ABSTRACT

CONTRIBUTION OF ORGANIZATIONAL FACTORS IN WORKERS’ JOB SATISFACTION WITH SPECIAL REFERENCE TO MEDIUM AND LARGE SCALE INDUSTRIES IN PIMPRI-CHINCHWAD

1. Introduction: The researcher wants to bring it to the notice that the importance organizational factors of workers’ Job Satisfaction, is already proved in the previous researches. The literature in support of that has been studied and included in the thesis. The main intention is to arrive at the appropriate percent contribution of these organizational determinants of job satisfaction. This will help solving many of the HR problems connected with lower productivity due to lower level of job satisfaction among the workers.

2. Rationale and significance of the study:
Job satisfaction is widely discussed concept in Human Resource Management, which possesses high degree of significance in productivity, labor turnover, and longer sustainability of any business organization.
Satisfied labor force becomes the strength of any industry. The focus in this study is mainly on the contribution of organizational factors in the process of job satisfaction. The workers’ job satisfaction depends upon internal organizational factors as well as external factors. It is necessary to know the impact of the internal organizational factors on attainment of job satisfaction as they are controlled by organization.

3. Approach to the problem:
There is a need to have a scientific approach while treating the workers in this context. Employers must develop a system to concentrate on each factor while making policy. This study will help to bring about the improvement in each of the areas of human resource management and to establish the most accurate
cause and effect relationship between ‘organizational factors’ and ‘job satisfaction’.

4. Theoretical Framework: This point consists of mainly the explanation about organizational factors, external factors as well as meaning and definitions of job satisfaction.

I) Organizational Factors:

i) Monetary
   a. Pay and Perks:
   b. Promotion and Benefits:

ii) Non-Monetory
   a. Nature and Conditions of work:
   b. Job Security:
   c. Relations with Superiors:
   d. Relations with Co-workers:

II) External factors:
   i. Personal: Family issues
   ii. Social: Religious issues
   iii. Environmental factors: Pollution

In case of above external factors the internal management has very less control. Therefore the study of internal organizational factors influencing workers’ job satisfaction is undertaken.

a. Small Scale Industries: The industries where the numbers of employees employed are from 1 to 99 are Small Scale Industries.

b. Medium Scale Industries: The industries where the numbers of employees employed are from 100 to 499 are Medium Scale Industries.

c. Large Scale Industries: The industries where the numbers of employees employed are from 500 and above are Large Scale Industries.
Following are the main factors, which affect on the level of job satisfaction of workers:

**Chart 1**

**Factors Influencing Workers’ Job Satisfaction:**

- **Organizational Factors**
  - Monetary
    - Pay and Perks
  - Non-Monetary
    - Promotion and Benefits

- **External Factors**
  - Personal
  - Social
  - Environmental

- **Job Satisfaction**
  - Nature and Conditions of work
  - Job Security
  - Relations with Superiors
  - Relations with Co-workers
III) Definition of Job Satisfaction:

1. **Williams, J., 2004,** “Job satisfaction is simply how people feel about their jobs on different aspect of their jobs.” – Specter (1997)

2. **Locke, 1976,** “Job satisfaction is a pleasurable on positive emotional state resulting from the appraisal of one’s job or job experiences”.

3. **Cranny, Smith & Stone, 1992,** “Job satisfaction is feelings effective response to face the situation.”

4. **R.D. Agarwal, 1983,** “Job satisfaction was an important element in managerial effectiveness.” – Parker and Kleemeirt 1951

5. **Andrew J., 1990,** “Job satisfaction is the amount of pleasure or contentment associated with a job. If you like your job intensely you will experience high-satisfaction, of you dislike your job intensely, you will experience job-dissatisfaction.” - Andrew J. Dubrin.

6. **Weiss, 2002,** has argued that “job satisfaction is an attitude but points out that researchers should clearly distinguish the objects of cognitive evaluation which are affect (emotion), beliefs and behaviors”.

*Note: It is necessary to clarify here that, for the purpose of this study, the term ‘job satisfaction’ is the ‘job satisfaction based only on the organizational factors’ throughout this research.*

5. Reason for Choice of the Topic:

The researcher strongly believes that most of the problems in any business organization are arising due to mismanagement. The current scenario in the global business world has a lot of problems which are mainly associated with HR management. The satisfied Human Resource will certainly lead organizations, societies, countries and finally the world to the vertex of the pyramid of success. The researcher wants to contribute significantly towards
the attainment of higher level of job satisfaction among the workers which may lead to the well being of mankind. Higher productivity, professionalism, global village concept, organizational commitment, virtual organization concept and many other modern notions will be the milestones in the path of this success. Thus the researcher has undertaken this project.

i. Title of the Thesis:

The title of the Thesis is, “CONTRIBUTION OF ORGANIZATIONAL FACTORS IN WORKERS’ JOB SATISFACTION WITH SPECIAL REFERENCE TO MEDIUM AND LARGE SCALE INDUSTRIES IN PIMPRI-CHINCHWAD”

7. Objectives of the Study:

1. To study the organizational factors of job satisfaction and their contribution in workers’ job satisfaction.

2. To measure the percent contribution of organizational factors in the job satisfaction of workers in Pimpri-Chinchwad industrial area.

3. To suggest how percent contribution of organizational factors in the workers job satisfaction and their interdependence would be useful in calculating the level of workers’ job satisfaction and for the future research.

4. To provide scientific suggestions and recommendations in problem areas through the improvement in the level of job satisfaction.
8. Hypotheses of the Study:

**Hypothesis 1:** The contribution of job security in workers’ job satisfaction is the most significant as compared to other factors since this factor provides higher level of job satisfaction for longer period.

**Hypothesis 2:** There is no significant difference between shares of job satisfaction components of Medium and Large scale industries.

**Hypothesis 3:** The organizational factors of job satisfaction are inter-related and inter-dependent for measuring workers’ job satisfaction.

9. Research Design and Methodology:

i) The Universe:

This study is undertaken to find out the contribution of organizational factors in workers’ job satisfaction in Pimpri-Chinchwad area. By the end of 2007 the total number of industries in this area are 6195 consisting of 54(large), 621(medium), 5520(small) industries.

The level of professionalism, level of education of workers, proper organizational structure etc. are better available in medium and large-scale organizations in comparison with small-scale organizations. Due to these reasons, the impact of professional HRM functions is better available in medium and large-scale organizations. Therefore, Small Scale Industries are not taken in to consideration for this research.
ii) Selection of the Sample:

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Industry</th>
<th>No.of Industries surveyed</th>
<th>Total No.of Respondents Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Industry with workers from 100 to 500 Nos</td>
<td>10</td>
<td>245</td>
</tr>
<tr>
<td>2</td>
<td>Industry with workers more than 500 Nos</td>
<td>04</td>
<td>153</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>14</td>
<td>398</td>
</tr>
</tbody>
</table>

iii) Reference Period:

The primary and secondary data as on 31-10-2010 was taken into account. However, the information about the business development of the companies has been taken for almost last five years 2005-2010.

iv) Techniques of the Analysis:

The data collected in the form of questionnaire answered by the respondents from selected industries. The information collected was processed and tabulated suitably by highlighting all the parameters. The theoretical information was converted in numbers by ranking the Likert scales. While analyzing the data and testing of hypotheses statistical tools like mean, standard deviation, correlation, regression, test statistics were used with the help of M.S.Excel, and SPSS. For the presentation of the data, tables, charts, bar diagrams are used.

v) Parameters: Following are the determinants of job satisfaction which are taken as parameters for the purpose of this research project:

1. Pay and Perks:
2. Promotion and Benefits:
3. Nature and Conditions of work:
4. Job Security:
5. Relations with Superiors:
6. Relations with Co-workers:

vi) Tools Used for Collection of Data:

The Primary and Secondary data was collected for the purpose of this study from different sources as under:

- **Primary Data:** Primary data has been collected by conducting survey in the selected industries in Pimpri-Chinchwad industrial area. The primary instrument of data collection for this study was a questionnaire. The questions are pertaining to these parameters mentioned above. The questionnaire contains 30 questions in all about the parameters for getting information from the respondents. The total 30 questions are divided in six parameters. Every parameter has five questions in the form of Likert Scale. (Five rating scale from 1 to 5 starting from Strongly Disagree to Strongly Agree at the end).

- **Secondary Data:** The secondary data has been collected for this project from the following sources:

  1. Industrial Directory-MIDC Pune zone.
  2. Published sources such as books and journals.
  4. Master and Ph.D. theses in the related area.
  5. Websites and search engines on the internet.

vii) Significance of the Study: Job satisfaction is widely discussed concept in Human Resource Management, which possesses high degree of significance in
productivity, labor turnover, and longer sustainability of any business organization. Satisfied labor force becomes the strength of any industry. The focus in this study is mainly on the contribution of organizational factors in the process of job satisfaction. As far as the above factors are concerned the decision makers have to go for analysis of these factors for introducing any change. It certainly helps an organization to show higher performance with necessary improvements in the policy and interpersonal relations.

viii) Scope and Limitations of the Study:

1. Fourteen industries consisting of four large scale and ten medium scale industries which are considered as first stage sample size, as representative organizations for the study.
2. Only internal organizational factors are taken in to consideration for the purpose of carrying out this research.
3. Industries in which more than 100 workers are employed were selected for survey.
4. Industries from Pimpri-Chinchwad industrial area were selected where mostly mechanical engineering and automobile industrial units are in majority.
5. Responses from 398 workers were collected. Out of actually distributed 500 questionnaires only 398 were turned up as responses.

ix) Chapter Scheme

1. Introduction
2. Review of Literature
3. Profiles of the Companies
4. Research Design and Methodology
10. Findings, Conclusions, Suggestions and Recommendations for the future research:

i) Findings: Following are the findings of this research:

1. Findings from the Profiles of the Companies: The profile of the fourteen companies as discussed in Chapter 4 show that the companies are well established and doing well in their respective business sectors. They need to follow the legal and ethical ways to deal with the human resource available with them. They are trying their level best to bring about good amount of job satisfaction among the workers with an intention to have more productivity, to induce creative and innovative approach, retention of workers etc.

2. Findings from the Data Analysis and Interpretation: After analyzing the overall satisfaction of the workers it is found that the percentage of UNSATISFIED workers is 55.80% (34.40%+21.40%) in large-scale organizations and 32.40% (11.90%+20.50%) in medium scale organizations. The overall percentage of SATISFIED workers in all the respondent organizations is 41.50% (20.6%+20.9%). The percentage of SATISFIED workers is 33.10% (10.40%+22.70%) in large-scale organizations and 40.60% (24.60%+16.00%) in medium scale organizations. The overall percentage of SATISFIED workers in all the respondent organizations is 37.70% (19.1%+18.6%).

3. The Percent Contribution of factors of Job Satisfaction: The factors of job satisfaction of workers contribute in different percentages individually. This is the internal structure of all the organizational factors to construct the actual job satisfaction of workers in the respondent organizations.
4. **Correlation between the factors of Job Satisfaction:** The four factors “Pay and Perks”, “Promotions and Benefits”, “Nature and Conditions of Work” and “Job Security” are moderately correlated with each other and the degree of positive correlation between them is more than with the components “Relation with Superiors” and “Relation with Coworkers”.

5. **The contribution of job security in workers’ job satisfaction:** The contribution of job security in workers’ job satisfaction is the most significant than the other factors in medium and large scale industries. Additionally the shares of the factors of job satisfaction for Medium scale industries are almost equal to that of large scale industries except the factor “Relations with Coworkers”.

6. **Significance of Job Security:** The analysis of the data indicates that a significant correlation exists between pairs of the factor of “Job security” with other factors.

7. **The coefficient of variation:** The coefficient of variation $R^2$ has value 0.763 which indicates the predictor variables explained 76.3% variation in dependent variable Overall satisfaction score. As P value is less than 0.05, it indicated that there exists a linear relation between set of predictor variables and dependent variable.

8. **Linear relationship of the Factors of Job Satisfaction:** It is clear that the components of job satisfaction are linearly related with overall job satisfaction.

ii) **Conclusions:** The conclusions are given below:

1. **The Growing Trend of Global Business:** The respondent organizations have operations well established in national as well as international markets. This is a good indicator of their well-developed systems in all functions of management including HRM. These industries are practically good
representatives of the present industrial scene in Pimpri-Chinchwad industrial area and even at national level.

2. **Extreme Need of Workers’ Job Satisfaction for increasing the productivity:** It is concluded from the findings that there is very high percentage of unsatisfied workers (around 44% in all) in the industrial area irrespective of type of organization, large or small. So there is certainly extreme need of increasing the job satisfaction of the workers. Otherwise the growth in the percentage of unsatisfied workers will damage the industrial productivity to a great extent.

3. **Job Security factor as the most significant contributor:** In almost all the respondent organizations the workers have given priority to the Job Security while deciding their job satisfaction compared to all the other organizational factors of job satisfaction. The other factors have got lesser importance than Job Security.

4. **Interrelation among the factors of Job Satisfaction:** There is a moderate interrelation and interdependence among the factors of Job Satisfaction while forming the overall job satisfaction of a worker. The contribution of every individual factor gets affected by other factors due to this correlation.

5. **Uniformity in percent contribution in Medium and Large scale organizations:** The organizational factors have different individual share or contribution in the overall job satisfaction. However the ratio of this contribution is almost constant for both medium and large scale organizations except the factor ‘Relations with Coworkers’.

6. **Relations with Coworkers:** Overall contribution of relations with coworkers is lesser than other factors. However the workers in the Large-scale organizations give more importance to the relations with coworkers than that of medium-scale organizations in the context of job satisfaction.
7. Hierarchy of Factors of Job Satisfaction: The workers have given their opinions about the importance of factors of job satisfaction in descending order as under (i.e. from the most important to the least important): 1) Job Security, 2) Nature and Conditions of Work, 3) Pay and Perks, 4) Promotion and Benefits, 5) Relations with Superiors, 6) Relations with Coworkers.

iii) Testing of Hypothesis: Various statistical techniques and ‘t’ test results indicate that these components are interrelated with a positive degree of correlation. The component “Relation with coworkers” is weekly correlated with “Pay and Perks”, “Promotions and Benefits”, “Nature and conditions of work” and “Job security”. There are significant correlations between pairs of component “Job security” with other components. The contribution of job security in workers’ job satisfaction is the most significant as compared to other factors since this factor provides higher level of job satisfaction for longer period. There is no significant difference between shares of job satisfaction components of Medium and Large scale industries. The organizational factors of job satisfaction are inter-related and inter-dependent for measuring workers’ job satisfaction.

iv) Suggestions:
1. The medium and large-scale organizations have to take strong and confident steps to improve the level of job satisfaction among the workers, because it is very important in the current scenario for more productive and efficient workforce.
2. Importance must be given to Job Security for better job satisfaction of the workers. This is very important in the context of designing effective retention policy for any organization.
3. Workers are more concerned about the working conditions and nature of work than even pay and perks. Perhaps, nowadays most of the organizations have good pay structures, so workers are more concerned about nature and
conditions of work. Therefore, organizations have to focus on better nature and conditions of work.

4. Large-Scale organizations have to give proper attention to tackle relations among coworkers, because, the workers in large-scale organizations give more importance to the relations with coworkers.

5. Employers are suggested to take into consideration the hierarchy of the factors of job satisfaction (as mentioned in the findings) before making any decisions related to workers.

v) **Recommendations for the future research:**

1. This study has resulted in discovering a standard combination of percentage contribution of organizational factors or determinants of job satisfaction. The percent contribution is surprisingly almost constant in all the respondents’ organizations of Pimpri-Chinchwad industrial area. This can give us very innovative model to gauge and calibrate the organizational job satisfaction level in very effective and scientific way. Therefore, the efforts for the future research are to be directed towards obtaining “Standard Structural Model of Job Satisfaction”.

2. Another recommendation for the future research is, to study the job satisfaction structure and contribution of factors of job satisfaction in Small-Scale organizations.

3. It is also recommended that the contribution of the factors other than organizational factors can be taken into consideration for the future research. For example, external or personal factors like stress level of individuals, educational qualification, career objectives, hobbies, etc.