

FACTORS IMPELLING JOB SATISFACTION AMONG IT PROFESSIONALS IN CHENNAI

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Abstract: Information Technology industry is a fast growing industry, in that the developing countries trying to cope with changes made in developed countries. The Information Technology industry in India has gained a brand identity as a knowledge economy due to its IT and ITES (IT-Enabled Services) sector. In recent years, Chennai has rapidly developed into a dynamic Information Technology (IT) hub housing several Software and Information Technology and (ITeS) companies. McShane and Von Glinow (2010). Job satisfaction, a person's evaluation of his or her job and work context. Stephen Robbins and Timothy A. Judge (2013) Satisfied and committed employees have lower rates of turnover, absenteeism, and withdrawal behaviors.

The primary objective of the study is, to identify the factors that influences the job satisfaction of IT professionals working in selected IT companies in Chennai. The Structured Equation Model was developed to test the impact of the following variables. i.e. financial rewards, career advancement opportunities, working environment, training and development activities and interpersonal relationship on job satisfaction of IT professionals in selected IT Companies in Chennai. The primary data was collected from 20 software companies of small, medium and large scale were located in Ambattur Industrial estate, Chennai, such as TCS, HCL, Novel tech park, etc. A total of 1472 individuals were contacted by the researcher and received 960 completed questionnaires. The samples were chosen using proportionate stratified random sampling technique. From the path diagram, measured variables with latent variable of influencing factors is having positive relationship and also significant at 1 percent. The analysis of the 'Employees Job Satisfaction Model', all the measured variables are significantly associated with job satisfaction. From the study it is concluded improved job satisfaction that would result in increase in commitment and minimize employee turnover in IT companies.

Key Words: Job satisfaction, Akbar Jan - Subramani SEM model, IT Professionals, IT industry

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1. INTRODUCTION

The Indian Information Technology (IT) industry has played a major role in placing India on the global map. The industry comprises of Software and ITeS and facilities for, Software experiments, Custom Application Development and Maintenance (CADM), network services, IT Solutions and ITeS. IT industry has elevated India from a rural and agriculture-based economy to a knowledge based economy. Mr. Chandrasekar, President of NASSCOM also stated that, "Worldwide IT-BPM spend was USD 2.3 trillion, growing at 4.6 per cent over 2013, global sourcing of services grew by 10 per cent, and India continued to hold on to its leadership position with a 55 per cent market share." In FY2015, the Indian IT-BPM industry is projected to account for revenues of USD 146 billion, growing by 13 per cent over last year. Industry exports are over USD 98 billion growing at 12.3 per cent, while the domestic segment, which has promoted from the inclusion of ecommerce and mobile app industry, is expected to touch USD 48 billion. The IT industry's share in India's GDP has raised to 9.5 per cent, it counterpoises more than 70 per cent of India's oil import bill, attracts a major share of PE/VC investments into the country, has effected well-adjusted regional growth and endowed diverse sections of the society, and is the face of the Indian MNC story.

2. RATIONALE OF THE STUDY

(Ivancevich, Konopaske and Matteson, 1990). Job Satisfaction (JS) is an attitude that individuals have about their jobs. It results from their perception of their jobs. The concept of job satisfaction was originally suggested by Hoppock. He defined job satisfaction in his book as: employee' feeling about the environment both in psychological and physical and the employee's subjective reaction to the working situation, including the overall satisfaction of individual psychology, physical environment and working environment. Individuals also have different levels of job satisfaction and motivation. Job satisfaction is the means through which only the organization can improve performance, and work related attitude of the employees. (Susanty et al., 2013)

3. REVIEW OF THE LITERATURE

(Lock, 1976) Job satisfaction is generally defined as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences". (Oshagbemi, 2000), Organizations that have goals to achieve require satisfied and happy staff. (Anthonia Adenike, 2011), the study of the antecedents of job satisfaction is important because of the role it plays in job satisfaction of employees which in turn affects organizational productivity. (Andrew Dubrin, 1981), Job satisfaction is a positive emotional state that occurs when a persons' job seems to fulfil important

job values, provided these values are compatible with one's needs. Job satisfaction is very difficult to define because it is an intangible, unseen, unobserved variable and a complex assemblage of cognitions (Beliefs or Knowledge) and emotional feelings (Sentiments or Evaluations) and such behavioural tendencies (Hamner and Organ, 1978).

(Schneider and Snyder, 1975) explained job satisfaction as follows. "It is most adequately conceptualized as a personality evaluation of conditions existing on the job (work, supervision) or outcomes that arise as a result of having a job (Pay, security). Job satisfaction is the perception of internal responses (i.e., feelings)".

Job satisfaction is an emotional affective personal response as a result of his 'estimation of the degree to which some fact of job reality is congruent or incongruent with his values' (Ejiogu, 1985).

According to (Kochhar, 1978) "Job Satisfaction is the whole matrix of job factors that make a person 'like' his work situation and be 'willing' to head for it without distaste at the beginning of his work day'. This means that job satisfaction includes two aspects: (i) Living and enjoying the job, and (ii) Going to work with head erect and with smiles.

(Pelin Kanten and Funda Er Ülker, 2013), When employee's expectations are met with organizational goals and they perceive support, they feel organizational climate positive, thus exhibit positive behaviour.

(Gulrukh Salim Shamsul Haq, 2015), in their study the factors influencing job satisfaction of IT industry employees. Countless studies have been conducted examining the effects of job satisfaction on important workplace attitudes and behaviours of employees.

(Samuel Jeyaseelan and Christina Bridget, 2015), in their research attempted to get clear view of the level of satisfaction of the employees in IT sectors. The main concerns are the relative importance and need of different job satisfaction factors and how they contribute to the overall satisfaction of the employees.

(Saumya Goyal and Sangya Shrivastav, 2013), in their research article determined the relationship of perceived organizational diversity climate with overall employee satisfaction, and intent to leave of employees working in the Indian IT sector.

(Nanjamari.K, 2013), this study focused on investigative job satisfaction among information technology (IT) employees in Bangalore city in Karnataka state.

(Abdullah Murrar and Afif Hamad, 2013), the researchers investigated the relationship between job satisfaction and turnover intention. They found that job security, work conditions, pay and benefits, work nature, co-workers, career

advancement, supervision and management were all significantly correlated with overall job satisfaction.

(Rajesh Kumar et al., 2013), in their study aimed to find out the impact of technostress on job satisfaction and organizational commitment among IT professionals. Results clearly revealed that technostress is negatively correlated to job satisfaction and organizational commitment.

(Benjamin O. Omolayo et al., 2012), in their study investigated the leadership style and organizational climate as determinants of job involvement and job satisfaction of workers in tertiary institutions in Ekiti State, Nigeria. Results showed that leadership styles and organizational climate have significant influence on job satisfaction.

(Reecha Ranjan Singh et al., 2011), in their study indicated how various factors of organization climate correlates with job satisfaction in Telecommunication sector. The findings of the study indicate the favourable organization climate enhanced job satisfaction in all the four companies (Reliance, Airtel, Idea, Tata).

(Ify Diala and Rao Nemani, 2011), in their study they focused on examining job satisfaction of IT professionals in the D.C. area, paying particular attention to two of the most important factors of job satisfaction for IT workers: autonomy and the opportunity for advancement. The results of this study indicate that general satisfaction is significantly associated with satisfaction levels regarding autonomy and intrinsic factors.

Thus, Job satisfaction is the important determinant which has high impact on organizational commitment (Raymond, T & Mjloi, TQ, 2012), employee performance (Susanty et al., 2013), and work related attitude (Gulrukh Salim Shamsul Haq, 2015) of employees. Job satisfaction also plays a vital role in employees' absenteeism (Simple Verma, 2015), motivation (Dharmaraj, 2012), and retention (Saumya Goyal and Sangya Shrivastav, 2013).

4. OBJECTIVES OF THE STUDY

The main objective of the study is, to identify the factors that influences the job satisfaction of IT professionals working in selected IT companies in Chennai. The Structured Equation Model was developed to test the impact of the following variables. i.e. financial rewards, career advancement opportunities, working environment, training and development activities and interpersonal relationship on job satisfaction of IT professionals in selected IT Companies in Chennai.

5. RESEARCH METHODOLOGY

The study significantly depended on the primary data. However, some secondary sources of data were also consulted, especially for the purpose of gathering background information supporting the study. Data was collected from employees working in Software companies located in Ambattur Industrial Estate, Chennai. It is also found that around 20 software companies of small, medium and large scale were located in Ambattur Industrial estate, Chennai, such as TCS, HCL, Novel tech park, etc. All kinds of employees working in these organizations were requested to participate in the survey i.e. programmers, team leaders, project leaders, business analysts, managers, administrator, finance consultants etc. A total of 1472 individuals were contacted by the researcher and received 960 completed questionnaires. The samples were chosen using proportionate stratified random sampling technique, by considering the employees head count of the selected IT companies. Job satisfaction was measured using a well-structured 5 section generic questionnaire (Scott Macdonald & Peter MacIntyre, 1997). The scale sought to measure the overall job satisfaction and aspects are financial rewards, career advancement opportunities, working environment, training and development activities and interpersonal relationship.

6. AKBAR JAN-SUBRAMANI EMPLOYEES JOB SATISFACTION STRUCTURAL EQUATION MODEL

SEM is capable of estimating or assessing measurement error. It can incorporate both observed and latent variables. SEM models require less reliance on basic statistical methods.

The employees' job satisfaction model is tested based on the following constructed model. In order to ascertain the impact of the factors like financial rewards, career advancement opportunities, working environment, training and development activities and interpersonal relationship on job satisfaction of IT professionals structural equation model was developed. From this model, the researcher has made an attempt to find out the factors that influence job satisfaction for the employees who working at IT companies.

Testing a measurement model is underlying a full structural model first. If the fit of the measurement model is found acceptable, then one should proceed to test the structural model. The structural equation model is conducted to assess construct validity by using the maximum likelihood method. The confirmatory test result showed good fit as shown in the following model fit summary table.

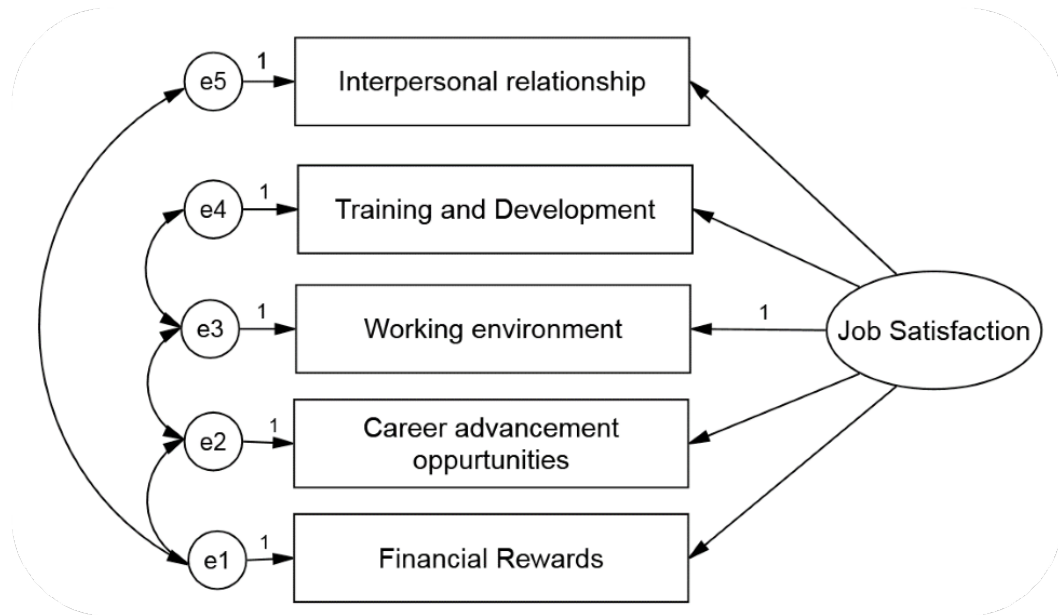
Figure 1: Represents Hypotheses Formulated Model – Employees Job Satisfaction

Table 1 shows the model fit summary of “Employees’ Job satisfaction model”. A model is said to be fulfilling the criteria of goodness of fit, if it satisfies certain values. Based on these values, estimated Chi-square value for the model is 0.683 which satisfy the required condition. Similarly, the required value of root mean square error of approximation (RMSEA) is 0.000, which represents exact or good fit. Similarly, model fit indices (GFI, AGFI, CFI, NFI and TLI) for this employees job satisfaction model indicates that the model fits well. Regression weights between items and factors variables are shown in the Fig. 2 and Fig. 3 path diagram.

7. HYPOTHESIS FORMULATION

The research hypotheses have been defined on the basis of the model fit summary outlined above and using previous research on employees’ job satisfaction. On the basis of above presented model, the following hypothesis is proposed:

H_0 : Employees’ job satisfaction is not having positive impact with its various dimensions like financial rewards, career advancement opportunities, working environment, training and development activities and interpersonal relationship among the selected respondents.

Figure 2: Represents SEM Model based on Unstandardized estimates

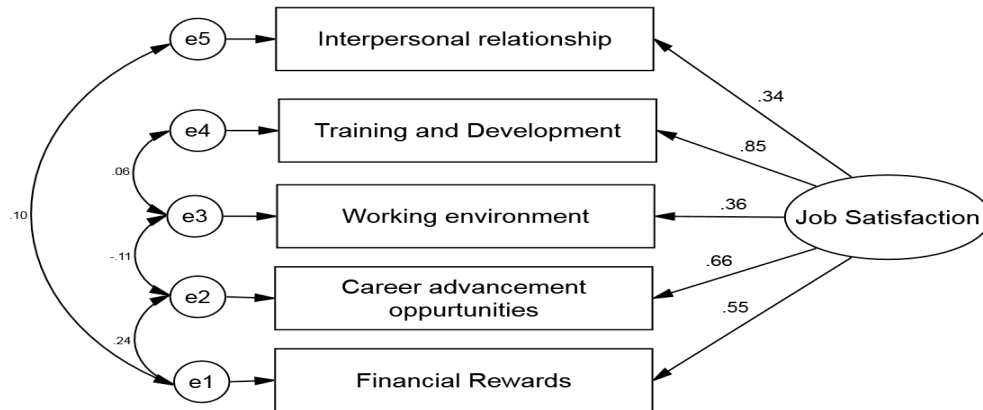
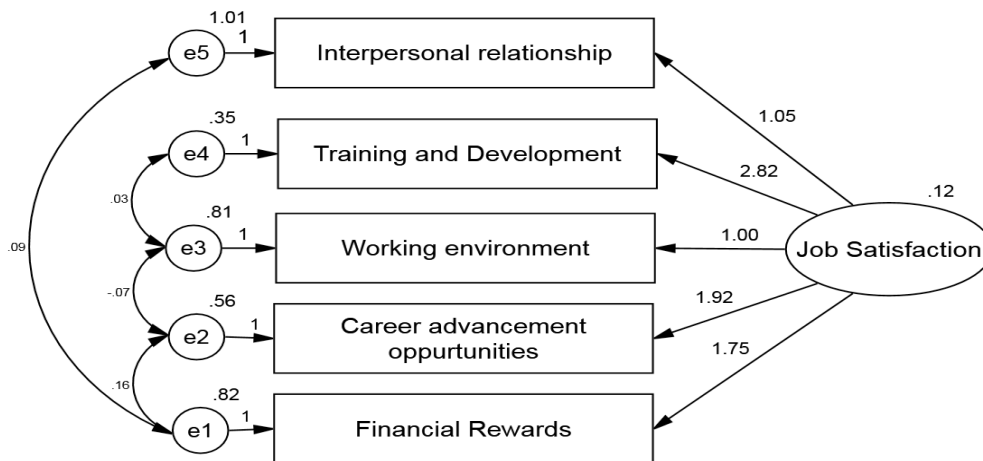


Figure 3: Represents SEM Model based on Standardized estimates



From this result, it is noted that the estimates of the coefficient of training and development variable is high which indicates that the job satisfaction of the employees are highly influenced by the training and development activities provided by the IT companies and low in working environment as 1.00 indicates as not highly influenced by the employees in IT companies. These five variables are highly significant at 1 percent level and its hypothetical association is presented in the table 2.

From the table 3. The result of hypothesis shows that all the measured variables financial rewards, career advancement opportunities, working environment, training and development activities and interpersonal relationship are having the positive association with the IT professionals' job satisfaction in the selected IT companies.

8. DISCUSSION OF THE RESULT

From the path diagram, measured variables with latent variable of influencing factors is having positive relationship and also significant at 1 percent. The analysis of the 'Employees Job Satisfaction Model', all the measured variables are significantly associated with job satisfaction. With respect to the above model training and development programme highly influences job satisfaction of the employees, who are working in IT companies at Chennai. Hence it is determined that the proposed model has good fit to evaluate job satisfaction of the employees.

9. CONCLUSION

Since a major challenge faced by all IT organizations is job satisfaction among its employees, it would be beneficial for organizations and managers to make conscious efforts to develop human resource policies that are in alignment to the needs of the employees to motivate the employees. The findings of this study have also pointed out that the key items in HR practices such as financial rewards, career advancement opportunities, working environment, training and development activities and interpersonal relationship are having positive association with the employees' job satisfaction in the selected IT companies. It is imperative for IT companies and their managers to review their practices to strengthen the bond between employees and the organization, maintain good levels of motivation, increase job satisfaction that would result in increase in commitment and minimize employee turnover.

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ANNEXURE

Table 1
“Employees’ Job Satisfaction Model” - Model Fit Summary

<i>S. No.</i>	<i>Test Factor</i>	<i>Value</i>	<i>Range</i>	<i>Result</i>
1	Chi-Square (CMIN)/DF	0.683	2 to 1 or 3 to 1 Carmines G, McIver E G et al. (1981).	Good Fit
2	P value	0.409	> 0.05 (Hair et al. 1998)	Null Hypothesis accepted
3	GFI (Goodness-of-fit index)	1.000	>0.9 Bentler P M, and Bonnet D G (1980)	Good Fit
4	AGFI (Adjusted goodness-of-fit index)	0.996	>0.90 (Daire et a. 2008)	Good Fit
5	CFI (Comparative fit index)	1.000	>0.9 Bentler P M, and Bonnet D G (1980)	Good Fit
6	NFI (Normed fit index)	0.999	> 0.95 (Hu and Bentler, 1999)	Good Fit
7	TLI (Tucker-Lewis index)	1.000	>0.9 Bentler P M, and Bonnet D G (1980)	Good Fit
8	RMSEA (Root mean square error of approximation)	0.000	<0.05 Browne M, and Cudeck R (1993).	Good Fit

Table 2
Regression Weights – “Employees’ Job Satisfaction Model”

<i>Measured Variable</i>		<i>Latent Variable</i>	<i>Unstandardized Coefficient</i>	<i>S.E.</i>	<i>Standardized Coefficient</i>	<i>C.R.</i>	<i>Result</i>
Financial Rewards	←	Job Satisfaction	0.55	0.340	1.75	5.139	<0.001**
Career Advancement opportunities	←	Job Satisfaction	0.66	0.364	1.92	5.277	<0.001**
Working Environment	←	Job Satisfaction	0.36	-	1.00	-	-
Training and Development	←	Job Satisfaction	0.85	0.406	2.82	6.948	<0.001**
Interpersonal Relationship	←	Job Satisfaction	0.34	0.211	1.05	4.995	<0.001**

Table 3
Testing of Hypotheses

<i>Hypotheses</i>	<i>Hypothetical Relationship</i>	<i>Result</i>
H ₁ : There is no positive impact of financial rewards on employees' job satisfaction	Positive	Rejected
H ₂ : There is no positive impact of career advancement opportunities on employees' job satisfaction	Positive	Rejected
H ₃ : There is no positive impact of working environment on employees' job satisfaction	Positive	Rejected
H ₄ : There is no positive impact of training and development on employees' job satisfaction	Positive	Rejected
H ₅ : There is no positive impact of interpersonal relationship on employees' job satisfaction	Positive	Rejected