

THE CAUSAL ORDER OF JOB SATISFACTION OF EMPLOYEE AT HICOM AUTOMOTIVE MANUFACTURERS MALAYSIA (HAMM)

Musliha Musman^{1*}, Nur Nariza Mod Arifin¹, Siti Rokyah Md Zain¹, Nur Nasya Mohd Surtar²
Faculty of Accountancy, University Technology MARA Malaysia¹
Faculty of Business Management, University Technology MARA Malaysia²

*Corresponding email: musliha5468@tganu.uitm.edu.my

Abstract

The purpose of this study is to evaluate the causal order of job satisfaction among employees at Hicom Automotive Manufacturers Malaysia (HAMM) through the relationship between variables such as work stress, payment and social support. The research was conducted using a set of questionnaire and total of 150 samples had been taken for the analysis. The empirical results show that payment and social support do have a significant relationship towards job satisfaction. Meanwhile, works stress does not have significant relationship towards job satisfaction.

Keyword: job satisfaction, work stress, payment, social support

1.0 INTRODUCTION

In today's competitive business world, satisfied employees or job satisfactions are preserved as the essential human capital and it must be considered at earnestly by the supervisor and organization. Job satisfaction refers to pleasurable or positive emotional state resulting from the appraisal of one's job or job experience (Locke, 1976). It is the terminology used to describe whether employees are happy, content and fulfill the employee desires and needs at work. Job satisfaction is represented as an interaction between employees and their work environment by perceiving that an employee's job actually provides what they want from their job (Wright & Davis, 2003).

The sustainable of job satisfaction in the business is important as employee is the valuable asset that should be cared of by an organization. Job satisfaction plays an important role as it can control the employee's behavior, such as if an employee is not satisfied with the job satisfaction, the intention to leave the organizations is high. Locke (1976) said that there is a negative relationship between job satisfaction and employee turnover rate. It is because when an employee has positive attitudes and pleasurable emotional feeling about his job environment, there is a low potential for him to quit from that company. When the employee achieves job satisfaction, the number of the employee turnover rate can be reduced.

Other than that, job satisfaction also plays a vital role in overall performance of the employees in the workplace (Nazrul, Mohajan, & Datta, 2012). Job satisfaction is an essential aim for any organization to reach as it can create customer satisfaction and it positively influences the organizational performance (Wan, 2007). Dissatisfaction among the employees may resulting in economic, financial and morale problems which indicates that a positive relationship between job satisfaction and job level conveys certain economic advantages to business organization (Aronson, Laurenceau, Sieveking, & Bellet, 2005). When the satisfaction level increases, then this will result in more returns to the organization. The dissatisfaction of the employees has adverse effect on efficiency and effectiveness of the organization (Javed, Balouch, & Hasan, 2014). In addition, an efficient human resources management in maintaining higher job satisfaction level determines not only the performance of the organization, but also affects the

growth and performance of the entire economy of the country (Nazrul al., 2012) in response to the above situation, this study aims to investigate the main factors that help to create a job satisfaction. This study will help the supervisors and organizations to recognize the factors of job satisfaction among the employees and help organizations to encourage their employees to carry out their job proficiently and effectively.

2.0 LITERATURE REVIEW

Job satisfaction is the indicator that tells the employees' general emotion about workplace and job (Javed et al., 2014 ; Chen, 2006). It is important to an organization to understand the satisfaction of employees as it affects the organizational achievement (Aronson et al., 2005). Organizational commitment represents more on how employee feels towards the company or organization (Chen, 2006). Based on argument from Churchill , Ford, and Walker (1974) there are factors that can be contributed to employees to achieve their job satisfaction. The common factors include reward from organization, pay satisfaction, advancement opportunities, coworkers and also top management.

2.1 Work Stress

Work stress can be defined as harmful physical and emotional responses that occur when the requirements of the job do not match the capabilities, resources, or needs of the worker or degree to which employees experience difficulty in performing their job (Anderson, 2003). An excessive workload or work that is outside their capability may cause work stress and can make the employee unsatisfied with their job (French & Caplan, 1972)

Job stress can lead to poor health and even injury. According to Anderson (2003), stress at work is relatively a new phenomenon of modern lifestyles. Stress will exist in every organization either the work places and organizations are big or small. Workplace stress has significant effects over the employees' job performances and job satisfactions and it will also influence the employees' intentions to leave the organizations.

A study done by Mathieu & Zajac (1990) found that work stress has a positive relationship with job satisfaction. This is because work stress will make the employees feel they fail to manage their time to complete their task. Workplace also makes the employees consider either it will become the factor make them unsatisfied with the job and will influence the turnover intention. According to Armstrong (2006), when workplace is not conducive to the workers, workers will not be comfortable and feel insecure in completing their task. Thus, these conditions will make employees dissatisfied with the ambience provided at the workplace and will influence the intentions to leave the organization. A study done by Glaser, Tatum, Delbert, Sorenson, and Aiello (1999) found a significant positive relationship between job satisfaction and work stress and this supports that work stress plays important role on job satisfaction.

2.2 Payment

Payment plays an important part in maintaining and retaining effective workforce. These parts directly contribute to one's job satisfaction (Judge, Piccola, Podsakoff, Shaw, & Rich, 2010). According to Gerhart, Milkovich, and Murray (1992), payment was one of the strongest determinants of employee attitudes, motivation and behaviours. An insufficient payment from organization will make the employee

feel unmotivated to do their task, because they think the payment is not commensurate with their responsibilities.

A research done by Campbell & Campbell (1997) found that the Singaporean younger generation are very materialistic, thus they are believed to hop from one job to the other for a better payment. Moreover, payment is an important factor influencing the key outcomes like employee retention, employee performance, employee motivation and job satisfaction. This shows that payment has positive relationship with job satisfaction and has negative relationship with turnover rate.

Harman, Lee, Mitchell, and Owens (2007) found that the employees became unsatisfied when the compensation they received from their employers was not satisfactory with the responsibilities and positions. The employees will stay at the company that pays fair payment to them based what they contribute to the company (Milkovich & Newman, 2005). It means the employees are more satisfied with the organization that will pay fair amount to them.

2.3 Social Support

Social support can be defined as degree of consideration that individuals receive from others in their lives. Social supports include peer support, supervisor support, and management support (Brough & Frame, 2004). Peer support means degree of consideration expressed from an employee who is at a superior position to an employee in subordinate position in the organization. Supervisors also can play their roles to motivate their staff. Supervisor support means the degree of consideration expressed from an employee in a superior position to an employee in a subordinate position in the organization (Babin & Boles, 1996). Management also can give support to their staff by providing good welfare to them to make sure the employees can accomplish their job in good and comfortable conditions.

A social support from the top management and colleague in motivating the employees to complete the task is vital to improve job satisfaction (Beehr, 1985). A study done by Brough and Frame (2004) showed that supervisor support highly contributed to the job satisfaction as compared to peer support.

3.0 RESEARCH METHODOLOGY

3.1 Sampling Procedure

In this study, simple random sampling technique was adopted. This sampling design is chosen to generalizability of the findings to whole population (Sekaran, 2003). The personally administered questionnaires were distributed to the employee. Personally administered questionnaires are best suited mechanism as the respondents are among the peers and researcher could motivate the respondents to offer their frank answer (Sekaran, 2003). Moreover, the questionnaires can be collected in short period of time (Sekaran, 2003). In this study, the total number of 150 respondents constitutes the sample for the data collection. As a rule of thumb, sample size between 30 and 500 is acceptable for statistical analysis (Sekaran, 2003). According to Vaus (2002), if the sample selected is recognised large enough for example 100 or more, it is reasonable to use statistics that assume a normal distribution even if the distribution of the variables is not normal. Moreover, the central limit of theorem states the important principle that as the size of the random sample increase, its distribution approximates a normal distribution more closely (Vaus, 2002). Thus, for the purpose of this study, 150 samples were collected

which is believed to be sufficient in evaluating the job satisfaction in HMM. Furthermore, due to time and cost constraint (Sekaran, 2003), 150 respondents is considered to be sufficient.

3.2 Theoretical Framework

The theoretical framework for this study is the causal order of job satisfaction of employee in HMM. As shown in figure 1 the dependent variable (DV) is job satisfaction followed by work stress, payment/salary, and social support which are taken as independent variables (IV).

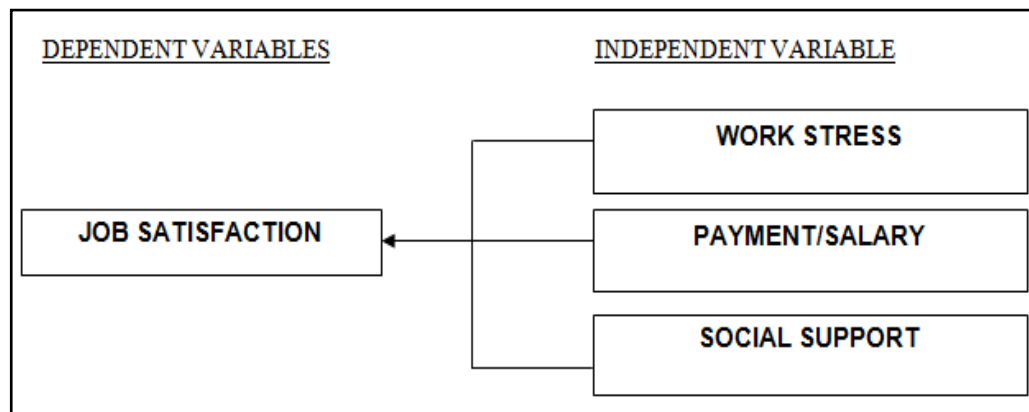


Figure 1 Conceptual Framework

3.3 Hypotheses

The following hypotheses explore the relative impact of three independent variables; work stress, payment, and social support on the dependent variable which is job satisfaction.

3.3.1 Relationship between work stress and job satisfaction

H₀ There is no significant relationship between work stress and job satisfaction.

H₁ There is a significant relationship between work stress and job satisfaction.

3.3.2 Relationship between payment and job satisfaction

H₀ There is no significant relationship between payment/salary and job satisfaction.

H₂ There is a significant relationship between payment/salary and job satisfaction.

3.3.3 Relationship between social support and job satisfaction

H₀ There is no significant relationship between social support and job satisfaction.

H₃ There is a significant relationship between social support and job satisfaction.

4.0 FINDING

4.1 Reliability Analysis

The reliability of a measure is an indication of the stability and consistency with which the instrument measures the concept and helps to assess the “goodness” of a measure (Sekaran, 2003). Reliability is evaluated by assessing the internal consistency of the items representing each factor. The internal consistency of measures is indicative of the homogeneity of the items in the measure that tap the construct (Sekaran, 2003). The most popular test of consistency reliability is the Cronbach’s alpha (Sekaran, 2003). Reliability which is less than 0.6 is considered to be poor, those in the range of 0.7 is acceptable, and those 0.8 is considered as good (Sekaran, 2003; Pallant, 2007). In general, the closer the reliability coefficient gets to 1.0, the better it is (Sekaran, 2003).

Table 1 Cronbach’s Alpha Item-Total Statistics

VARIABLES	CRONBACH ALPHA	NO OF ITEMS
Work Stress	0.866	5
Payment	0.905	5
Social Support	0.768	5
Job Satisfaction	0.815	5

Table 1 explains the reliability of the variables with each question. Firstly, there are three independent variables which are work stress, payment, and social support. The Cronbach’s Alpha is important to determine the reliability of each question so that it explains and justifies the variables. It shows that the Cronbach’s alpha for all variables are above 0.7. Therefore, the internal consistency reliability of the measures used in this study are considered to be good.

4.2 Descriptive Analysis

Table 2 Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Work Stress	150	1.00	4.80	3.3947	.82866
Payment	150	1.00	5.00	2.7853	.85706
Social Support	150	1.60	5.00	3.8133	.61116

Descriptive analysis in table 2 shows the mean of the answer for each independent variable. Descriptive result for work stress is (mean= 3.39) and (standard deviation=0.82866) it means the respondent answer the moderate option for the work stress. Result for payment shows that majority of the respondents chose disagree option, (mean=2.78) and (standard deviation=0.88706). As for social support respondent also chose average option as their answers (mean=3.81) and (standard deviation=0.61116).

4.3 Correlation Matrix Analysis

Correlation matrix analysis was further performed to examine the relationship between the variables. Table 3 shows the correlation between job satisfaction and its factors (works stress, payment and social

support). The result shows that payment and social support were significant at $p < 0.001$. It explains that job satisfaction has positive significant association with payment at $r = 0.389$ and social support at $r = 0.422$. These findings explained that the satisfaction in payment and social support are associated with job. The result shows that work stress has negative correlation with job satisfaction but not a significant relationship ($r = 0.159$, $p < 0.052$).

Table 3 Correlation Analysis

		Workstress	Payment	Social Support	Job Satisfaction
Workstress	Pearson Correlation	1	-.477**	-.341**	-.159
	Sig. (2-tailed)		.000	.000	.052
	N	150	150	150	150
Payment	Pearson Correlation	-.477**	1	.607**	.389**
	Sig. (2-tailed)	.000		.000	.000
	N	150	150	150	150
Social Support	Pearson Correlation	-.341**	.607**	1	.422**
	Sig. (2-tailed)	.000	.000		.000
	N	150	150	150	150
Job Satisfaction	Pearson Correlation	-.159	.389**	.422**	1
	Sig. (2-tailed)	.052	.000	.000	
	N	150	150	150	150

**. Correlation is significant at the 0.01 level (2-tailed).

4.4 Multivariate Statistic Enter Regression Analysis

A multivariate statistical enter regression analysis was used to examine the explanatory power of the independent variables (work stress, payment and social support) toward job satisfaction. Several assumptions in regression analysis were tested to contribute a good regression model (Haniffa & Cooke, 2002). The assumptions are; there was no significant multicollinearity between the independent variables; the variable of the distribution of dependent variable is the same for all values of the independent variables (homoscedasticity); a linear relationship exists between the dependent and independent variables (linearity); the distribution the values of the dependent variable for each value of independent variable is normal (normality) and there is no error related to measurement and specific exist (Haniffa & Cooke, 2002).

In addition, to check the normality, linearity, homoscedasticity and independence of residuals, the study inspected the residuals scatter plot and the Normal Probability Plot of the regression standardized residuals (Pallant, 2007). Based on the result, there was no problem with the Normal Probability Plot.

The regression result for total score of the job satisfaction is summarized in Table 4. The model demonstrated that the R^2 is 0.208 while the adjusted R^2 is 0.192. Thus, the model is able to explain 19.2% of the job satisfaction. The results explained that payment and social support are were statistically significant at positive association with job satisfaction. However, works stress has negative association at no significant value.

As referred to regression analysis, payment has an effect to job satisfaction ($\beta = 0.234$, $p = 0.020$). As such, Hypothesis 2 which states that payment has significant influence on job satisfactory is accepted.

Thus, it rejected the null hypothesis which states that payment has no significant influence on job satisfaction.

Another independent variable that has been tested in determining the job satisfaction is social support. Based on regression analysis, the result ($\beta = 0.298$, $p = 0.002$) showed that social support has positive statistically significant contribution to the job satisfaction. Therefore, hypothesis 3 which states the social support has significant influence on job satisfactory is accepted. Therefore, it rejected the null hypothesis which states that the social support has no significant influence on job satisfaction.

As for work stress, the results indicated that there was no significant between works stress and job satisfaction ($\beta = 0.057$, $p = 0.520$). Thus, the null hypothesis accepted as it has no significant influence on job satisfaction. Hypothesis 1 which states that works stress has significant influence on job satisfactory level is rejected.

Table 4 Regression Coefficient Table

	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	2.721	.387		7.030	.000		
Workstress	.037	.057	.054	.644	.520	.768	1.302
Payment	.154	.065	.234	2.353	.020	.549	1.823
Social Support	.275	.086	.298	3.209	.002	.628	1.593
Model Summary^b							
R ²				0.208			
Adjusted R ²				0.192			
F				12.799			
Significant				0.000 ^b			
a. Predictors: (Constant), SOCIALSUPPORT, WORKSTRESS, PAYMENT							
b. Dependent Variable: JOBSATISFACTION							

5.0 CONCLUSION AND RECOMMENDATION

The impact of job satisfaction is important as it could motivate the employees to perform their job at superior level. Job satisfaction also make the employees to be committed to the organization and it can directly improve the performance of organization. Thus, the organization must consider this issue by looking at the factors of job satisfaction among the employees. In overall, this study found that payment and social support affect the employees' job satisfaction. Thus, it explains that increasing the payment for the employees is the best way to improve job satisfaction. The employees also appreciate the superior and colleague support. This is because it may boost up the relish of employees in doing their tasks and this directly can develop their job satisfaction. However, for work stress it did not influence job satisfaction and it demonstrated that the employees tolerated on it provided that the payment and social support were given at up level.

Based on the limitation of the research, the study provides few suggestions for future research. First, the future research should consider the sample of study which should cover other divisions of HAMM. This is because increasing the sample size may have better result. Second, other data collection method such as in depth interview with employees is needed for better understandings as compared to the questionnaire used this study.

References

- Anderson, R. (2003). Stress at work: the current perspective. *Perspective in Public Health* , 123 (2), 81-87.
- Armstrong, M. (2006). *Human Resources Management* (ed. 9th). London: Kogan Page.
- Aronson, K. R., Laurenceau, J.-P., Sieveking, N., & Bellet, W. (2005). Job satisfaction as a function of job level. *Administration and Policy in Mental Health* , 32 (3), 285-291.
- Babin, B. J., & Boles, J. S. (1996). The effect of perceived co-worker involvement and supervisor support on service provider role stress, performance and job satisfaction. *Journal of Retailing* , 72 (1), 57-75.
- Beehr, T. A. (1985). The role of social support in coping with organizational stress. In T. A.
- Brough, P., & Frame, R. (2004). Predicting policies job satisfaction and turnover intentions: The role of social support and police organisational variable. *New Zealand Journal of Psychology* , 33 (1), 8-16.
- Campbell, D., & Campbell, K. (1997). Employee turnover in Singapore: Some interim findings". *Workingpaper RPS#97-28. Faculty of Business Administration, National University of Singapore.*
- Chen, C.-F. (2006). Job satisfaction, organizational commitment, and flight attendants' turnover intentions: A note. *Journal of Air Transport Management* , 274-276.
- Churchill , G., Ford, N. M., & Walker, O. C. (1974). Measuring the job satisfaction of industrial salesman. *Journal of Marketing Research* , 11 (3), 254-260.
- French, J., & Caplan, R. (1972). Organizational stress and individual strain in A.J Marrow,ed., *The Falure of Success. AMACOM, New York, New York* .
- Gerhart, B., Milkovich, G., & Murray, B. (1992). Pay, performance, and participation. In D.Lewin, O. Mitchell & P. Sherer (Eds), *Research Frontiers in industrial relation and human resources.* Madison, WI: IRRA.
- Glaser, D. N., Tatum, B., Delbert, M., Sorenson, R. C., & Aiello, J. R. (1999). Workload and social support: effect on performance and stress. *Human Performance* , 12 (2), 155-176.
- Haniffa, R., & Cooke, T. (2002). Culture, corporate governance and disclosure in Malaysian corporation. *Abacus* , 38 (3), 317 -349.
- Harman, W. S., Lee, T. W., Mitchell, T. R., & Owens, B. P. (2007). The psychology of voluntary employee turnover. *Current Directions in Psychological Science* , 16 (1), 51-54.
- Javed, M., Balouch, R., & Hasan, F. (2014). Determinants of job satisfaction and its impact on employee performance and turnover intentions. *International Journal of Learning & Development* , 4 (2), 120-140.
- Judge, T. A., Piccola, R. F., Podsakoff, P. N., Shaw, J. C., & Rich, B. L. (2010). The relationship between pay and job satisfaction: A meta-analysis of the literature. *Journal of Vocational Behavior* , 77, 157-167.

- Locke, E. A. (1976). The nature and causes of job satisfaction. In M.D Dunnette (Ed.). *Handbook of industrial and organizational psychology* , 1297-1343.
- Mathieu, J., & Zajac, D. (1990). A review and meta-analysis of the antecedents, correlates, and consequences of organizational commitment. *Psychological Bulletin* , 108, 171-194.
- Milkovich, G., & Newman, J. (2005). *Compensation* (Jil. 8th Ed). McGraw-Hill.
- Nazrul Islam, J., Mohajan, H. K., & Datta, R. (2012). A study on job satisfaction and morale of commercial bank in Bangladesh. *International Journal of Environmental Reserach* , 153-173.
- Pallant, J. F. (2007). *SPSS Survival Manual; a step by step guide to data analysis using SPSS* (Vol. 3rd Edition). Australia: Allen & Unwin.
- Sekaran, U. (2003). *Research methods for business a skill building approach* (Jil. 4th edition). United State of America: John Wiley & Sons, Inc.
- Vaus, D. d. (2002). *Analyzing Social Science Data*. London: SAGE Publication Limited.
- Wan, H. L. (2007). Human capital development policies: enhancing employees' satisfaction. *Human Capital Development Policies* , 31 (4), 297-322.
- Wright, B. E., & Davis, B. S. (2003). Job satisfaction in the Publis Sector the role of the work environment. *American Review of Public Administration* , 33 (1), 70-90.