



DETERMINANTS AFFECTING JOB SATISFACTION OF STAFF IN HOANG LONG DESIGN CONSULTANT CO., LTD

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DOI: 10.5281/zenodo.831433

Abstract

Instead of being known as input expenses, employees are nowadays recognized as the property of the company. However, the conflicts between the employees and employers occur frequently. As a result, the working man leaves their work. Also, the labor turnover is a thorny problem which is a “hidden cost” of each company. In the globalization trend, especially the entering WTO of Vietnam and the confirmation of TPP agreement, domestic companies have to change to follow the international trends, and grasp opportunities to expand the business.

The research model is established based on Job Descriptive Index and two other factors which has been examined in Vietnam, including: Pay, Promotions and Promotion Opportunities, Coworkers, Supervision, The work itself, Working Conditions, and Benefits. The model was verified and significant factors were pointed out. The studying finding also gave some certain suggestion

Introduction

Theoretical Base and Research Method

Job satisfaction is the most widely researched job attitude in Industrial and Organizational Psychology. Job satisfaction has been provided by many researchers and practitioners in their studies.

In his chapter of the “Handbook of Industrial Psychology”, Locke (1976) proposed the job satisfaction as “...a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences”. In Locke’s definition, the use of both concepts of the cognition and affect is essential. Meanwhile, Spector (1997) defined “Job satisfaction is simply how people feel about their jobs and different aspects of their jobs. It is the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs”. He also considered job satisfaction as an attitudinal variable. In addition, he believed that job satisfaction is a global feeling about the job. It is also a related constellation of attitudes. Smith, Kendall, and Hulin (1969) defined job satisfaction as the affective or feelings which response to facets of situations. From this, Smith et al. (1969) proposed the Job Description Index (JDI) for job satisfaction measuring.

In the “Essentials of Psychology”, Bernstein and Nash (2008) mentioned that job satisfaction included emotional, cognitive and behavioral components. The cognitive component is the beliefs regarding to the job which is respectable, mentally demanding, challenging or rewarding. The emotional component relates to the positive or negative feelings. The behavioral component is the people’s actions in the relation with their job, such as staying late, tardiness or being sick to avoid work.

In general, most definitions mention the feeling of employees with their job. It is easy to see that if a staff satisfies with their job, they will feel comfortable with their working. Job satisfaction is recognized as positive attitudes or emotional dispositions which people gain from their work. In industrial and organizational psychology, job satisfaction becomes increasingly important in researches and discussions. It is convinced that there is a relationship between job satisfaction and job performance.

In the scope of this article, the Job Descriptive Index (JDI, Smith et al., 1969) is used to specific cognitive job satisfaction measure. The JDI measures in five facets: *Pay, Promotions and Promotion Opportunities, Coworkers, Supervision, and The work itself*. Moreover, two facets are added, including: *Working Conditions* and



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Benefits.Working condition is referred from Minnesota Satisfaction Questionnaire model (MSQ, Weiss et al., 1967). *Benefits* is referred from Job Satisfaction Survey (JSS, Spector, 1985).

Quantitative Research Method is used to study and identify determinants affecting the job satisfaction of employees. The research uses questionnaires to collect the data. In the questionnaire, the five-level Likert-scale type is used to evaluate as following: 1 - Strongly disagree, 2 – Disagree, 3 - Neither agree nor disagree, 4 – Agree, 5 - Strongly agree. The sample will be delivered to all employees of companies. After they complete the questionnaires, it is collected to analyze. The size of sample is five times the number of variables at least.

After removing invalid samples, data was input to Statistical package for the social sciences (SPSS) tool to analyze. The Descriptive Statistics was used to evaluate a general view about current job situation of employees in company. To evaluate factors affecting job satisfaction, following methods were used: Cronbach's Alpha, Exploratory Factor Analysis (EFA), Multiple Regression Analysis (MRA) (Enter Method), Independent Sample T-Test, and One-way ANOVA.

Data Analysis

149 surveys were prepared and delivered to all employees of HOANG LONG DESIGN CONSULTANT CO., LTD. The surveys were collected after two weeks. 126 surveys were collected (response rate 84.56%). Six of them were removed because of the lack of certain information. As a result, 120 surveys were available for research. It also adapted the expectation about the total of sample (115 samples at least).

Taking a general view, there are 86 male respondents and 34 female ones with respective rate 71.7% and 28.3%. The first group of age occupies 32.5% with 39 people while the second group occupies 67.5% with 81 people. About seniority, the first group occupies 49.2% with 59 respondents. The second group occupies 33.3% with 40 respondents. Two last groups occupy 15.8% and 1.7% with 19 and 2 respondents. There are 81 workers, 20 office staff, 6 supervisors and 13 managers (including project manager and department manager). The ratio of them is 67.5%, 16.7%, 5.0%, and 10.8% respectively. About academic level structure, there are 81 unskilled respondents while the intermediate /college and bachelor/engineer ones are 5 and 34. The ratio of them is 67.5%, 4.2%, and 28.3% respectively. There is no post graduate employee in company. All of unskilled respondents are processing worker who directly works in constructions or wood factory. The others are office staffs.

The result of Cronbach's Alpha analysis is as following in Table 1.

Table 1: Cronbach's Alpha analysis result

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Pay: 0.784				
Pay1	8.10	2.175	.649	.679
Pay2	8.21	2.368	.597	.735
Pay3	8.29	2.225	.623	.707
Promotion: 0.642				
Promotion1	7.40	4.208	.422	.587
Promotion2	7.14	3.417	.478	.508
Promotion3	7.24	3.597	.462	.530
Supervision: 0.906				



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Supervisor1	12.25	7.366	.780	.882
Supervisor2	12.23	7.273	.774	.883
Supervisor3	12.26	6.849	.794	.878
Supervisor4	12.28	7.314	.810	.871
Coworker: 0.796				
Coworker1	8.54	2.267	.643	.718
Coworker2	8.49	2.386	.619	.744
Coworker3	8.58	2.144	.658	.703
Work Itself: 0.888				
WorkItself1	12.09	8.050	.749	.858
WorkItself2	12.15	8.028	.757	.855
WorkItself3	12.05	8.687	.730	.865
WorkItself4	12.06	8.039	.784	.844
Working Condition: 0.866				
WCondition1	7.98	4.151	.712	.842
WCondition2	7.96	3.956	.741	.816
WCondition3	7.93	3.767	.785	.775
Benefit: 0.771				
Benefit1	8.15	2.246	.598	.701
Benefit2	8.26	2.311	.599	.698
Benefit3	8.13	2.379	.620	.676

In conclusion, 6 main factors are kept. Promotions and Promotion Opportunities factor is rejected.

After validated by Cronbach's Alpha, the proposed model has been changed. There are 20 valid variables. Exploratory Factor Analysis will be applied to reduce and summarize the model. There are some groupings and new model are generated in comparison with proposed model. The detail of Adjusted Model is shown in

Table 2Error! Reference source not found..



Table 2: Detail of Adjusted Model

No.	Main Factors	Sub Items
1	The Work (New Name)	Skill variety work
2		Task identity
3		Task significance
4		Appropriate task and work
5		Working time
6		The means and facility for work
7		Safe, comfortable, and convenient working place
8	The Payment (New Name)	Salary
9		Reward
10		The equity in income
11		Adaption to policy of Labor Law
12		The resting time for company trip or sickness
13		Supporting from union
14	Supervision	Attention from supervisor
15		Recognition of employee contributions
16		Autonomy and authorization
17		Ability of supervisor
18	Coworkers	Trusted coworkers
19		Assistance from coworkers
20		Responsibility and thoroughness of coworkers in work

After validating by Cronbach's Alpha and EFA, the proposed model is adjusted.

To identify which factor affects General Satisfaction, the correlation model is defined as following:

$$SAT = f(F1, F2, F3, F4)$$



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- SAT: Dependent Variable
- F1 (The Work), F2 (The Payment), F3 (Supervision), F4 (Coworker): Independent Variables

Multiple Regression Analysis is used to identify how Independent Variables affect Dependent Variable. The formula of linear regression (standardized) is defined.

$$SAT = 0.149 * F1 + 0.617 * F2 + 0.140 * F3 + 0.215 * F4$$

Table 3: Multiple Regression Analysis Result

No.	Factor	Beta	Percentage	Affecting Order
1	TheWork (F1)	0.149	13.29%	3
2	ThePayment (F2)	0.617	55.04%	1
3	Supervision (F3)	0.140	12.49%	4
4	Coworker (F4)	0.215	19.18%	2
	Total	1.121	100.00%	

ThePayment (F2) has strongest affect with 0.617. The next order is F4, F1, and F3. The respective values are 0.215, 0.149, and 0.140. All Independent Variables are positively correlated with Dependent Variable.

Besides, Independent Samples Test and ANOVA are used to examine whether there is difference between Employee Characteristics. There is no difference between Gender, Age and Academic Standard. On contrary, the level of satisfaction is different between the Seniority and Position.

Conclusion & Recommendations

After using Cronbach's Alpha, EFA, and MRA, the proposed model is adjusted. From a model with 7 factors, the new model is created with 4 factors, including The Work, The Payment, Supervision, and Coworker. The formula of linear regression is also identified with Dependent Variable - *Job Satisfaction of Staff in Hoang Long Design Consultant CO., LTD* and 4 Independent Variables - *Satisfaction with The Work, Satisfaction with The Payment, Satisfaction with Supervision, and Satisfaction with Coworkers*. The affecting level of each variables is also shown with the highest level is *Satisfaction with The Payment*. The next order is *Satisfaction with Coworkers, Satisfaction with The Work, and Satisfaction with Supervision*.

From result of research, some recommendations for Board of Director are suggested.

About The Payment, Hoang Long owner should establish the certain policies for salary increasing and excellent employees should be reviewed abnormally. However, the perfect individual should be rewarded. A performance standard should be created. Company should spend more money on employees in insurance. at least the company have to pay high levels of accidental insurance. Company should facilitate the employees resting by arranging the working schedule. Moreover, company should create the annually company trips (not yet organized) for all employees. Also, the operation of union should be attached much important. Company should connect with the Union to give one's mind to improving the employees' living conditions.

About Coworkers, Hoang Long Company should maintain and bring the strong relationship between employees. Company should create more opportunities for employees to connect employees, such as sports or social activities. Company can support a small budget for teambuilding. Whenever a new member joins a team, they should be trained not only technical skills but also teamwork skills.

About The Work, Supervisors should take a little time to introduce about the project and working process to their subordinates. The supervisor should emphasize the important level of each task in the success of overall



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project in particular and company in general. The manager and higher supervisor should take care much about the desires of employees about the work. The board of managers should tighten safety standard. One of important problems is the working time. The workers usually work overtime to ensure the progress of the project. Company should recruit more workers. In other side, the planning skill should be considered in performance and salary review of project manager, leader and supervisor.

About Supervision, the supervisors should take more time for their subordinates instead of burying themselves in their work. The great managers should hand over authority to their subordinates. The board of directors should encourage the self-study of all management levels.

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