

## **ORIGINAL ARTICLE**

# STUDY OF EMPLOYEE SATISFACTION AGAINST DIFFERENT ASPECTS: A CASE STUDY OF MANUFACTURING INDUSTRY (DRB-HICOM SDN BHD)

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ABSTRACT – Job Satisfaction refers to how employees view their work, as well as the psychological attitudes that people have towards their jobs. Given the strong association between the impact of job performance, it is important to better identify and acknowledge the factors which affect the overall employee job satisfaction which correlated to the employee performance. A study to analyze the factors affecting employee satisfaction that affect employee performance is necessary. The objective of this research is to investigate the association between job satisfaction and different factors affecting employee performance among employees in the DRB-Hicom Sdn Bhd manufacturing industry. This research uses a quantititative method where a questionnaire survey is used to assess job satisfaction based on variables which are work, salary, management communication, and demographic profilling and how they can affect joc satisfaction. The demographic profilling contribute to minimally to none to the employee satisfaction whereas work, salary, and management greatly affect the entire employee satisfaction rate according to the high mean value of the factors. Correlation study shows that there is a positively high level of correlation strength between work, salary, and management communication against the employee performance which supports the hypothesis made for this research.

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## **KEYWORDS**

Job satisfaction, Correlation, Relationship, Management, Salary.

# INTRODUCTION

To succeed in business, one must be aware that the business term does not stand alone on the term monetary aspect only. It is not exaggerating to say that people are one of the most important resources that act as a building block of a company [1]. The internationalization pattern, technological advancements, as well as innovation, and emerging business practices, all have a continual impact on Malaysian organizations. Numerous businesses are grappling with the difficult task of increasing employee work satisfaction as well as job performance in attaining organizational accomplishment. Employees are typically more contented when they believe they have been appropriately compensated for their efforts. As a result, those employees are highly devoted to the organization, possess greater levels of engagement, and are more productive [2]. Employers face difficulties in two areas: performance appraisal and employee satisfaction.

Job satisfaction refers to how employees view their work, as well as the psychological attitudes that people have toward their jobs [3], [4]. Job satisfaction is conceptualized as the extent of need fulfillment derived from an employee's assessment of the intrinsic and extrinsic aspects of one's job, such as earnings, workplace environments, governance, commitment, and job progression [5]. A high-satisfied employee does not have to be a high-performer. Employees who are satisfied with their jobs have a favorable attitude about their jobs. Satisfied employees are more involved with the given targets [6], work quickly, perform free of inconsistencies, are devoted and dedicated to the company [7], reliability, suggest innovative thoughts, are open to recognizing more duties, abide guidelines and restrictions, are fewer sick leave, and render an attempts to remain in their current position [8]. As a result of positive attitudes, employee performance will improve in terms of both quality and quantity [9]. The employee is happy with his or her compensation, which is based on the person's job expertise, with promotion predicated on the employee's continuous service. Job performance is often utilized to determine employee advancement. Employee promotion is frequently determined by work performance. A disgruntled employee, on the other hand, may have a long-term negative impact on the organization [10].

Catering to employee needs and satisfaction is no longer leisure but a requirement [11]. In general, a high level of employee satisfaction does contribute to higher employee performance. Having high employee performance in theory yields in higher positive output for the company in both products, operations, and company image. High employee satisfaction ensures that the company turn over to the minimum and create more loyal employee to the company. Various studies highlight the noticeable and significant relationship between employee satisfaction with job performance. In the last decade, this has been extensively studied by the researcher. Given the strong association between the impact of job performance, it is important to better identify and acknowledge the factors which affect the overall employee job satisfaction which correlated to the employee performance [12].

For both companies and employees, salary is one of the most significant factors to consider. Employees' salaries are significant in terms of supporting their financial needs. It is vital that people are satisfied with their overall salary because

their attitudes and behaviors are influenced by it. Payment Satisfaction is closely tied to this factor. Salary and job security are taken into account in both dimensions. The obvious motive behind our overlord bosses' daily practice of willing, and occasionally unwilling, loyalty to our overlord bosses is money. It is why employees look forward to the time of year when their bonuses arrive and they get a raise based on their performance reviews. Income and remuneration are unquestionably important in preserving an employee's smile on their face. This is something that businesses should be aware of. Companies lose a little of their revenue every time a dissatisfied employee exits the company. It entails the costs of employing new employees, training and bringing them up to speed, and encouraging them to move beyond basic training to full-fledged learning and development.

The association between job satisfaction and job performance was and is the topic of vast research in the field of industrial psychology for organizational applications[9]. It is crucial to comprehend the level of employee satisfaction based on the overall dimension. Only when employees are contented can an organization operate efficiently, enhance production, and compete. Employees who are happy with their respective jobs will have a high motivation [13].

Based on the review done on this particular topic, it is found that there is still limited research being done to associate employee satisfaction and employee performance in Malaysia, especially in the automotive industry. Having a particular study on this matter will help the organization to review their policy by giving them insight into the important aspects considered by the company employee, in an attempt to create a work environment that is both safe and conducive. A study on job performance is still relevant to be conducted to analyze the factors affecting employee satisfaction that affect employee performance. Although various studies are being done in Malaysia, however, there is not yet research being done in the automotive industry in Pahang and this research found there are strong factors that affect the overall employee satisfaction which are salary, work management communication, and also demographic profiling, which are often the popular focus of the prior research.

### **RELATED WORK**

This section discussed further about employee satisfaction and how it affects the job performance. Job satisfaction is a person or group level of contentment with their profession. Emotional work satisfaction is an indicator of positive emotional responses employees have about respective occupations as a whole, as opposed to cognitive job satisfaction, as is the level of happiness people have with specific elements of the employment [13]. Job satisfaction refers to how employees feel about their jobs. Employee satisfaction is described as people's affective feelings about their jobs. Most employees have a preconceived notion of what "satisfactory" means. There are two forms of satisfaction contexts, personal satisfaction and group satisfaction. Employees' good attitudes toward their jobs can also be used to define job satisfaction [3]. It is a term that describes a person's level of job satisfaction. Job satisfaction may be subjective by an employee's capacity to accomplish duties and acquired task, the level of effective communication, and how management conducted themselves with their subordinates. It refers to how content both parties (employee and employer/management) are with one another.

Employee satisfaction is thought to be defined as a person's personal happiness with oneself at work, one's fulfilment with their relationships with coworkers, and fulfilment with manner them is managed. As contrast to cognitive work satisfaction, which measures how content people are with particular parts of their jobs, affective job satisfaction measures how content people feel emotionally about their jobs as a whole.. Job satisfaction bring a significant positive outcome in a company growth and image [8]. Workers pledge to a long-term connection with a company if they are satisfied. The researchers discovered a number of variables, including compensation, job satisfaction with coworkers, and promotion opportunities. work dissatisfaction is referred when an employee is unhappy with their place of employment. People spend a significant amount of their lives at work, and they have reasonable expectations about what their jobs entail. If these projections are not achieved, frustration, resentment, and a loss of motivation occur, resulting in job discontent. This is frequently the result of a combination of personal and professional issues, such as a lack of advancement opportunities, poor management, and an unbalanced work-life schedule, to name a few.Employees and the company are both affected is the worst repercussions of job dissatisfaction. This can lead to a lack of drive, boredom, dissatisfaction, reduced performance, tardiness, and increased turnover.

The researches on the connection between salary and job satisfaction were extensively done, and it also revealed that pay has an impact on job satisfaction where there a linked discovered which confirmed that environmental factors play a significant role in determining job satisfaction. Communication competence is a significant component of employee job satisfaction through communication with managers. According to prior study, a supervisor's communication competency and an employee's happiness with their supervisor have a favorable association. Employee satisfaction has been shown to influence employee commitment to the company, as well as employee performance and corporate success; it is also strongly linked to the organization's success. Furthermore, job performance was influenced by communication satisfaction, and both employee communication and job satisfaction have an impact on performance. Other aspects, including as leadership style, quality of communication with leaders, and an employee's personal circumstances, all influence it.

#### **Dimension Affecting Job Satisfaction**

Job satisfaction is a topic that has been the subject of interest for a considerable period. This is noticeable with the extensive number of literatures on the topic. within the literature, there has been much research surrounding the dimensions or elements which affect the job satisfaction. Job satisfaction is influenced by a number of interconnected

elements. Each component has its significance that must not be overlooked. Each of these variables are applicable to evolve over time.

Along with the elements mentioned in earlier study including an individual's personality, sex, age, and social distinctions, contributing factors like education level, personality, empathy, emotional intelligence, and social skills have a substantial link with job satisfaction[2]. Job satisfaction, according to Koorella and Perumal (2019), is separated into three categories: individual qualities; outside-of-work group relationships; and specific job variables. Job satisfaction (for example, work itself and career development), and extrinsic job satisfaction, which is determined by the essential factors that affect job satisfactors such as supervision and salary [6]. To simplify the research framework, all of the identified dimensions come under a specific level of similarity and can be grouped into these categories.

Author	Dimension	Method	Field
Pongton & Suntrayuth [4]	<ul> <li>Communication satisfaction</li> <li>Employee engagement</li> <li>Job-satisfaction</li> <li>Job-performance</li> </ul>	<ul> <li>questionnaire survey</li> <li>simple and multiple regression analysis</li> </ul>	higher education     institutions
Koorella & Perumal [12]	<ul> <li>Socio-economy and personal factors: Age, Sex, incentive, Motivation.</li> <li>Dimension controlled by management: Working Hours, Fair Payment for work done, Training, Physical Layout of the Department, Performance feedback, Teamwork, Welfare Benefits</li> </ul>	• questionnaire survey	Manufacturing industry
Yang et al. [10]	<ul><li>Job stress</li><li>Job satisfaction</li><li>Job performance</li></ul>	<ul> <li>questionnaire</li> <li>metrics: Job Satisfactory Index, Job Stress Index, Job Performance Index</li> <li>Matrix Analysis</li> <li>Box-Whisker Plot</li> </ul>	<ul> <li>Traditional Industry</li> <li>High-technology Industry</li> </ul>
Kotamena et al.[5]	<ul> <li>Management competencies</li> <li>Management communication</li> <li>Employee satisfaction</li> <li>Employee performance</li> </ul>	<ul> <li>Structural Equation Model (SEM).</li> <li>Collinearity Statistics (VIF)</li> <li><i>R</i>-square</li> <li>Total Indirect Effects</li> <li>Specific Indirect Effects</li> </ul>	Corporate / Company

#### Table 1. Prior research on Relationship of Employee Satisfaction.

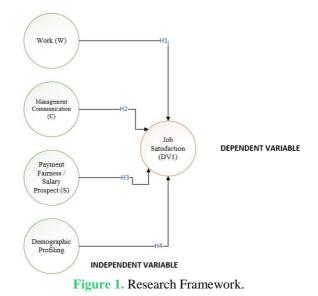
For the sake of analysis, these variables cannot be separated. The satisfaction level is determined by these dimensions by determining which affect the employee's jobs perspective. when the employment requirements correspond to the employees' desires and expectations, job satisfactions are achieved. A fully holistic approach, on the other hand, necessitates the incorporation of additional criteria before a whole picture of job satisfaction can be derived. Age, health, temperament, interests, and aspirational level of the individual should all be taken into account.

Under any circumstances, the job satisfaction of the employee and the dimension affecting the level of satisfaction are crucial element that need to be taken into account by employer to assess for future growth of the company and to ensure the most optimize and effective output. There are various of very important components needs to be investigate explored the relationship between communication satisfaction and job satisfaction.

Employee satisfaction is not a new topic considering its popularity as a research topic by many researchers however this trend is expected to be continue due to its necessity and various aspects that can be applied to the corporate world. Different dimensions need to be comprehend in order to gain full understanding for job satisfactions and the affect it hold to employee performance, what is the distinct link, what is the best approach to understand the situation as different company, different industry and different field might have different value on job performance and job satisfaction.

## **RESEARCH METHODOLOGY**

In this study, a quantitative research method was applied. A questionnaire is a research tool that consists of openended questions on a five-point Likert scale. The questionnaire was delivered via Google Form to employees of DRB-Hicom Sdn Bhd's Maintenance Department. The number of samples to be used in the study is determined using Krejie's and Morgan's table. Because the Maintenance Department has a population of 110 people, the minimum number of respondents required for this study is roughly 86. Simple random sampling was chosen in this study with the constraint that the responder is an employee of the Maintenance Department of DRB-Hicom Sdn Bhd since it is the most straightforward method and permits the sample anomaly to be computed while reducing selection bias. This questionnaire is divided into two parts: Part A and Part B. This research is based on previous studies. This framework will investigate six variables: demographic profiling, work (W), salary (S), management communication (C), and employee satisfaction (ES). Likert scale is developed to compute 'attitude' in a scientifically validated and tested manner [14], [15]. In this study, the relationship between ES and job performance of DRB-Hicom employees is explored using a Likert 5-point scale. The questionnaire data is analyzed in SPSS using the descriptive and correlation analysis features.



## Research Framework

In developing a research framework, it is important to identify the research challenges, research questions, and research objectives. The problem statement and gaps are discussed in the literature review performed in the second chapter. The relevant studies are discussed in the first section of the chapter act as a reference for selecting the most relevant and appropriate research methodology for this thesis. Based on the past research, several studies are adopted and modified to fulfill the research requirement. A conceptual research framework is proposed to assess the relationship between employee satisfaction and job performance. Based on the Figure 1 research framework, the research is conducted as to asnwer the following hypothesis.

- H1: Work is associated to employee job satisfaction in a positive way.
- H0: Work is associated to employee job satisfaction in a negative way.
- H2: Communication between management and employee are positively correlated to the job satisfaction.
- H0: Communication between management and employee are negatively correlated to the job satisfaction.
- H3: Salary is correlated with employee job performance in a positive way.
- H0: Salary is correlated with employee job performance in a negative way.
- H4: Demographic profiling is positively significant to job satisfaction
- H0: Demographic profiling is negatively significant to job satisfaction

## FINDING AND DATA ANALYSIS

## **Reliability Analysis**

Cronbach's Alpha is used to evaluate the research's reliability and validity. The number of items in a test, on the other hand, affects the alpha value. The questionnaire had 22 Likert-scale items divided into four categories all of the variables which are W, S, C and ES have Cronbach's Alpha values above 0.7 which are 0.865, 0.761, 0.875, and 0.859. Therefore, each of the variables falls into an acceptable and good range of alpha values.

## **Descriptive Analysis of Respondents Background (Demographic Analysis)**

The majority of the age group of employees for the Maintenance Department of DRB-Hicom Sdn Bhd are between the age of 21-30 years old with a percentage of 80%, followed by the age 31-40 years old with a percentage of 9.5% and 41-50 years old with the reading of 8.6%. The age of 18-20 years old are with the minority percentage of only 1.9%. Out of 105 respondents, around 57.1% are male and the rest which are 42.9% are female. The distribution of employees in the Maintenance Department is well distributed as portrayed in figure 4.3.4 with the highest number of staff being regular

staff (40%), followed by management (34.3%) and lastly technician (25.7%). In terms of working experience, the majority of the employees in the Maintenance Department are experienced workers (3 years' experience and above) with a total of 56.2% or 59 respondents. 43.8% of the respondent are a worker with beginner to intermediate experience (3 months to 1 year) in their respective work scope however the difference between beginner-intermediate with experienced workers with above 3 years' experience are not that much in terms of percentage (12.4%). Moreover, the high experience employee is often the higher in command or working closely with the management.

## **Correlation Analysis**

Correlation is applied to assess correlations between quantitative and categorical data. it is a representation of how objects are interrelated to one another. Correlations are important for assessing the relationship that variables possess in an attempt to anticipate future behavior. Based on the correlation study, the hypothesis of this study is achieved and supported.

H1: Work is associated with employee job satisfaction in a positive way.

There is positively strong correlation strength between work against salary, management's communication, and ES. This proves that there is significant evidence that the work itself and the responsibility that comes with the work impact perception of the employee on their salary, the level of communication with the management which therefore affects the overall ES. An employee would expect their work to be paid with a fair salary on par with the work they do. Communication efficiency with the management by providing the correct input will increase the rate of job accomplishment. If the work they perform provide growth for their career prospect and there are being appreciated with training and awarded for their efforts, this overall increase the rate of ES.

H2: Communication between management and employee are positively correlated.

There is a positively strong correlation strength between salary with work, management communication, and ES. This provides clear evidence that if the employee is paid a fair salary equivalent to the work assigned to them, they show a high rate of job satisfaction. Communication between employees and management is also influenced by the rate of pay given which a clear communication message is given depending on the level of pay in line with the work given to meet the needs of the design. Thus, these factors strongly influence the level of ES

H3: Salary is correlated with employee job performance in a positive way.

There is strong positive correlation strength between management's communication with work, salary, and ES. Having effective communication between the management and the employee is proven to be significant in generating high employee performance. For instance, to encourage employees to accomplish something they aren't used to, management must take the initiative to communicate this with them in a way that they can understand the message and recognize the message's goal. ES rises in direct proportion to management professionals' communication skills. The findings back up Kotamena et al., (2021)claim that having honesty and practical interpersonal skills, as well as the flexibility to develop excellent relationships with all partners, increases overall ES.

H4: Demographic profiling is positively significant to job satisfaction.

It is concluded that age, gender, marital status, level of education, and working experience display an insignificant effect on employee performance while the level of education and position has very small significance in affecting the employee performance. Gender affects the work itself may because of the nature of the job and the responsibility of the job that may be more inclined towards a particular gender for example most technicians in the Maintenance Department are male and generally more females are working in management. Moreover, there is no significant proof that indicates gender affects the level of salary received and the effectiveness of communication between employees and management therefore it does not affect the overall ES. The position of the employee significantly affects the employee's salary and the work and responsibility assigned to the employee. This is proven to be true because the higher the position, the bigger the responsibility of the job, and the salary needs to be on par with the amount of work and responsibility carries by the position. However, there is a negatively weak or none to weak correlation strength between the position of the employee against the management's communication with the employee and the overall ES indicate that the position does not affect the type of communication the employee has with the employee's position. The level of education does slightly significant in determining the type and level of work that is needed to be performed by the employee. Nevertheless, there is a negatively weak to none correlation strength between the level of education with salary and management's communication. This specifies that the employees agree that their level of education does not affect their salary and how the managements communicate with them. This may indicate that they are being paid equally with their level of education and they are satisfied with the outcome. There is evidence that working experience has a slightly significant impact on the work, salary received, the level of communication the management have with the employee, and the overall employee performance. Having higher working experience often indicates the individual are with more experience, more knowledge, and more skills in their particular area, there is often sough for advice thus may cause the change of tone or the delivery of the management's communication and usually are tasked with more duty compared to inexperience worker, therefore, it is fair to have better salary growth prospect for experience worker to increase their overall ES.

# CONCLUSION

The analysis had 105 participants, with females (57.1 percent) dominating the questionnaire by 14.2 percent more than males (42.9 percent), while employees aged 21-30 years old led the respondents by 80 percent. Although the result for gender and age is considered logical, it is not equal representation because of the logical representation of the actual population, this does affect how the overall study is undoubtedly biased, with the result dominated by earlier generation employees and male workers in the overall population of the organization. Consequently, based on the correlation, it is inferred that neither gender, marital status nor age has a major impact on ES, which is supported by Al-Fakeh et al., (2020), Theodosis & Giannouli (2017) and Yusof et al., (2014) in their study. Based on the correlation analysis between work, salary, and communication with management against ES, it is clear that these factors carry a significant weight that affects the overall ES. Having a fair salary contributes to happier employees as there are paid an equal amount for their hard work, they feel valued and respected commensurate with their efforts and commitment to the company thus creating a high level of loyalty to the company and even lowering the resignation rate. Having a high level of communication commitment and high level of effectiveness between the management and employee prove to have a strong impact on ES in the organization. In conclusion, the result achieved in this research is aligned with the finding and theories proposed by the prior study, it is safe to say that although the previous study are done in a different environment and different field, the same pattern can be viewed thus proving that work, salary and management's communication does impact the overall ES. High ES leads to high-performance workers, which boosts overall profitability and reduces turnover. The significance of this study is that it can produce a set of empirical results that will be useful for the organization's future planning.

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