

**THE INFLUENCE OF HUMAN RESOURCE PRACTICES ON JOB  
SATISFACTION : A STUDY AMONG EMPLOYEES OF AN  
ENFORCEMENT AGENCY**

**A project paper submitted to the College of Business in partial fulfillment  
of the requirement for the degree of Master Science of Management  
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A handwritten signature in black ink, appearing to read 'Fuzha', is written over a horizontal line.

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## **ABSTRAK**

Kajian ini adalah bertujuan untuk mengetahui hubungan antara pengurusan sumber manusia dan kepuasan diri pekerja di dalam agensi penguatkuasaan. Pertama, kajian ini akan menumpukan perhatian pada faktor-faktor seperti sistem penilaian prestasi, latihan dan pembangunan dan pampasan serta manfaatnya dalam mempengaruhi kepuasan diri pekerja di dalam agensi penguatkuasaan. Tujuan kajian ini adalah untuk mengetahui sama ada ketiga-tiga faktor yang dinyatakan iaitu sistem penilaian prestasi, latihan dan pembangunan dan pampasan serta manfaatnya mempunyai perkaitan yang positif dengan kepuasan diri pekerja. Para responden bagi kajian ini terdiri daripada 120 kakitangan dari Jabatan Kastam Diraja Malaysia, Perlis.

Hasil daripada kajian didapati bahawa pengurusan bagi ketiga-tiga komponen pengurusan sumber manusia adalah diterima. Maka didapati bahawa wujudnya hubungan yang signifikan diantara pengurusan sumber manusia dan kepuasan diri pekerja. Ini membuktikan kepentingan sistem penilaian prestasi, latihan dan pembangunan dan pampasan serta manfaatnya dalam mempengaruhi kepuasan diri pekerja. Apabila pekerja berpuas hati dengan pekerjaan mereka, maka sumbangan yang diberikan oleh mereka dapat memastikan objektif organisasi akan tercapai secara keseluruhan.

## **ABSTRACT**

The purpose of this study is to investigate the relationship between human resource management ( HRM ) practices in enforcement agencies employees related to their job satisfaction. First of all, the study will concentrate on factors such as performance management system, training and development and compensation and benefits in relation with job satisfaction in the enforcement agency. The aims of this study is to identify whether this three factors such as performance management system, training and development and compensation and benefits were positively correlated with employees' job satisfaction. The respondents of the study is consist of the 120 employees from Royal Malaysian Customs of Perlis.

The result from the research done revealed that three component measure of human resource practices is valid. It is found that there was a significant relationship between human resource practices toward employees' job satisfaction. This is confirming that performance management system, training and development and compensation and benefits is very important to influence employees' job satisfaction. When the employees satisfied with their jobs, the contribution given by the them can ensure the organization's goals achieved as whole.

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## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background Of The Study**

In every departmental sectors of the Malaysia government, human resource management is the function within an organization that focuses on recruitment of, management of, and providing direction for the people who work in the organization. Organizations responsible of handling and managing human resources for the government such as Jabatan Perkhidmatan Awam (JPA), Suruhanjaya Perkhidmatan Awam Malaysia (SPA) and Suruhanjaya Perkhidmatan Awam Negeri (SPAN) deals with issues related to public servants such as compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration and training.

In a present age major issue of organisation management is implementation of effective human development strategies (Bhatti & Qureshi, 2007) such as working condition, employee participation, and commitment and satisfaction opportunity for employee with his/her job. It is common belief that public sector employees are motivated by sense of service or feeling to serve the public (client), that could be employee's motivation to serve his nation and community. Realisation of employee's altruistic needs does not mean his or her satisfaction with job in public sector organisation, which is determined by some other factors.

Employee's satisfaction rating is measured by the degree of his/her productivity, retention, absenteeism, grievance expression, tardiness, low morale, and other factors. Employees who are more productive and stay longer on job, highlight higher job satisfaction ratings (Rad & YarMohammadian, 2006).

Lower satisfaction causes frequent absence from work, low performance, work disruption and possible increase in administrative and training cost along with reduction in productivity. Job satisfaction is an often researched subject, as it is generally believed a higher job satisfaction is associated with increased productivity, lower absenteeism and lower employee turnover (Hackman & Oldman 1980). This research intends to study the factors which affect the job satisfaction in enforcement agency, Royal Malaysian Customs Department of Perlis, consist of over one hundred twenty employees.

The department has been entrusted to facilitate and enhance the country's economy, industry and tourism sector, collect the country's revenue via direct and indirect taxes and acts as the preventive unit to intervene smuggling activities. The study aims to test three component model of human resources practices. There are performance management system, training and development and compensation and benefits in Royal Malaysian Customs Department of Perlis.

Job satisfaction is a complex and multifaceted concept, which can mean different things to different people. Job satisfaction is usually linked with motivation, but the nature of this relationship is not clear. Satisfaction is not the same as motivation. Job satisfaction is more an attitude, an internal state. It could, for example, be associated with a personal feeling of achievement, either quantitative or qualitative. In recent years attention to job satisfaction has become more closely associated with broader approaches to improved job design and work organization, and the quality of working life movement. Job satisfaction is the result of various attitudes possessed by an employee towards his job.

These attitudes may be related to job factors, such as wage, job security job environment, nature of work, opportunities for promotion, prompt removal of grievances, opportunities of participation in decision making and other fringe benefits. Job satisfaction may thus be defined as an attitude which results from a balancing and summation of many specific like and dislikes experienced by an employee in the performance of his job; or an employee's judgment of how well his job, on the whole, provides opportunities to satisfy his needs. It refers to one's job, his general adjustment and social relationship in and outside his job. This satisfaction and dissatisfaction with one's job depends upon the positive or negative evaluation of one's own success or failure in the realization of personal goals and perceived contribution of the job to it.

When one considers about the job satisfaction on the grounds like good infrastructures, good garden, good working environment, it also depends upon the status and recognition, sex, age and experience and the qualifications that contribute for having the job satisfaction. One's attitude towards the job and personal involvement in the job also affects the satisfaction in the job. Organizational climate and personality characteristics also play a major role in influencing the job satisfaction of any employee. Working condition is the major contributor for job satisfaction. But all types of work condition are neither fully satisfying nor dissatisfying, job satisfaction definitely promotes happiness, success and efficiency in one's professional activity wherein the organizational climate helps in developing a happy and congenial interactions among the employees and management.

In any organization setting, employee's work plays an important role for organizational achievements. Job satisfaction has been a matter of concern and attention in any field of business nowadays. Organization realize that employee job satisfaction is the essential element to increase customer satisfaction and keep their business running, as competition is getting more intense. It is highly important for management to recognize employees' work and provide them with an opportunity to grow and to look after their well-being.

Therefore, job satisfaction is one of the most important areas of research for many researchers, and as such it is one of the most frequently studies work attitude. The concept of job satisfaction is defined as an individual's attitude about work roles and relationship to worker motivation (Vroom, 1964).

In order for an organization to be successful, it must continuously ensure the satisfactory of their employees (Berry, 1997). Organization with more satisfied employees tends to be more effective (Robbins & Judge, 2007), besides, happy workers are more likely to be a productive worker. Nonetheless, factors related to job satisfaction are relevant in the prevention of employee frustration and low job satisfaction because employee would work harder and perform better if they are satisfied with their jobs (Asbury, 1996, Mallio, 1990). Much of the research in this area has been based on the explicit assumptions that job satisfaction is a potential determinant of absenteeism, turnover, in-role job performance, extra role behaviors and also the primary antecedents of job attitudes are within management's ability to influence. Muchinsky and Morrow (1990); and Muchinsky (1993) in their study believe that under good economics conditions with plentiful of jobs, dissatisfaction could cause the turnover if other opportunities are available in the market.

Job satisfaction has been widely studied over the years. Tziner and Vardi (1984) define work satisfaction as an effective response or reaction to a wide range of conditions or aspects of one's work such as pay, supervision, working conditions, and/or the work itself. Others define it as an effective orientation towards anticipated outcome ( Wanous and Lawler,1972 ) a statement that describe the feelings of employees about their work (Arches, 1991), or an employee's affective reactions to a job based on comparing actual outcomes with desired outcomes (Cranny et al., 1992).



It is generally recognized as a multifaceted construct that includes employee feelings about a variety of both intrinsic and extrinsic job elements (Howard & Frink, 1996). Intrinsic determinants pertain to the nature of, and activities inherent to, a position or set of tasks, such as intellectual stimulation or feeling or accomplishment. Extrinsic determinants focus on external factors such as relations with co-workers or job security. So, job satisfaction is a subjective variable which does not lend itself readily to quantification. It is experienced when employees fulfilled whatever needs or considerations they deem important in their work.

Porter and Steers (1973) argued that the extent of employee job satisfaction reflects the cumulative level of met worker expectations. That is, employees expect their job to provide a mix of features (e.g., pay, promotion, autonomy) for which the employee has certain preferential values. The range and importance of these preferences vary across individuals, but when the accumulation of unmet expectation becomes sufficiently large there is less job satisfaction and greater probability of withdrawal behaviour. The preference for intrinsic and extrinsic determinants is not entirely random; they are systematically related to employees' demographic characteristics, the most important of which seems to be gender.

Most organizations wisely monitor the satisfaction levels of their employees. Job satisfaction, for example, is related to employee motivation and performance (Ostroff, 1992). Job satisfaction is also significantly linked to employee absenteeism (Hackett & Guion, 1985) and turnover (Griffeth, Horn, & Gaertner, 2000). There is even some evidence that job satisfaction positively influences organizational citizenship behavior (Organ & Ryan, 1995). Clearly, job satisfaction is an important organizational variable. Analyzing the relationship between job satisfaction and organizational commitment is particularly crucial nowadays, as people often do not work at the same organization or job throughout their lifetime. It is also sometimes hard to find suitable people for certain positions. So once an ideal candidate is chosen, organizations will like to make a great effort to retain those employees.

If two employees exhibit different levels of job satisfaction and that job satisfaction can be proven to lead to organizational commitment, the employer will likely hire the employee with the higher level of job satisfaction. This is because the employer can expect the more satisfied individual to stay with the organization. Another reason as to why satisfaction will lead to commitment is that a higher level of job satisfaction may lead to a better family life and a reduction in stress. The reason is because an employee's feelings of jobs satisfaction may affect his or her emotions. This feeling will affect the worker's behaviours inside and outside the organization.

A significant body of previous research has reported positive associations between human resource practices and job satisfaction. These studies focus on the impact of several specific HRM practices, such as compensation (Gerhart & Trevor, 1996, Gomez-Mejia, 1992), training (Bartel, 1994) on performance management system (McDonald & Smith , 1995). Since the job satisfaction has an impact on the productivity of an organization as evidenced above, there is growing interest among researchers on this topic in order to understand this phenomenon.

## **1.2 Problem Statement**

This study arises from the need to manage the human resources of the organizations more effectively. An effective and competitive human resource is the key to the strength of organizations in facing the challenges of business today. The importance of having a competitive human resource is synonymous with the success of today's organizations. An efficient and effective human resource will produce quality, productive individuals that will eventually minimize the problems that are related to human resource such as job dissatisfaction, absenteeism, or turnover of employees. In order to effectively investigate whether human resources are capable of contributing to competitive advantage, it is pragmatic to examine HRM practices in as many settings as possible. It is known that HRM can positively affect organizational performance. Numerous studies have shown a positive relationship between HRM practices and organizational performance. However, previous studies in Malaysia are quite limited in investigating this phenomenon.

For the last three decades, the problem of job satisfaction has attracted considerable attention of Industrial Psychologists. It is regarded as a very significant factor in workers morale, absenteeism, accidents, turnover and to some extent productivity, though its relationship with productivity is not very clear. Morse (1952) suggested that 'an organization can be evaluated in terms of human satisfaction'. The importance of job satisfaction is not only for its possible association with productivity, absenteeism, turnover and accidents. It is generally agreed that the dissatisfaction in job is due to poor mental health which will give rise to anxiety, depression, hyperacidity, headache and frustration. Since workers spends most of his time on the job, he does not get job satisfaction. Thus the dissatisfaction of jobs may cause social problems.

### **1.3 Research Questions**

There are many studies on the relationship between job satisfaction and human resource practices, yet some research have different outcome on the study. The purposes of the research were addressed by answering the following questions:

- i. Do human resources practices in the organization have relationship with job satisfaction ?
- ii. Which of the human resource practices factors has more influence on job satisfaction?

## **1.4 Research Objectives**

The objectives of this study are as per following:

- i. To determine whether the Performance Management System is related to job satisfaction.
- ii. To determine whether the Training and Development is related to job satisfaction.
- iii. To determine whether the Compensation and Benefits is related to job satisfaction.

## **1.5 Significance of Study**

In recent years, human resources have been recognized as an important source of sustained competitive advantage. Much of the human resources and theoretical and empirical work has been grounded in the resource-based view (RBV) of the firm (Barney, 1986, 1991, 1995). This theory maintains that in order to develop a sustainable competitive advantage, organization must create resource in a manner that is rare, nonimitable, and non-substitutable.

This study is an attempt to explore the impact of a human resource practice ( Employee Participation ) on job satisfaction, employee commitment and employee productivity. Looking towards all research studies completed in all countries included Malaysia, it is observed that there is insignificant research work done and it has created a wide gap, which needs to be filled up by the

present and the near future human resource management research scholars. Today's knowledge economy demands investments in human capital of the organization and to create a work environment where employees excel at their jobs but it is strongly perceived that practices like employee participation are intentionally or unintentionally ignored in research is the last solution to find out the truth, cause and solution.

The Malaysian government believes that human resources function fulfils a very important 'soft skill', unspoken task that of balancing employee expectations and the organization's expectations. Both need to be addressed and aligned for a business to be successful and one with satisfied employees. Only a content and motivated employee will deliver good work, so it is the job of human resources to keep track of the expectations of the employee and those of the organization to ensure both are met simultaneously.

Apart from this, the research has a different view in introducing the dimension of human resource practices in organizations. This area of study is less touched upon by many past researchers. It is hoped, by presenting this dimension of research topic, future researchers will emphasize more on the practices of human resource practices and resting the study into the factors effecting the job satisfaction which appears to be the most important topic among Human Resource Management scholars and researchers.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

The previous chapter provides the background of the research and highlights the research problem and issues while justifying the importance and scope of this study. This chapter addresses the current state of research and existing knowledge pertaining to human resource management and diversity perceptions and practices in enforcement agencies.

One of the leading challenges in management has been implementing effective human development strategies to enhance organizational performance and accountability. As a result of the emphasis on performance, researchers in human resource management have stressed effective human resources strategies such as job satisfaction, team empowerment, participative management, and strategic planning.

This chapter is devoted to the literature on human resource management (HRM) practices and job satisfaction. This chapter begins with a review on the concept of HRM, the importance of HRM, and the resource-based view of the organization which is related to the job satisfaction. An overview of previous studies on the researches that has been done in human resource management practices is also discussed. Finally, a theoretical framework and hypotheses are presented to show the relationships between the study variables.

## **2.2 Job Satisfaction**

Job satisfaction is an important part of overall life satisfaction among the working age population. Considerable research has been done related to job satisfaction. Most research efforts to explain this organizational behavior topic have been dominated by the person-environment fit paradigm (Mottaz, 1985; Kristof, 1996), which states that the more an employee's work environment fulfills his/her needs, values, or personal characteristics, the greater the degree of job satisfaction. Aspects of the work situation have been shown to be determinants of job satisfaction (Arvey et al., 1991). Zeitz (1990) found that perceptions that employees have about numerous aspects of their work environment (management climate, job content, reward fairness, employee influence on work group, and promotion opportunities) explained job satisfaction. This study also found distinct patterns of work satisfaction at different age levels for non-college graduates (U shape), non-elite professionals (downward sloping) and elite professionals (upward sloping). Personal characteristics such as age, gender, education level, and pay grade did not contribute incrementally to explaining the variance in work satisfaction beyond that explained by variables describing the job situation.

The concept of job satisfaction enjoys increasing attention from organisations these days, since its importance and pervasiveness in terms of organisational effectiveness has been firmly established quite some time ago. Managers now feel morally responsible for maintaining high levels of job satisfaction among their staff, most probably primarily for its impact on productivity, absenteeism



and staff turnover, as well as on union activity (Arnold & Feldman, 1986). The importance attached to job satisfaction was already significant during the first part of the 20th century, and Locke (1976) reported, for example, that over 3,000 related studies were published between 1935 and 1976 – an average of one publication every five days.

Organisations recognise that having a workforce that derives satisfaction from their work contributes hugely towards organisational effectiveness and ultimate survival. Job satisfaction is regarded as related to important employee and organisational outcomes, ranging from job performance to health and longevity (Spector, 2003).

The importance of job satisfaction in the workplace is underscored by its inextricable connection to a person's entire life. Since a person's job is an all-important part of his life, it follows that job satisfaction is part of life satisfaction. The nature of the environment outside of the job directly influences a person's feelings and behaviour on the job (Hadebe, 2001). Judge and Watanabe (1993) reinforced this idea by stating that there exists a positive and reciprocal relationship between job and life satisfaction in the short term, and that over time, general life satisfaction becomes more influential in a person's life. Schultz and Schultz (1998) emphasised that people spend one third to one half of their waking hours at work, for a period of 40 to 45 years, and that this is a very long time to be frustrated, dissatisfied and unhappy, especially since these feelings carry over to family and social life, and affect physical and emotional health.

A concept with such tremendous effect on personal and organisational life clearly deserves a corresponding amount of attention. Reiner and Zhao (1999) examined two sources of job satisfaction: demographic characteristics (example: age, race, gender, educational level) and work environment characteristics (example: task identity, autonomy, skill variety, task significance, feedback). The results from the research of Agho et al. (1993) suggested that the importance of environment or situational characteristics and job characteristics are influencing employees' satisfaction.

A qualitative study (Bussing et al., 1999) suggested that job satisfaction is developed through assessment of the match between expectations, needs, and motives and the work situation. Based on this assessment, a person builds up satisfaction (steady feeling of relaxation as a result of met expectations and needs) or dissatisfaction (feeling of tension as a result of unsatisfied needs and expectations) with his work. In case of dissatisfaction, employees may maintain or reduce their level of aspiration. Maintaining aspirations in the face of work dissatisfaction can result in pseudo work satisfaction, fixated dissatisfaction and constructive dissatisfaction. Fixated and constructive work dissatisfaction may result in mobilization of an employee's problem-solving behaviour (Bussing et al., 1999).

Major and Konar (1986) argued that, through the socialization process, men and women develop different attitudes toward occupational achievement and work contentment which often lead to systematic inter-gender variations in perceptions and behavior. Weaver (1980) found a positive association

between job satisfaction and education, age, income, and occupation. There is general agreement in the literature about employees' satisfaction with their work life, that there are two types of factors that affect it: demographic and work environment.

Investigated by several disciplines such as psychology, sociology, economics and management sciences, job satisfaction is a frequently studied subject in work and organisational literature. This is mainly due to the fact that many experts believe that job satisfaction trends can affect labour market behaviour and influence work productivity, work effort, employee absenteeism and staff turnover. Moreover, job satisfaction is considered a strong predictor of overall individual well-being (Diaz-Serrano and Cabral Vieira, 2005), as well as a good predictor of intentions or decisions of employees to leave a job (Gazioglu and Tansel, 2002).

Beyond the research literature and studies, job satisfaction is also important in everyday life. Organisations have significant effects on the people who work for them and some of those effects are reflected in how people feel about their work (Spector, 1997). This makes job satisfaction an issue of substantial importance for both employers and employees. As many studies suggest, employers benefit from satisfied employees as they are more likely to profit from lower staff turnover and higher productivity if their employees experience a high level of job satisfaction. However, employees should also 'be happy in their work, given the amount of time they have to devote to it throughout their working lives' (Nguyen, Taylor and Bradley, 2003a).

The following passage summarises the importance of job satisfaction for both employers and their workers:

*Job satisfaction is important in its own right as a part of social welfare, and this (simple) taxonomy [of a good job] allows a start to be made on such questions as 'In what respects are older workers' jobs better than those of younger workers?' (and vice versa), 'Who has the good jobs?' and 'Are good jobs being replaced by bad jobs?'. In addition, measures of job quality seem to be useful predictors of future labour market behaviour. Workers' decisions about whether to work or not, what kind of job to accept or stay in, and how hard to work are all likely to depend in part upon the worker's subjective evaluation of their work, in other words on their job satisfaction. (Clark, 1998).*

According to Bradley and Brian (2003), employee's job satisfaction is pleasure that an employee derives from his/her Job. It is an attitudinal variable that describe how people feel about their job. (Agho, Mueller, and price, 1993). Similarly Sousa-Poza and Sousa-Poza suggest job satisfaction is determined by the balance between inputs and out puts. According the concept, human has basic and universal needs and that, individual needs are fulfilled in their current situation, and then that individual will be happy.

Job satisfaction depends on balance between work role inputs (pain)- like education, working time, effort, and work out puts(pleasures) like wages, fringe benefits, status, task importance, working conditions, and intrinsic aspects of the job. If work outputs (pleasures) are relative to work role inputs (pains).

### **2.2.1 Theories of Job Satisfaction**

***Herzberg's Motivator-Hygiene Theory*** : The study of job satisfaction became more sophisticated with the introduction of Herzberg's motivator-hygiene theory (Herzberg, 1966; Herzberg, Mausner, & Snyderman, 1959). This theory focuses attention upon the work itself as a principal source of job satisfaction. To Herzberg the concept of job satisfaction has two dimensions, namely intrinsic and extrinsic factors. Intrinsic factors are also known as motivators or satisfiers, and extrinsic factors as hygiene's, dissatisfiers, or maintenance factors. The motivators relate to job content (work itself) and include achievement, recognition, work itself, responsibility and advancement. The hygiene's relate to job context (work environment) and involve, for example, company policy and administration, supervision, salary, interpersonal relations, and working conditions. Motivators are related to job satisfaction when present but not to dissatisfaction when absent. Hygiene's are associated with job dissatisfaction when absent but not with satisfaction when present.

***Adam's Equity Theory of Job Satisfaction*** : Adam theory of equity describe that we often equate our condition at work place with other contemporaries. When one as an individual develops feeling that he has not been fairly treated in terms input he puts in his work and what he gets out put. This state might leads to diminishing job satisfaction level. When people observe a ratio of inputs to out comes that either favours other people or them selves they experience inequity , which is assumed to be enough unpleasant experience to motivate changes in either behaviour or perception , or both. Adam's theory suggest balance between outputs like salary, benefits, responsibility, reputation, praise, and sense of achievement and inputs like hard work, skill, effort, flexibility, and adaptability. According the theory of equity balance between Inputs and Outputs might enhance employees' level of pleasure which they derive from their work. This will lead to probably less sick leave, absenteeism, efficient work environment and cost effective workers.

To grasp the meaning of a construct like job satisfaction, it seems logical to look at how it is defined in the literature. The search for a universal definition of job satisfaction is not a difficult one; it is an impossible one. Even though many researchers define job satisfaction, the definitions vary. The three definitions most commonly referred to among researchers are Hoppock's, Locke's, and Vroom's. In the thirties, Hoppock's (1935) response to the question 'What is job satisfaction?' was: "...any combination of psychological, physiological, and environmental circumstances that causes a person truthfully to say, 'I am satisfied with my job'" (p. 47). Locke's (1976) answer to

the same question in the seventies was: "...a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences" (p. 1300). Vroom (1982), who used the terms "job satisfaction" and "job attitudes" interchangeably, defined job satisfaction as "...affective orientations on the part of individuals toward work roles which they are presently occupying" (p. 99). Even though the definitions vary, a commonality among them seems to be that job satisfaction is a job-related emotional reaction.

Spector (1997) presented three reasons to clarify the importance of job satisfaction. First, organizations can be directed by humanitarian values. Based on these values they will attempt to treat their employees honourably and with respect. Job satisfaction assessment can then serve as an indicator of the extent to which employees are dealt with effectively. High levels of job satisfaction could also be a sign of emotional wellness or mental fitness.

Second, organizations can take on a utilitarian position in which employees' behavior would be expected to influence organizational operations according to the employees' degree of job satisfaction/dissatisfaction. Job satisfaction can be expressed through positive behaviors and job dissatisfaction through negative behaviors. Third, job satisfaction can be an indicator of organizational operations. Assessment of job satisfaction might identify various levels of satisfaction among organizational departments and, therefore, be helpful in pinning down areas in need of improvement.

Spector (1997) believed that each one of the reasons is validation enough of the significance of job satisfaction and that the combination of the reasons provides an understanding of the focus on job satisfaction. Spector, of course, is only one of many researchers, scholars, and writers who addressed the importance of job satisfaction. His reasons appear to be representative of many views on the importance of the concept in other major works (i.e., Bruce & Blackburn, 1992; Cranny et al., 1992; Gruneberg, 1976; Hopkins, 1983) dealing with job satisfaction.

A great many definitions of the concept of job satisfaction have been formulated over time. Arnold and Feldman (1986, p.86) described job satisfaction as "the amount of overall affect that individuals have toward their job". High job satisfaction therefore means that an individual likes his or her work in general, appreciates it and feels positive about it. McCormick and Ilgen's (1980) definition rings similar. They also regarded job satisfaction as a person's attitude towards his or her job, and added that an attitude is an emotional response to the job, which may vary along a continuum from positive to negative. Beck (1983) added that since a job has many characteristics, job satisfaction is necessarily a summation of worker attitudes regarding all these. The good features are balanced against the bad, so that the overall job satisfaction is perceived as high or low. It appears that job satisfaction may be studied from two slightly different perspectives. Firstly, job satisfaction may be treated as a single, overall feeling towards a person's job.



Alternatively, researchers may focus on the different aspects that impact upon a job, e.g. its rewards and social environment, and even characteristics of the job itself, such as its content. It is believed that this latter view permits a more comprehensive picture of job satisfaction, as an individual typically experiences different levels of satisfaction across different job aspects (Spector, 2003). It is this summed total of satisfaction with the different aspects of the job that many authors collectively refer to as job satisfaction.

Meggison, Mosley and Pietri (1982) stated that people experience job satisfaction when they feel good about their jobs, and that this feeling often relates to their doing their jobs well, or their becoming more proficient in their professions, or their being recognised for good performance.

Locke (1976) held that job satisfaction is simply a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences. Work satisfaction results from the perception that one's job fulfils, or allows the fulfillment of, one's important job values. Phrased differently, work is gratifying if it complements one's personal desires and needs.

Schneider and Snyder (1975) regard job satisfaction as a personal evaluation of conditions present in the job, or outcomes that arise as a result of having a job. It appears then that job satisfaction encapsulates a person's perception and evaluation of his job, and that this perception is influenced by the person's unique disposition. People will therefore evaluate their jobs against those aspects that are important to them (Sempene et al., 2002).

Since job satisfaction involves employees' emotions and feelings, it has a major impact on their personal, social and work lives (Sempene et al., 2002), and for this reason may also influence their behaviour as employees, e.g. absenteeism (Locke, 1976; Visser, Breed & Van Breda, 1997). The collective job satisfaction of employees may also result in a particular organisational culture (Sempene et al., 2002).

Several authors concurred with the above-mentioned ideas regarding job satisfaction and emotional responses towards work, but add that several external aspects also impact on the latter. For example, Harrel (1968 in Vercueil, 1970) explained that job satisfaction is derived from and caused by many interrelated components. By determining which single component or combination thereof provides the highest level of job satisfaction, one can obtain an indication of the general level of job satisfaction. These components contribute towards a single dimension according to which job satisfaction may be determined. Personality variables may account for the other dimension to which job satisfaction may be related. Schultz and Schultz (1998) held the view that job satisfaction encompasses the positive and negative feelings and attitudes people hold about their jobs, and that these depend on many work-related characteristics, but also on personal characteristics, such as age, gender, health and social relationships. People's personal motivations and aspirations, and how well these are satisfied by their work, also affect their attitude towards work.

### **2.3 Human Resource Management Practices In Malaysian Public Services**

Globalization has influenced very much the way organizations manage their human resources. Competency is looked upon as the answer to globalization. Through its integration with human resource practices, competent workers who possess competencies (skill, knowledge and abilities) as needed by the organizations will be hired and more of their capabilities will be boosted further through training and then rewarded for their demonstrated and potential competencies. These kinds of workers are very much of an asset. Malaysian public service started to use competency based human resource practices at the end of year 2002 as the response to increase the level of service quality.

In Malaysian public service, out of six competency-based human resource practices, only five practices are implemented. They are recruitment and selection, training and development, career development, performance management and reward. After five years of implementation, there is a need to determine the dimensions of competency-based human resource practices in Malaysian public service. Thus, this is the reason why this study is carried out. There are also quite a few studies that were done on competency-based human resource practices.

Human resource practices have long way been practiced by public services of other countries like US (Hood and Lodge, 2004), UK (Horton, 2000a; 2000b; Farnham and Horton, 2002), Netherland (vander Meer and Toonen, 2005; van Vulpen and Moesker, 2002; Hondeghem and Vandermeulen, 2000), Germany (Loffler, Busse and Hoppe, 2002), France (Jeannot and Lichtenberger, 2002), Italy (Cerase, 2002), Belgium (Hondeghem and Parys, 2002; Brans and Hondeghem, 2005), Sweden (Moqvist, 2002), Finland (Virtanen, 2002) and Poland (Mikulowski, 2002) since 1980s. However, the implementation was decentralized to the departments and thus, was not holistic. The reason why they started to adopt the practices was due to either dissatisfaction involving the staff or the customers due to inconsistencies in the staff management (Lodge and Hood, 2005). Competency-based human resource practices used competency framework (competencies that distinguish high performer from average performers in all areas of organizational activity) as the foundation for recruitment, selection, training and development, rewards and other aspects of employee management (Horton, 2000).

Human resource practices provide two types of integration which are vertical and horizontal integration. Vertical integration ties individual employees and their behaviour to the strategic objectives of the organization while the horizontal integration ties each human resource practice closely together in one frame of reference and language (Brans and Hondeghem, 2005).

Thus, human resource practices are more like a control system in ensuring there are coherence and standardization in the system and thus, the end results expected and targeted by the organizations could be fully achieved.

Moreover, in competency-based human resource practices, competency is tied to every human resource practice either at the input or output level. At the input level, competencies which are vital for the organizations in achieving their goals are identified. This list of competencies is known as competency frameworks (Hondeghem and Parys, 2002; Mikulowski, 2002). The competencies could be of five different types which are psychomotor, cognitive, affective, personality and social (Moqvist, 2002) which could be classified further into two which are hard and soft or generic and specific (Brans and Hondeghem, 2005). These competencies will be the base for every human resource practices such as in selecting and recruiting, training, career developing, appraising performance and rewarding the employees. By doing this, organizations can ensure that competency at the output level or in other words, performance is more measurable and easier to be obtained. This is important as output produced by the public sector organizations is much more difficult to measure (Hondeghem and Vandermeulen, 2000). This is due to the many roles that they have to play e.g. facilitator, pace setter, authority and developer (Ilhaamie, 2009).

Competency-based recruitment and selection is defined by Malaysian public service as the extent of screening methods that are used to select a small number of strong candidates from a large group of applicants quickly and efficiently. Competency-based recruitment and selection start with the identification of the competencies needed by an organization to achieve its goals, missions and objectives which are known as selection competency template.

Some competencies that are important for service provision in the public sector in order to enhance service quality are emotional intelligence, customer service orientation, interpersonal communication and team player skills. Meanwhile, some instruments which are needed in order to ensure that the best or competent candidates are selected and recruited are competency based application form, competency-based advertisement; competency based behavioral interview, competency test, simulation and assessment centers. Just noticeable difference scales and IT are used to determine the candidates that match the selection competency template that was set up earlier (PSDM, 2004). Consequently, qualifications which are more restricted to educational knowledge and titles are now of little value for effective executive search and executive resource planning (Brans and Hondeghem, 2005).

Instead skills, knowledge, behaviors and capabilities are of priorities in order to eliminate the gap between the competencies requested with the competencies possessed. Once the best candidate is identified, competency gaps form the basis for an initial new hire learning plan (Draganidis and Mentzas, 2006).

On the other hand, competency-based training and development is defined as an attempt to bridge the gap between current demonstrated competencies levels to target levels of job profile. In order to close the gap, individual employees have to prioritize development needs which would produce the greatest impact on performance (PSDM, 2004).

Thus, closer alignment between training and desired competencies leads to workers who become more competent and capable in the workplace (Holton et al., 2006). Meanwhile, competency-based career development practice is defined as the extent of development template used to enhance the employee performance in their jobs or to prepare improvements in their future tasks. The competency model is used to identify types and level of competencies required by different jobs in the service. Moreover, career ladders are developed for individual workers to match their competencies with the most suitable job competency profile. These workers have to take their own initiatives to conduct competencies gap analysis to identify the competencies they are lacking.

On the other hand, the employers too, have to play their part in developing their employees' careers. Examples of activities that employers can undertake include conducting career development program to gauge employees' potential, strengths and weaknesses, developing job assignments for employees to improve their performance in their existing jobs, training and preparing employees to advance to other assignments in the future as well as providing structured mentoring program for employees (PSDM, 2004).

Competency-based performance management is defined as the extent of performance planning, facilitation and study done between the managers and the workers in order to track and increase individual and organization performance and to provide information for other human resource management practices.

In this practice, goals and objectives are set based on competency-based performance appraisal form (e.g. Annual Work Targets form) before the present and future performance is being discussed with the workers. The performance appraisal is based on objective measure of individual performance produced by the competencies that are important for the success of the organization. In order to ensure the appraisal is just and fair, the employers have to inform employees on the standards used to evaluate job performance. The employers may receive feedback on employees' job performance from multiple sources (e.g. superiors, customers, etc.) to monitor their progress. Behavioral anchored scales which range from one to six is used to enable individuals to assess how much of the required skill/competency/behavior they have been demonstrating. Finally, performance review process is documented by using the Annual Work Performance Report (PSDM, 2004).

Lastly, competency-based reward is defined as the extent of paying for competencies or performance. This could be done by paying the employees that use or demonstrate their current level of competencies that represent high performance in their jobs or their potential to deliver in future (PSDM, 2004).

It is a type of pay that rewards employees of their skills, behavior and attitude in performing job roles and not because of their jobs, functions, knowledge, responsibility, age and seniority (Hondegghem and Vandermeulen, 2000; Jahja and Kleiner, 1997).



Thus, competency-based reward is inevitable for compensating highly skilled, competent and professional workforce. It provides an incentive for employees to grow and enhance their capabilities (Risher, 2000). It was proposed due to dissatisfaction with the traditional reward in terms of its ability to reflect and reward performance (PSDM, 2004).

## **2.4 The Importance Of Human Resource Practices In The Organization**

What is Human Resource Management (HRM)? And why HRM is important in human resource field? HRM is a demanding and on going process. HRM is responsible for how people are treated in organizations. It is responsible for bringing people into the organization, helping them perform their work, compensating them for their labors, and solving problems that arise (Cherrington, 1995). There are several roles that can be played by HRM. First, HRM should help the organization articulate the purpose of the knowledge management system. For example, organizations embrace technologies to solve problems before they've even identified the problem they are trying to solve. Then, once they realize the error, they find it difficult to discard the original solution and difficult to gather the resources needed to invest in a solution to the real problem. Second, HRM must ensure alignment among an organization's mission, statement of moral principles and policies. Furthermore, HRM must nourish a culture that embraces getting the right information to the right people at the right time. Third, HRM should create the "ultimate employee experience" by transforming tacit knowledge into explicit knowledge, build employee skills, competencies and creating bench strength.

Fourth, HRM can assimilate effective knowledge sharing and usage into every day life. It has the capabilities for creating, measuring and reinforcing a knowledge-sharing expectation.

Fifth, HRM must controls and allow behaviors that in the clockwork world of industrial efficiency, never would have been tolerated. Organizations should selectively recognize and reward, rather than universally discourage and penalize these bad types of behaviors. Sixth, HRM must take a strategic approach to helping firms manage everything regarding the uses of technology. So that the technology will be fully utilize for the right purposes by the employees. Certainly, some control is needed but the larger question for HRM is determining appropriate boundaries. Lastly, HRM must champion the low-tech solutions to knowledge management. Although it should not ignore the high-tech knowledge management tools, HRM contains the expertise to develop low-tech knowledge management strategies. However, HRM system is a solution to business problems that including positive and negative complementarities rather than individual HRM practices in isolation (Becker and Huselid, 2006).

Moreover, through all facets of HRM functions, how can the motivation, commitment and other organisational relevant favourable attributes of employees are ensured in the interests of optimal organisational performance? Such driving forces were important in helping transform 'personnel management' into HRM, and more recently, HRM into 'strategic human resource management' (SHRM), providing recognition that the

effective management of human resources is a strategic function (Brewster, 1994), not a service or support activity in organisations (Stening, 2006).

*Encyclopedia of Business and Finance has stated that HRM has seven key functionalities. The seven management functions are staffing, performance appraisals, compensation and benefits, training and development, employee and labor relations, safety and health, and human resource research.*

Nowadays, the HRM profession is developed enough for competent, experienced HR professionals to be out there, offering their services externally (Eleanna & Nancy, 2007) but the obstacles to effective HRM needs to be overcome to better identify the future approach to and effect of HR practice on the management of organizations. The over all success of HR practitioners and the profession will therefore only be enhanced, if there is a willingness to manage the HR function in a visionary manner and if there is earned recognition forthcoming in future of their contribution by organisations' top level leadership cadre ( IFSAM, 2006). To overcome the problems in human resource management, a good human resource planning system need to be developed.

## **2.5 Advantages Of Human Resource Practices**

HR is an essential part of any organization, doesn't matter either the organization is big or small. Great pressure is laid on implementing an effective HR system in an organization. Driving HR efficiently can contribute more value to the business (Bruce et al., 2006). Efficient HR can make overall costs for HR reduce, improve efficiency of HR administration, reduce manual processing, improve consistency and compliance, make fixed costs variable and reduce capital investments in HR. There are many advantages that HR provides in an organization some of them include:

- i. One of the advantages of HR in an organization is the assistance it provides in recruiting staff and in training employee. The HR department is mostly responsible to develop the systematic plan according to which they hire the staff, depending on the financial of the organization and helping organization to build a professional work team.
- ii. HR system implements series of strategies in employment appointing which includes allocated training sessions for employee develop test plans for employee, to manage and analyze employee interviews and to create internship opportunities.
- iii. HR provides consultancy. HR is a medium which provide all the consulting that an employee needs and also answer general queries. HR is very effective in an organization to settle down any managerial disagreement or employee problem in a professional and proficient manner.

- iv. On more advantage of HR is that these departments actively participate in business and marketing decision. The HR system comprises of highly dedicated professionals who have the ability to develop new plan and implement marketing strategies that would bring more business and capital to the organization.
- v. HR also deals with the long-term management of the business. This department evaluates the future scope of the business and devises strategies which would be profitable to the organization in the longer run and bring in stability to the business and provide it an established medium to stand on in the future.
- vi. HR helps the business and commerce to make public relations and built a proper referral system. It is very necessary that the business develops an association with other businesses in the market so it could propel its earning through collaboration with other business sectors. The HR department arranges seminars, business meetings and official gathering for the company so that it gets acquainted with the market and other businesses.

These advantages therefore clearly illustrate how important the HR is for an organization. Whether the business is small or it's a big budget industry, building and maintaining a high profile HR system is very necessary if the business wants to avoid disputes and problems in the longer run. The HR can be deployed in a small organization at a low scale by hiring minimal staff and growing it gradually as the business progress.

While all this is easily possible in a small business organization, it is very difficult to accomplish in big businesses. The reason behind this is that big companies have very little direct contact between their top management executives and their regular employees. This is where the HR department comes into play. The HR department of a business not only helps to maintain the most important asset of the company but it also helps in protecting employees rights as well.

## **2.6 Human Resources Practices And Job Satisfaction**

HR practices and job satisfaction are studied widely in different parts of the world. It is assumed that HR practices are closely associated with job satisfaction (Ting, 1997). Because many scholars and practitioners believe that sound HR practices result in better level of job satisfaction which ultimately improves organizational performance (Appelbaum, Bailey, Berg and Kalleberg, 2000). Steijn (2004) found that HRM practices had positive effect on job satisfaction of the employees of public sector whereas individual characteristics such as age, gender, and education had insignificant effect on job satisfaction. Gould-William (2003) showed that use of specific HR practices in local government organizations in the United Kingdom (UK) was associated with a greater degree of job satisfaction, workplace trust, commitment, effort, and perceived organizational performance.

Various theories of job satisfaction have been developed by psychologists and management scholars. They tend to assign different degrees of importance to sources of satisfaction, which can be classified as either intrinsic or extrinsic. Intrinsic sources depend on the individual characteristics of the person, such as attitudes. Extrinsic sources are situational, and depend on the environment, such as workplace climate. Theories which rely on extrinsic sources are more typically adopted by economists, albeit by reference to a different terminology, whereas intrinsic sources are more commonly associated with other social sciences (Luchak, 2003).

Some studies show that certain HRM practices, such as working in teams, greater discretion and autonomy in the workplace and various employee involvement and pay schemes, do motivate workers and hence generate higher labour productivity (Cully et al., 1999; Boselie and Van derWiele, 2002).

However, overall job satisfaction need not increase if effort is a “bad” and the aim of workers is to maximise the returns from the exerted effort. In terms of the relationship between pay and job satisfaction, Clark and Oswald (1996) show that a workers’ reported level of well-being is weakly correlated with their income, whereas Belfield and Harris (2002) find no evidence of such a relationship for those working in higher education. There is mounting research into the weakness of the link between income and life satisfaction, as in the happiness studies of Layard (2003, 2006) and Clark (2005) showing that despite rising wages there are stagnant levels in job satisfaction.

Other studies show that it is relative income, rather than own income, that matters for job satisfaction (Clark and Oswald, 1996). Still, some studies contest the importance of relative income at lower pay levels (e.g. McBride, 2001), or highlight the importance of real income (Greene and Nelson, 2007). A wider literature exists on the effects of introducing new pay practices in companies (see, e.g. Black and Lynch, 2004; Booth and Frank, 1999; Cappelli and Neumark, 1999; McCausland et al., 2005; Lazear, 2000). Yet, empirical evidence is lacking on the relationship between such practices and job satisfaction. There are also very few studies that seek to examine the relationship between the pay distribution within a firm, including the perception of that distribution by a worker, and individual worker performance or their job satisfaction. An exception is Bloom and Michel (2002), who discuss the advantages and disadvantages of dispersed and compressed “actual” pay structures. Dispersed pay structures may induce higher levels of performance as employees have to work harder to move up the pay ladder.

This is consistent with the notion of promoting the “star” workers in a competitive environment and the provision of compensating differentials for high-risk jobs. However, consistent with the prediction of tournament theory (Bloom and Michel, 2002), dispersed pay systems may also be linked to workforce instability and higher turnover. On the other hand, compressed pay promotes team effort and cooperation by creating a more egalitarian workplace, which tends to reduce turnover (Beaumont and Harris, 2003).



However, it may discourage effort above a certain minimal necessary level, and may be perceived as unfair, not least because of free-rider problems. Hence, it is usually difficult to accurately identify the effect of the pay distribution within a firm on workers' job satisfaction.

Job satisfaction has been subject of great interest among behavioural scientists and Human resource management researchers over period of time. Number of organisational, individual, and psychological factors has been identified to enhance satisfaction level. However, these factors have been revisited time and again and job satisfaction determinants information is still inconclusive. This has led to develop a conceptual model and test it in developing country to assess the magnitude of different factors that might enhance job satisfaction of employee in public sector work setting. It is anticipated that results of this study will enable to understand the concept of public employees' job satisfaction with further refined perspective.

## **2.7 Summary**

Managing a successful organization involves acquiring, developing and maintaining a wide range of resources. These resources include materials, buildings, land, equipment, technology and, crucially, people. Any organization needs good employees who have the right skills to achieve the company's aims and objectives. Many factors are driving changes in organizations today including the use of technology, globalization, and changes in workforce demographics, eliminating the bureaucracies in organizational structures, and balancing work-family issues. Understanding the potential of an organization's resources and optimizing the output of such resources given the changes, provides the impetus for human resource management of being the key source of creating the competitive advantage for the organization. In government sector, human resource management is the business function that focuses on the people aspects of an organization. It ensures the efficient management of people in the business. It is responsible for ensuring that an organization has the right people to deliver its overall business plan.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

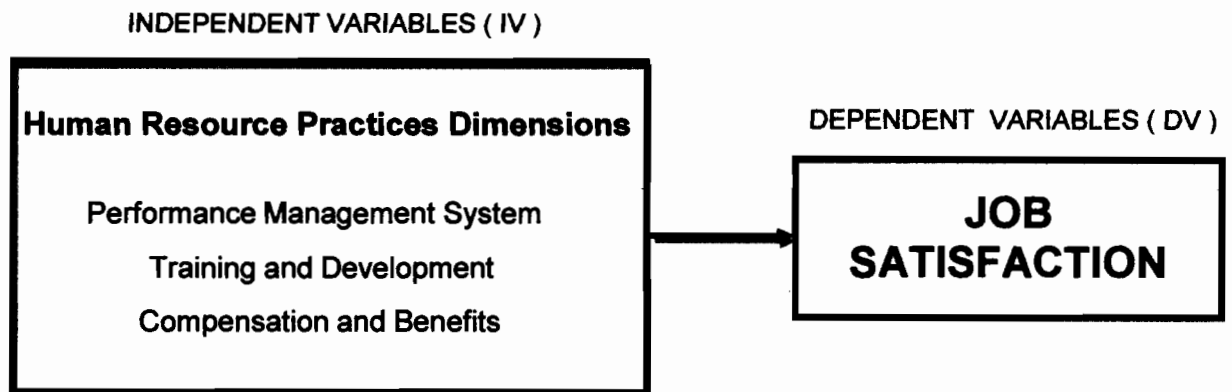
#### **3.1 Introduction**

The primary objective of this study is to investigate the influence of human resource practice focusing on performance management system, training and development and compensation and benefits with the employees' job satisfaction. This chapter contains the following sections relating to methodology : (i) research framework and hypothesis development (ii) research design (iii) measurement an instruments (iv) data collection method (v) variables and measures (vi) pilot test (vii) data analysis (viii) chapter summary.

#### **3.2 Research Framework And Hypothesis Development**

After careful consideration of the research questions and objectives of this study and review of relevant literature in chapter two, the theoretical framework and research model is developed and hypotheses are formulated to identify and test the relationship between the various variables identified in **Figure 3.0**. Based on the literature review presented earlier, certain investigative relationships among the study variables are accomplished. The three (3) factors constituted as independent variables and which is associated to one dependent variables job satisfaction.

**Figure 3.0 : Research Model**



### **3.3 Research Hypothesis Development**

Human resource management (HRM) refers to the policies and practices involved in carrying out the 'human resource (HR)' aspects of a management position including human resource planning, job analysis, recruitment, selection, orientation, compensation, performance appraisal, training and development, and labour relations (Dessler, 2007). HRM is composed of the policies, practices, and systems that influence employees' behaviour, attitude, and performance (Noe, Hollenbeck, Gerhart, & Wright, 2007). In the present study we will investigate the effect of three different HR practices: performance management system, training and development and the compensation and benefits. The research conducted has developed three main hypotheses. The following will explain how each facet of job satisfaction is related to intention to leave to develop the hypotheses of this study.

***H1 : Performance Management System is related to job satisfaction.***

Performance appraisal is a systematic process to evaluate the performance of an employee after a certain period. Performance appraisal also influences other HR practices such as recruitment and selection, training and development, compensation, and employee relations. As performance appraisal leads to pay raise, promotion, and training, it is assumed that better performance appraisal can have an impact on employee job satisfaction.

***H2 : Training and Development is related to job satisfaction.***

Training and development is considered to be the most common HR practice (Tzafrir, 2006). Training and development refers to any effort to improve current or future employees' skills, abilities, and knowledge (Aswathappa, 2008). Training and development has a significant positive impact on employees' job satisfaction (Garcia, 2005). Thang and Buyens (2008) stated that training and development lead to superior knowledge, skills, abilities, attitudes, and behaviour of employees that ultimately enhance excellent financial and nonfinancial performance of the organizations.

***H3 : Compensation and Benefits is related to job satisfaction.***

Compensation refers to all types of pay or rewards going to employees and arising from their employment (Dessler, 2008, p. 390). Compensation is very much important for employees because it is one of the main reasons for which people work. Employees' living status in the society, satisfaction, loyalty, and productivity are also influenced by the compensation (Aswathappa, 2008). Ting (1997) in a study on the employees of US government found that compensation was one of the most important determinants of job satisfaction.

### **3.4 Research Design**

This study is using the descriptive study design. The selection of this research design was done in view of the intension of the research, which attempts to explore the affect of the three main factors ( performance management system, training and development and compensation and benefits) in relation with job satisfaction. In other words, descriptive study enables the researcher to analyze the employees' level of perception on the known factors of job satisfaction, based on the research question tested.

In this research, the researchers will only concentrate on factors such as performance management system, training and development and compensation and benefits in relation with job satisfaction. The research questions is used in this study to examine the independent variables and dependents variables. This research question is used to identify what are the perceptions of the respondents towards the factors of job satisfaction.

### **3.5 Research Location**

The location or the concentrated area of research is at the Royal Malaysian Customs Department (RMCD) of Perlis. This Customs Department at Perlis consist of five main division or unit, which is the Administration, Import/Export Unit, Passenger Unit, Warehouse / Duty Free Shop and Preventive Branch.

The reason RMCD of Perlis is selected for this research is to find out the employees' job satisfaction level towards the human resources practices in the organization. From the survey done for the purpose of this research, it has been identified that so far there is no research done in this field at the organization.

### **3.6 Population Sample**

Population of the research is the whole workforce of RMCD of Perlis. The population frame is based on the personnel statement obtained from the RMCD of Perlis human resource department. The sample was segmented by eight demographic categories, namely designation, gender, age, marital status, race, education level, department and length of services.

### **3.7 Measurement And Instruments**

According to Mustafa Ghazali ( 2004 ) summarized that, there are few of research method that can be used to collect data such as : survey ( ask ), observation ( look ), experiments ( laboratory ) and documents ( researching data through documents ). Therefore, in this study, the survey method by asking question through questionnaire were used. According to Bell, J ( 1997 ) the aims of a survey is obtain information which can be analyzed and patterns extracted and comparison made. All respondents will be asked the same questions in, as far as possible, the same circumstances.

### **3.8 Data Collection Method**

Data for this research were collected through primary sources via questionnaires. A set of questionnaire was developed with reference to past researchers questionnaires such as Seth & Tripathi (2003); Woon (2000); Abdul Rahman (1998); Price and Mueller (1981); Kalleberg (1996); Buchco (1994); and Miles & Stone (1978). Questionnaires from these researchers were used as a reference and modified to suite the framework of the proposed research. Data were also collected through secondary sources such as, department's document, records of personnel from the RMCD human resource department and other printed documents of the department.

Approximately 120 sets of questionnaire were prepared for distribution. Data were gathered from each level of categories and each employees response is treated as an entire data source, approximately 120 sets of questionnaire were collected back progressively The respondents were given ample time (5 – 10 minutes) to answer the questionnaires.

### **3.9 Variables And Measures**

The questionnaire is one of the main tools for collecting data from the respondents. The types and designs of questionnaire that were used depend on the studies that had been carried out. In this study the questionnaire is a three-pages questionnaire which is divided into five sections respectively for example Section A, Section B, Section C, Section D and Section E. All sections in the questionnaire are conducted in English Language.



### **3.9.1 Questionnaire Design**

#### **Section A – Demographic Information**

The first section of the questionnaire requires information about personal and demographic data of respondents. Questions covering designation, age, gender, race, marital status, length of service, highest level of education and the departmental attached will be asked.

#### **Section B – Statement Pertaining to Job Satisfaction**

This section measures the level of employees' job satisfaction. The questionnaire is based on Job Descriptive Index (Smith, Kendall & Hulin, 1969) and the Minnesota Satisfaction Questionnaire (Weiss, Darwis, England & Lofquist, 1967). The JDI assesses satisfaction with different job areas such as supervision, recognition, internal communication, career planning and performance management system. The questionnaires examples in this part are as follows :

1. I am satisfied when bosses treat colleagues and me equally.
2. I am satisfied when organization respects my opinions.
3. Overall, information in this organization is communicated well.
4. I feel satisfied when I managed to finish all my tasks on time.
5. I believe my career aspirations can be achieved at this organization.
6. Performance appraisal fails to measure the job satisfactions  
in this organization.
7. I am kept up-to-date on my organization changes in policy or regulation.

The five-point scale is used to measure the level of job satisfaction. In order to answer the questionnaire, respondents have to select their choice of answer based on the five-point scale according to their opinion on each question. Each answer will be given a score. It is easier for the respondents to understand the format and produce more accurate answers. The respondent rated their level of agreement with each item on a five-point Likert scale (interval scale) ranging from 1 (Strongly disagree), 2 (Disagree), 3 (Neither agree nor disagree), 4 (Agree), 5 (Strongly Agree).

### **Section C – Perception of the Performance Management System**

Section C measures the level of understanding of the employees' on how the performance appraisal had been carrying out in the organization. The respondent rated their level of agreement with each item on a five-point Likert scale (interval scale) ranging from 1 (Strongly disagree), 2 (Disagree), 3 (Neither agree nor disagree), 4 (Agree), 5 (Strongly Agree). The questionnaires examples in this part are as follows :

1. I understand the performance appraisal system being used in this organization.
2. I understand the objectives of the present performance management system.
3. I have a real understanding on how the performance appraisal system works.
4. I do not understand how my last performance appraisal rating was determined.
5. I know the criteria used by my organization to evaluate my performance.

6. I understand the standards of performance my organization expects.
7. My employer clearly communicates to me the objectives of the performance appraisal system.
8. I would benefit from additional training in the process of the appraisal system.

#### **Section D - Perception of the Training and Development**

Section D touches on the training aspect. The respondent rated their level of agreement with each item on a five-point Likert scale (interval scale) ranging from 1 (Strongly disagree), 2 (Disagree), 3 (Neither agree nor disagree), 4 (Agree), 5 (Strongly Agree). The questionnaires examples in this part are as follows :

1. This organization provides appropriate job training of its employees.
2. This organization does a good job of providing opportunities for development and growth for all employees.
3. This organization provides good training opportunities to improve job related skills.
4. I am provided with adequate opportunities for career growth.
5. This organization fails to provide effective training for the job I am currently holding and I will be in charge of.
6. I have the opportunity to learn skills that will improve my chances for promotion.

## **Section E - Perception of the Compensation and Benefits**

Section E measures the satisfaction of the employees' regarding the compensation and its benefit that they can rewarded in the organization. The respondent rated their level of agreement with each item on a five-point Likert scale (interval scale) ranging from 1 (Strongly disagree), 2 (Disagree), 3 (Neither agree nor disagree), 4 (Agree), 5 (Strongly Agree). The questionnaires examples in this part are as follows :

1. I am satisfied with my current total salary package (base pay, benefits and incentives).
2. Total salary package (base pay, benefits and incentives) provided by the organization is competitive.
3. I am satisfied with the information about pay issues provided by the organization.
4. The organization provides consistency of the pay policies.
5. I understand how the organization administers pay.
6. I estimate my salary as being fair internally.
7. My salary is fair in comparison with what is offered for a similar job elsewhere.
8. I understand the organization's pay structure.
9. In my work unit, employees consider that their compensation level adequately reflects their level of responsibility in the organization.
10. The pay increases and / or bonuses I received in the last two years adequately reflect my performance evaluation.

The data gathered was analyzed using The Statistical Package for Social Sciences (SPSS, version 12.0) for statistical analysis. All the items and variables were coded before entered to the computer. In this study, the responses and information collected from the survey was tested using statistical techniques such as reliability test, frequency analysis, Cronbach's Alpha Coefficients, Pearson Correlation, Oneway ANOVA and Multiple Regression analysis.

### **3.10 PILOT TEST**

The pilot study was conducted on a small group of people. Thirty respondents have been selected to be in the pilot test. The purpose of the pilot test is to test the reliability of the questionnaire. The researcher will know whether the questionnaire is fully understood by the respondents. Reliability is the degree to which measures are free from random error and therefore yield consistent result.

The reliability of the questionnaire was tested by using Cronbach's Alpha or called Alpha Coefficient to show the internal consistency of the questionnaire. According to Uma Sekaran (2003), the closer the reliability coefficient to 1.00, the better. In general, reliabilities less than 0.60 are considered poor, those in the range of over 0.80 are considered good and acceptable.

In this study, all the independent variables and dependent variable met the above requirement. The alpha value for perception performance management system is 0.715, training and development is 0.849 and compensation and benefits is 0.781. Meanwhile, the alpha value of job satisfaction is 0.811. This is summarized in **Table 3.0** below.

**Table 3.0 : Alpha Coefficient For Each Section**

<b>Section</b>	<b>No. Of Item</b>	<b>Alpha Value</b>
Performance Management System	8	0.715
Training And Development	6	0.849
Compensation and Benefits	10	0.781
Job Satisfaction	7	0.811

### **3.11 DATA COLLECTION**

The questionnaire is used as the main tool to collect data from the respondents. The advantage of using questionnaire includes the relatively low cost and the facts of anonymity among respondents that will lead to more open and truthful responses (Schermerhorn, 2000). Researcher distributed questionnaires to the target respondents and collect it. Researcher used the Job Descriptive Index (JDI) that was developed by Smith, Kendall & Hulin (1969) and the Minnesota Satisfaction Questionnaire (Weiss, Darwis, England & Lofquist, 1967) which produced highly reliable results in job satisfaction studies (Cranny et al., 1992).

Approximately 120 sets of questionnaire were prepared for distribution. The questionnaires were distributed to each level of categories of employees in the organization, approximately 120 sets of questionnaire were collected back progressively. The respondents were given ample time (5 – 10 minutes) to answer the questionnaires.

### **3.12 DATA ANALYSIS**

Data analysis is used and can help researcher to summarize the conclusion of the study. The data is analyzed by using 'Statistical Package for Social Science (SPSS Window) version 12.0. All items and variables were coded before entered to the computer in order to carry out factor analysis. The purpose of having factor analysis was to help researcher categorized the suitable items for each dimension of independent variables such as human resource practices.

The result obtained from factor analysis, a reliability test four independent variable as well as dependent variable was conducted. Additionally, the Cronbach's Alpha Coefficient will also compute to investigate the consistency and reliability of the instrument. On the other hand, the researcher has carried out the frequency analysis for the respondent's demographic factors such as gender, age and etc. Subsequently, Pearson Correlation Analysis was used to examine the relationship between independent variables human resource practices and dependent variables job satisfaction. Further to this, Multiple Regression Analysis will be done to determine the relationship between both variables.

### 3.12.1 Descriptive Statistics

Descriptive Statistics such as frequency and percentage are used to describe the respondent characteristics.

### 3.12.2 Inferential Statistics

#### (a) Pearson Correlation Coefficient

Pearson coefficient is used to show the degree of linear relationship between independent and dependents variables. The symbol of a correlation is  $r$ , and its range is from -1.00 to +1.00. A correlation coefficient tells two things about the relationship between two variables, the direction of the relationship and its magnitude. The closer the measure is to 1.00, the more likely the relationship is statistically significant (Muchinsky, 1993). The interpretation of the strength of correlation according to “Guilford Rule of Thumb” is shown in **Table 3.1**.

**Table 3.1 : Interpretation of Strength of Correlation Coefficient**

<b>Value of Coefficient</b>	<b>Relation between Variables</b>
0.00 – 0.30	Very low relationship
0.30 – 0.50	Low relationship
0.50 – 0.70	High relationship
0.50 – 1.00	Very High relationship



## **(b) Multiple Regressions**

Multiple regressions are used to identify dominant factor among the three factors in human resource practices and demographic factors that have closer relation with job satisfaction. The factors are considered dominant if the beta value is the largest among the significant factors.

### **3.13 Summary**

This chapter has explained the research design by created theoretical framework and hypotheses, location of the study, instruments of the study and selection of respondents. The results of the pilot test are stated in the chapter. It also discussed about the methodology approach used to collect the data and how it analyze the data. In the last section, the data collection process and data analysis is explained in detail.

## **CHAPTER FOUR**

### **RESULTS AND FINDINGS**

#### **4.1 Introduction**

This section presents the results of statistical analysis that covers the relationship between the dependent variable ( job satisfaction ) and the three human resource practices ( performance management system, training and development and compensation and benefits ) including the profile of respondents which includes gender, age, marital status, race, designation, education level, department and length of services. The data was analyzed by using SPSS version12 to determine the existence of any relationships between the independent variables and dependant variables. This chapter also illustrates the reliability test made to the instruments.

#### **4.2 Sample Characteristics**

Hundred and twenty questionnaires were distributed to the respondents, who were the Superintendent of Customs W41, Assistant Superintendent of Customs W27, Senior Customs Officer W22 and Customs Officer W17 in Royal Malaysian Customs Department of Perlis. 5 to 10 minutes was given to the respondents to complete and return the questionnaires. The all total 120 questionnaires were collected back. The respondent rate was 100% of total questionnaires distributed as shown in **Table 4.0**.

**Table 4.0 : Response Rate**

	<b>Total</b>	<b>Percentage</b>
<b>Questionnaires Distributed</b>	120	
<b>Collected Questionnaires</b>	120	100
<b>Usable Questionnaires</b>	120	100
<b>Discarded Questionnaires</b>	-	-
<b>Uncollected Questionnaires</b>	-	-

#### **4.2.1 Demographic Characteristic**

There are 120 respondents in the sample. Frequency distributions are obtained for all demographic characteristics only. The dependent and independent variables are obtained using SPSS Version 12.0. **Table 4.1** shows the demographic characteristics of the respondents.

**Table 4.1 : Frequency Distribution - Designation**  
*Respondents' Background ( n = 120 )*

<b>Categories</b>	<b>Percentage ( % )</b>
Superintendent of Customs W41	11.7
Assistant Superintendent of Customs W27	6.7
Senior Customs Officer W22	36.7
Customs Officer W17	45

Out of 120 respondents, Customs Officer W17 represent the highest numbers of 54 or 45% followed by the Senior Custom's Officer W22 categories which is 44 or 36.7%. Superintendent of Customs W41 and Assistant Superintendent of Customs W27 respondent number is 11.7% and 6.7% respectively.

**Table 4.2 : Frequency Distribution – Gender**

<b>Categories</b>	<b>Percentage ( % )</b>
Male	49.2
Female	50.8

Out of 120 respondents, about 59 are male or 49.5% and the rest are female which represent 61 or 50.8%. **Table 4.2** above shows the distribution of gender in this study.

**Table 4.3 : Frequency Distribution – Age**

<b>Categories</b>	<b>Percentage ( % )</b>
21 – 30 years	35
31 – 40 years	33.3
41 – 50 years	18.3
Above 51 years	18.3

The result of age distributions in the **Table 4.3** above suggest that the greatest numbers of the respondent are in their 21-30 years ( 42 persons ) age group followed by respondents aged 31-40 years ( 40 persons ), 41-50 years ( 22 persons ) and above 51 years old ( 16 persons ).

**Table 4.4 : Frequency Distribution – Race**

Categories	Percentage ( % )
Malay	95.8
Chinese	-
Indian	4.2
Others	-

Table 4.4 shows the frequency distribution for race group in the study. Malay represent 115 persons or 95.8% of the population. Meanwhile there's no Chinese respondents involved in the study. Indian represent 5 person or 4.2%.

**Table 4.5 : Frequency Distribution – Marital Status**

Categories	Percentage ( % )
Single	23.3
Married	76.7

**Table 4.5** shows that majority of the respondent are married which represent 76.7% that is about 92 people out of 120 respondents. Meanwhile 28 or 23.3% respondents are still single.

**Table 4.6 : Frequency Distribution – Education Level**

Categories	Percentage ( % )
SPM / STPM	69.2
Diploma	17.5
Bachelor Degree	10.8
Master and above	2.5

The education level of respondents is as suggested in **Table 4.6** above. The highest level of education of respondents shows that 83 or 69.2% persons have a SPM/STPM certificate. Meanwhile 21 or 17.5% of them are Diploma holder. There are 13 persons or 10.8% has degree and Master and above is 3 persons or 2.5%.

**Table 4.7 : Frequency Distribution – Length of Service**

Categories	Percentage ( % )
Below 6 years	26.7
6 – 10 years	16.7
11 – 15 years	20
16 – 20 years	18.3
Above 21 years	18.3

**Table 4.7** represent frequency distribution of 120 respondent in this study. It shows that a total of 32 respondents or 26.7% has been working below 6 years in this organization. The second higher respondents are working between 11-15 years in the organization which represent 24 persons or 20%.

There are 22 of respondent or 18.3% who has been with the organization between 16-20 years and also above 21 years. Lastly there are 20 respondent or 16.7% who has been working between 6-10 years in the organization.

**Table 4.8 : Frequency Distribution – Department**

<b>Categories</b>	<b>Percentage ( % )</b>
Administration Unit	28.3
Import / Export Unit	20
Passenger Unit	20
Warehouse / Duty Free Shop Unit	10
Preventive Branch	21.7

**Table 4.8** represents the department within the organization that were attached to the 120 respondents in this study. It shows that a total 34 respondents or 28.3% are represents the Administration units. The research shows that the population of the employees is significantly high in Administration units, the next is Preventive Branch, followed by Import/Export Unit, Passenger Unit and Warehouse/Duty Free Shop Unit.

### **4.3 Goodness of Measure**

#### **4.3.1 Reliability Test**

Before proceeding with the analysis proper, this study first tested the reliability of the instruments used. The reliability test concerned with the stability and consistency measurement to access the goodness of a measure. It will answer the question consistently it measures a particular concept.

Based on the output of the analysis, the Cronbach's alpha acquired indicates that all items are negatively correlated to one another and it is internally consistent. The Cronbach's alpha values of each variable are illustrated in **Table 4.9** below.

**Table 4.9 : Instrument Reliabilities**

<b>Variables</b>	<b>No. Of Items</b>	<b>Items Dropped</b>	<b>Cronbach's Alpha</b>
<b>Dependent Variable</b> Job Satisfaction	7	0	.744
<b>Independent Variables</b> Performance Management System	7	0	.822
Training and Development	5	0	.866
Compensation and Benefits	10	0	.864

The above table shows that the Cronbach's Alpha values for both dependent ( job satisfaction ) and independent ( performance management system, training and development and compensation and benefits ) variables are considered high. According to Sekaran ( 1992 ), reliabilities with less than 0.60 are deemed poor while those in the range of 0.70 ranges are acceptable and those above 0.80 are considered good. In the present study, all the alphas for variables are considered good.

#### **4.4 Descriptive Analysis**

Descriptive analysis which includes the mean and standard deviation for the independent and dependent variables are attained and recorded in **Table 4.10**.



**Table 4.10 : Descriptive Analysis for major Variables ( n = 120 )**

<b>Variables</b>	<b>Mean</b>	<b>Standard Deviation</b>
Job satisfaction	3.71	.574
Performance Management System	3.49	.493
Training and Development	3.72	.434
Compensation and Benefits	3.63	.458

**Table 4.10** highlights descriptive statistics of the main variables of the present study, i.e. satisfaction with performance management appraisal, satisfaction with training and development and satisfaction with compensation and benefits. As can be seen from the table, the respondents generally perceived that they were moderately satisfied with the performance management system ( *mean* = 3.49, *SD* = .493 ), training and development ( *mean* = 3.72, *SD* = .434 ) and the compensation and benefits ( *mean* = 3.63, *SD* = .458 ). With respect to this, employees' overall satisfaction ( *mean* = 3.71, *SD* = .574 ).

#### **Satisfaction with Performance Management System**

As indicated earlier, seven items were used to measure employees' perceived on satisfaction with performance management system and that on average the respondent are satisfied with their existing HR practices in relation to the performance management system. The study highlights the descriptive statistics for each item. Out of the seven items, the respondents feedback is higher ( *mean* = 3.73, *SD* = .604 ) in their understanding of the objectives of the present performance management system.

The respondents feedback have also indicated slightly higher on how well is their understanding of the standards expectation ( $mean = 3.73$ ,  $SD = .576$ ) and followed by the criteria used by the organization to evaluate the performance appraisal system ( $mean = 3.69$ ,  $SD = .671$ ) as well as the understanding of using the performance management system ( $mean = 3.68$ ,  $SD = .661$ ). The level of organization provide an additional training in the process of performance management system indicates average ( $mean = 3.60$ ,  $SD = .726$ ) and followed by the understanding on how the performance management system works ( $mean = 3.55$ ,  $SD = .907$ ). The respondent feedback indicates slightly lower ( $mean = 3.48$ ,  $SD = .745$ ) in term of the performance appraisal.

In general, the respondents appear to have moderate satisfaction ( $mean = 3.64$ ,  $SD = .663$ ) with their human resource practices with respect to the feedback they receive about performance management system that have been used in the organization.

### **Satisfaction with Training and Development**

As indicated earlier, there are five items were used to measure employees' perceived on satisfaction with training and development. The feedback shows that there is a reasonable average satisfied with the current practices in respective to the training and development. The study highlights the descriptive statistics for each item. Out of the five items, the opportunity to learn skills that will improve chances for promotion shows the highest level of satisfaction ( $mean = 3.83$ ,  $SD = .640$ ), followed by the opportunity to improve

job related skills ( *mean* = 3.74, *SD* = .750 ). The next is the satisfaction of the employees' towards the organization in providing the appropriate job training to the employees ( *mean* = 3.71, *SD* = .715 ). Satisfaction with the adequate opportunities for career growth is slightly lower ( *mean* = 3.64, *SD* = .696 ) ; followed by the satisfaction with the company does a good job of providing opportunities for development and growth for all employees ( *mean* = 3.63, *SD* = .777 ). However, the employees perceived the average level of satisfaction with the training and development ( *mean* = 3.71, *SD* = .716 ).

### **Satisfaction with Compensation and Benefits**

As indicated earlier, ten items were used to measure employees' perceived on satisfaction with compensation and benefits. The descriptive statistics on the satisfaction related to the understanding of organizations pay structure shows the highest mean value ( *mean* = 3.65, *SD* = .706 ). Second higher was the satisfaction in the organization provides consistency of the pay policies ( *mean* = 3.63, *SD* = .607 ). The satisfaction is slightly higher ( *mean* = 3.58, *SD* = .617 ), where the employees' considered their compensation level reflects their level of responsibility. Then followed by the satisfaction with the fair salary and the understanding on how the organization pay administer shows the mean value ( *mean* = 3.55, *SD* = .732 ) and ( *mean* = 3.55, *SD* = .620 ) respectively.

However, the respondents feedback indicates average in the company information about pay issues ( *mean*= 3.48, *SD* =.698 ), followed by the satisfaction on the total salary package ( *mean* = 3.40, *SD* = .893 ) that they had currently received. The respondent feedback is slightly lower with comparison a salary (*mean* = 3.38, *SD* = .851 ).

The lowest respondent's feedback was the satisfaction with the competitiveness of the overall total salary package inclusive of base pay, benefits and incentives ( *mean* = 3.31, *SD* = .838 ) and the pay increment or bonuses received ( *mean* = 3.28, *SD* = .909 ). On average the respondent have moderate satisfaction with compensation ( *mean* = 3.48, *SD* = .747 ).

#### **4.5 Correlation Matrix**

Correlation test was conducted to determine the relationship between Human Resource Management and the independent variables used in this research. **Table 4.11** below illustrates the correlation matrix between these independent variables, which are performance management system, training and development and compensation and benefits. According to Sekaran (2005); Zaidatun Tasir and Mohd Salleh (2003), if the correlation is closer to 1.0 the relationship is considered very significant positively, and if it s closer to -1.0 it is very significant negatively. Using the findings gathered from this analysis, the hypotheses developed for this research is compared.

**Table 4.11 : Inter Correlations of the Major Variables**

	TD	CB	PMS	JB
<b>Training and Development ( TD )</b>	-			
<b>Compensation and Benefits ( CB )</b>	.535**	-		
<b>Performance Management System ( PMS )</b>	.462**	.523**	-	
<b>Job Satisfaction ( JS )</b>	.514**	.512**	.698**	-

\*\*Correlation is significant at  $p \leq 0.01$  level ( 2-tailed )

\*Correlation is significant at  $p \leq 0.05$  level

**Hypothesis (H1) : Performance Management System is related to job satisfaction.**

The value of Beta = ( .543,  $p < 0.05$  ) shows that the relationship between performance management system and job satisfaction is significant. Therefore there is a highest significant of relationship between performance management system and job satisfaction. Thus, hypothesis H1 is accepted.

**Hypothesis (H2) : Training and Development is related to job satisfaction.**

According to the value of Beta = ( .198,  $p < 0.05$  ) it indicates that the relationship between training and development and job satisfaction is significant. The outcome shows that there is statistically significantly relationship between training and development and job satisfaction. Thus, hypothesis H2 is also accepted.

**Hypothesis (H3) : Compensation and Benefits is related to job satisfaction.**

The value of Beta = ( .122,  $p < 0.05$  ) indicates that the relationship between compensation and benefits with job satisfaction is significant. The value shows the lowest significant result compare to other two human resource practices element. Performance Management System was the most significant factor related to job satisfaction. Thus, hypothesis H3 is rejected.

As mentioned earlier, there are three hypothesis formulated for the present study. Based on the results, all the factors in human resource practices prove to be a factor influencing the job satisfaction among the employees in Royal Malaysian Customs Department, Perlis.

#### **4.6 Multiple Regression Analysis**

**Table 4.12 : Results of Regression Analysis**

	<b>Unstandardized Coefficients</b>		<b>Standardized Coefficients</b>		
Model	B	Std. Error	Beta	t	Sig.
( Constant )	-.033	.354		-.092	.927
Training and Development	.262	.102	.198	2.558	.012
Compensation and Benefits	.153	.101	.122	1.517	.132
Performance Management System	.632	.089	.543	7.066	.000
F value	45.149				
R <sup>2</sup>	.543				
Adjusted R <sup>2</sup>	.531				

\* $p < 0.05$ , \*\* $p < 0.01$

The results shows in **Table 4.12** indicates that the predictors ( performance management system, training and development and compensation and benefits ) are significantly and positively related to job satisfaction. The model in this study reaches statistical significance of 0.000 (  $p < 0.05$  ).

The above result indicates that the predictors performance management system is the most influential independent variable on employees' job satisfaction. The model in this study reaches the highest significant of ( Beta = 0.543,  $p < 0.05$  ). It is evidential that the performance management system shows the highest significant result compare to other human resource practices elements ( Beta = 0.000,  $p < 0.05$  ). Based on Beta values, the result shows that performance management system has more effect on employees' job satisfaction. Research and results of test proven that the performance management system has a significant relationship to the employees' job satisfaction.

The result also indicates that the predictors training and development is significantly and positively related to employees' job satisfaction. The model in this study reaches statistical significance of (Beta = 0.198,  $p < 0.05$  ). The training and development shows the moderate significant result ( Beta = 0.012,  $p < 0.05$  ), the results on Beta values shows that training and development has also affected the employees' job satisfaction.

The above results also indicates that the predictors compensation and benefits is significantly and positively related to employees job satisfaction. The model in this study reaches statistical significance of (Beta = 0.122,  $p < 0.05$  ). Even though the compensation and benefits shows the lowest significant result compare to two human resource practices elements ( Beta = 0.132,  $p < 0.05$  ), the results on Beta values shows that compensation and benefits has affected the employees' job satisfaction.

The respondents' feedback through the results of the questionnaires supported the statement and agreed on the important of internal information regarding performance management system as well as of the understanding on the objective of performance management system.

The above results indicate that the multiple regression coefficients (  $R$  ) of the three independents variables of human resource practices in relation to the job satisfaction. The adjusted R square is 0.531. The value of  $f$  is 45.149 at (  $p = 0.000$  ). This means that 54.3 percent of the variance in job satisfaction has been significantly explained by three factors of human resource practices. Thus the results in this study support the hypothesis that the human resource practices have a significant with the job satisfaction.

The regression analysis beta values of each independent variable signify the significant contribution and influence on the job satisfaction was addressed and the results are shown in the above **Table 4.12**.



From the result presented in above, the highest number in the Beta is 0.543 for performance management system which is shows a high significant. Generally the human resource practices which consist of the above three component have the strongest explanatory variables with job satisfaction,  $p < .05$ .

#### **4.7 Summary of Findings**

Basically this chapter discusses the results and findings retrieved from the analysis done on the data collected from respondents. The data were analyzed using frequency and inferential analysis (Pearson Correlation and Multi-regression analysis). The finding shows that all the independent variables used for the purpose of this research turn out to have significant and positive relationship with Human Resource Practices. It is also noticeable that among these independent variables, compensation and benefits seems to have a very significant relationship with job satisfaction. In terms of predictors, through the multiple regression analysis conducted, it is evidential that training and compensation and benefits factors posses affect on the job satisfaction, where by, performance management system is not a predictor, thus it does not affect the job satisfaction of the employees' in the organization.

## **CHAPTER FIVE**

### **DISCUSSION AND CONCLUSION**

#### **5.1 Introduction**

This final chapter will discuss the results and findings gathered from the research on influence of human resource practices on job satisfaction in Royal Malaysian Customs Department at Perlis. The chapter will summarize and conclude the findings of the study. It also includes the practical implications to the organization, limitation of the research and some recommendations for future research.

#### **5.2 Recapitulation of Findings**

The present study measured the influence of human resources practices on job satisfaction in the enforcement agency, Royal Malaysian Customs Department employees in Perlis state, Malaysia. The research instrumentation was a 39 items of questionnaire which was delivered personally to the employees in RMCD Perlis state, as target respondents. The questionnaires were designed to collect the following information:

- 1) Personal Characteristics such as designation, gender, age, marital status, race, education level, department and length of services.

- 2) Components of Human Resource Practices ( performance management system, training and development and compensation and benefits. )
- 3) Job Satisfaction.

The data collected were analyzed by using SPSS Version 12.0. The inventory of Job Satisfaction was based on Job Descriptive Index (JDI) adopted from (Smith, Kendall & Hulin, 1969) and the Minnesota Satisfaction Questionnaire (Weiss, Darwis, England & Lofquist, 1967) which produced highly reliable results in job satisfaction studies (Cranny *et al.*, 1992).

All dimensions in independent variables were selected because they have previously identified as those likely to have greatest impact on other dependent variables.

This study is aimed at answering the question “Do human resources practices in the organization have relationship with job satisfaction ? The hypothesis states, “There are strong relationship between performance management system, training and development and compensation and benefits and job satisfaction among the employees in RMCD of Perlis”.

Furthermore, the scores on human resource practices variables were comparing between each other to find out the most dominant factor of job satisfaction. The three variables of human resource practices namely performance management system, training and development and

compensation and benefits were selected because there are the most common variables in the organization that will cause satisfaction of the employees

All the three factors of human resource practices did show significant relationships with job satisfaction. Thus, hypothesis one to is accepted. It shows that all human resource practices variables tested in this study can influence the job satisfaction of employees in the organization. This results support the Locke's dimensions of job satisfaction in which this three factors most commonly measure the satisfaction of employees. Performance Management System in this study is the dominant factor among the three significant factors in influencing the job satisfaction, followed by training and development and the last is compensation and benefits.

In this research, the major significant findings from the three hypothesis are shown in **Table 5.0**.

**Table 5.0 : A Summary of Result of Hypothesis Testing**

<b>Hypothesis</b>	<b>Outcomes</b>
H1 : There is a significant relationship between performance management system and job satisfaction.	Accepted
H2 : There is a significant relationship between training and development and job satisfaction.	Accepted
H3 : There is a significant relationship between compensation and benefits and job satisfaction.	Rejected

### **5.3 Discussion**

The ultimate goal of this study is to examine the relationship between the human resource practices on job satisfaction among the employees' in Royal Malaysian Customs Department, Perlis. The research instrumentation was a 39 items of questionnaires which was distributed to the target respondents.

The result during hypothesis testing support the general objective of this study; that the human resource practices has a relationship with job satisfaction. The study also identifies that all elements in human resource practices have influence the RMCD employees' job satisfaction. The findings also demonstrate that performance management system is the highest factor determine the job satisfaction among the employees' of the RMCD Perlis.

#### **5.3.1 Performance Management System**

The results from the study indicates that the predictors performance management system is significantly and positively related to employees job satisfaction. The model in this study reaches the statistical significance of (Beta = 0.543,  $p < 0.05$  ). The performance management system shows the highest significant result compare to other human resource practices elements ( Beta = 0.000,  $p < 0.05 >$  ). Based on Beta values, the result shows that performance management system has more effect on employees' job satisfaction. Research and results of test proven that the performance management system has a significant relationship to the employees' job satisfaction.

The result shows that the employees are satisfied with the performance management system implemented in the organization. The employees has a good understanding on the objectives of the performance management system. Performance management applies to the performance of an organization, a specific department, sales goals, or large projects or tasks had been carried out effectively in the organization. In this research the employer's had done their responsibility by provide a clear and concise plans and expectations allows employees to know what is valued most to the organization, and how to do their job to the best of their abilities. When consistent feedback is given, it allows the employee to fill in gaps in performance in a timely manner. Frequently meeting with the employee to discuss results in a timely manner will make the difference between success and failure. This becomes the opportunity to provide recognition for a job well done, or to create a new plan together for a better outcome. Employee involvement can improve the reliability, validity, fairness, and usefulness of those performance expectations and standards because employees have direct, first-hand experience with all of the forces that impact their job satisfaction. This makes their participation essential for developing realistic expectations and standards. After all, the individual who should best know a job is the one who is doing the job.

### **5.3.2 Training and Development**

The result from the study indicates that the predictors training and development is the second highest significantly and positively related to employees' job satisfaction. The model in this study reaches statistical significance of (Beta = 0.198,  $p < 0.05$ ). The training and development shows the moderate significant result (Beta = 0.012,  $p < 0.05$ ), the results on Beta values shows that training and development has also affected the employees' job satisfaction.

The results of this study showed a positive relationship between training and development and job satisfaction. Results of surveys noted the importance of training in the minds of employees.

Organizations that offer effective job training may find they have better trained, more satisfied employees. Employees satisfied with job training are also more committed to their organizations (Bartlett, 2001; Tansky & Cohen, 2001), and employees who are satisfied in their jobs are more willing to accept organizational goals and values, more motivated (Jalajas & Bommer, 1999), more willing to exert effort in the workplace, and more likely to stay in an organization (Hatcher, 1999; Laschinger et al., 2001). These connections to the larger view of the organization are extremely important to HRD practitioners, because they show the powerful relationship between training at the employee level and overall organizational performance.

### **5.3.3 Compensation and Benefits**

The result from the study indicates that the predictors Compensation and Benefits is significantly but it has less effect on employees' job satisfaction with the lower significance result of ( Beta = 0.122,  $p < 0.05$  ). The compensation and benefits shows the lower significant result compare to other human resource practices elements ( Beta = 0.132,  $p < 0.05$  ). The results from the study shows that most of the respondents merely shows they are dissatisfied with current compensation that they are receiving .The finding seems explain unsatisfaction due to salary package which are not relevant with the cost of living and living styles in their needs. Even other benefits and clarification might not reach the lowest level of organization. In this case most staff's are claiming the organization doesn't play their role as the effective administrator. The level of contribution are not accordance with the amount of pay and other compensation because the unstable policies. Responsibility and multitasking performance in their job is adequately out of actual appreciation shown by the organization. Too much of different can be seen in comparisons among other similar jobs. There are no competitive and consistency in their pay as workloads is increased without limitation. Administrator should reorganize the management which are not complying actual problems faced by the staffs.



#### **5.4 Limitation of Research**

The limitation of this research is that it was carried out only from the 120 respondents who works in Royal Malaysian Customs Department, Perlis. The RMCD of Perlis is consists more than 300 employees. Thus, the findings from the research do not represent the perceptions of the whole Royal Malaysian Customs Department of Perlis, what more to reflect the perception of the entire Royal Malaysian Customs Department's population.

#### **5.5 Theoretical Implication**

The study has proven that job satisfaction can be determine by the factors of human resource practices ( performance management system, training and development and compensation and benefits ). The result indicates their level of job satisfaction tended to be high, moderate and slightly low depend on the factor involved. This is consistent with the study because many scholars and practitioners believe that sound HR practices result in better level of job satisfaction which ultimately improves organizational performance (Appelbaum, Bailey, Berg and Kalleberg, 2000). Combining human resource practices, all with the focus on the achievement of performance management, training and compensation can have substantial affect on the ultimate success of the organization, as well as increasing job satisfaction among the employees.

## **5.6 Managerial Implications**

Human Resource practitioner should look into this matter seriously to help the achievement organizational long- term objectives and to retain talents in the current market competitiveness. Fairness in performance management system practices, build up career's development through periodically of trainings, developments and competitive compensation and benefits are among the human resources practices that must be aligned to overall objectives of the organizational goals.

### **5.6.1 Performance Management System**

Employees' job performance is an important issue for all employers. However, satisfactory performance does not happen automatically; therefore, it is more likely with a good performance management system. A performance management system consists of the processes used to identify, encourage, measure, evaluate, improve, and reward employee performance at work. In this chapter the focus is on identifying, measuring, and evaluating performance.

There were some valuable suggestions put forward by the participants on how performance appraisal acceptance and satisfaction could be improved. They believed that employee acceptance and satisfaction could be enhanced if the performance appraisal process is more transparent, the goals and purpose of appraisal is clearly and well defined, the appraisers are well-trained, rewards are sufficiently distributed, and the instruments used be directed towards measuring performance rather than personality traits.

Having these elements included in the process of performance appraisal would reflect the sincerity and commitment of the management to provide employees with a fair system of appraisal. In addition, it was proposed that a special unit to monitor performance appraisal implementation and process be established and should consist those who are well trained, competent, and professional in conducting performance appraisal. This unit is expected to monitor the implementation and finally normalize any appraisal discrepancies that might have been committed by the various departments in the institution. In addition, the use of multi-sources of appraisal was suggested to further help enhance the trust, fairness, satisfaction and acceptance towards the organization appraisal system.

Performance management begins long before an employee's first annual performance appraisal. An employee's first day on the job is the first chance to establish job expectations. Job descriptions contain a list of tasks and responsibilities; however, job expectations include duties, responsibilities and the manner in which an employee should perform her job. Employers routinely provide a job description, yet fail to discuss with new employees the purpose of the job and how it relates to overall for the company and the employee. Discussions about job expectations reveal what underlies the day-to-day tasks in the employee's job description. Clarifying job expectations is one step to creating an effective performance appraisal program. Absent a mutual understanding about job expectations, employee efforts could be wasted or unrecognized.

Establishing performance standards is another key component of effective performance appraisal programs. Performance standards are benchmarks supervisors and managers use to rate employee performance. They are especially helpful in quantifying performance for more precise ratings.

Training supervisors and managers how to conduct appraisal meetings is just one part of developing an effective performance appraisal program. Granted, conducting the meeting is a conversation supervisors, manager and employees would probably rather skip; however, leadership training can improve the way employees perceive performance appraisals and ratings. Learning objectives for supervisor and manager training on performance appraisal programs include understanding the employer's coaching philosophy. Whether your company's coaching philosophy uses progressive discipline to improve performance or positive reinforcement for improving performance, leadership training helps supervisors and managers understand fundamental practices, policies and techniques for providing employees with constructive feedback.

If there is anything to look forward to when performance appraisal time comes around, it's anticipating a salary increase or year-end bonus. Constructing an effective performance appraisal program requires collaborative work with compensation and benefits specialists to determine allocations for salary increases, incentives and other monetary rewards.

Communication with employees is also essential -- anticipating a raise but not understanding how salaries and wages are computed in relationship to performance can be confusing. In addition, employers should make it clear that year-end and discretionary bonuses are not part of guaranteed wages. This is where communication is extremely important in developing an effective program.

### **5.6.2 Training and Development**

Training and development is an important component of human resource development in an organization. It is necessary to maintain and improve the capability and capacity of the public sector workforce to deliver their services. Continuous staff training based on the training needs is critical to adapt skills for future organizational needs, improve individual job satisfaction, redeploy staff, enhance career and employment prospects and to take advantage of technological progress.

As Malaysia is forging ahead into achieving its vision, goals and objectives stated in its macro policies and development plans, the Malaysian Public Service is expected to play its roles as a pace setter, facilitator, regulator and strategic integrator in cooperation with the private sector and the third sector such as the community-based organizations in meeting the challenges posed by the changing environment due to globalization, liberalization of economy and rapid technological advancement. In this connection, training and development of the public service personnel has been given due emphasis.

Training programmes has to be conducted to enhance the competencies and skill sets and to in still necessary attitudinal and mindset changes of the workforce to ensure the effective and efficient delivery of quality outputs to its stakeholders and customers.

Training activities undertaken by the Malaysian Public Service are guided by a Training Policy as spelt out in the Service Circular No. 6/1984. The main objectives of the Training Policy are: -

- To develop capable and qualified officers;
- To ensure enhancement of skills, efficiency and productivity;
- Able to province high quality results; and
- To develop employees who are able to produce output of high quality.

### **5.6.3 Compensation and Benefits**

Compensation is an important factor affecting how and why people choose to work at one organization over others. Employers must be reasonably competitive with several types of compensation in order to hire, keep, and reward performance of individuals in the organization. Employee benefits are available in a smorgasbord of indirect compensation, such as pensions, health insurance, time off with pay, and many others. A benefit is an indirect reward given to an employee or group of employees as a part of organizational membership.

Compensation is a strategic human capital management issue. It is often viewed as the way an employer manages the various types of pay plans (e.g., non monetary rewards versus monetary rewards) to reward its employees who perform jobs or services (Dessler, 2005; Henderson, 2006). Pay design is a crucial issue in a compensation system as it emphasizes the way an employer designs the levels and structure of pay to reward employees who work in similar and/or different job groups (Henderson, 2006; Milkovich & Newman, 2008). Many scholars advocate that levels and the structure of pay design will be more efficient and effective if they are consistent with the organization's strategies and goals. Therefore, managers must have a clear idea of the goals, types and elements of their pay systems if they want to attract, retain and motivate competent employees in order to sustain and maintain organizational competitiveness in a global economy (Ismail, 2006; Milkovich & Newman, 2008).

## **5.7 Recommendation For Future Research**

Going through this research has developed some recommendation for future research on job satisfaction through human resource practices. The independent variables used in the research are no doubt among the commanding aspect in dealing with job satisfaction. Apart from these factors, it is felt that variables such as managerial commitment and employee's commitment could be used for a better perspective in the practice of human resource practices.

Secondly, it is also recommended that such research on job satisfaction should not only be focused on one particular organization but it should be a research encompassing few organizations which has the same orientation. For example, three organizations which are more service oriented should be used to create the population and the sample of the research. Thus, the findings can be applied to other organizations with similar backgrounds.

## **5.8 Conclusion**

The results of this study can be divided into two main parts. The first part is examining the relationship with job satisfaction and human resource practices. There are three human resource practices factors taken into account to correlate with job satisfaction, namely performance management system, training and development and the last one is compensation and benefits. The results indicated that these three factors are significantly and positively related to job satisfaction of the Royal Malaysian Customs Department, Perlis. The chapter also stated out the managerial implication and significance of the study to the organization. There are some limitations of the study but researcher do given some recommendation for future research.



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## APPENDIX 1 : QUESTIONNAIRES



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### UNIVERSITI UTARA MALAYSIA

Dear Respondents,

I realize that your time is valuable and many demands are made upon it by your heavy workload. However, your participation in this survey, which will require only about 10-15 minutes of your time, is vital to the success of this study.

I am a graduate student of Universiti Utara Malaysia and conducting a survey regarding job satisfaction, to fulfill the Masters Science of Management requirement of the university. The objective of this study is to help me understand the relationship between human resource practices and job satisfaction.

Please be rest assured that all your responses will be kept strictly confidential and I will keep your identity anonymous. All the data will be aggregated and will be strictly used for academic purposes only.

I look forward to working with you. Thank you in advance for your cooperation.

If you are interested in this study please contact me through email at [ammu7476@yahoo.com.my](mailto:ammu7476@yahoo.com.my) or call me at 013-5208548.

Sincerely,

**Amutha A/P Mohan**

Msc. Management Candidate



**SECTION A : DEMOGRAPHIC INFORMATION**

Please fill in the blank and tick (✓) the appropriate boxes that corresponds to your answer to each of the question below.

1. Designation :  
i. Superintendent of Customs W41 ☐  
ii. Assistant Superintendent of Customs W27 ☐  
iii. Senior Customs Officer W22 ☐  
iv. Customs Officer W17 ☐
2. Gender :  
i. Male ☐ ii. Female ☐
3. Age :  
i. Below 20 years ☐ iv. 41 - 50 years ☐  
ii. 21 – 30 years ☐ v. Above 51 years ☐  
iii. 31 – 40 years ☐
4. Race :  
i. Malay ☐ iii. Indian ☐  
ii. Chinese ☐ iv. Others \_\_\_\_\_
5. Marital Status :  
i. Single ☐ iii. Divorced or Widowed ☐  
ii. Married ☐
6. Education Level :  
i. SRP and below ☐ iv. Bachelor Degree ☐  
ii. SPM / STPM ☐ v. Master and above ☐  
iii. Diploma ☐
7. How long have you been serving the organization?  
i. Below 6 years ☐ iv. 16 – 20 years ☐  
ii. 6 – 10 years ☐ v. Above 21 years ☐  
iii. 11 – 15 years ☐
8. Which department you attached to:  
i. Administration ☐  
ii. Import / Export Unit ☐  
iii. Passenger Unit ☐  
iv. Warehouse / Duty Free Shop ☐  
v. Preventive Branch ☐

## **SECTION B**

Following are statements pertaining to your **job satisfaction**. Considering only yourself, please indicate the extent to which the following statements are true of yourself. Please circle the appropriate response based on the scale which **1= Strongly Disagree** to **5= Strongly Agree** that best describes your response. Please keep your response general to yourself as a whole and please answer all questions objectively and as honest as possible.

No	Statement	SD	D	NA/ND	A	SA
9.	I am satisfied when bosses treat colleagues and me equally.	1	2	3	4	5
10.	I am satisfied when organization respects my opinions.	1	2	3	4	5
11.	Overall, information in this organization is communicated well.	1	2	3	4	5
12.	I feel satisfied when I managed to finish all my tasks on time.	1	2	3	4	5
13.	I believe my career aspirations can be achieved at this organization.	1	2	3	4	5
14.	Performance appraisal fails to measure the job satisfactions in this organization.	1	2	3	4	5
15.	I am kept up-to-date on my organization changes in policy or regulation.	1	2	3	4	5

## **SECTION C**

Following are statements pertaining to your **perception of the Performance Management System**. Considering only yourself, please indicate the extent to which the following statements are true of yourself. Please circle the appropriate response based on the scale which **1= Strongly Disagree** to **5= Strongly Agree** that best describes your response. Please keep your response general to yourself as a whole and please answer all questions objectively and as honest as possible.

No	Statement	SD	D	NA/ND	A	SA
16.	I understand the performance appraisal system being used in this organization.	1	2	3	4	5
17.	I understand the objectives of the present performance management system.	1	2	3	4	5
18.	I have a real understanding on how the performance appraisal system works.	1	2	3	4	5
19.	I do not understand how my last performance appraisal rating was determined.	1	2	3	4	5
20.	I know the criteria used by my organization to evaluate my performance.	1	2	3	4	5
21.	I understand the standards of performance my organization expects.	1	2	3	4	5
22.	My employer clearly communicates to me the objectives of the performance appraisal system.	1	2	3	4	5
23.	I would benefit from additional training in the process of the appraisal system.	1	2	3	4	5

#### **SECTION D**

Following are statements pertaining to your **perception of the Training and Development**. Considering only yourself, please indicate the extent to which the following statements are true of yourself. Please circle the appropriate response based on the scale which **1= Strongly Disagree** to **5= Strongly Agree** that best describes your response. Please keep your response general to yourself as a whole and please answer all questions objectively and as honest as possible.

<b>No</b>	<b>Statement</b>	<b>SD</b>	<b>D</b>	<b>NA/ND</b>	<b>A</b>	<b>SA</b>
24.	This organization provides appropriate job training of its employees.	1	2	3	4	5
25.	This organization does a good job of providing opportunities for development and growth for all employees.	1	2	3	4	5
26.	This organization provides good training opportunities to improve job related skills.	1	2	3	4	5
27.	I am provided with adequate opportunities for career growth.	1	2	3	4	5
28.	This organization fails to provide effective training for the job I am currently holding and I will be in charge of.	1	2	3	4	5
29.	I have the opportunity to learn skills that will improve my chances for promotion.	1	2	3	4	5

#### **SECTION E**

Following are statements pertaining to your **perception of the Compensation and Benefits**. Considering only yourself, please indicate the extent to which the following statements are true of yourself. Please circle the appropriate response based on the scale which **1= Strongly Disagree** to **5= Strongly Agree** that best describes your response. Please keep your response general to yourself as a whole and please answer all questions objectively and as honest as possible.

<b>No</b>	<b>Statement</b>	<b>SD</b>	<b>D</b>	<b>NA/ND</b>	<b>A</b>	<b>SA</b>
30.	I am satisfied with my current total salary package (base pay, benefits and incentives).	1	2	3	4	5
31.	Total salary package (base pay, benefits and incentives) provided by the organization is competitive.	1	2	3	4	5
32.	I am satisfied with the information about pay issues provided by the organization.	1	2	3	4	5
33.	The organization provides consistency of the pay policies.	1	2	3	4	5
34.	I understand how the organization administers pay.	1	2	3	4	5
35.	I estimate my salary as being fair internally.	1	2	3	4	5
36.	My salary is fair in comparison with what is offered for a similar job elsewhere.	1	2	3	4	5
37.	I understand the organization's pay structure.	1	2	3	4	5
38.	In my work unit, employees consider that their compensation level adequately reflects their level of responsibility in the organization.	1	2	3	4	5
39.	The pay increases and / or bonuses I received in the last two years adequately reflect my performance evaluation.	1	2	3	4	5

## APPENDIX 2 : SPSS OUTPUT

### Frequencies - Sample Characteristics

#### Statistics

		Designation	Gender	Age	Race	Marital Status
N	Valid	120	120	120	120	120
	Missing	0	0	0	0	0
Mean		3.1500	1.5083	3.1000	1.0833	1.7667
Std. Deviation		0.98433	0.50203	1.03225	0.40133	0.42473
Minimum		1.00	1.00	2.00	1.00	1.00
Maximum		4.00	2.00	5.00	3.00	2.00

#### Statistics

		Education Level	How long have you been been serving the organization ?	Which department you attached to ?
N	Valid	120	120	120
	Missing	0	0	0
Mean		2.4667	2.8500	2.7667
Std. Deviation		.78786	1.46471	1.50480
Minimum		2.00	1.00	1.00
Maximum		5.00	5.00	5.00

### Frequency Table

#### Designation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Superintendent of Custom	14	11.7	11.7	11.7
	Assistant Superintendent of Custom	8	6.7	6.7	18.3
	Senior Custom Officer	44	36.7	36.7	55.0
	Customs Officer	54	45.0	45.0	100.0
	Total	120	100.0	100.0	

#### Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	59	49.2	49.2	49.2
	Female	61	50.8	50.8	100.0
	Total	120	100.0	100.0	

### Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21-30 years	42	35.0	35.0	35.0
	31-40 years	40	33.3	33.3	68.3
	41-50 years	22	18.3	18.3	86.7
	Above 51 years	16	13.3	13.3	100.0
	Total	120	100.0	100.0	

### Race

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Malay	115	95.8	95.8	95.8
	Indian	5	4.2	4.2	100.0
	Total	120	100.0	100.0	

### Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	28	23.3	23.3	23.3
	Married	92	76.7	76.7	100.0
	Total	120	100.0	100.0	

### Education Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SPM/STPM	83	69.2	69.2	69.2
	Diploma	21	17.5	17.5	86.7
	Bachelor Degree	13	10.8	10.8	97.5
	Master and above	3	2.5	2.5	100.0
	Total	120	100.0	100.0	

### How long have you been serving the organization ?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 6 years	32	26.7	26.7	26.7
	6-10 years	20	16.7	16.7	43.3
	11-15 years	24	20.0	20.0	63.3
	16-20 years	22	18.3	18.3	81.7
	Above 21 years	22	18.3	18.3	100.0
	Total	120	100.0	100.0	

**Which department you attached to ?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Administration	34	28.3	28.3	28.3
	Import/Export Unit	24	20.0	20.0	48.3
	Passanger Unit	24	20.0	20.0	68.3
	Warehouse/Duty Free Shop	12	10.0	10.0	78.3
	Preventive Branch	26	21.7	21.7	100.0
	Total	120	100.0	100.0	

## Frequencies - Main Variables

### Statistics

		Trainingn Development	Compensation nBenefit	Performance Management System	Job Satisfaction
N	Valid	118	118	118	118
	Missing	0	0	0	0
Mean		3.7203	3.6332	3.4949	3.7051
Std. Deviation		.43419	.45807	.49300	.57391
Minimum		2.57	2.14	2.00	2.00
Maximum		5.00	5.00	4.80	5.00

## Frequency Table

### TrainingnDevelopment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.57	1	.8	.8	.8
	2.71	2	1.7	1.7	2.5
	3.00	3	2.5	2.5	5.1
	3.14	8	6.8	6.8	11.9
	3.29	12	10.2	10.2	22.0
	3.43	8	6.8	6.8	28.8
	3.57	9	7.6	7.6	36.4
	3.71	23	19.5	19.5	55.9
	3.86	17	14.4	14.4	70.3
	4.00	19	16.1	16.1	86.4
	4.14	7	5.9	5.9	92.4
	4.29	1	.8	.8	93.2
	4.43	2	1.7	1.7	94.9
	4.57	2	1.7	1.7	96.6
	4.86	3	2.5	2.5	99.2
	5.00	1	.8	.8	100.0
	Total	118	100.0	100.0	

### CompensationnnBenefit

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.14	2	1.7	1.7	1.7
	2.57	1	.8	.8	2.5
	2.71	1	.8	.8	3.4
	2.86	2	1.7	1.7	5.1
	3.00	6	5.1	5.1	10.2
	3.14	5	4.2	4.2	14.4
	3.29	7	5.9	5.9	20.3
	3.43	20	16.9	16.9	37.3
	3.57	16	13.6	13.6	50.8
	3.71	15	12.7	12.7	63.6
	3.86	12	10.2	10.2	73.7
	4.00	20	16.9	16.9	90.7
	4.14	3	2.5	2.5	93.2
	4.43	5	4.2	4.2	97.5
	4.57	1	.8	.8	98.3
	4.86	1	.8	.8	99.2
	5.00	1	.8	.8	100.0
	Total	118	100.0	100.0	

### PerformanceManagementSystem

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.00	1	.8	.8	.8
	2.20	1	.8	.8	1.7
	2.40	1	.8	.8	2.5
	2.50	1	.8	.8	3.4
	2.60	2	1.7	1.7	5.1
	2.70	2	1.7	1.7	6.8
	2.80	3	2.5	2.5	9.3
	2.90	4	3.4	3.4	12.7
	3.00	10	8.5	8.5	21.2
	3.10	2	1.7	1.7	22.9
	3.20	5	4.2	4.2	27.1
	3.30	9	7.6	7.6	34.7
	3.40	13	11.0	11.0	45.8
	3.50	8	6.8	6.8	52.5
	3.60	12	10.2	10.2	62.7
	3.70	6	5.1	5.1	67.8
	3.80	4	3.4	3.4	71.2
	3.90	10	8.5	8.5	79.7
	4.00	15	12.7	12.7	92.4
	4.10	3	2.5	2.5	94.9
	4.30	1	.8	.8	95.8
	4.40	4	3.4	3.4	99.2
	4.80	1	.8	.8	100.0
	Total	118	100.0	100.0	



### JobSatisfaction

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.00	1	.8	.8	.8
	2.20	1	.8	.8	1.7
	2.40	1	.8	.8	2.5
	2.60	5	4.2	4.2	6.8
	2.80	1	.8	.8	7.6
	3.00	8	6.8	6.8	14.4
	3.20	8	6.8	6.8	21.2
	3.40	9	7.6	7.6	28.8
	3.60	20	16.9	16.9	45.8
	3.80	18	15.3	15.3	61.0
	4.00	27	22.9	22.9	83.9
	4.20	7	5.9	5.9	89.8
	4.40	3	2.5	2.5	92.4
	4.60	3	2.5	2.5	94.9
	4.80	1	.8	.8	95.8
	5.00	5	4.2	4.2	100.0
	Total	118	100.0	100.0	

## Correlations

### Correlations

		Trainingn Development	Compensationn Benefit	Performance Management System	Job Satisfaction
TrainingnDevelopment	Pearson Correlation	1	.535	.462	.514
	Sig. (2-tailed)		.000	.000	.000
	N	118	118	118	118
CompensationnBenefit	Pearson Correlation	.535	1	.523	.512
	Sig. (2-tailed)	.000		.000	.000
	N	118	118	118	118
Performance ManagementSystem	Pearson Correlation	.462	.523	1	.698
	Sig. (2-tailed)	.000	.000		.000
	N	118	118	118	118
JobSatisfaction	Pearson Correlation	.514	.512	.698	1
	Sig. (2-tailed)	.000	.000	.000	
	N	118	118	118	118

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

## Regression

### Variables Entered/Removed<sup>b</sup>

Model	Variables Entered	Variables Removed	Method
1	Performance Management System, Training Development, Compensation Benefit <sup>a</sup>	.	Enter

a. All requested variables entered.

b. Dependent Variable: JobSatisfaction

### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.737 <sup>a</sup>	.543	.531	.39305

a. Predictors: (Constant), performanceManagementSystem, Training Development, Compensation Benefit

b. Dependent Variable: JobSatisfaction

### ANOVA<sup>b</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	20.925	3	6.975	45.149	.000 <sup>a</sup>
	Residual	17.612	114	.154		
	Total	38.537	117			

a. Predictors: (Constant), performanceManagementSystem, Training Development, Compensation Benefits

b. Dependent Variable: JobSatisfaction

### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.033	.354		-.092	.927
	Training Development	.262	.102	.198	2.558	.012
	Compensation Benefit	.153	.101	.122	1.517	.132
	Performance Management System	.632	.089	.543	7.066	.000

a. Dependent Variable: JobSatisfaction

## Reliability - Job Satisfaction

### Warnings

The space saver method is used. That is, the covariance matrix is not calculated or used in the analysis.

### Case Processing Summary

		N	%
Cases	Valid	120	100.0
	Excluded <sup>a</sup>	0	.0
	Total	120	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	N of Items
.744	7

### Item Statistics

	Mean	Std. Deviation	N
b1	3.74	.716	120
b2	3.95	.696	120
b3	3.63	.660	120
b4	4.08	.650	120
b5	3.68	.745	120
b6	3.35	.718	120
b7	3.63	.687	120

### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
b1	22.32	6.638	.601	.679
b2	22.11	6.837	.561	.689
b3	22.43	7.272	.466	.711
b4	21.98	7.176	.507	.703
b5	22.38	7.144	.419	.722
b6	22.71	7.889	.239	.762
b7	22.43	7.273	.438	.717

### Scale Statistics

Mean	Variance	Std. Deviation	N of Items
26.06	9.366	3.060	7

## Reliability - Performance Management System

### Warnings

The space saver method is used. That is, the covariance matrix is not calculated or used in the analysis.

### Case Processing Summary

		N	%
Cases	Valid	120	100.0
	Excluded <sup>a</sup>	0	.0
	Total	120	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	N of Items
.822	7

### Item Statistics

	Mean	Std. Deviation	N
c1	3.68	.661	120
c2	3.73	.604	120
c3	3.55	.659	120
c5	3.69	.671	120
c6	3.73	.576	120
c7	3.48	.745	120
c8	3.60	.726	120

### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
c1	21.79	7.645	.658	.782
c2	21.74	8.244	.541	.802
c3	21.93	7.599	.675	.779
c5	21.78	8.037	.526	.804
c6	21.74	8.244	.578	.797
c7	21.99	7.874	.493	.812
c8	21.88	7.892	.506	.809

### Scale Statistics

Mean	Variance	Std. Deviation	N of Items
25.48	10.487	3.238	7

## Reliability - Training and Development

### Warnings

The space saver method is used. That is, the covariance matrix is not calculated or used in the analysis.

### Case Processing Summary

		N	%
Cases	Valid	120	100.0
	Excluded <sup>a</sup>	0	.0
	Total	120	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	N of Items
.866	5

### Item Statistics

	Mean	Std. Deviation	N
d1	3.71	.715	120
d2	3.63	.777	120
d3	3.74	.750	120
d4	3.64	.696	120
d6	3.83	.640	120

### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
d1	14.85	5.271	.787	.812
d2	14.93	5.095	.760	.819
d3	14.82	5.210	.757	.820
d4	14.92	5.623	.685	.839
d6	14.73	6.470	.457	.888

### Scale Statistics

Mean	Variance	Std. Deviation	N of Items
18.56	8.366	2.892	5

## Reliability - Compensation and Benefits

### Warnings

The space saver method is used. That is, the covariance matrix is not calculated or used in the analysis.

### Case Processing Summary

		N	%
Cases	Valid	120	100.0
	Excluded <sup>a</sup>	0	.0
	Total	120	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	N of Items
.864	10

### Item Statistics

	Mean	Std. Deviation	N
e1	3.40	.893	120
e2	3.31	.838	120
e3	3.48	.698	120
e4	3.63	.607	120
e5	3.55	.620	120
e6	3.55	.732	120
e7	3.38	.851	120
e8	3.65	.706	120
e9	3.58	.617	120
e10	3.28	.909	120

### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
e1	31.40	19.855	.627	.847
e2	31.49	19.580	.722	.838
e3	31.33	20.843	.677	.843
e4	31.17	22.224	.532	.855
e5	31.25	21.651	.625	.849
e6	31.25	20.542	.688	.842
e7	31.43	20.549	.566	.852
e8	31.15	21.675	.527	.855
e9	31.23	22.344	.500	.857
e10	31.52	21.563	.385	.871

### Scale Statistics

Mean	Variance	Std. Deviation	N of Items
34.80	25.640	5.064	10