

# IMPACT OF JOB SATISFACTION ON JOB PERFORMANCE OF EMPLOYEES IN IT SECTOR IN DELHI NCR

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## ABSTRACT

*Employee's Job Satisfaction carries a lot of importance in the minds of the management because it directly influences the behavior of workers in an organization. It also leads to creation of a healthy climate for others to experience. The present study aims to analyze the impact of Job Satisfaction on Job Performance of employees in IT sector in Delhi NCR. For this purpose, a self-administered questionnaire adapted from previous studies, was used to collect data from a sample of 100 IT sector employees. Correlation and Regression analysis was performed for statistical analysis of the results, which clearly confirmed that Job Satisfaction is positively correlated with Job Performance. This study makes a significant contribution to the observing link between Job Satisfaction and Job Performance, understanding the impact of Job Satisfaction on Job Performance of employees. The study was restricted to respondents working in Delhi NCR.*

**Keywords:** *Achievement, Information Technology, Job Performance and Job Satisfaction.*

## INTRODUCTION

Accomplishing a high level performance through productivity and efficiency has always been a high priority goal for the organization. A satisfied worker may extend more effort to improve their Job Performance, which is critical for the success of any organization. Job Satisfaction is described as 'the pleasurable emotional state' resulting from the appraisal of one's job as facilitating the achievement of one's job values (Locke, 1976), and the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs (Spector, 1997). It can be measured in cognitive (evaluative), affective (emotional) and behavioral components. Researchers have also noted that Job Satisfaction measures vary in the extent to which they measure feelings about the job (affective job satisfaction) or cognitions about the job (cognitive job satisfaction). Job Satisfaction theories have a strong overlap with theories explaining human motivation. The most common and prominent theories in this area include: Maslow's needs hierarchy theory; Herzberg's motivator-hygiene theory; the Job Characteristics Model; and the dispositional approach. From previous researches, ten factors have been identified to affect Job Satisfaction. These are:

- (a) Working Conditions: Optimizing favorable workplace conditions to synthesize productivity and efforts that help employees accomplish tasks more efficiently and lead to Job Satisfaction.
- (b) Opportunity for Advancement: If the growth of the organization encompasses the growth of the employee's career, there is a deep commitment and satisfaction related to job.

- (c) Workload and Stress Level: Creating heavy deadlines can erode the level of Job Satisfaction as employee feels de-motivated.
- (d) Respect from Co-workers: A hostile environment at work can be unpleasant, and can lead to reduce Job Satisfaction.
- (e) Relationship with Supervisor: The higher is the level of facilitation by manager, more is the positive perception about Job Satisfaction.
- (f) Financial Rewards: Pay parity and appropriate reward and compensation to top performers brings excitement and higher Job Satisfaction to the workplace.
- (g) Culture : Overall Job Satisfaction correlates with how well employees get along with their direct supervisors.
- (h) Interesting Work: Bringing about some autonomy and challenge in the work as per the employee is known to bring greater Job Satisfaction.
- (i) Rewards: Any kind of reward motivates the employee leading to higher Job Satisfaction.
- (j) Low Stress: Employees who feel pressurized to perform at work would not be able to enhance their creative abilities and lead to further dissatisfaction.

Job Performance simply assesses whether a person performs a job well. Performance is an important criterion for organizational outcomes and success. Campbell (1990) describes Job Performance as an individual-level variable, or something a single person does. This differentiates it from more encompassing constructs such as organizational performance

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or national performance, which are higher-level variables. There are certain characteristics that lead to Job Performance like one's ability to learn technical as well as specific knowledge to effectively navigate the organization. Conscientiousness is another trait that encompasses hard work, paying attention to details and planning and organizing their tasks. Interpersonal skills are important to work with teams and across departments to handle differences and get the work done tactfully. Adaptability to changes in processes, market etc also influence an individual's performance on job creating an overall impact on the organizational goals.

Researchers have narrowed down the following major factors affecting Job Performance:

- (a) Skills & Knowledge, i.e. the required capabilities and knowledge for performance.
- (b) Clarity about role, i.e. employees need to know about their responsibilities and have a clear understanding about what they need to accomplish.
- (c) Work environment and culture, i.e. unhealthy work environment affects the performance of employees and a positive workplace culture boosts employee morale.
- (d) Employee attitude i.e. if employees do not have the enthusiasm to work and are disinterested in the job.
- (e) Right tools and resources i.e. absence of required resources could lead to a dip in performance level.
- (f) Misguided management i.e. supervisor's working style and management has a big impact on employee performance.
- (g) Health and Absenteeism i.e. illness or disease are reasons for not performing well. Absenteeism could lead to lagging behind in performance as work related processes get delayed.

## LITERATURE REVIEW

Goris (2007) examined the moderating influence of satisfaction of communication on the association between individual-job congruence and both Job Performance and Job Satisfaction. Satisfaction with communication received weak support as a moderator of the individual-job congruence model. However, it received strong support as a main predictor of both performance and satisfaction. The author only focused on the effect of satisfactory communication on some Job Performance factors, but not Job Performance as a whole.

Vidal et al. (2008) studied that impact of Job Satisfaction on Job Performance is used in mentoring for development-orientation at workplace. The authors advocate that supervisor relationship affects skill development of employees and their intentions to remain with the employer. Support of supervisor

was also found to have a positive impact on satisfaction.

Zeffane et al. (2008) explored the impact of Job Satisfaction on employee attendance and employee conduct. Using data on Job Satisfaction and Performance in a utility company operating in United Arab Emirates, the authors measured Job Satisfaction using 20-item MSQ and performance from company rating system. Findings revealed significant differences on aspects of Job Satisfaction and Performance between the two gender groups.

Female respondents were less satisfied with various aspects of their jobs and the job context than their male counterparts. Similarly they tended to be less performing than their male counterparts on a number of Job Performance criteria which was indicative of an underlying linkage between satisfaction and performance, particularly in relation to gender groups.

Lee et al. (2010) investigated the effect of goal orientation and organizational commitment in relation to employees' job attitudes and performance in a hospital. The results indicated that affective and normative commitment are both related to Job Satisfaction and only the former is linked to employees' performance. The author limited the Job Satisfaction factor to only two components and not holistically.

Westover et al. (2010) studied key work-domains that impact worker's Job Satisfaction and organizational commitment, which in turn impact long-term worker productivity and performance. Using various statistical techniques, the author explored the relationship between Job Satisfaction and organizational commitment and found that there are 17 work domains that lead to worker motivation and henceforth, Job Performance.

Oubre and Brown (2010) reported that organizational performance has a huge impact on organization's goal achievement and in the organization, the finest way in which supervisors can portray themselves as a role model is to personally demonstrate proper techniques so that employee could understand how job should be done.

Singh and Das (2013) observed that for less experienced salespersons, the impact of Job Satisfaction on Performance is weaker than for more experienced sales persons. It was also found that more experienced sales persons' performance is better explained using Job Satisfaction and customer-oriented selling rather than their adaptive selling behaviors.

Delic et al. (2014) examined the impact of monetary and non-monetary incentives on Job Satisfaction and concluded that monetary elements have a significant impact on the overall Job Satisfaction of employees in Banking sector of Bosnia and Herzegovina.

Jin et al.(2016) asserted that employees high on active fellowship perceived greater Job Satisfaction when perceived supervisor support was high and when performance-oriented culture was low.

Based on the literature review, this paper proposes that Job Satisfaction significantly impacts Job Performance for the employees of IT sector. And it is relevant to study various factors of Job Satisfaction that impact Job Performance.

**OBJECTIVES & SCOPE OF THE STUDY**

The objective of the study is to identify and analyze the relationship between Job Satisfaction level of employees of IT sector and their respective performance evaluation results. Also this paper aims to study the impact of Job Satisfaction on Job Performance of employees in IT sector. The selection of respondents for the study was limited to the employees of IT sector employees whose offices were located within Delhi NCR.

**METHODOLOGY**

The research design was descriptive in nature and survey method was used to collect primary data. Self-report questionnaires were adapted for data collection to measure the variables of Job Satisfaction and Job Performance. Items surveyed under Job Satisfaction were adequacy of working conditions, organizational support in a positive manner, manager friendliness, internal and external equity, appropriate opportunities for growth etc. For Job Performance, items like satisfaction related to task, job-related training etc were examined. Source of questionnaire were various previous studies dealing with Job Satisfaction and Job Performance, particularly by Jamie A Gruman.

**Population and Sampling Techniques**

A survey method was employed to collect data regarding the demographic profile and to study the impact of Job Satisfaction on Job Performance of employees of IT sector. The sample for the study was selected using Convenience sampling method. Total sample size for the study was 100 employees of IT sector.

Both variables were measured on a Likert scale ranging from 1 to 5, with 1 representing ‘Strongly disagree’ and 5 representing ‘Strongly agree’. Cronbach alpha was used for measuring the reliability of the questionnaire. The values are presented in Table 1.

**Table 1: Reliability Statistics**

Variable	Cronbach’s Alpha	Items
JS	0.524	9
JP	0.696	10

*JS:Job Satisfaction; JP:Job Performance*

**HYPOTHESES**

The following hypotheses were formulated to achieve the research objectives:

**H<sub>1</sub>**: There is a relationship between Job Satisfaction and Job Performance of employees.

**H<sub>2</sub>**: There is a significant impact of Job Satisfaction on Job Performance among IT staff.

**DATA ANALYSIS**

Table 2 presents the demographic profile of the respondents. Out of 100 respondents, 61% are male, 35% were from the age group of 35-40 years and maximum respondents had an experience of 10-15 years in the IT sector (40%).

**Table 2: Demographic Profile of Respondents**

Gender Distribution (N=100)		
Gender	Frequency (in numbers)	Percentage (%)
Male	61	61%
Female	39	39%
Age Distribution (N=100)		
Age group	Frequency (in numbers)	Percentage (%)
25-30 years	15	15%
31-35 years	25	25%
35-40 years	35	35%
Above 40 years	25	25%
Work Experience (N=100)		
Education	Frequency (in numbers)	Percentage (%)
0-5	10	10%
5-10	32	32%
10-15	40	40%
15-20	16	16%
20 & above	02	2%

**Relationship between Job Satisfaction and Job Performance**

The relationship between the two variables of the study was analyzed using correlation and regression techniques. Table 3 presents the results of Pearson Correlation Coefficient between Job satisfaction and Job Performance. Job satisfaction indicates a perfect positive linear relationship and since p value is less than 0.05 which shows a significant relationship, hence we accept the alternate hypothesis. R value lies between -1 to +1 here the value is 0.512 which shows a positive correlation.

**Table 3: Correlation Coefficient of Job Satisfaction and Job Performance for N=100**

Variable	JS	JP
JS	1	<b>.512</b>
JP	0.512	1

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

Table 4 presents the results of regression analysis. The results suggest that JS significantly predicts JP ( $F(1,98) = 27.678$ ,  $p < .01$ ) with an  $R^2$  of 0.220. It interprets that independent variable job satisfaction explains 22% variability in the dependent variable job performance.

**Table 4: Regression analysis of Job Satisfaction on Job Performance for N=100**

Criterion Variable	Predictor Variable	B	$R^2$	Adj $R^2$	F	Sig
JP	JS	0.602	0.220	0.212	27.648	0.000

## DISCUSSION

A lot of literature discusses various perspectives of Job Satisfaction and Job Performance. Every study in itself endeavors to find out some factor which influences Job Performance or Satisfaction. This research seeks to examine the impact of Job Satisfaction on Job Performance of employees in IT sector and whether Job Satisfaction in terms of Pay, Promotion, Supervision and Work itself has an influence on Job performance.

Using a deductive approach, and survey method it has been tried to find about employee's attitude towards Job Satisfaction and how important it is a parameter for Job Performance. Implication for managerial practice lies in determining the behavior of employees in the organization to further understand outcomes for the organisation mainly Job Performance.

## CONCLUSION

After understanding the correlation between Job Satisfaction and Job Performance, a significant impact was found in the IT sector between the two. The employees comprising of managers and professionals who were satisfied with their jobs are willing to extend more effort to their jobs. This is logical, considering that job success is something that workers generally have opportunity to concretely realize or directly feel the positive effects of.

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