CHAPTER - 1

INTRODUCTION

Job satisfaction plays a very essential role in the success of any organization (Brown, 2002). If employees are satisfied and happy with their employer and work place, then absolutely they are going to place their best efforts to build a organisation successful (Pfeffer, 1998). Measurement of job satisfaction is very essential for employers, if they want to get quality work from their employees. This will not only build the trust of employees on their employer, but protect and build up their confidence as well (Robbins et al., 2013). There are several measurement scales that are designed especially to measure the satisfaction level of employees. Measuring job satisfaction is also very beneficial because it makes employees feel that they are an important part of the organization (Cranney et al., 1992). Similarly emotional intelligence is also important to the success of any organization. An emotionally intelligent employee performs well in all the areas (Zeidner et al., 2004). Whenever there is any change in culture and state of organization at that time emotional intelligence helps the employees to cope up with the changing environment (Sparrow and Knight, 2009).

Emotionally intelligent employees take the right decision at right time which is beneficial for the organization as well as personal life (Cooper and Sawaf, 1998). So emotional intelligence is expected to play a major role in moderating behavioural issues and related outcomes, therefore it will be desirable to study the emotional intelligence level of the employees of corporate sector.

1.1 Job Satisfaction

Job satisfaction may refer to either a person or a group. It is a part of life satisfaction. The nature of one’s environment of the job does affect one’s feelings on the job (Spector, 1997). Similarly, since a job is an important part of life, job satisfaction arises from a complex set of circumstances in the same way that motivation does. Job satisfaction expresses the amount of agreement between one’s emerging expectations and the rewards that the job provides (Evans, 1998). It typically refers to the attitude of a single employee. It is another determinant of positive work culture. If the employees have positive attitude towards work, then they will get satisfaction out of their job. Job satisfaction and positive work culture have a direct bearing upon each other. Job satisfaction describes how we feel about a job and it’s just one feature of job attitudes defined in the seminal work, (Herzberg et al., 1965). Job satisfaction
is often identified in terms of extrinsic (wages, work benefits, networks and bonuses) and intrinsic values or rewards. The study adopted Minnesota satisfaction questionnaire (MSQ) measured nurses’ job satisfaction; include extrinsic values, intrinsic values. Extrinsic values include tangible aspects such as wages, work benefits, networks and bonuses. Intrinsic values include status, a sense of achievement, and the ability to interact with others, self-worth, self-esteem, accumulation of knowledge/skills and the ability to utilize and express creativity (Welbourne et al., 2007). According to Lee and Lee (2008) extrinsic and intrinsic values are often the bases of measurement tools of the multidimensional construct of job satisfaction.

1.1.1 Job Satisfaction - A Backdrop

The origin of these studies dates back to at least 1911 when Taylor began to study employees and their job duties to develop better ways to train workers. Tietjen and Myers (1998) defined job satisfaction as the feeling of individual about his or her job. The most widely accepted explanation of job satisfaction was presented by Locke (1976), who defined job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences. Job satisfaction refers to employees’ overall feelings about their jobs. Job satisfaction is an interesting concept to both people who work in organizations and people who study them. Job satisfaction can be formally defined "as the degree to which individuals feel positively and negatively about their jobs (Qasim et al., 2012). Improving employee satisfaction has become one of the main corporate objectives in recent years (Garcia et al., 2005). Job satisfaction represents a combination of positive or negative feelings that workers have towards their work (Newstrom and Devis, 1986). Mueller and McCloskey (1990) defined job satisfaction as the degree of positive effective orientation toward employment. Newstrom and Davis (2009) explored that job satisfaction represents a combination of positive or negative feelings that workers have towards their work. Meanwhile, when a worker employed in a business organization, brings with lots of needs, desires which he expected to meet with the organisation (Lee et al., 2008).

Job satisfaction represents the extent to which expectations are matching with the real awards. Job satisfaction is closely linked to that individual's behaviour at the work place. Job satisfaction or employee satisfaction has been defined in many different ways. Some believe it is simply how content an individual is with his or her job, in other words, whether or not they like the job or individual aspects or facets of jobs, such as nature of work or supervision (https://en.wikipedia.org/wiki/Job_satisfaction). The most significant definitions of Job satisfaction are explained as:
Vroom (1964) emphasized that job satisfaction focuses on the role of the employee at the workplace. Thus he defined job satisfaction as affective orientations on the part of individuals toward work roles which they are presently occupying.

Kreitner and Kinicki (1995) described job satisfaction as an affective or emotional response toward various facets of one’s job. According to them definition of job satisfaction is not a unitary concept.

1.1.2 Job Satisfaction Factors

Smith, Kendall and Hulin, 1969, consider five facets of job satisfaction: pay & remuneration, promotion opportunities, co-workers, supervision, and the work itself. Locke (1976) adds a few other facets: recognition, working conditions, company and management. Furthermore, it is common for researchers to separate job satisfaction into intrinsic and extrinsic factors whereby pay & remuneration and promotion opportunities are considered extrinsic factors and co-workers, supervision, and the work itself are considered intrinsic factors. Arnold and Feldman (1986) have identified six factors of job satisfaction viz. wages, work itself, promotion opportunities, supervision, working condition and work group. Spector (1997) suggested nine facets of job satisfaction viz. pay & remuneration, promotion opportunities, supervision, fringe benefits, contingent rewards, operating procedures, co-workers, nature of work, and communication.

1.1.3 Models of Job Satisfaction

Many models and theories have given by various behavioural scientists. The researcher has explained five models/theories of job satisfaction.

**Job Characteristics Model:** The job characteristics model (JCM) argues that jobs that contain intrinsically motivating characteristics will lead to higher level of job satisfaction (Hackman & Oldham, 1976).

**Cornell Model:** Hulin and Judge (2003) have provided a model of job satisfaction that attempts to integrate previous theories of attitude formation. The model proposes that job satisfaction is a function of the balance between role inputs—what the individual puts into the work role (training, experience, time, and effort) and role outcome—what is received by the individual (pay & remuneration, status, working conditions, and intrinsic factor).

**Value-Percept Model:** The value-percept model expresses job satisfaction in terms of employees' values and job outcomes. Locke (1976) argued that individuals' values would
determine what satisfied them on the job. Only the unfulfilled job values that are important to the individual would be dissatisfying. In this model overall satisfaction is estimated by aggregating across all contents of a job, weighted by their importance to the individual.

**Dispositional Approach:** Dispositional approach as given by Judge et al., (1998) suggested that job satisfaction is closely related to personality. It postulates that an individual has a strong tendency towards a certain level of satisfaction, and this remain fairly constant and stable across time.

**Maslow Needs Hierarchy Theory:** Maslow’s needs hierarchy theory was one of the first theories to examine the important contributors to job satisfaction. The theory suggested that human needs form a five-level hierarchy consisting of physiological needs, safety, belongingness/love, esteem, and self-actualisation (Robbins et al., 2013). Maslow’s hierarchy of needs postulates that there are essential needs that need to be meet first (such as, physiological needs and safety), before more complex needs can be meet (such as, belongingness, esteem, self-actualisation).

**1.1.4 Job Satisfaction Measurement Scale**

The majority of job satisfaction measures are self-reports and based on multi-item scales. Several measures have been developed over the years, although they vary in terms of how carefully and distinctively they are conceptualized with respect to affective or cognitive job satisfaction. They also vary in terms of the extent and their validation. (https://en.wikipedia.org/wiki/Job_satisfaction#Measuring). The Job Satisfaction Survey scale is one of the famous measurement scale, popularly known as job satisfaction survey (JSS) developed by Spector (1994). JSS scale is used by many researchers to measure the satisfaction of employees working in different organisation. The Job Satisfaction Survey, consist of thirty six items, nine facets scales to assess employee attitudes about the job and aspects of the job. Each factor is assessed with four items, and a total score is computed from all items. A summated rating scale format is used, with six choices per item ranging from "strongly disagree" to "strongly agree.” The **nine facets are pay & remuneration, promotion opportunities, supervision, fringe benefits, contingent rewards, operating procedures, co-workers, nature of work, and communication.** Although the JSS was originally developed to be used in human service organizations and it is applicable to all organizations (Spector, 1994). Researcher has also used the same scale (JSS) to measuring the employees’ job satisfaction.

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1.2. Emotional Intelligence

The concept of emotional intelligence is relatively new area of interest within organizations. Organizations are facing with greater challenges as a result of globalization, high competition for talent and shortage of budgets, it is very important that management should have a keen understanding of what makes their employees highly effective in their work (Goleman, 2003). In order to understand individuals at their emotional core, it is helpful to take inventory of the level of emotional intelligence of their employees and managers. Emotional Quotient is defined as a set of competencies demonstrating the ability one has to recognize his or her behaviours, moods, and impulses and to manage them best according to the situation (Morrison, 2008). Emotional intelligence is measured to involve emotional empathy; attention to and discrimination of one’s emotions; accurate recognition of one's own and others' moods; mood management or control over emotions; response with appropriate adaptive emotions and behaviours in various life situations and balancing of honest expression of emotions against courtesy and consideration (Akhouri and Singh, 2010).

1.2.1 Emotional Intelligence- A Backdrop

The first use of the word emotional intelligence appeared in a doctoral dissertation written by Wayne Leon Payne in 1985. Emotional Intelligence may be a conception introduced by Goleman (1995) to create the global awareness of its importance in handling the human resource effectively. Any unit of time department are concerned in winding up varied practices right from the time associate worker is recruited within the organization and until the time he or she leaves the organization. Sa lovey and Mayer (1990) were among the earliest to propose the name “emotional intelligence” to represent the ability of people to deal with their emotions. They defined emotional intelligence as the subset of social intelligence that involves the ability to monitor one’s own and others’ feelings and emotions to discriminate among them and to use this information to guide one’s thinking and actions.

Bar-On and Parker (2000) defined emotional intelligence as being concerned with effectively understanding oneself and others, relating well to people and adapting, coping with the immediate surroundings to be more successful in dealing with environmental demands. Bhattacharya and Sengupta (2007) also defined emotional intelligence is an aggregate of individuals’ cognition of own and others’ emotion’ feelings, interpretation and action as per environmental demand to manipulate the consequences which in turn result in superior performance and better human relationships. Employees with high EQ are better able to work
in teams, adjust to change and be flexible. No matter how many degrees or qualifications a person has, if he or she doesn’t have certain emotional qualities, he or she is unlikely to succeed. As the workplace continues to evolve, making room for new technologies and innovations, these qualities may become increasingly important. According to Chughtai and Lateef (2015) emotional intelligence is important in achieving organizational success. It applies both on managers and employees in or ganization. “Emotional Intelligence refers to the capacity for recognizing our own feelings and those of others, for motivating ourselves, and for managing emotions well in ourselves and in our relationships” (Goleman 2005). Emotionally intelligent people are assumed to be better able to handle stress generated from their careers and are more to be expected to experience positive emotional states for most of the time. They are also more likely to be able to build constructive and productive relationships with others such as customers, colleges, peers, clients, managers (Robbins, 2013). Emotional intelligence is the ability to perceive emotions, to access and generate emotions so as to assist thought, to understand emotions, emotional knowledge and to reflectively regulate emotions so as to promote emotional and intellectual growth (Mayer, Salovey & Caruso, 2004). The most significant definitions of emotional intelligence are explained as:

Emotional intelligence is “The ability to recognize and respond to the emotions and feelings of others, as well as the skill to help others manage their emotions” (Steiner, 1997).

Singh (2007) define “Emotional intelligence as an ability of an individual to appropriately and successfully respond to a vast variety of emotional stimuli drawn from the inner self and immediate environment”.

“Emotional intelligence is the innate potential to feel, use, communicates, recognize, remember, describe, identify, learn, manage and understand and explain emotions” (Ekman, 2007).

Emotional Intelligence (EI) is the ability to acquire and apply knowledge from your emotions and the emotions of others. You can use the information about what you’re feeling to help you to make effective decisions about what to say or do next.

1.2.2 Emotional Intelligence Factors

The five basic emotional intelligence competencies are categorized into two types (Goleman, 1995).
A) Personal Competencies

**Self-Awareness:** emotional awareness, accurate self-assessment, self-confidence.

**Self-Regulation:** self-control, trustworthiness, conscientiousness, adaptability, innovation.

**Self-Motivation:** achievement drive, commitment, initiative, optimism.

B) Social Competencies

**Empathy:** understanding others, developing others, service oriented, leveraging diversity, political awareness

**Social Skills:** influence, communication, conflict management, leadership, change catalyst, building bonds, collaboration and cooperation, team capabilities.

Bhattacharya (2003) also explained the five factors of emotional intelligence such as appraisal of negative emotions, appraisal of positive emotions, interpersonal conflict and difficulty, interpersonal skill and flexibility and emotional facilitation and goal orientation.

1.2.3 Models of Emotional Intelligence

There are two types of emotional intelligence models available in the existing literature:

**Ability Model** was developed by Salovey et al, in 2003. Focuses on the mental abilities to define emotional intelligence and emphasizes on the cognitive components of emotional intelligence and conceptualize emotional intelligence in terms of potential for intellectual and emotional intelligence growth.

**Mixed Model** explained emotional intelligence as a mixture of abilities and some personality traits and characteristics developed by Bar-On (1997) this model was fundamentally based on the personality characteristics. Five broad areas of emotional intelligence were proposed in this model like intra-personal skills, inter-personal skill, adaptability, stress management and general mood.

1.2.4 Emotional Intelligence Instrument

Emotional Intelligence Scale also called Bhattacharya Instrument on Emotional Intelligence (BEIS In.) developed by Bhattacharya in 2003. Bhattacharya carried out the research amongst the Indian front and middle level executives, in the city of Kolkata in India, working for various industrial sectors. This scale is also available in other language but respondent ability to write, read and speak it mostly used in English language. A five choices per item has been used ‘never true’ to ‘always true’ (never true, rarely true, sometimes true, mostly true, and always true). A score of A for response of ‘never true’, B for ‘rarely true’, C for ‘sometimes
true’, D for ‘mostly true’ E for ‘always true’. The reversed score items were given reverse value. The scale comprised of forty statements that factorized as follow:

1. Appraisal of negative emotions (items 1 to 13), Maximum Score = 65
2. Appraisal of positive emotions (items 14 to 23), Maximum Score = 50
3. Interpersonal conflict and difficulty (items 24 to 29), Maximum Score = 30
4. Interpersonal skill and flexibility (items 30 to 35), Maximum Score = 30
5. Emotional facilitation & goal orientation (items 36 to 40), Maximum Score = 25

Appraisal of negative and positive emotions were recognized as most important factors of emotional intelligence in Indian context, followed by interpersonal conflict & difficulty, interpersonal skill & flexibility, emotional facilitation & goal orientation. The first, second and fifth factors were related to ‘self’ while the third and fourth factors reflect interpersonal skills. The construct of emotional intelligence concerned appraisal and experience of emotions for self and interpersonal situations in valence-specific term though BEIS-In was having many similarities with the existing emotional intelligence scales, the valence-specificity of this scale is a unique feature. Since culture determines the acceptance, recognition, appraisal, expression of emotions to a great extent, it can be assigned that Indian collectivist culture is accountable for this uniqueness (Bhattacharya and Sengupta, 2007).

This emotional intelligence scale has been used in the present study.

1.3 Relationship between Job Satisfaction and Emotional Intelligence

Emotional intelligence and job satisfaction are two concepts of high interest in modern work environment. They serve as a competitive edge in personal and organization life. Research that has empirically examined relationships between emotional intelligence and job satisfaction has given mixed findings. Spector (1997) suggested that job satisfaction data is helpful in evaluating the emotional wellness and mental fitness of employees and those organizations can use the information to improve departmental policies and practices where dissatisfaction is expressed. A past study emphasized that among five components of emotional intelligence viz, social skills, empathy, self-motivation, self-awareness and self-control were predictors of teacher’s job satisfaction (Mousavi et al, 2012). Subject to the highly increased competition in almost all sectors especially in the service sector, the analysis of emotional intelligence competency and job satisfaction of employees has been one of the most crucial research subjects now days to get the highest productivity from employees in
terms of almost all fields of the company. Since banking sector is one of the dynamic sectors that has been changed both negatively and positively due to economic crisis in different periods, this study has been applied on the banking sector. In addition to the analysis of these two variables in terms of relationship between each other, it has been also aimed to see if the level of emotional intelligence and job satisfaction differ by state-owned and private banks. Emotions have a central role in human psyche and they have profound influence on one's thoughts, perceptions and behaviours. According to Goleman (1996) and Fisher (2006), rational intelligence is not enough to succeed in life. In fact, it is emotional intelligence rather than intelligence quotient which has recently captured the public's attention. Research has shown that, it is no longer considered a good predictor of how effective an employee will be in work and life; rather it suggests that is a better predictor in determining employee's effectiveness. Job satisfaction is the collection of feeling and beliefs that people have about their current job. People’s level of degrees of job satisfaction can range from extreme satisfaction to extreme dissatisfaction (Evans, 1998). People also can have attitudes about various aspects of their jobs such as the kind of work they do, their co-workers, supervisors or subordinates and their pay (Aziri, 2011). Subject to the highly increased competition in almost all sectors especially in the corporate sector, the analysis of emotional intelligence competency and job satisfaction of employees has been one of the most crucial research subjects nowadays to get the highest productivity from employees in terms of almost all fields of the organisation. Since automobile sector is one of the dynamic sector that has been changed both negatively and positively due to economic crisis in different periods, this study has been applied on the automobile sector.

1.4 Automobile Sector in India

Automotive industry is the key driver of any growing economy. Due to India’s automobile background deep forward and backward connections with almost every segment of the economy, the industry has a strong and positive multiplier effect and thus propels progress of a nation. The automotive industry comprises of the automobile and the auto component sectors. It includes passenger cars; light, medium and heavy commercial vehicles; multiutility vehicles such as jeeps, scooters, motorbikes, three wheelers, tractors etc; and auto components like engine parts, drive and transmission parts, suspension and braking parts, electrical, body and chassis parts; etc. (http://www.rbsa.in/archives_of_research_reports/RBSA-Automotive-Sector-Analysis1.pdf). Some automobile players in India are mentioned below:
Audi, Ahresty India Pvt, Bajaj Auto Ltd., BMW, Chevrolet, Daimler Chrysler (Mercedes), Escort Limited, Fiat, Ford, General Motors, Hero Moto Corp Ltd., Hindustan Motors, Hyundai Motors, Imperial Auto Industries Ltd, Jbc India Ltd Fbd, Mahindra & Mahindra, Maruti Suzuki India Ltd., Maruti Udyog, New Holland Fiat, San Motors, Skoda, Tata Motors Limited and Yamaha Motors.

1.5 Conclusion

This chapter presents the theoretical description of job satisfaction and emotional intelligence. It also explained the various factors and models of job satisfaction and emotional intelligence. Besides throwing light on the factors of job satisfaction and research studies have brought out the relations hip of job satisfaction with emotional intelligence.