EFFECTS OF DEMOGRAPHIC AND ORGANIZATIONAL FACTORS ON JOB SATISFACTION OF EMPLOYEES IN INTEL MALAYSIA

SELVE D/O KRISHNAN

UNIVERSITY UTARA MALAYSIA
2010
Saya, mengaku bertandatangan, memperakuan bahawa
(I, the undersigned, certified that)

SELVE D/O KRISNAN (B02434)

Calon untuk ijazah Sajana
(Candidate for the degree of) MASTER OF HUMAN RESOURCE MANAGEMENT

telah mengemukakan kertas projek yang bertajuk
(has presented his/her project paper of the following title)

EFFECTS OF DEMOGRAPHIC AND ORGANIZATIONAL FACTORS ON JOB SATISFACTION OF
EMPLOYEES IN HUMAN RESOURCE SHARED SERVICE CENTER (HR SSC) IN INTEL MALAYSIA

Seperti yang tercatat di muka surat tajuk dan kuit kertas project
(as it appears on the title page and front cover of the project paper)

Bahawa kertas projek tersebut boleh diterima dari segi bentuk serta kandungan dan meliputi bidang ilmu dengan
(that the project paper acceptable in the form and content and that a satisfactory knowledge of the field is covered by
the project paper).

Nama Penyelia
(Name of Supervisor) : ASSOC. PROF. DR. HUSNA BINTI JOHARI

Tanda tangan
(Signature) :

Tarih
(Date) : 12 JANUARY 2011
PERMISSION TO USE

In presenting this thesis in partial fulfillment of the requirements for a postgraduate degree from the University Utara Malaysia, I agree that the University Library may make it freely available for inspection. I further agree that permission for copying this thesis in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor or, in their absence, by the Dean of College of Business. It is understood that any copying or publication or use of this thesis or parts thereof for financial gain shall not be allowed without my permission. It is also understood that due recognition shall be given to me and to University Utara Malaysia for any scholarly use which may be made of any material from my thesis. Request for permission to copy or to take other use of materials in this thesis, in whole or in part, should be addressed to:

Dean
Research and Innovation
College of Business
Universithy Utara Malaysia (UUM)
06010 Sintok
Kedah Darul Aman
ACKNOWLEDGEMENTS

All praise and gratitude be given to God for giving me such a great strength, patience, courage and ability to complete this project. It is with great appreciation that I acknowledge the contributions and support of my supervisor, Associate Professor Dr. Husna binti Johari, whose time, effort and guidance were highly beneficial throughout my master project. She valued my commitment and all the while supporting my professional endeavors. Thank you, Dr. Husna afor your positive attitude and outlook; you are an incredible supervisor and an outstanding leader.

Secondly, I would like to thank my course mates, especially Jayanti, Dinah and Norimy for assisting me in correcting my final thesis during my medical leave. Thank you so much my dear friends and appreciate very much for the time that you have spent on my final corrections. I am humbled by your friendship.

Lastly, to my late husband who had provided me all the support, financial and morale, during my undertaking of this Masters programme. I could not have done without his support and guidance. Last but not least, my special appreciation to my dearest children who are so understanding and supported me throughout my course. I also like to take this opportunity to convey my special thanks to my family and my dear friends for their continues moral support.
TABLE OF CONTENTS

LIST OF TABLES vii
LIST OF FIGUREs viiii
LIST OF ABBREVIATIONS ix
ABSTRACT x
ABSTRAK xi

CHAPTER 1 INTRODUCTION

1.1 Introduction to the study 1
1.2 Background of the problem 4
1.3 Problem Statement 4
1.4 Research Questions 8
1.4.1 Assumptions 8
1.5 Research Objectives 9
1.6 Significance of the Study 9
1.7 Definition of Key Terms 10
1.7.1 Job Satisfaction 10
1.7.2 Tenure/Length of Service 12
1.7.3 Gender 14
1.7.4 Age 15
1.7.5 Pay/Remuneration 17
1.7.6 Organizational Factors 18
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.8</td>
<td>Summary of following Chapters</td>
<td>19</td>
</tr>
<tr>
<td>2.1</td>
<td>Review of Related Literature</td>
<td>21</td>
</tr>
<tr>
<td>2.1.1</td>
<td>Job Satisfaction and Gender</td>
<td>22</td>
</tr>
<tr>
<td>2.1.2</td>
<td>Job Satisfaction and Age</td>
<td>24</td>
</tr>
<tr>
<td>2.1.3</td>
<td>Job Satisfaction and Income</td>
<td>26</td>
</tr>
<tr>
<td>2.1.4</td>
<td>Job Satisfaction and Length</td>
<td>26</td>
</tr>
<tr>
<td>2.1.5</td>
<td>Job Satisfaction and Demographic Factors</td>
<td>27</td>
</tr>
<tr>
<td>2.1.6</td>
<td>Job Satisfaction and Organizational Factors</td>
<td>28</td>
</tr>
<tr>
<td>2.2</td>
<td>Research Model/Framework</td>
<td>29</td>
</tr>
<tr>
<td>2.2.1</td>
<td>Independent Variables</td>
<td>29</td>
</tr>
<tr>
<td>2.2.2</td>
<td>Dependent Variables</td>
<td>29</td>
</tr>
<tr>
<td>2.3</td>
<td>Definition of Terms</td>
<td>30</td>
</tr>
<tr>
<td>2.3.1</td>
<td>Conceptual Definitions</td>
<td>31</td>
</tr>
<tr>
<td>2.3.2</td>
<td>Operational Definitions</td>
<td>31</td>
</tr>
<tr>
<td>2.4</td>
<td>Hypotheses Development</td>
<td>33</td>
</tr>
<tr>
<td>2.5</td>
<td>Summary of following Chapters</td>
<td>33</td>
</tr>
<tr>
<td>3.1</td>
<td>Introduction</td>
<td>34</td>
</tr>
<tr>
<td>3.2</td>
<td>Research Design</td>
<td>35</td>
</tr>
<tr>
<td>3.2.1</td>
<td>Type of Study</td>
<td>35</td>
</tr>
</tbody>
</table>
3.2.2 Sources of Data
3.2.2.1 Primary Data
3.2.2.2 Secondary Data
3.2.3 Unit of Analysis
3.2.4 Population Frame
3.2.5 Sample and Sampling Technique
3.3 Measurement/Instrument
3.3.1 Validation of Instruments
3.4 Data Collection Procedures
3.5 Data Analysis Techniques
3.6 Conclusion

CHAPTER 4 DATA ANALYSIS AND RESULTS
4.1 Introduction
4.2 Sample Characteristics
4.3 Descriptive Statistics of JDI questionnaires
4.4 Inferential Statistics
4.4.1 Correlation for the demographic data and JS
4.4.2 Correlation for the organizational data and JS
4.5 Summary of the Chapter

CHAPTER 5 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS
5.1 Introduction
## LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.0. Operational Definitions on each variable which effects Job Satisfaction</td>
<td>32</td>
</tr>
<tr>
<td>4.0 Measurement Items</td>
<td>41</td>
</tr>
<tr>
<td>4.1 Organizational factors for the dimension of job satisfaction</td>
<td>54</td>
</tr>
<tr>
<td>4.2 Correlations for the demographical factors and job satisfaction</td>
<td>56</td>
</tr>
<tr>
<td>4.3 Correlations for the organizational factors and job satisfaction</td>
<td>57</td>
</tr>
</tbody>
</table>
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figures</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>Research Framework</td>
<td>30</td>
</tr>
<tr>
<td>4.1</td>
<td>Departmental Classification</td>
<td>48</td>
</tr>
<tr>
<td>4.2</td>
<td>Gender</td>
<td>49</td>
</tr>
<tr>
<td>4.3</td>
<td>Length of Service</td>
<td>50</td>
</tr>
<tr>
<td>4.4</td>
<td>Age in Years</td>
<td>51</td>
</tr>
<tr>
<td>4.5</td>
<td>Marital Status</td>
<td>52</td>
</tr>
<tr>
<td>4.6</td>
<td>Income Distribution</td>
<td>53</td>
</tr>
</tbody>
</table>
## LIST OF ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR SSC</td>
<td>Human Resources Shared Service Center</td>
</tr>
<tr>
<td>AJDI</td>
<td>Abridged Job Descriptive Index</td>
</tr>
<tr>
<td>AJIG</td>
<td>Abridged Job in General Index</td>
</tr>
<tr>
<td>MNC</td>
<td>Multi National Companies</td>
</tr>
<tr>
<td>TQTM</td>
<td>Total Quality Talent Management</td>
</tr>
</tbody>
</table>
ABSTRACT

This study explores and describes the impact of age, gender, job level and salary on job satisfaction among Human Resource Shared Service Center employees in Intel Malaysia. This is based on Herzberg's motivation hygiene theory which provides the framework to extend research in the context of a big organization lacking published information on the current levels of job satisfaction in the organization. Data from 136 participants are being collected. Findings are discussed and analyzed. This study will help to understand the needs of employees and what changes could improve the work environment that may assist managers and leaders in developing a more productive workplace.
ABSTRAK

Kajian ini membincangkan dan menjelaskan kesan dari usia, jenis kelamin, tingkat pekerjaan dan gaji terhadap kepuasan kerja antara Sumber Manusia di pusat sumber manusia Shared Service pekerja Center di Intel Malaysia. Hal ini didasarkan pada teori motivasi kebersihan Herzberg yang menyediakan rangka kerja untuk melakukan kajian dalam konteks sebuah organisasi besar kurang maklumat berdasar tahap kepuasan kerja dalam organisasi. Informasi data dikumpulkan dari 136 peserta dengan penyebaran kuesioner. Penemuan-penemuan dibincangkan dan analisis dijalankan. Kajian ini akan membantu untuk memahami keperluan pekerja dan perubahan apa yang dapat meningkatkan persekitaran kerja yang dapat membantu pengurus dan pemimpin dalam membangunkan tempat kerja yang lebih produktif.
CHAPTER 1: INTRODUCTION

1.1 INTRODUCTION

For decades, many researchers are interested in studying the factors impacting employee satisfaction on the job. There are over 12,000 studies that had been documented with regards to job satisfaction and Spector (1985) recommended that job satisfaction is one of the most researched variables in the study of organizational behavior. In addition, the assessment of employee attitudes such as job satisfaction has become a common movement in organizations in which management is concerned with the physical and psychological well-being of their employees.

Today, employee's dissatisfaction is the most important matters in an organization (Robbins, 2007). Uneasiness, unhappiness and the lack of motivation are the most prior ones among these problems. Unhappy employees less focus on his/her work, while, the one who is pleased with his/her work would be peaceful, happy and naturally be motivate on his work. Then this will lead employee to work more efficiently and stimulate his work for his establishment for a bigger income. Previous studies showed that happy workers are the ones who work efficiently. Having a higher morale of workers affects the efficiency of them. If the worker is satisfied with his/her work, he/she will have positive feelings and are more motivated to accomplishing their work (Davis, 1988). Providing
The contents of the thesis is for internal user only
References


feel about their jobs and how it affects their performance, *Lexington Books, New York*.


McKinnon, R. (1990) 'Corporate Communication: How to Survive the Load',

71


Silvestro, R. (200), "Dispelling the modern myth: Employee satisfaction and loyalty drive service profitability", 22, 1, 30-49


Development of the Job Satisfaction Survey. *American Journal of Community Psychology*, 693-713.