. Subba Rao, 2008). As per equity theory, employee always compares his salary with his peers in the organization thus dealers should always maintain parity in compensation pattern of all employees. The problem is that salaries are given on the basis of seniority instead of productivity. Especially in the servicing department new employees are paid quiet less than the experienced ones. This creates a feeling of disparity amongst new employees. Employees also compare their salaries with people from other organizations or related industries. So dealers need to be competitive in their salary structures. The ideal structure of salary packages is hard to define but it can be structured by keeping employees as a focal point. Employees should be satisfied with competitive salary packages and they should be satisfied with it when comparing their pay packets with those of the outsiders who are working in the
same industry. A feeling of satisfaction is felt by attaining fair and equitable rewards. (Alam Sageer, Sameena Rafat, Puja Agarwal, 2012) “.

Graph No. 6.04
Graph Showing Employees Satisfaction about their Salary

In a country like India, money is still one of the largest influential factor. The study reveals that 21% of the employees were dissatisfied with the salary they get, 12% were strongly dissatisfied, 2% preferred to stay neutral, 30% were satisfied, whereas 34% were strongly satisfied with their salaries.

6.4.8. Job Security

Job security is an employee's assurance or confidence that they would keep their current job. In the days when the economy is volatile, car selling business is going up and downs, providing job security to the employees was difficult. Even OEMs (original equipment manufacturers) are not able to cope up with economic turmoil. They are keeping tons of temporary workers and are reducing the shifts. Employees with a high level of job security have a low probability of losing their jobs in the near future. Certain professions like the servicing department were more secured than the sales department. Job security is also
affected by a worker's performance, success of the business and the current economic environment. Following these points come under this category:

- Facility of transfer
- Accessible / reasonable target
- Leaves

6.4.9. Relationships at the Workplace

In the modern workplace there is less interaction with human being as most of the works are managed by using modern technology. Still human relations are crucial at the workplace and would continue to remain so in the future. Relationship with the people you work with – Supervisors, colleagues, subordinates plays a vital role in job satisfaction. If employees value their relationships with other people, extent of teamwork would be more resulting in better relationships and more productivity. Workers like working with their coworkers, although they are aware that conflicts arise. Workers want to be assured that the focus is not on the interpersonal differences, but the task differences. A good working relationship with supervisors is essential since, at every stage, their professional input, constructive criticism, and general understanding are required. Following points come under this category:

- Relationship with immediate supervisor.
- Communication between employees and senior management.
- Encouragement from the boss.
- Prefer democratic style of leadership
- Friendship, respect and warmth relationship.
- Treatment to employee.

In the present study, it is observed that 5.6% of the employees were strongly dissatisfied, 1.1% just dissatisfied, 10% preferred to stay neutral, 58% were satisfied, whereas 24% of the
employees were strongly satisfied with the statement that the supervisors were maintaining an atmosphere of teamwork.

The way the supervisor handles the questions raised by the subordinates, clears their doubts and gives them suggestions to improve their working lives carries lot of importance for the employees. To a question asked in the questionnaire, 4.4% of the employees graded their satisfaction as poor, 2.2% preferred to stay neutral, 13% graded as good, 57% graded as very good whereas 22% of the employees graded it as excellent that their supervisor gave them good actionable suggestions.

There is a natural desire of human beings to interact with others and so existence of group in organization is a common observable fact. This characteristics result in formation of work group at the work place. Isolated workers dislike their job. The work groups make use of a remarkable influence on the satisfaction of employees. Following points come under this category:

- Relationship with the group members.
- Group dynamics
- Group cohesiveness
- Need for affiliation.

In the present study lot of importance was given to relations – with managers, peers and subordinates that have been given prominent importance.
Graph No. 6.05
Graph Showing Employees Satisfaction about their Comfort Level with their Colleagues

Source: Questionnaire

It is observed that in the dealerships that 2% of the employees preferred to stay neutral, 3.3% strongly dissatisfied, 4.4% just dissatisfied, 62% satisfied whereas 27% of the employees were strongly satisfied with the statement that they can get along with their colleagues very easily.

Sales department employees should be able to understand the requirements of the customers, preferences, likings and accordingly show and explain those traits of a car to close the sales cycle in a faster pace. They should report this feedback to the dealers and to the company to enable them to improve the necessary changes in the future designs of their cars. This reduces the expenses on marketing research of the company moreover the data received from employees is considered more reliable than from the external agencies.

6.4.10. Promotion

A career is all the jobs that are held during one’s working life. Career goals are the future positions one strives for in ones career. Individual needs with organizational needs is crucial but difficult. In dealerships there are very less opportunities for promotions because of the
inherent structure of the organization. Hence more care is required in counseling people about promotions and declaring promotions. Promotion can be reciprocated as a significant achievement in life. It promises and delivers more pay, responsibility, authority, independence and status. Thus, the opportunity for promotion determines the degree of satisfaction to the employee. Fallowing points come under this category:

- Opportunity for promotion.
- Equal opportunity to grow despite being male or female.
- Training programme.
- Opportunity for use skills and abilities.

6.4.11. Working Environment and Conditions

When working conditions and environment are adequately good, it leads to mental security at the workplace. When mental security levels are high employees are more confident and productive. Employees are highly motivated with good working conditions as they provide a feeling of safety, comfort and motivation. On the contrary, poor working condition brings out a fear of bad health in the employees. Safety is the primarily responsibility of the management. This responsibility rests on the shoulders of all the cadres of management. Every dealer needs to formulate and implement a safety policy. In the present study, 51% of the employees were satisfied that sufficient and necessary tools and resources which were required for performing their jobs were being provided, 36% were strongly satisfied, whereas 11% preferred to remain neutral on this point.

Following points come under this category:

- Feeling safe and comfort in working environment.
- Tools and equipments.
- Working methods
• Security guards and parking facility.
• Well ventilated with good light, fans and air-conditioning.
• Neat and clean office place, rest area and washrooms.

6.4.12. Organization Development

Organizational development is an ongoing, systematic process to implement effective change in an organization. Its objective is to enable the organization in adopting-better to the fast-changing external environment of new markets, regulations, and technologies. It starts with a careful organization-wide analysis of the current situation and of the future requirements. In other words, organization development is the process through which an organization develops the internal capacity efficiently and effectively and to sustain itself over the long term. This definition highlights the explicit connection between organizational development work and the achievement of organizational mission. Following points come under this category:

• Brand of organization in business field and their comparison with leading competitors.
• Potential development of the organization.

6.5. PERSONAL VARIABLES AFFECTING SATISFACTION

The personal determinants also help a lot in maintaining the motivation and personal factors of the employees to work effectively and efficiently. Employee satisfaction can be related to psychological factors hence numbers of personal variables determine the employee satisfaction of the employees. These personal factors can be enlisted as personality of an employee, expectations and age of an employee.
6.5.1. Personality

The personality of an individual can be determined by observing his individual psychological condition. Personality is the sum of total ways in which an individual reacts to and interacts with others. The factors that determine the satisfaction of individual and his psychological conditions are perception, attitude and learning. Employee attitudes typically reflect the moral of the company. In areas of customers service and sales, happy employees are extremely important because they represent the company to the public. Satisfaction, however, is not linked solely to compensation. Surely a raise or benefits would probably improve employees contentment, at least temporarily, but small, inexpensive changes could have a long-term impact.

- Competencies and personality of employees are suitable for job.
- Perception, attitudes and learning of employees.

6.5.2. Expectations from the Employers

The expectation level of employees affects their satisfaction level. If one receives more outcome than expected then he will be highly satisfied and vice-versa. In dealerships employees come from diverse back grounds as for servicing department probably from lower strata and fro the sales department from the middle strata. So their expectations vary when it comes expectations from their employers. Some expect more liberty in taking decisions, some expect better package, some may demand better environment, while some may prefer job security.
6.5.3. Age of the Employees

Age can be described as noteworthy determinants of employees satisfaction. It is because younger the employees age, possessing higher energy levels and the level of satisfaction is more than the older employees. Fallowing points come under this category:

- Young employees possessing high energy level and satisfaction.
- Old employees resist accepting new techniques.

The study reveals that 42% of the participants were between the age group 18 to 29, 48% between 30 to 39 years and about 9% were between 40 to 55 years. This indicated that average age of employees participated were young.

It is farther observed that the demographic characteristics such as education and age, varied a lot. 5% of the employees were HSC, 15% were undergraduates, 50% were graduates whereas 27% were post graduates and only 1% were possessing some other qualifications.

Graduates and postgraduates were mostly employed by dealers. With such a variety of employees it is difficult for the small organisation like dealership to manage the diversity and adopt the practices suitable for the employees, as labour is available in plenty required across departments. Thus the value of human resource is underestimated in dealerships. So still more attention is required to be given in case they want loyal and trained employees.

For small businesses and large conglomerates alike, the human resources or personnel function can be helpful for much more than simply processing payroll or handling the open enrollment season once a year. Human resources play an essential role in developing a company's strategy as well as handling the employee-centered activities of an organization.