Faculty of Economics and Business

FACTORS AFFECTING JOB SATISFACTION OF THE ACADEMIC STAFF IN A LOCAL COLLEGE IN KUCHING

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FACTORS AFFECTING JOB SATISFACTION OF THE ACADEMIC STAFF IN A LOCAL COLLEGE IN KUCHING

By

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I certify that I have supervised and read this study and that in my opinion it conforms to acceptable standards of scholarly presentation and is fully adequate, in scope and quality, as a research paper for the degree of Corporate Master in Business and Administration.

Name of the: Professor Ibrahim Mamat
Supervisor

This research paper was submitted to the Faculty of Economics and Business, UNIMAS and is accepted as partial fulfillment of the requirements for the degree of Corporate Master of Economics and Business.

Assoc. Prof. Dr. Shazali Abu Mansor
Dean, FEB.
UNIMAS
DECLARATION AND COPYRIGHT

Name : Khoo Kiem Yong
Matric Number : 00-02-0468

I hereby declare that this research is the result of my own investigations, except where otherwise stated. Other sources are acknowledged by footnotes giving explicit references and a bibliography is appended.

Signature

Date : 15 April 2002
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ABSTRACT

Numerous studies have shown that job satisfaction plays an important role in today's organisation. This survey sought to contribute to a better understanding job satisfaction of the academic staff in a local college by investigating the level of job satisfaction and the factors affecting the level of job satisfaction, based on demographic variables. Kolej Cemerai Jaya with its eighty-one full time and part time lecturers and tutors, participated in this survey. A self-administrated questionnaire was selected as a mode of data collection. The Multiple Regression Analysis (Stepwise), Pearson Correlation Moment (2-tailed) and Crosstabs were utilized to analyse the data. The result showed that the level of job satisfaction is average in the college with only 1 (1.24%) respondent feeling satisfied with their job. Meanwhile, 71 (87.65%) respondents have average level of job satisfaction and 9 (11.11%) respondents are not satisfied with their work. All the factors, namely knowledge, control, psychological, financial and task, show positive correlation with job satisfaction, with psychological and financial factors having significance correlation. Besides that, psychological and financial factors play a major role in affecting the level of job satisfaction. The most dominant factor affecting level of job satisfaction is found to be the psychological factor ($r=.255, p=.034$) and followed by the financial factor ($r=.233, p=.046$). In addition, the survey revealed no significant differences in the level of stress by the demographic variables of gender, age and years of teaching. The writer recommends that the management of the college should pay more attention on the psychological and financial aspects of the academic staff, such as enhancing relationship, improve communication, avoid discrimination respect the academic staff and reward them appropriately in recognising their effort. The writer hopes that the findings of this survey can be used by the relevant authorities and the management of the college to create a better working environment for their staff in future.
ABSTRAK

CHAPTER 1
INTRODUCTION

1.0 Introduction

For the past few years, many researches regarding job satisfaction have been carried out. The so-called experts or researchers in human resource and organisations in general begin to realise the importance of job satisfaction.

Schneider (1992) revealed that 'job satisfaction has probably received more attention from scholars in the organizational sciences than any single topic.' It has also been suggested that 'job satisfaction is one of the most widely discussed and enthusiastically studied construct in such related disciplines as industrial-organizational psychology, social psychology, organizational behaviour, personnel and human resource management and organizational management'. Considering the growing awareness of the importance of job satisfaction, the writer has decided to conduct a survey on this topic.

1.1 Background of the Survey

The writer would like to indicate that this survey will be carried out in a local college in Kuching, Sarawak. The name of this college is Kolej Chemai Jaya. Throughout the writing of this survey, Kolej Chemai Jaya will only be referred to as the college.

The college was founded in 1995. It started as a Matriculation Center and later became a college in 1997 and involved in running diploma and degree programmes from local and overseas universities. To date, there are 2080 students and 71 full time academic staff. Besides that, the college also employs 25 part-time lecturers and tutors.

The academic staff in the college comes from different ages and of different academic qualification and background. The lecturers teach mostly fresh school graduates taking up diploma programmes, while a minority of students made up of adults students doing distance learning with foreign universities which collaborate with the college. This survey will involve all the full and part-time academic staff.
1.2 Problem Statement

For the past six years, the college has seen its academic staff coming and going. However, there has been a sharp rise in the academic staff turnover for the past two years. The number of academic staff leaving the college for 1996, 1997, 1998 and 1999 was 6, 4, 5 and 7. In the year 2000, the number rises to 23. That is an increase of almost 223%. As for the year 2001, until the month of October, the college has already seen 22 of its lecturers leaving for another job. This must be prevented as ‘increasingly, researchers are documenting high turnover rates among new teachers’ (Curran, 2002).

According to the Director of one of the programmes, high staff turnover causes the college to lose out in many ways. First of all, the college will need to train the new staff once they are recruited. A lot of money, time and other resources have been wasted due to this. Another Programme Coordinator feels that new staff will take at least three to six months to fit themselves into the work culture of the college and perform efficiently. If this trend goes on, it will surely affect the overall performance of the college.

O’Mailley (2000), when commenting on high staff turnover, further inserted that the price of this employee churn is extraordinary high as most analysts reckon that the cost of losing an employee, all told, is between half and one-and-a-half times his annual salary.

Generally, employees may leave a company due to many reasons such as family problems, unsuitable surrounding etc that are not related to the job itself. In this college, however, many lecturers seem to leave as they find themselves not satisfied with certain areas in the college.

Even if some lecturers do not leave the college, they could have caused other problems. Caudron (2001) expressed that unsatisfied workers could cause job-hopping, higher use of employee-assistance service, declining productivity, energy-sapping morale problems, and a greater willingness to file discrimination complaints.

That is why, the writer feels that one way to encounter this problem is to conduct a survey to find out the factors that affect job satisfaction among the academic staff in the college. With such
knowledge, the college can improve the satisfaction of the staff in future and hopefully in turn minimise the staff turnover.

As indicated in a report by Idaho Education Association (2001), academic organizations must improve job satisfaction levels so that teachers now employed will be more likely to stay. And colleges like Kolej Cherma Jaya 'can ill-afford to lose good teachers at a time when pressure to improve students’ achievement is necessary' (Curran, 2002).

1.3 Objective of Study

The objective of this survey is to find out the factors that affect job satisfaction in the college. With such knowledge, a recommendation can be put forward to the college for further improvement.

In addition, there are also several sub-objectives for this survey. It is desired that with the information provided in this survey, the college will be able to make the necessary changes. With those changes, hopefully the college will be able to retain the lecturers.

1.4 Research Questions and Hypotheses

According to McDonald & Hutcheson (1997), the factors that go into what makes someone satisfied are pretty complex. This is because, there may be a combination of many factors that will make a worker satisfied with his job. For the purpose of this survey, the writer intends to find the answers for both questions below:

a) What makes employees satisfied with what they do all day long?

b) What makes the workers excited and enthusiastic about what they do all day long?

As stated above, it takes many factors to satisfy a worker. In this survey, the writer have compiled a total of 5 factors (independent variables) which may correlate with job satisfaction (dependent variable). In short, the hypotheses for this survey will be as follow:
a) Each of the job satisfaction independent variables correlation the job satisfaction of the college’s academic staff.

b) Each of the job satisfaction independent variables affects job satisfaction of the college’s academic staff.

1.5 Significance of the Study

1.5.1 Implications

So far, the writer has not yet come across any survey done regarding the factors that contribute towards job satisfaction among the academic staff in a local college in Kuching, Sarawak. Even though many studies have been done elsewhere regarding the same issue, it is important to note that the working environment in Kuching could be different too. This may result in different factors that affect their job satisfaction.

At the same time, the writer feels that the factors between new and old staff could be different. That is why, the writer also intends to test if there are differences between the factors contributing towards job satisfaction among the old and new staff.

1.5.2 Applications

A recent study, reported in The Wall Street Journal, showed a 5% increase in employee satisfaction generates a 2% increase in customer loyalty. As Hesket, Sasser & Schesinger (not dated) showed in The Service Profit chain, a very small increase in customer satisfaction (5%) results in huge gains in profit (25%-85%) (McDonald & Hutcherson, 1997). McDonald & Hutcherson (1997) also claimed that employee satisfaction is a key link to customer satisfaction and profit.

According to Ostrow’s (1992) research, schools at which the teachers were more satisfied with their jobs had greater students’ satisfaction, higher academic achievement, fewer problems with students’ behaviour, lower turnover and higher ratings of administrative performance.

Through this survey, the management of the college will have a clearer picture of the factors that affect job
satisfaction of the staff in the college. This survey may even become a guideline for the management of the college in amending any new policies and carrying out any new changes for the college in future.

With increased job satisfaction among the academic staff of the college, the students (customers) should be able to achieve better results. This, in turn, will surely improve the image of the college and attract more students in future.

1.6 Framework of the study

Below is the figure of the framework. Basically, the framework is divided into independent variables and dependent variable. The only dependent variable is job satisfaction.

The independent variables are divided into two 'categories': the demography and factors affecting job satisfaction. Three items will be included for the demography of this survey. They are gender, age and years of teaching. Meanwhile, the writer also includes five possible factors which may affect job satisfaction of the academic staff in the college.

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Figure 1: Framework of the study
CHAPTER 2
LITERATURE REVIEW

2.0 Introduction

This chapter consists mainly the literature which the writer has come across throughout the process of writing this survey. The writer begins by defining the phrase ‘job satisfaction’. Then, the writer describes the importance of job satisfaction, especially in today’s organisation.

Next, the writer presents the different theories related to job satisfaction. The writer ends the chapter by discussing factors and issues affecting job satisfaction.

2.1 Definition of Job Satisfaction

So far, there are several definitions to job satisfaction. Locke (1976) defined job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one’s job or one’s experience. Meanwhile, Newstrom & Davis (1997) defined job satisfaction as a favourable or unfavourable set of feelings and emotions with which employees view their work. Byars & Rue (1997) described job satisfaction as an employee’s general attitude toward the job.

2.2 Importance of Job Satisfaction

Throughout the writer’s reading, it seems that job satisfaction is a topic that is widely covered in many books, journals, articles, newspapers and published or unpublished thesis. This shows that job satisfaction is an important issue that affects people of different stages throughout the world.

The statement above is supported by the writer of ‘The Psychology of Work’, Robert D. Smither (1994), who claims that job satisfaction is one of the most intriguing areas of industrial and organisational theory. ‘Although there are many different work attitudes, job satisfaction is a central construct that has dominated the attention of both front line managers and social scientists’ (Noe, et. al., 1997).
2.2.1 Loyalty

Among all the importance of job satisfaction, loyalty could be argued as one of the most important elements. As Corsini (2001) put it, "firms are learning that by creating good corporate environment, they are being rewarded with significant gains in retention, loyalty and ultimately even greater impact to the bottom line".

There is little doubt that with employees who have high level of loyalty towards the company, they will be more committed in carrying out their tasks.

2.2.2 Retention

"We can obtain people: it's the difficulty of retaining them" (Miotke, 2000). It is often agreed that with higher level of job satisfaction, it is most likely that the employees will stick to the company. Employee retention indirectly plays an important element in the company's growth. With a higher retention rate, the company would be able to keep the more experienced workers.

A company that has the ability to retain its employees will save a lot of money in terms of knowledge drain and retraining the staff. If the turnover rate is really high, the organisation would have to bear with employees who need the time to get used to the working environment in the organisation. That is why, companies must work hard to ensure that the level of job satisfaction is maintained within a certain level.

2.2.3 Decision Making

Newstrom & Davis (1997) also suggested that the management needs information on employee job satisfaction in order to make sound decisions, both in preventing and solving employee problems. They also argued that employees' attitudes are important to monitor, understand and manage as higher job satisfaction usually is associated with lower staff turnover and fewer absences.

Once the employer has the information on the employees' job satisfaction, the top management could make decision to improve the areas which they feel necessary based on the information. Certain
training may also be carried out to improve the level of job satisfaction among the staff.

2.2.4 Monitoring

Once the top management has the information regarding the employees' job satisfaction, it would be easier for them to monitor the employees, be it in terms of work attitude, task completion and so on. Noe et al. (1997) stated that it also allows the company to monitor trends over time, provide a means of empirically assessing the impact of changes in policy and personnel on worker attitudes.

In addition, if the survey incorporates standardized scales like Job Description Index, it often allows the company to compare itself with others in the same industry along these dimensions.

2.2.5 Cost effective

As stated before, high level of job satisfaction will contribute towards higher level of employees' retention. This could save the company a lot of money in retraining new workers. Eason (1984) further cited that the base-line benefits are cost savings on retraining in a rapid-turnover job market and cutting down the equally expensive knowledge drain.

With higher level of job satisfaction, employees will be more committed with their work and take their own initiative to improve any weaknesses within themselves. 'Beyond that, companies are reaping rewards from teams of company-committed, energized individuals at a time when lethargy is sapping productivity at firms where traditionally authoritarianism is rule' (Eason, 1984).

2.2.6 Prevent unhappiness/dissatisfaction

As suggested by Perry (2001), unhappy employees can wreck your department. This is surely a very valid point. If the majority of the employees are not happy and not satisfied with their work, they will carry their feeling into their tasks.

It would be really difficult for the employees to serve their customers satisfactorily if they are so unhappy with their own working condition. If the employer is not careful, not only that the growth of
the organisation will be affected, in fact the organisation may even collapse.

2.2.7 Other benefits

In addition to the number of importance stated above, there are also several benefits which an organisation could gain with proper studies and administration of job satisfaction.

‘If job satisfaction studies are properly planned and administered, they will usually produce a number of benefits, such as, monitoring attitudes, improve flow of communication, identify training needs, plan and monitor new programmes etc. Most important of all, job satisfaction is dynamic, for it can decline more quickly than it develops’ (Newstorm & Davis, 1997).

According to Testa (2001), ‘increased of job satisfaction will also stimulate increased organisational commitment and in turn, service effort’. Testa (2001) further stressed that perhaps job satisfaction does not directly affect performance outcomes but stimulates changes in coping behaviour, which in turn may affect performance’. In this case, the effect is usually positive.

Abraham (1994) supported the idea by stating that instructors or academic staff with high and medium level of job satisfaction were more effective than those with lower job satisfaction. And most important of all, ‘young people today ranked job satisfaction over salary in a career’ (Career Research Findings, 1999).

2.3 Theories related to Job Satisfaction

There are several theories that are closely related to job satisfaction. Graham & Bennett (1995) inserted human needs as one of the major factors. According to them, psychologists usually make the assumption that human behaviour is goal-seeking as people try to achieve objectives or goals which, when reached, will satisfy their needs.
2.3.1 The Hierarchy of Needs

Maslow (1954) has divided human needs into several classes, namely; physiological or basic needs, security of safety needs, belonging or affection needs, esteem or ego needs and self-actualisation needs. Maslow (1954) suggested that:

‘the classes of needs actually form a hierarchy; people tend to satisfy their needs in a certain order of precedence. In general, when physiology and security needs have been satisfied, the higher needs (belonging, esteem etc) become important, usually, in the order of the hierarchy’

Through his argument, one can say that the employees will be satisfied with their job if the job could satisfy the needs of the employees accordingly. The most basic needs, such as food and accommodation, would usually come first.

For instance, it would be difficult for the employee to have high level of job satisfaction if the income he receives from the job could hardly support his daily needs. Once the basic needs are fulfilled, the employee would then think about self-esteem or any other classes of needs.

2.3.2 ERG Theory

Meanwhile, Alderfer (1972) has proposed to modify Maslow’s theory, consisting only three levels of needs, namely; existence needs, relatedness needs and growth needs.

His theory agrees with Maslow that as one level become satisfied, the level above becomes important, but adds a further proposition that if one level is not sufficiently satisfied, the level below becomes more important.

2.3.3 Mumford - The Five Needs

As for Mumford (1976), there should be a combination between Maslow’s Hierarchy of Needs and Alderfer’s (1972) ERG Theory. ‘By breaking Maslow’s and Alderfer’s broad variables up, a number of more specific needs can be identified which can offer