



A Study of Factors Affecting Job Satisfaction of Employees

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Abstract

Job satisfaction remains one of the most widely researched topics in organizational behavior and human resource management because of its direct and indirect influence on employee performance, productivity, retention, and organizational citizenship behavior. This paper investigates the multifaceted factors affecting job satisfaction, synthesizing major theoretical perspectives and empirical findings. Intrinsic and extrinsic determinants—including pay, work environment, supervision, recognition, autonomy, and opportunities for growth—are evaluated through an extensive literature-based analysis supported by classical models such as Herzberg's Two-Factor Theory, Maslow's Need Hierarchy, and Locke's Value-Percept Theory. The study discusses the psychological foundations of satisfaction, demographic influences, the role of job design, and organizational practices that enhance satisfaction. The paper concludes with implications for HR practitioners, emphasizing job enrichment, effective leadership, communication climate, fair reward systems, and employee involvement strategies.

1. Introduction

Employee job satisfaction plays a central role in determining the overall effectiveness of an organization. It influences not only individual productivity but also organizational climate, employee retention, quality of work, and long-term organizational success. As global competition intensifies and workplaces become more complex, organizations increasingly recognize the importance of fostering a satisfied workforce. A satisfied employee tends to demonstrate better job performance, creativity, loyalty, and commitment. Conversely, dissatisfaction leads to absenteeism, burnout, turnover, low morale, and workplace conflicts.

Early organizational scholars considered job satisfaction primarily an emotional response to specific job characteristics. Later researchers expanded the concept to include perceptions of fairness, personal values, job design, work relationships, career opportunities, and psychological well-being. Given the multidimensional nature of job satisfaction, various factors contribute to its development—some intrinsic to the employee and others determined by organizational policies and practices.

This research paper explores the key determinants of job satisfaction with reference to classical theories and pre-2014 empirical literature. By drawing on decades of scholarly contributions, the paper aims to provide a comprehensive understanding of how different variables—ranging from compensation to intrinsic motivation—shape employees' experiences at work.



2. Review of Literature

2.1 Concept and Definition of Job Satisfaction

Locke (1976) defined job satisfaction as “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences.” This widely accepted definition highlights two elements: cognitive assessment (evaluation of job aspects) and emotional response (feeling satisfied or dissatisfied). Early researchers such as Hoppock (1935) emphasized that job satisfaction arises from a combination of psychological, physiological, and environmental circumstances. Job satisfaction is therefore not a single construct but an aggregate of several components such as pay, relationships, job security, and work environment.

Smith, Kendall, and Hulin (1969) developed the Job Descriptive Index (JDI), which measures satisfaction through five facets—work itself, pay, promotion, supervision, and co-workers—reflecting the multidimensional structure of satisfaction. Spector (1997) further expanded this approach and argued that job satisfaction results from both individual attributes (e.g., personality) and job conditions.

2.2 Theoretical Framework

2.2.1 Maslow’s Hierarchy of Needs (1943)

Maslow proposed that human needs form a hierarchy from basic physiological necessities to self-actualization. Employees seek to satisfy these needs progressively: safety (job security), belongingness (teamwork), esteem (recognition), and self-actualization (growth). Job satisfaction increases when workplaces address needs at various levels.

2.2.2 Herzberg’s Two-Factor Theory (1959)

Herzberg distinguished between hygiene factors (salary, policies, supervision, working conditions) and motivators (achievement, recognition, responsibility, work itself). Hygiene factors prevent dissatisfaction but do not create long-term satisfaction. Motivators, on the other hand, are intrinsic and produce genuine satisfaction. This model remains one of the most influential frameworks in job satisfaction research.

2.2.3 Alderfer’s ERG Theory (1969)

Alderfer condensed Maslow’s five levels into three—Existence, Relatedness, and Growth. The theory suggests that multiple needs can operate simultaneously, making it especially relevant in workplace studies.

2.2.4 Job Characteristics Model (Hackman & Oldham, 1976)



This model identifies five job characteristics (skill variety, task identity, task significance, autonomy, and feedback) that influence three psychological states, ultimately increasing intrinsic motivation and job satisfaction.

2.2.5 Dispositional Approach (Judge & Bono, 2001; Judge et al., 2002)

Research found that personality traits—particularly neuroticism, extraversion, and conscientiousness—affect job satisfaction. Individuals with positive affectivity tend to report higher satisfaction regardless of job characteristics.

2.3 Empirical Studies on Factors Affecting Job Satisfaction (Pre-2014)

Multiple studies published before 2014 investigated how job characteristics, organizational climate, compensation, leadership style, and personal attributes influence job satisfaction.

Smith et al. (1969) found that the nature of work, supervision, and co-worker relationships were stronger predictors of satisfaction than pay alone.

Spector (1997) highlighted the role of perceived fairness, communication, and role clarity in shaping satisfaction.

Judge et al. (2002) conducted a meta-analysis demonstrating the link between personality and job satisfaction.

Hackman and Oldham (1976) emphasized that job enrichment leads to higher satisfaction by increasing intrinsic motivation.

Vroom (1964) suggested that employee motivation and satisfaction depend on expected outcomes and perceived value.

Collectively, these studies demonstrate that job satisfaction is influenced by both environmental and psychological factors.

3. Objectives of the Study

1. To identify the key intrinsic and extrinsic factors influencing employee job satisfaction.
2. To analyze how compensation, supervision, work environment, recognition, and growth opportunities impact satisfaction levels.
3. To assess the relative importance of intrinsic versus extrinsic factors.



4. To provide recommendations for improving job satisfaction through organizational policies and human resource management practices.

4. Methodology

This research paper follows a theoretical and literature-based analytical approach. Data are derived from classical studies, pre-2014 academic research, theoretical models, major HRM publications, and widely recognized measurement tools like the JDI and MSQ (Minnesota Satisfaction Questionnaire). The paper synthesizes findings from past research to build an integrated framework for understanding job satisfaction.

5. Factors Affecting Job Satisfaction

Job satisfaction is shaped by a complex interaction of job-related, organizational, and personal factors. These factors are broadly categorized into extrinsic and intrinsic determinants.

5.1 Extrinsic Factors

These are job-related elements controlled by the organization.

5.1.1 Compensation and Pay

Pay is one of the most discussed predictors of satisfaction. While Herzberg considered it a hygiene factor, numerous studies suggest that fair and competitive compensation greatly influences satisfaction. Vroom (1964) noted that employees compare their salaries with peers, and perceived inequity can lead to dissatisfaction. Pay satisfaction is tied to fairness, transparency, and rational wage structures.

5.1.2 Working Conditions

Comfortable and safe working conditions contribute to positive employee attitudes. Adequate lighting, safety measures, comfortable workspace, tools, and technology influence satisfaction, especially in manufacturing sectors. Poor working conditions create stress, fatigue, and burnout, reducing satisfaction.

5.1.3 Job Security

Job insecurity leads to stress, anxiety, and dissatisfaction. Stable employment and clear contractual arrangements contribute to a sense of security. Studies (e.g., Greenhalgh & Rosenblatt, 1984) show that job insecurity is strongly associated with lower satisfaction and commitment.

5.1.4 Supervision and Leadership Style



Supportive leadership increases satisfaction by creating a positive psychological climate. Supervisors who provide guidance, recognition, and feedback foster higher satisfaction. Autocratic leadership styles often lead to dissatisfaction, whereas democratic and transformational styles enhance satisfaction.

5.1.5 Organizational Policies and Administration

Clear, fair, and consistent policies improve satisfaction. Bureaucratic or inconsistent procedures frustrate employees. Herzberg noted that company policies are major hygiene factors contributing to dissatisfaction when poorly managed.

5.1.6 Promotion Opportunities

Career advancement plays a major role in satisfaction. Employees who perceive that promotions are fair and performance-based tend to be more satisfied. Lack of growth opportunities can cause stagnation and loss of motivation.

5.2 Intrinsic Factors

Intrinsic factors are personal and psychological aspects influencing how employees perceive their work.

5.2.1 The Work Itself

Research consistently shows that the nature of the job is one of the strongest predictors of satisfaction. Employees prefer jobs that are meaningful, varied, challenging, and engaging. Hackman and Oldham (1976) emphasized that enriched jobs support autonomy and feedback, increasing intrinsic motivation.

5.2.2 Recognition and Appreciation

Recognition satisfies esteem and psychological needs. Employees seek acknowledgment of their contribution. Lack of recognition can lead to disengagement. Herzberg considered recognition a core motivator.

5.2.3 Autonomy

Autonomy refers to the degree of control employees have over their tasks. High autonomy increases intrinsic motivation and satisfaction (Hackman & Oldham, 1976). Micromanagement reduces autonomy and lowers satisfaction.

5.2.4 Achievement and Responsibility

Employees find satisfaction when they achieve goals, take responsibility, and contribute meaningfully. Herzberg noted that responsibility is a major intrinsic motivator.

5.2.5 Personal Interests and Personality Traits



Dispositional theories state that individuals with positive affectivity (Judge & Bono, 2001) tend to have higher satisfaction regardless of circumstances. Personality traits like extraversion and conscientiousness predict higher satisfaction, while neuroticism predicts lower satisfaction.

5.3 Social and Interpersonal Factors

5.3.1 Co-worker Relationships

Supportive interpersonal relationships enhance job satisfaction. Positive team dynamics reduce stress and increase engagement.

5.3.2 Work-Life Balance

Employees with balanced work–life boundaries report higher satisfaction. Excessive workload and long hours cause burnout.

5.3.3 Communication Climate

Transparent communication fosters trust and satisfaction. Poor communication leads to misunderstandings and dissatisfaction.

5.4 Demographic Factors

Age, gender, education, and tenure sometimes influence satisfaction, though the effects vary across studies. Older employees may be more satisfied due to stability, while younger employees may expect faster growth. Education increases expectations, which may affect satisfaction levels.

6. Discussion

This paper synthesizes classical research to demonstrate that job satisfaction is influenced by a combination of factors, with intrinsic determinants often playing a larger role than extrinsic ones. Although pay and working conditions matter, intrinsic factors—such as meaningful work, recognition, and autonomy—emerge as stronger predictors.

Herzberg's distinction between hygiene factors and motivators holds relevance even today. Hygiene factors must be addressed to avoid dissatisfaction; however, true satisfaction depends on motivators. This insight has strong implications for HR managers: simply increasing salaries or improving facilities cannot create long-term satisfaction unless the nature of work and recognition systems are also addressed.

The literature also suggests that personality traits and psychological well-being significantly influence satisfaction. This means that recruitment strategies, job–person match, and workplace mental health programs indirectly affect satisfaction.



Furthermore, job satisfaction is correlated with multiple organizational outcomes: performance, retention, commitment, and absenteeism. Thus, investment in satisfaction-enhancing strategies yields long-term benefits.

7. Implications for HR Management

1. Job Enrichment: Assign varied, meaningful tasks with autonomy.
2. Recognition Programs: Encourage positive reinforcement and acknowledgment
3. Training Supervisors: Effective leadership and communication improve satisfaction.
4. Transparent Pay Systems: Ensure equitable compensation.
5. Clear Growth Opportunities: Provide career development pathways.
6. Healthy Work Environment: Ensure safety, comfort, and ergonomic design.
7. Employee Participation: Involve employees in decision-making to enhance engagement.

8. Conclusion

Job satisfaction is a complex and multidimensional phenomenon shaped by intrinsic, extrinsic, interpersonal, and personal psychological factors. The study underscores the importance of understanding employee needs, expectations, and workplace dynamics. While extrinsic elements like pay and job security are essential for preventing dissatisfaction, intrinsic factors such as recognition, autonomy, and meaningful work are far more powerful in generating sustained satisfaction.

Organizations should therefore adopt a holistic approach, balancing financial incentives with psychological and social motivators. By fostering a supportive, enriching, and participative work environment, organizations can enhance job satisfaction, reduce turnover, and improve overall productivity.

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