An empirical study to develop a job satisfaction index to examine the relationship between job satisfaction and

employee commitment

by

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DECLARATION

The work described in this thesis was carried out by me under the supervision of Dr. Vathsala Wickramasinghe and "I certify that this dissertation does not incorporate, without acknowledgement, any material previously submitted for a degree or diploma in any university to the best of my knowledge and belief and it does not contain any material previously published, written or orally communicated by another person or myself except where due reference is made in the text. I also hereby give consent for my dissertation, if accepted, to be made available for photocopying and for interlibrary loans, and for the title and summary to be made available to outside organizations"

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I certify that the above statement made by the candidate is correct to the best my knowledge and that this thesis is suitable for submission to the University for the purpose of evaluation.

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DEDICATION

This thesis is dedicated with gratitude and affection to my father, my husband, my son,

Deneth as well as to my daughter to be born.

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LIST OF ABRIVIATIONS

- JS Job Satisfaction
- EC Employee Commitment
- EDS Employee Dissatisfaction
- JSB Job Search Behaviour
- TI Turnover Intension
- OF Organizational Factors
- JSI Job Satisfaction Index
- OJS Overall Job Satisfaction

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ABSTRACT

Employees are different to each other and their expectations from their employers also differ. Hence, identifying employees' different expectations have become a challenge to CEOs/ Human Resources Managers/ Heads of Departments in many organizations today. Motivation theories help them to identify different types of employees within the organization and their different expectations on a general platform. But the important task is to measure the level of employees' job satisfaction (JS) periodically and take actions on the required specific parameters to maintain and improve the level of JS of employees. This will minimize the wastage of resources put behind employees and on the other hand employees also happy with their job. As a result, employee commitment (EC) to the organizations will be established and also turnover intention (TI) will be minimized and as a result the job search behaviour (JSB) too. Therefore measuring, managing and monitoring employees' JS is a challenge for organizations.

The study was conducted among managerial level employees who represent the telecommunication industry in Sri Lanka. Questionnaire was a structured questionnaire which was prepared for self filling. The questionnaires were sent to 150 randomly selected employees via e-mail and the response rate for questionnaires was only 35 percent. The data was analysed using SPSS and factor analysis, correlation and regression were used as data analysis techniques. This study provides a Job Satisfaction Index (JSI) based on the overall

job satisfaction (OJS) of employees which will provide a benchmark level of JS for managerial level employees in the Telecommunication Industry in Sri Lanka. Further, it was found that there is a significant positive relationship between organizational factors (OF) and OJS. But among many OFs, high correlation was found among internal image of the organization, capabilities of top management, organization culture, and grievance procedure, working environment and payment and compensation. Further, regression analysis showed that predictors of JS are only internal image and the grievance procedure of organizations. This study also focused in segmenting attributes under each OF into four segments namely Motivators, Observant, Savers and Hygiene factors (MOSH analysis). This helps managers to identify areas where prioritized attention is required when investing resources in order to make employees satisfied. The relationship between JS and EC was accepted with the related literature, which is a positive relationship. Job satisfaction has a negative relationship with TI but JSB has an indirect negative relationship with JS. That is when employees are not satisfied, their TI increase and as a result they get involved in job search activities. Hence, the relationship exists between JS and JSB only with the effect of TI.

The main implication of this survey is the inability to generalize the findings to other companies in Sri Lanka due to different attitudes of employees in different sectors. Hence, there is a future research opportunity to conduct the same survey among a large and very robust sample including employees from different industries as well as from different levels in the hierarchy, enabling the generation of findings to employees in other industries in Sri Lanka.