ROLE OF MOTIVATION ON EMPLOYEE JOB SATISFACTION: COMPARATIVE ANALYSIS FOR INCOME GROUP

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Abstract

The emerging trends of Human Resource Management (HRM) are changing the mechanics of devising strategies. There is a lot of scope for research in this field. Organizations’ management is finding ways to achieve employee job satisfaction. HRM is important because humans that our organization’s employees can be a source of success or failure of an organization. This study focuses on exploring two aspects of this field that are employee job satisfaction and motivation in the context of different income groups. The relationship between job satisfaction and motivation is examined through a comparison between lower middle and middle-income groups with the help of 177 questionnaires that were filled by the employees of banks in Karachi, Pakistan. Results of this study enrich managers for decision making in Pakistan’s banking sector. It is clear from the results that they only believe in monetary benefits to get satisfied from their jobs. Moreover, the limitations to be kept in mind are mentioned. The scope for future research and inferences of the study are also provided.

Keywords: HRM, motivation, job satisfaction, lower middle-income group, middle-income group.
1. Introduction

With the rising trends of competition in the market, businesses are working hard to make their impression on customers. They have to diversify their focus on production, services, communication, brand empowerment, and distribution. Besides this, there is one area named as “Management” that has got an immense importance. “Human Resource Management (HRM)”, organizations have to bring together all the efforts to outclass this art (Mumford, 2000).

HRM is important because humans that our organization’s employees can be a source of success or failure of an organization (Cardon & Stevens, 2004). They take part in daily operations and decision making at different levels that ultimately results in the productivity of an organization. Therefore, it can be said that organizational goals are somehow dependent on the productivity and that itself is dependent on employees. The question arises that on what condition would employees be effective in achieving organizational goals. The answer is simple i.e. if they would be satisfied with their job. Therefore, indirectly employee job satisfaction is another way due to which organizations can make an impression on customers and be productive.

Job satisfaction is an affecting state or feelings of employees with their job (Brayfield & Rothe, 1951). According to Spector (1985), it is a specific aspect of a job or an emotional affective response to a job. Since last 20-years, the job satisfaction was systematically investigated in the banking sector (Belias, Kouvelos, Sdrolias, & Aspidis, 2015). Çetin, Karabay, & Efe (2012) investigated that the bank managers are more involved in work and experience less job satisfaction instead of non-managerial staff. In the banking sector, perceived communication adequacy affected job satisfaction and employee’s productivity (Walther, 1988). The model of Lawler & Porter (1955) suggests that there is a high relationship between employee job satisfaction, employee performance, and motivation. Fernet, Austin, and Vallerand (2012) have found through their study that employees show occupational commitment if they are satisfied with the job resources. Moreover, work motivation plays a vital role in avoiding the emotional exhaustion that employee may face at their job place. The impact of employee retention enhances by the attitudinal variables motivation and satisfaction (Kontoghiorghes, 2016). The framework was developed with the support of managers to identify the main characteristics of work-life quality like competency, job involvement, or job satisfaction (Sekaran, 1989). Further, a study by (Galletta, Portoghese, & Battistelli, 2011) found that intention of turnover and intrinsic motivation mediate by commitment. It is elaborated that motivation accompanies abilities of an individual that leads to performance and ultimately results in satisfaction. Eby, Freeman, Rush, and Lance, (1999) also in strong support by meta-analysis towards the commitment effect on job satisfaction and intrinsic motivation, which was in this manner observed to be contrarily identified with a turnover. Enhancement in the commitment and productivity, bring down the rate of turnover and absentee and increase the effectiveness of organization due to the employee job satisfaction (Chu, 2017). Haley-Lock (2007) has explained two types of job satisfaction.

According to the study, one type of job satisfaction is the general satisfaction that employees report by themselves being connected to their workplace due to work environment and social contacts. Another type of job satisfaction is connected to opportunities, motivation, and growth. The study has concluded that all these factors collaborate to satisfy the employee in an organization. Osmanbekov and Bernard, (2013) have highlighted in their study that it is management’s responsibility to clearly communicate the job role
to employees. By doing so, they will be able to avoid role conflict and achieve job satisfaction in their organization. There is a strong bond between role conflict of employee with overall low job satisfaction (Keller, 1975; Tosi, 1971).

There is a positive relationship between job satisfaction and supervisors support. Employees feel motivated and connected to work when they are supported by supervisor’s in different tasks which ultimately results in job satisfaction (Griffin, Patterson, & West, 2001). Sekaran (1989) has reported that work ethics, reduced stress, role in decision making, autonomy, clear communication, a variety of skills, identification of job role and positive feedback of task join together to satisfy employees of banks. Job satisfaction, stress, and health are a result of the valuable reward of work autonomy (Bakker & Demerouti, 2007). They have also tested these variables in presence of intervention by the involvement of employees in job and competence they sense about themselves. Millette and Gagné (2008) have concluded in their study that characteristics of a job and intrinsic motivation have a strong relationship. It means that when people design and know their tasks, they get motivated and feel satisfied with their job. The intrinsic motivation leads towards satisfaction. The competence, independence, and relatedness for the individuals need satisfaction lead towards the intrinsic motivation, as per self-determination theory (Mikkelsen, Jacobsen, & Andersen, 2017). The optimal motivation, psychological development, and psychosocial outcomes lead to social-contextual factors inspect by the self-determination theory (Ryan & Deci, 2000).

2. Problem Statement

Employees work hard to get the reward that satisfies them at the end (Nohria, Groysberg, & Lee, 2008). If satisfaction is not attained, it gives birth to organizational conflicts, mismanagement, and non-productivity. The major strategy that is in place to satisfy or give rewards to employees is giving them “monetary and non-monetary” benefits (Hezekiah, Ayodotun, & Maxwell, 2014). HRM department of every organization has got their heads on the table to find out the best way to improvise the compensation of employees.

There is no point in exploring if monetary benefits i.e. salary would create an impact on employee job satisfaction or not. Both of these have a strong and positive relationship. This study has focused on exploring a factor of a non-monetary benefit named as motivation affects employee job satisfaction. Whether or not, motivation has a strong positive relationship with employee job satisfaction. It has further compared the relationship between these variables for lower middle and middle-income group people. Moreover; to accomplish this study, banking sector of Karachi, Pakistan is taken as a case because this sector is eminent for providing the employment in the country.

Petty, Brewer, and Brown (2005) have tested the demographic variable age with job satisfaction. This study assumed that demographic variable and job satisfaction have a significant relationship. However, the findings of the study showed that there is no signification relationship between these variables. Furthermore, it was concluded that other variables that are related to the job would have more role to play in job satisfaction instead of demographic variables. It was explained in the study of DiPietro, Kline, and Nierop (2014) that organizations have to retain their employees by providing them satisfaction. It is necessary to keep the employees motivated all the time. Motivation can be attained through appreciation
for a job well done. It was found that older people were more motivated than younger people who were less satisfied with the job security.

Motivation and job satisfaction plays a vital role in employee retention in low and middle-income countries. Bonenberger, Aikins, Akweongo, and Wyss (2014) have concluded the same in the context of Ghana through a cross-sectional study. Furthermore, they have recommended the ways to motivate employees that include listening to their problems and promoting the team building among employees. Kim and Lee (2011) have reported in their study that work motivation and job satisfaction play a role of mediators in employee’s creativity. Their study has further elaborated that employee’s creativity is dependent on factors that give birth to motivation and job satisfaction. These factors may include organizational systems, team’s environment, and personality attributes.

As per the literature review above, there are many instances where literature is supporting this study. Literature talks about the linkage between motivation and job satisfaction in different circumstances. There are studies that have explored employee job satisfaction in banks which is similar to existing study. Furthermore, the relationship between motivation and job satisfaction is tested with respect to age of employees. There are several studies incorporated, which explored the employee retention with respect to motivation and job satisfaction.

The differential point or uniqueness in the current study is that it is being performed for banking sector of Karachi, Pakistan and opinion of lower middle and middle-income groups is considered. In addition to it, the people of different mind sets having diversity in experience are made participants in this study.

This study “Role of motivation on employee job satisfaction in the banking sector of Karachi, Pakistan - A comparative analysis for lower middle income and middle income group” aimed at following things:

1. To know the intensity of the relationship between motivation and employee job satisfaction with respect to income.
2. To conclude if motivation stands anywhere in competition against the salary.

Based on the scope and objectives, below are the hypotheses that are tested in this study:

\[ H_0^1: \text{There would not be a significant relationship between motivation and job satisfaction for lower middle income group.} \]

\[ H_A^1: \text{There would be a significant relationship between motivation and job satisfaction for lower middle income group.} \]

\[ H_0^2: \text{There would not be a significant relationship between motivation and job satisfaction for middle income group.} \]

\[ H_A^2: \text{There would be a significant relationship between motivation and job satisfaction for middle income group.} \]

3. Research Questions

Based on the situation described above, below are the research question of this study:
3.1. Is there a significant relationship between motivation and employee job satisfaction for the lower middle-income group?

3.2. Is there a significant relationship between motivation and employee job satisfaction for the middle-income group?

4. Purpose of the Study

The inventiveness of this topic is an evidence of the significance of this study. The idea was to devise an initial platform that can be expanded by management experts for future considerations. This study is thought-provoking as the major focus or common perception has always been monetary benefits when employees are to be satisfied. This study aimed at challenging the common perception by discovering motivation as a major factor of non-monetary benefits.

The major stakeholders of this study are employees, HR managers/specialist, HRM consultants, top management and strategy and policy-making departments of any organizations. Moreover, the indirect stakeholders can be researchers who can get benefit from this study by expanding it at a larger scale. The banks are direct stakeholders of this study and can get benefit through the implications of this study. The regulatory body i.e. State Bank of Pakistan (SBP) can also come up with a policy for banks after taking a review of this study.

5. Research Methods

5.1. Research Participants

It was critical to select the sample or participants of this research. For a small scale study like this, wise selection of sample was required so that true representation of population could be made part of this research. Banking sector of Karachi, Pakistan was considered as a population and Officer Grade (OG) employees of private banks were made a sample for this study. The sampling technique used was convenience and snowball sampling. Total sample size of the study was 194 in which total 177 were used and 17 were discarded due to incomplete information.

5.2. Instrument

Both the variables “motivation” and “job satisfaction” were measured through scales that were already developed and used in earlier studies. Motivation was measured through “Employee Motivation Scale”. Total 9 items were used on the Likert scale in one section of survey questionnaire (Johnson, 2005). Furthermore, “Minnesota Survey Questionnaire (MSQ)” was used to measure employee job satisfaction. Total 8 items were used on the Likert scale in the second section of survey questionnaire (Adeoye & Ziska, 2014).

5.3. Data Collection

The survey questionnaire was designed on “Google Forms” and web URL or link was sent online to the sample. Before sending the questionnaire to the entire sample, the items and responses of first 5 participants were discussed in person. This was to ensure that pilot testing is performed and participants understand the items and their purpose.
5.4. Statistical Analysis

Frequencies were calculated to know the details about demographics and “Pearson Product
Correlation” was applied to test the relationship between variables. Both the activities were performed using
software named as “Statistical Package for Social Sciences (SPSS)”.

6. Findings

The data was extracted from an online forum in MS Excel format and imported in SPSS. The
reliability of the study was measured by the Cronbach’s Alpha shown in the given statistics;

<table>
<thead>
<tr>
<th>Table 01. Reliability Statistics</th>
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<tbody>
<tr>
<td>Cronbach's Alpha</td>
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<tr>
<td>------------------</td>
</tr>
<tr>
<td>Motivation</td>
</tr>
<tr>
<td>Job Satisfaction</td>
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</tbody>
</table>

The reliability statistics shows the instrument internal consistency, whereas, motivation shows
0.878 and job satisfaction shows 0.844 i.e. excellent as its cut off is 0.6 it is considered as reliable.

<table>
<thead>
<tr>
<th>Table 02. Gender</th>
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<tbody>
<tr>
<td>Frequency</td>
</tr>
<tr>
<td>Valid</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Missing</td>
</tr>
<tr>
<td>Total</td>
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</tbody>
</table>

Firstly, the descriptive statistics were applied to calculate the frequencies. As per results; there were
177 total respondents out of which 133 were male and 44 were females. Cumulative percentage of gender
shows total 75% of the sample was representing male employees. The various studies show that the job
satisfaction affected by demographic factors as well (Heslop, Smith, Metcalfe, Macleod, & Hart, 2002;
Lambert, 1991; Pugliesi, 1995; Ting, 1997). Whereas, dissimilarities between job satisfaction and gender
was also marked in studies (Brief & Weiss, 2002; Kellough, 1990). In addition, satisfaction of job are more
in women instead of men reported in several studies (Lambert, 1991; Liou, Sylvia, & Brunk, 1990).
The investigation shows that total 104 respondents of the sample belongs to the 31-40 age bracket, which can relatively 98.3%. Indeed, the strong relationship of age with job satisfaction was suggested by a number of findings (Brief & Weiss, 2002; Lee & Wilbur, 1985; Pugliesi, 1995). The substantial inconsistency was measured in job satisfaction and age relationship. Of age, employees have higher job satisfaction than young employees reported by various studies (Bedeian, Ferris, & Kacmar, 1992; Lee & Wilbur, 1985; Liou et al., 1990; Ting, 1997).

In addition, the findings show that employees having experience more than three years and less than five years was almost 80% which leads the bank employee’s motivation requirement in job satisfaction. However, studies in support of more than 5-year job experience with higher job satisfaction, it may increase by the increase in experience (Brief & Weiss, 2002; Clugston, 2000; Heslop et al., 2002). Whereas, employees having 3-5 years job experience exhibit lower satisfaction than other (Drummond & Stoddard, 1991).
Furthermore, respondents having monthly income from 15,000 to 50,000/- Pakistani Rupees (PKR) were total 134 and above 50,000 PKR were 43. These results lead towards lower middle-income groups as income usually shows the position of the employee in the organization. Results in line with the Yousef (1998) investigation, that the increase in monthly income increases job satisfaction.

Table 06. Correlation between variables of interest in the study for lower Middle Income Group

<table>
<thead>
<tr>
<th></th>
<th>Motivation</th>
<th>Job Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Motivation</strong></td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>N</td>
<td>134</td>
</tr>
<tr>
<td><strong>Job Satisfaction</strong></td>
<td>Pearson Correlation</td>
<td>.364**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>N</td>
<td>134</td>
</tr>
</tbody>
</table>

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

At the second stage, data were imported in SPSS for respondents whose salaries were from 15,000 to 50,000 PKR (called as lower middle-income group). After that, Pearson Product Correlation was applied. The correlation coefficient appeared as 0.364 at significance level (p) 0.01, which express that motivation is required in lower middle-income group for their job satisfaction.

Table 07. Correlation between variables of interest in the study for Middle Income Group

<table>
<thead>
<tr>
<th></th>
<th>Motivation</th>
<th>Job Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Motivation</strong></td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>N</td>
<td>43</td>
</tr>
<tr>
<td><strong>Job Satisfaction</strong></td>
<td>Pearson Correlation</td>
<td>-.078**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>N</td>
<td>43</td>
</tr>
</tbody>
</table>

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

At the third stage, data were imported in SPSS for respondents whose salaries were above 50,000 PKR (called as middle-income group). After that, Pearson Product Correlation was applied. The correlation coefficient appeared as -0.078 at significance level (p) 0.01, it expresses by the investigation of the current study that the relation of middle-income group motivation is not positive with their job satisfaction.

7. Conclusion

As per the results mentioned above, the first hypotheses of this study is rejected because of p-value i.e. 0 is less than the level of significance i.e. 0.01 which shows that there is a significant relationship between motivation and employee job satisfaction for the lower middle-income group. Therefore, an alternative hypothesis is accepted. The correlation coefficient is 0.364 which is at a distance from +1. Therefore, the correlation between variables is weak for 134 lower middle-income group respondents.
Furthermore, the second hypotheses of this study are accepted because p-value 0.615 is greater than the level of significance i.e. 0.01 which shows that there is no significant relationship between motivation and employee job satisfaction for middle-income group. Therefore, alternative hypothesis $H_{A2}$ is rejected. The correlation coefficient is -0.078 which shows that there is no significance and a negative correlation between variables for 43 middle-income group respondents.

In the light of above discussion, it is concluded that there is a significant relationship between motivation and employee job satisfaction in the banking sector of Karachi, Pakistan for lower middle-income group people. It is true in a country like Pakistan where people with less income also look for appreciation or motivation to get satisfied. They believe that there is a weak but still positive correlation between motivation and employee job satisfaction. For such people, monetary benefits are important but other factors like motivation are also important to get satisfied from their jobs. Therefore, the answer to our first research question is in favour. However, the middle-income group has given a different opinion. For them, there is no sign of motivation. It is clear from the results that they only believe in monetary benefits to get satisfied from their jobs. Therefore, the answer to our second research question is not in favour.

7.1. Limitation

This study was limited to a banking sector of Karachi city only due to which it was conducted at a small scale with small sample size. In addition, only quantitative research method was used.

7.2. Future Implications

Researchers can use this topic to expand on a larger scale by setting larger sample size and applying a hybrid of quantitative and qualitative research methods. This study has got various avenues for implications i.e. managers, strategy making departments, HRM units, and regulatory bodies can use this research for effective decision making and implement new structures and policies.

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