



IMPACT OF EMPLOYEE JOB SATISFACTION ON ORGANIZATIONAL PERFORMANCE

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Abstract: This paper theoretically examined the impact of job satisfaction on organizational performance. It notes that job satisfaction is vital for improved organizational performances. The paper posits that an employee with a high level of job satisfaction holds positive attitudes towards his job. On the contrary, an employee who is dissatisfied with his job holds negative attitudes about the job. It also noted that improved organizational performances result from committed workforces who are satisfied with their work facets in the organizations. The paper concluded that job satisfaction has a negative relation with increase in absenteeism, turnover and low work drive, but creates positive high staff morale among employees, increases employee commitment to an organization, and enhances their level of motivation, and directly impact on the productivity level of employees. The paper recommends among others that, management should be interested in their employee's attitudes as attitudes gives warnings of potential problems and is capable of influencing employee's behavior. Managers should also raise employee satisfaction by focusing on the intrinsic and extrinsic parts of the job to keep the employees motivated and committed to drive organizations vision and goals domain, as well as strongly induce positive subsequent employee positive outcomes. Managers must however realize that creating a satisfied workforce is neither a bag of solution to every organizational problem nor a guarantee of successful organizational performance. Therefore, efforts should be made to strategically position the organization to take advantage of opportunities that abound in the environment through effective environmental scanning, and effective corporate management and putting in place structures that enhances employees' job satisfaction.

KEYWORDS: Job satisfaction, organizational performance, motivation, improved productivity.

INTRODUCTION

Every organization seeks to attain a high level of performance, productivity and efficiency in their day to day operations and activities. To achieve these, organizations always set several goals and objectives, and always seek to attract and retain highly qualified and motivated workforce in order to effectively achieve these objectives. Organizations also try to create a pool of satisfied workforce to ensure that obstructions are not place on the way of employees to generously commit themselves in the purse of stated and or emergent organizational goals. However, the total organizational performance depends on efficient and effective performance of individual employees who work in the organization. An organization therefore, look up to their individual employee performance to gain high performance.

This is because; individual employee's performance is an important factor that determines organization performance.

When an employee feels satisfied about the job, he/she is motivated to put in greater effort in his/her job. This greater effort tends to increase the overall performance of the organization. In other words, a satisfied individual employee plus his effort and commitment are crucial for the success of the organization. In fact, no employee can truly be committed with his or her employing organization when he or she is not satisfied with her. Today, it is not easy to understand the effect of job satisfaction on work performance. Scholars have tried to establish the relationship between job satisfaction and job performance by delving into several research and studies. Buchanan (2011) has noted that the two variables are positively related in a particular way when he posited that a happy worker is a good worker. On the other hand some



researchers argue that the results are equally inconclusive with respect to the hypothesis that there is no such relationship. As a result of this ambiguity, this relationship continues to stimulate research, a re-examination of previous attempts (Buchanan, 2011). Job satisfaction is a mind boggling and multifaceted idea, which can mean various things to various individuals. Employment fulfillment is typically connected with inspiration, yet the idea of this relationship isn't clear. Of late, regard for work fulfillment has gotten all the more intently connected with more extensive ways to deal with improve work plan and work association, and the nature of workplace.

Kahn (1960) note that no connections were found between any of the indexes and performance at work. As such, employees in profoundly producing groups were not any more liable to be satisfied with their jobs and the organization or with their monetary and status prize than workers in low producing teams are. Nwachukwu, (2006) noticed that job satisfaction does not necessarily lead to improvement in performance. According to him, studies have however showed that job satisfaction connects adversely with increment in absenteeism, work turnover and poor resolve (Nwachukwu 2006).

Human relations approach tends to accept and argue that satisfaction leads to performance. An alternative view is that performance leads to satisfaction. However, a variety of studies suggest that research has found only a limited relationship between satisfaction and work output and offer scent comfort to those seeking to confirm that a satisfied worker is also a productive one. Labour turnover and absenteeism are commonly associated with dissatisfaction, but although there may be some correlation, there are many other possible factors. (Buchanan, 2011; Nwachukwu, 2006; Longenecker, 1977). Individual performance is a function of many factors: motivation, organizational support, the desire to do the job, ability, individual ability, and availability of needed information to do the job. All these are all within the control of a capable manager who needs to understand his subordinates and provide the much needed support and encouragement to them.

Pushpakumari, (2008) note that satisfied worker works harder and better and put in more efforts that helps to improve organizational performance. Accordingly, organizations try to create a satisfied workforce for the well-being of the organization. Thus the overall performance of organizations

depends on the performance of individual employees in the organization. Because of this, organizations place a considerable reliance on their individual performance to gain improved productivity. Employee effort is an important factor that determines what an individual performance will be. In other words, a satisfied individual employee together with his effort and commitment are crucial for the success of any organization. Koys (2001) pointed out that it is crucial for an organization to understand what employee exactly feel, thing on their job and stage of satisfaction, as this can help improve business outcome and is probably increased productivity as well.

The paper thus seeks to utilize a theoretical approach to examine the relationship between job satisfaction and organizational performance in today's business settings, as well as consider some implication of job satisfaction for business managers.

LITERATURE REVIEW

Concepts of Job Satisfaction

Job satisfaction is the total feeling likeness or dislikes that an individual has about his or her job. It is an effective or emotional response towards the various facets of one's job. It is an individual total attitude and perception towards one's job. Baridam and Nwibere (2008) defined job satisfaction as the degree to which an individual feels negatively or positively about the various facets of job tasks, the work setting, relationship with co-workers and the job itself. An individual with a significant level of job satisfaction holds uplifting frames of mind towards their activity while an individual who is less satisfied with their jobs holds negative dispositions about the job (Puskpakumari 2008), Luthans (1985) cites a far reaching definition given by Locke (1976) as a pleasurable or positive passionate state coming about because of the appraisal of one's experience. Job satisfaction is an aftereffect of workers' impression of how well their activity gives those things which are seen as significant. Jobsatisfaction is likewise characterized as the reintegration of effect created by person's view of satisfaction of his needs in connection to his work and the errands encompassing it (Saiyaden, 1993). Organ and Hammer (1991) called attention to that job satisfaction speaks of complex array of insight, feeling and inclinations. It is the degree to which an employee cherished his work and job activity. Intrinsic factors (recognition, tasks and responsibility) and extrinsic factors (salary, policies, and working condition and company



policies) are two set of factors that influence job satisfaction. The intrinsic factor or internal job satisfaction represent the desire to perform a task which deals with pleasure. These factors are related to internal motivation. While the extrinsic factor (external job satisfaction) are the external benefits which are provided by the organization to its professional staffs. Almost any job related factor can influence a person's level of job satisfaction or dissatisfaction. There are number of factors that influence job satisfaction. The major ones can be summarized by recalling the dimensions of job satisfaction. They are pay, the work itself, promotions, supervision, work group and working conditions (Luthan 1985). The job description index (JDI) by Patricia Smith et al (1969) measures five important aspects or facets of job satisfaction. The five facets of the JDI are work on present job, present pay, and opportunities for promotion, supervision, and co-workers. These serve to diagnose important aspects of the job (Ironson, Smith, Brannick, Gibson, & Paul, 1989).

Measures of Job Satisfaction

Many criteria for assessing job satisfaction have been developed. These criteria are aimed at helping managers/management establish an employee's job satisfaction level, and also to initiate strategies to solve or eradicate poor or low level of employee's satisfaction problem, thereby increasing the employee's job productivity. According to Robbins (2001:67), the 2 technique of measurement of job satisfaction are: single global rate and a summation of job sides. the one international rating technique could be a response to 1 question, like "All things thought-about, however happy area unit you along with your job?" Respondents circle variety between one and five that corresponds to answers from "highly satisfied" to "highly discontent." the opposite approach - a summation of job sides - is a lot of subtle. As indicated by Spector (1997), this system distinguishes key parts during a vocation and requests the worker's emotions regarding every traditional parts here area unit the thought of the work, oversight, gift compensation, advancement openings, and relations with associates. Respondents rate them on associate institutionalized scale, and analysts add the appraisals to create a general job performance score.

A major question is to find out if one of these approaches is superior to the other. Intuitively, summing up responses to a number of job factors seems likely to achieve a more

accurate evaluation of job satisfaction. Nevertheless, Wanous, Reichers and Hardy (1997) takes note of fact that research doesn't bolster the instinct. This is one of those uncommon occurrences in which effortlessness appears to function just as intricacy, and examinations of the two techniques show that one is basically as legitimate as the other. The best clarification for this result is that the idea of job satisfaction is inalienably so expansive that the single inquiry catches its real meaning. Another explanation might be that some significant aspects are let well enough alone for the summation of occupation features. The two techniques are useful. For example, the single worldwide rating technique isn't very tedious, which liberates administrators to address other working environment issues and issues. What's more, the summation of occupation features assists managers with focusing in on where challenges exist, making it simpler to manage unsatisfied workers and take care of issues quicker and all the more accurately.

Job Description Index (JDI)

The job description index (JDI) by Smith, *et al.*, (1969) identified and measures five vital aspects of job satisfaction. These include: work on present job, present pay, and opportunities for promotion, supervision, and co-workers. The study noted that job satisfaction must be considered as a feeling work fulfillment must be considered as an inclination which has emerged in the worker as a reaction to the all out Job circumstance. It is likewise obvious that opportunities available to an employee additionally impacts Job satisfaction. As indicated by Nwachukwu (2006), a worker who has few Job openings will undoubtedly excuse on this and get fulfillment from what he has accessible. Whereas an employee with more available opportunities will undoubtedly complain and always think about his opportunity cost and this influences his all out Job satisfaction. The significant convenience of Patricia Smith's JDI is that the scale utilized has demonstrated validity.

Work on the Present Job: It is accepted that one of the main considerations that impact work fulfillment is one's work on his present occupation. The JDI endeavors to see whether the the job one is doing on his present job is satisfying or, wearisome and disappointing. Regardless of whether a representative tries sincerely or not, getting satisfied from ones work is impacted by the manner in which he sees the work.



Present Pay: According to Herzberg, money is not a satisfier irrespective of how individuals have a wistful connection to it. Money can be viewed as an reflection of accomplishment, achievement, status, renown or power. Most importantly, there are a few people who need to work so as to keep up a huge family or to address physiological issues. Ownership of a lot of cash gives one an inclination that one has power over one's environment. The JDI scale attempts to find out from an employee about the adequacy of his or her pay, whether he is well paid or under paid. Baridan and Nwibere (2008:44) argue that there isn't one clear proof for supposed getting some distance from material rewards. Drucker contends that no measure of human connection can make up for absence of money related rewards. In the event that the rewards are correct, great human relations will give additional rewards to a group, rousing them to give their earnest attempts. Porter and Lawler (1976) note that satisfaction motivates worker's effort, and helps to increase expectations of performance leading to rewards

Opportunity for Promotion: An average employee looks forward to the day when he will earn a promotion. Promotion is a reward for past performance, an encouragement to help him to continue to excel. It is a vote of confidence and a blessing. Promotion is a motivator of behavior.

Nwachukwu (2006:211), contend that an employee who is denied promotion for a long time gets frustrated and dissatisfied with his/her work. Frustrated and unsatisfied employees can never give their best effort toward ensuring the organization's productivity and improve performance. When an employee feel unjustly treated with regard to unfair promotion policy or practices, he becomes disconnected and dissatisfied with his work, and also tend to withdraw some commitment to the organization. Thus, the way an employee perceives his opportunity for promotion influences his level of job satisfaction.

People on the Present Job: The people who work with an employee in work place influence his total job satisfaction JDI attempt to find out from the employees if co-workers are stimulating, boring, slow etc.

Supervision on the Job: Since the supervisor is nearest to the operative employee, and perform the linking-pin function, the supervisor can make or break an employee. Thus the employee perception of the supervisor as been good or bad, supportive and encouraging or causing disheartening greatly influence the employee's satisfaction at work.

Benefits of Job Satisfaction

Job satisfaction is very essential as it has many positive organizational outcomes, as well as vital positive outcomes to individual employees. As Cranny *et al* (1992) note, Job satisfaction creates positive high staff morale among employees. When an employee is dissatisfied, he directly or indirectly spread his dissatisfaction to the rest of the staff. This can cause a heavy decrease in the morale of the entire staff and can bring about a heavy decrease in productivity. In fact, a dissatisfied and unmotivated employee is a serious threat to the well being of any organization. Job satisfaction increases an employee commitment to an organization. An employee who is satisfied will want to remain in the job to give his best to his employing organization, whereas an unsatisfied employee will always be on the look-out for another job, and will leave the organization at any slight chance or opportunity. Additionally, job satisfaction improves the intensity of motivation among employees, as well as enhances the quality of the job and productivity level of employees (Ahmad *et al.*, 2012; Seema & Maryam, 2013; Aaron *et al.*, 2015).

According to Noe *et al.* (2003), satisfied workers are more eager and willing to apply new knowledge and innovation to their job performance and this always help organizations develop good competitive advantages in business arena. Job satisfaction also serves as a strong strategy for recruiting great worker. This is because, employees who are satisfy with their total job facets in an organization will attempt to recruit people they know who have the skills and competencies necessary to help the company. Moreover, when existing staffs speak favourably and positively about their organization, these verbal make prospective employees see the organization as a destiny of choice. This helps to attract talented and experienced individuals to their organizations.

Additionally, job satisfaction creates favourable employee attitudes that are associated with lower rates of personal turn-over and less absenteeism. Bass (1965) opine that because of this, job satisfaction could significantly affect a company's profit. This is because lower turnover means lower recruitment and lower training costs. Kasim and Ghaffar (2012) note that job satisfaction generate loyalty, self-confidence and high commitment to the organization and also lead to produc-



tivity improvement and eliminations of organizational deviant behaviors, as well as absenteeism and turnover (Linda & Michael, 2014). Thus job satisfaction helps to motivate employees and improve their commitment to the organization.

Organizational Performance

Performance very much depends on perception, values, and attitudes. There appears to be so many variables influencing the job performance that it is almost impossible to make a sense of them (Puskpakumari, 2008). Performance refers to an individual ability, skill and effort in a given situation (Porter and Lawler, 1974). Performance is the outcome of the effort extended to the job by an employee or group or organization. Effort is an internal force of a person which makes him or her to work willingly. When employees are satisfied with their job and their needs are met, they develop an attachment to work or make an effort to perform better. Increased effort results in better performances. Richard et al. (2009) defined organizational performance as an organization's actual output or results as measured against its intended outputs (or goals and objectives). Organizational performance generally covers three explicit areas of firm outcomes which are: financial performance (profits, return on assets, return on investment, etc.), product market performance (sales, market share, etc.) and shareholder return (total shareholder return, economic value added, etc.). According to Market Business News (2019) organizational performance involves "analyzing a company's performance against its objectives and goals. In other words, organizational performance comprises real results or outputs compared with intended outputs." It also relates to how successfully an organization performs or achieves their predetermined objectives and goals.

Job Satisfaction and Organizational Performance Relationship

The extent of the relationship between job satisfaction and performance has been basically evaluated in different organizational settings. Outcomes of these investigations have not tailored toward one direction Cummings (1970) distinguished three key perspectives concerning this relationship. Satisfaction causes performance, performance causes satisfaction and rewards cause both performance and satisfaction. Kornhanuser and Sharp (1976) have conducted in excess of thirty research to find out how satisfaction and performance correlate. Katzell, Barnett and Parker (1952) showed that job satisfaction neither relates with turnover nor with production quality. Smith and Cranny (1968) also posit

that job satisfaction positively correlates with employee performance as well as effort, commitment

Studies done by Brayfield and Crockett (1955), Fournet (1966) Lee and Chan (1996) have demonstrated that there are connections between job satisfaction and productivity and that the higher the level of satisfaction, the greater the effort to increase productivity. Carroll, Keflas and Watson (1964) found that satisfaction and job productivity are essential relationships in which every influence the other. They recommend that performance prompts more work effort due to high apparent anticipation of rewards or other positive outcomes. The exertion prompts powerful presentation, which again prompts fulfillment in urgent relationship. David, Joseph and William (1970) recommend that the sort of remuneration framework under which laborers perform emphatically impact the relationship between satisfaction and performance.

The implication of the last argument (performance leads to reward which in turn leads to satisfaction) is that a manager/management creates employee job satisfaction by first establishing conditions under which a performer can achieve high performance level and, then, by offering equitable rewards for the person's performance. According to Baridam and Nwibere (2008:114) this view is important for the understanding and managing of organizational behavior, not because it resolves the satisfaction-performance paradox, but because of the proactive research and managerial implications with which it is associated.

Conclusion and Recommendations

Job satisfactions are desirable needed by employees to perform at peak levels. Employees who are satisfied are more likely to be settled at work, and are also likely to be more committed in helping in achievement of organizational goal. The factors that lead to job satisfaction among employees include: higher pay, recognition, good work environment, challenging and fulfilling work and relationship with supervisors and co-workers, among others.

Based on the review of literature and the conclusion arrived therefrom, it is recommended that managers should be interested in their employees' attitudes because attitudes give warnings of potential problems and because they influence behavior. Managers should raise employee satisfaction by focusing on the intrinsic and extrinsic parts of the job, such as making the work challenging and interesting, and also



high and equitable pay in order to keep the employees motivated and committed to drive organizations vision and goals domain. An unmotivated employee hardly commits serious effort towards achievement of organizational goals and objectives. Management should also put in place structures that enhance employees' job satisfaction in order to induce positive subsequent employee positive outcomes that may lead to maintain, and supported organizational competitiveness in today's highly competitive global era. Managers should know that creating a satisfied workforce is hardly a guarantee of successful organizational performance. Therefore, effort should be made to position the organization to take an advantage of opportunities that abound of that rises in the environment through effective environmental scanning, and effective corporate planning. Management should also focus on all facets of job satisfaction and not only on any one factor in order to enhance the employee performance in the organization.

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