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THE IMPACT OF EMPLOYEE SATISFACTION ON ORGANIZATIONAL PERFORMANCE: A STUDY OF CONTRIBUTING FACTORS AND OUTCOMES AT IIFL

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ABSTRACT

Human resources are one of the most important assets of the organization & assessing it current value is both important and difficult, but it must be done if this resources utility is to be optimized, the performance of their resource will determine the overall effectiveness of the organization.

On method of evaluating their value is through the assessment of the climate of the organization. They are working in the research data shows that the job satisfaction does have an equates on the overall organization effectiveness.

Organization is made up of people there for if people do not change then the organization can not change for obtaining the full co-operation & enthusiastic support of the members in achieving the organizational objectives, the organization must satisfy their needs and insurer their feelings.

Every organization is different and less a unique feelings and character beyond its structures characters these each org, deals with its members in a distinct way through its policies on allocation of resources, commune action pattern reward and penalty leader ship and decision making style etc. the org policy and connection with regard to all these and a cluster of other related activities influence the feelings attitudes and behavior of its members and results in the creation of a unique organizational climate.

Hence job satisfaction is a product of leader ship practices communication further, enduring the systemic characteristics f the working relationship among person and divisions of the organization.

I. INTRODUCTION

Human resources are one of the most important assets of the organization & Assessing it current value is both important and difficult, but it must be done if this resources utility is to be optimized, the performance of their resource will determine the overall effectiveness of the organization.

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Hence Employee satisfaction is a product of leader ship practices communication parthur, enduring the systemic characteristics f the working relationship among person and divisions of the organization.

NEED FOR THE STUDY:

Employee satisfaction of the employees is important if the employees are satisfied then only the

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organization can function smoothly increases its production, faces competition.

If employees are satisfied with their job they will carry a positive attitude. Hence the study has been undertaken to assess the employee Employee satisfaction which is necessary for the organization in order to make sound decisions.

II. OBJECTIVES OF THE STUDY

Broad objective:-

To study the overall Employee satisfaction of supervisors in **India Infoline LTD Ltd**,

Specific objectives:-

1. To measure the level of satisfaction among supervisors in **India Infoline LTD Ltd**
2. To measure the relationship and human relations & Employee satisfaction.
3. To find out the most distaining factors which influence their performance in the job.
4. To give amicable and practical suggestions to improve Employee satisfaction of supervisors in **India Infoline LTD Ltd**.
5. To study the growth opportunity programmers & Training programmes in nutine confectionery limited.

SCOPE OF THE STUDY

The Employee satisfaction refers to a person's feeling of satisfaction on their job. It is different from person to person. The researcher has chosen to measure the level of Employee satisfaction in **India Infoline LTD Ltd**

The study considers the impact of 10 factors on Employee satisfaction it concentrates on the effect of factors in general, but no exclusive study is made on them.

The study considers only the perceptual elements of employees and does not focus on ground realities. The scope of study cover: work conditions, compensation, extra benefits, conveyance treatment of superiors, colleagues, duly timings, and grievance redressed mechanism and promotion policy.

III. RESEARCH METHODOLOGY

The methodology that is adopted for the study is such that it facilities the data accumulation. The information is gathered through survey method. The survey method has been adopted for collecting the data from employees.

❖ RESEARCH DESIGN:

Research Design is defined as the specification of methods and procedures for acquiring the information needed. Generally the research design is any of the following three types-DESCRIPTIVE, EXPLORATORY and CASUAL.

❖ DESCRIPTIVE STUDY:

Descriptive study/research is marked by the prior formulations of specific research questions. The investigator already knows a substantial amount about the research problem before the project is initiated. Hence this is chosen for my research.

❖ EXPLORATORY STUDY:

The major purpose of exploratory study is the identification of problem, the more precision formulation of problem and the formulation of new alternative courses of action.

❖ CASUAL STUDY:

The study involves the determination of the causes of what the researchers are predicting. this is mainly a cause and effect study.

The research design selected by the researcher in the present study is "DESCRIPTIVE" in nature.

❖ RESEARCH INSTRUMENT:

HR research has a one main research instruments in collecting primary data. That is questionnaires.

In order to extract first hand information from the respondents, a pre-tested questionnaire was prepare and the same was administered to the respondents.

❖ DATA SOURCES:

Data means a collection of facts in real life statistical data is a collection of facts in numerical figures.

The data sources are usually identified using the type of data needed. There are two types of data.

1. Primary data
2. Secondary data

❖ PRIMARY DATA:

The firsthand information by the investigator by means of observation face to face questioning,

telephone interview and mailing questionnaire is called primary data.

Primary data consists of original information gathered for a specific purpose.

- **SOURCES OF PRIMARY DATA;-**

For the purpose of present study, the primary data collected from respondents by contacting them personally.

- **SECONDARY DATA**:

Secondary data consists of information that already exists somewhere, having been collected for another purpose

- **SOURCES OF SECONDARY DATA:**

For the purpose of present study, the secondary data was collected from published data of the companies.

Population is the aggregate of objects animate and in animate, under study in any statistical investigation.

The population for the study here was employees in Met life.

SAMPLING PROCEDURE

With a view to arrive at the sample population for the study, a"Purposive-Cum convenient sampling" was followed.

SAMPLE SIZE

The sample size includes 100 employees who are working in the **India Infoline LTD Ltd**.

LIMITATIONS

The study is limited to the policies and practices being followed in **India Infoline LTD Ltd**, get the complete data, in view of its classified nature of the organization.

- Time factor is the main constraint for the study as it was restricted only to eight-nine weeks.
- Sampling error is not taken into consideration.
- The information given by the sample frame is thought accurate by researcher.
- As the method adopted is Random Sampling, result may not be accurate and believable.
- As the sample size is 100, whole of the facts could not be collected.
- The findings of the study are confined only to the question asked in the questionnaire and through personal interviews.

IV. Models of Employee satisfaction

Affect Theory

Edwin A. Locke's Range of Affect Theory (1976) is arguably the most famous Employee satisfaction model. The main premise of this theory is that satisfaction is determined by a discrepancy between what one wants in a job and what one has in a job. Further, the theory states that how much one values a given facet of work (e.g. the degree of autonomy in a position) moderates how satisfied/dissatisfied one becomes when expectations are/aren't met. When a person values a particular facet of a job, his satisfaction is more greatly impacted both positively (when expectations are met) and negatively (when expectations are not met), compared to one who doesn't value that facet. To illustrate, if Employee A values autonomy in the workplace and Employee B is indifferent about autonomy, then Employee A would be more satisfied in a position that offers a high degree of autonomy and less satisfied in a position with little or no autonomy compared to Employee B. This theory also states that too much of a particular facet will produce stronger feelings of dissatisfaction the more a worker values that facet.

Dispositional Theory

Another well-known Employee satisfaction theory is the Dispositional Theory Template:JacksonApril 2007. It is a very general theory that suggests that people have innate dispositions that cause them to have tendencies toward a certain level of satisfaction, regardless of one's job. This approach became a notable explanation of Employee satisfaction in light of evidence that Employee satisfaction tends to be stable over time and across careers and jobs. Research also indicates that identical twins have similar levels of Employee satisfaction.

A significant model that narrowed the scope of the Dispositional Theory was the Core Self-evaluations Model, proposed by Timothy A. Judge in 1998. Judge

argued that there are four Core Self-evaluations that determine one's disposition towards Employee satisfaction: self-esteem, general self-efficacy, locus of control, and neuroticism. This model states that higher levels of self-esteem (the value one places on his/her self) and general self-efficacy (the belief in one's own competence) lead to higher work satisfaction. Having an internal locus of control (believing one has control over her\his own life, as opposed to outside forces having control) leads to higher Employee satisfaction. Finally, lower levels of neuroticism lead to higher Employee satisfaction.

Two-Factor Theory (Motivator-Hygiene Theory)

Frederick Herzberg's Two factor theory (also known as Motivator Hygiene Theory) attempts to explain satisfaction and motivation in the workplace This theory states that satisfaction and dissatisfaction are driven by different factors – motivation and hygiene factors, respectively. An employee's motivation to work is continually related to Employee satisfaction of a subordinate. Motivation can be seen as an inner force that drives individuals to attain personal and organizational goals (Hoskinson, Porter, & Wrench, p. 133). Motivating factors are those aspects of the job that make people want to perform, and provide people with satisfaction, for example achievement in work, recognition, promotion opportunities. These motivating factors are considered to be intrinsic to the job, or the work carried out. Hygiene factors include aspects of the working environment such as pay, company policies, supervisory practices, and other working conditions.

While Hertzberg's model has stimulated much research, researchers have been unable to reliably empirically prove the model, with Hackman & Oldham suggesting that Hertzberg's original formulation of the model may have been a methodological artifact. Furthermore, the theory does not consider individual differences, conversely predicting all employees will react in an identical manner to changes in motivating/hygiene factors. Finally, the model has been criticised in that it does not specify how motivating/hygiene factors are to be measured.

Job Characteristics Model

Hackman & Oldham proposed the Job Characteristics Model, which is widely used as a framework to study how particular job characteristics impact on job outcomes, including Employee satisfaction. The model states that there are five core job characteristics (skill variety, task identity, task significance, autonomy, and feedback) which impact three critical psychological states (experienced meaningfulness, experienced responsibility for outcomes, and knowledge of the actual results), in turn influencing work outcomes (Employee satisfaction, absenteeism, work motivation, etc.). The five core job characteristics can be combined to form a motivating potential score (MPS) for a job, which can be used as an index of how likely a job is to affect an employee's attitudes and behaviors----. A meta-analysis of studies that assess the framework of the model provides some

EMPLOYEE SATISFACTION

Employee satisfaction is one of the important factors that have drawn attention of managers in the organization as well as academicians. Various studies have been conducted to find out the factors which determine Employee satisfaction and the way it influences productivity in the organization. Though there is no conclusive evidence that Employee satisfaction affects productivity directly because productivity depends on so many variables, it is still a prime concern for managers**.**

Meaning of Employee satisfaction:-

Employee satisfaction is the mental feeling of favorableness, which an individual has about his job. Dublin has defined Employee satisfaction in terms of pleasure and contentment when he says that: Employee satisfaction is the amount of pleasure of contentment associated with a job. If you like your job intensely, you will experience high Employee satisfaction. If you dislike your job intensely, you will experience job dissatisfaction**.**

Definition :-

1). According to Hoppak:-

"Any combination of psychological, physiological and environmental circumstances that

causes and person truthfully to say I am satisfied with my job"

Employee satisfaction defined as the

"Pleasurable emotional state resulting from the appraisal of one's Job as achieving or facilitating the achievement of one's job values".

Human Relations

The term relates to the total relationship between an individual and the employer for which he is paid. Satisfaction does mean the simple feeling-state accompanying attainment by an impulse of its objective. Job dissatisfaction does mean absence of motivation at work. Research workers differently described the factors contributing to Employee satisfaction an job dissatisfaction Hoppock describes Employee satisfaction as, "any combination of psychological, physiological and environmental circumstances that cause and person truthfully to say I am satisfied with my job".

Employee satisfaction is defined as the "pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values". In contrast job dissatisfaction is defined as "the un -pleasurable emotional state resulting form the appraisal of one's job as frustrating or blocking the attainment of one's job values or as entailing disvalues. " However, both satisfaction and dissatisfaction were seen as." A function of the perceived relationship between what on perceives it as offering or entailing".

Theories of Employee satisfaction:

There are vital differences among experts about the concept of Employee satisfaction Basically, there are four approaches/theories of Employee satisfaction.

They are :

1). Fulfillment theory
2). Discrepancy theory
3). Equity theory, and
4). Two – factor theory.

1. Fulfillment Theory :-

The proponents of this theory measure satisfaction in terms of rewards a person receives or the extent to which his needs as satisfied. Further they thought that there is a direct/positive relationship between Employee satisfaction and the actual satisfaction of the expected needs. The main difficulty in this approach is that Employee satisfaction as observed by willing, is not only a function of what person receives but also what he feels he should receive as there would be considerable difference in the actual and expectations of persons. Thus jib satisfaction cannot be regarded as merely function of how much person receives from his job. Another important factor/variable that should be include to predict Employee satisfaction actually is the strength of the individuals" desire of his level of aspiration in a particular area. This led to the development of the discrepancy – theory of Employee satisfaction.

2. **Discrepancy Theory**:

The proponents of this theory argue that satisfaction is the function of what a person actually receives from his job situation and what he thinks he should receive or what he expects to receive. When the actual satisfaction derived is less than expected satisfaction, it results in dissatisfaction, as discussed earlier.

"Employee satisfaction, it results in dissatisfaction are functions of the perceived relationship between what one wants from one's job and what one perceives it is offering. "This approach does not make it clear whether or no over satisfaction is a part of dissatisfaction and if so, how dies it differ from dissatisfaction. This led the development of equity – theory of Employee satisfaction.

3. Equity Theory:

The proponents of this theory are of the view that a person's satisfaction is determined by his perceived equity, which n turn is determined by his input – output balance compared to his comparison of others, input – output balance is the perceived Raito of what a person receives for his job relative to what he contributes to the job. This theory is of the view that both underthe over rewards lead to dissatisfaction while the under – reward causes feelings of unfair

treatment, over – reward lead to feelings guilt and discomfort.

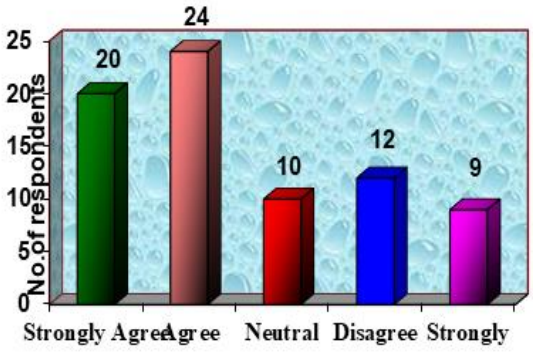
4. Two – factor Theory :

As discussed earlier, this theory was developed by Herzberg, Manusner, Peterson and Capwell who identified certain factors satisfies and dissatisfies. Factor such as achievement, recognition, responsibility etc., are satisfies the presence of which causes satisfaction but their absence does not resulted in dissatisfaction. On the other hand, factors such as supervision, salary, working conditions etc.., are dissatisfies, the absence of which causes dissatisfaction. Their theory failed to give any support to this theory, as it seems that a person can get both satisfaction and dissatisfaction at the same time, which is not valid.

V. DATA ANALYSIS AND INTERPRETATION

1. Job provides scope to achieve goals?

Response	Respondents	% of Respondents
Strongly Agree	20	26.67
Agree	24	32
Neutral	10	13.33
Disagree	12	16
Strongly	9	12

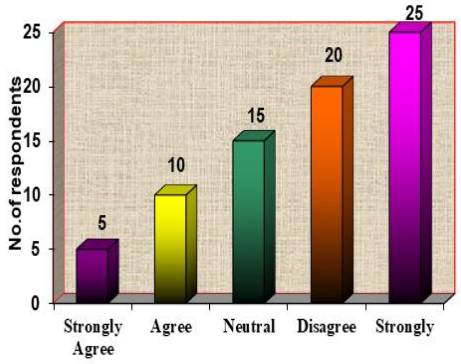


Interpretation:-

From the above table, it is clear that, 32 % of employees agree that there is scope for achieving goals and 26% of them are strongly are agreed.

2. Freedom to take decision?

Response	Respondents	% of Respondents
Strongly Agree	5	6.67
Agree	10	13.33
Neutral	15	20
Disagree	20	26.67
Strongly	25	33.33

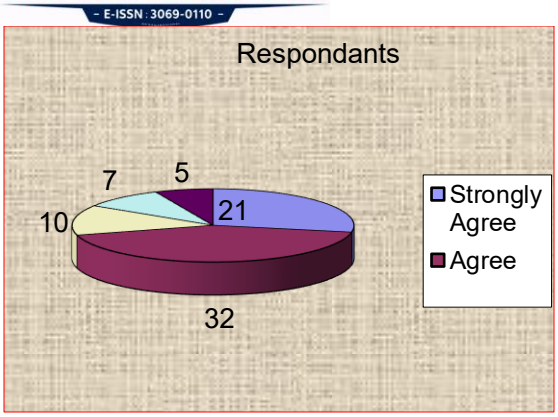


Interpretations:-

From the above table, 13 % of employees agreed that they have The freedom to take decision with the decision taking and 33% of employee doesn't have freedom to take decision.

3. Better position in near future?

Response	Respondents	% of Respondents
Strongly Agree	21	26.67
Agree	32	42.33
Neutral	10	13.33
Disagree	7	9.33
Strongly	5	6.67



Interpretations:-

From the above table, 42 % of employees agree that they can see themselves in a better position in near future and 26% strongly agree that they can place themselves in a better position very few disagrees for the above.

VI. CONCLUSION

Employee satisfaction is a positive approach about one's job resulting from an evaluation of its characteristics. Employee satisfaction represents an attitude rather than behavior. They believe that satisfied employees are more productive than dissatisfied has been a basic tenet. A person with a high level of Employee satisfaction holds positive feelings about the job. When people speak of the employee attitudes more often than not they mean Employee satisfaction. It is very tough job for HR department to ensure Employee satisfaction among staff.

They also want a constant feeling of well being, demand better work & family life balance, and look to the organization for fulfilling even their community needs. These highlighted expectations result in dissatisfaction, and finds true job happiness remains an unfulfilled dream all the job hopping not withstand. Thus the overall Employee satisfaction of employees at **India Infoline LTD Ltd** is very high.

The employees at **India Infoline LTD Ltd** have a very good high regard and respect towards the company's image and future of the Organization. From the previous chapter data we can conclude that most of the employees were satisfied with the under shown areas, Salary Benefits Workload Culture practices of the company Incentives Job security Leaves and opportunity to utilize skills & learn new skills.

On the whole employees in **India Infoline LTD Ltd**, HYDERABAD have Employee satisfaction the contributing factors for their satisfaction are good relationship, Working conditions, Company polices and other benefits.

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