

Promotion: A Predictor of Job Satisfaction A Study of Glass Industry of Lahore (Pakistan)

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Abstract

The purpose of this study is to investigate the whether promotion can predict job satisfaction or not in employees of glass industry in Lahore (Pakistan). A Likert-type questionnaire is designed to find the predictability of job satisfaction due to promotion. Four glass companies are selected on proportionate stratified random basis. A total 200 questionnaires was administered through human resource managers, out of which 156 filled in questionnaires are received back and then the data is analyzed. The analysis shows that promotion has a modest and positive effect on job satisfaction.

Key Words: Promotion, Job satisfaction, Glass industry.

Introduction

Organizations are said to be efficient when they derive maximum output from the available resources. Although an organization possesses many of the assets but human resource is considered to be the most valuable asset of any organization. Non-human resources become effective for an organization only with the help of labor force (human resource). In the present world of globalization, a competent work force is believed to be a competitive edge for any firm. To be successful in the corporate world, the companies need to have a highly motivated, loyal and satisfied workforce. This is achieved through a thorough understanding and application of all the ingredients necessary for enhancing the satisfaction level of employees. The business of today faces a thread of uncertainty and changes. To overcome the fear of employees turnover the organizations are working hard to retain their valuable employees. An important factor for enhancing the job satisfaction of employees can be promotion. Employees are supposed to be satisfied with their work when they consider themselves to be a productive part of the organization. Employees can derive such satisfaction when organizations realize their worth by promoting them to a place of greater authority and control.

Job satisfaction is an approach that demonstrates that what a person feels about all the aspects of its job (Spector, 1986). Job satisfaction carries a dual nature (Steijn, 2002). Firstly, a thorough study of personal traits leads to job satisfaction such as age, gender, race, educational level etc. The relationship between age and job satisfaction was established by Reiner and Zhao (1999) whereas Ting (1997) explains that how job satisfaction can be affected by the race and age of the employees. Secondly, Herzberg (1966) clarifies that job satisfaction is affected by the environment prevailing in the work place. More the number of motivated and satisfied employees in an organization better are the chances of the organization to achieve its goal and attain ultimate profitability (Saari & Judge, 2004). A satisfied employee is more committed and can be retained on the organization for a longer period, thus enhancing the productivity of the company (Bravendam, 2002). Job satisfaction leads to life satisfaction of the individuals (Judge & Watanabe, 1994). Researches have shown that a person who is a satisfied employee and stays motivated at the work place has higher probability of performing his other roles as a member of the society, which is interacting with other members of the society in various capacities.

Promotion is said to be happened when an employee makes a shift in the upward direction in organizational hierarchy and moves to a place of greater responsibility (Dessler, 2008). Promotion can make a significant increase in the salary of an employee as well as in the span of authority and control. It will help the competitors to identify the most productive employees in the business world at the same time the employees are being recognized by their own organization. The employees themselves feel to be an effective contributor and thus will be more satisfied with their job. It is vital to consider that the glass industry that had been taken into consideration is the one in which very little research had been conducted in our country and meager details and findings are available about this industry;

both documented and non-documented Owing to the increasing usage and applications of glass in the construction sector; both commercial and residential, the demand of glass is ever increasing. Glass is now a highly integral and important ingredient for the construction sector.

Literature Review

Promotion

Promotion can be used as an incentive tool. It is a way of rewarding the employees for meeting the organizational goals thus it serves as a mean of synchronizing organizational goals with personal goals (Lazear & Rosen, 1981). According to Rosen (1982) the deciding factor for the position of any individual in the hierarchy is his talent, higher the level of talent in any individual higher will be his position in the hierarchy. Promotion has its importance due to the fact that it carries with it a significant change in the wage package of an employee (Murphy, 1985). Thus, a raise in salary indicates the value of promotion (Baker et al., 1994). Promotion follows a defined set pattern which is outlined in the employment bond (Doeringer & Piore, 1971). In this highly competitive corporate world, promotion can help the competing firms to trace the most productive participant of one organization to be worth hiring for another organization (Bernhardt & Scoones, 1993). In such a way the promotion highlights an employee in the external environment and realizes his worth in the internal environment. According to Carmichael (1983) promotion enhances the yield of an organization when an employee climbs a promotion ladder on the basis of his seniority and resultantly he gets an increased wage rate. However, according to Baker et al. (1988), promotion does not consider to be an incentive device, thus the optimal results cannot be generated by promoting the employee in the organization. There is a more failure rate when the employees are hired externally than when they are promoted internally (Kelly-Radford, 2001).

The impact of wage raise, a result of promotion, is found to be more significant than fixed income on job satisfaction (Clark & Oswald 1996). According to Shields and Ward (2001) the employees who are dissatisfied with the opportunity available for promotion show a greater intention to leave the organization. Pergamit and Veum (1989) established that greater the chances of promotion higher will be the job satisfaction of employees. Apart from job satisfaction, the employee satisfaction is determined by satisfaction with promotion. When employees perceive that there are golden chances for promotion they feel satisfied for the respective place in the organization (De Souza, 2002).

Job Satisfaction

The origin of interest in the topic of job satisfaction is traced back in 1911, when Taylor developed ways for the training of workers on the basis of job duties and employees attitude (Taylor, 1911). Then the researches on this topic begun. However, this topic can be tracked back with the birth of industrial revolution. Hawthorne Studies conducted by Elton Mayo started in 1927 and continued till 1932 arose several questions that if lightening had very little effect on the productivity then there is a need to trace the factors which are actually responsible for the performance of employees in any workplace (Bruce & Blackburn, 1992). Even after centuries of research on this topic, Levine (1995) emphasized a need of continuous research on the issue of job satisfaction.

From the view point of Lawler and Hall (1970), job satisfaction is the difference between the inputs made by employee and the outputs receive from the job. If the answer comes out positive then the employee is satisfied with the job and vice versa. Wexley and Yukl (1984) expressed that job satisfaction is not only influenced by the personal characteristics of an employee but also by the work related attributes prevailing in the workplace. Mitchell and Lasan (1987) stated that job satisfaction has gained wider importance in organizational behavior field. Luthans (1998) discussed job satisfaction in a three dimensional perspective. Firstly he postulated that job satisfaction is a feeling it cannot be measured as a tangible entity. Secondly, he stated that employee expectations, of being rewarded for the efforts made for the organization, can serve as a determinant of job satisfaction. Thirdly, he declared that several job characteristics like pay, promotion and work itself are the attitudes which can be related to job satisfaction. Locke and Lathan (1990) broadly defined job satisfaction as an emotional state which gives pleasure and positive energy to employees by perceiving that they are getting what they think is important for them. Employees can be retained and satisfied when they are satisfied with their work which includes the challenges, scope and variety of the job (Fried & Ferris, 1987; Parisi & Weiner, 1999; Weiner, 2000). Apart from challenging job there are certain demographic factors which contribute to enhancing the satisfaction level of employees (Shan, 1998). A satisfied employee is more committed and can be retained on the organization for a longer period, thus enhancing the productivity of the company (Bravendam, 2002).

Hypothesis

H₁: Promotion is a predictor of job satisfaction.

H₀: Promotion is not a predictor of job satisfaction.

Methodology

This study is designed to see whether promotion chances available to an employee can predict job satisfaction in him or not. The population for this study is all the employees working in glass industry in Lahore and there are approximately 1500 employees. The proportionate stratified random sampling is used due to the presence of significant difference in the sizes of the sampled companies. A total of four companies form the sample and these are; Ghani Glass Ltd, Ghani Value Glass Ltd, Gunj Glass Ltd and Baber Fareed Glass Ltd. Questionnaire was used as a data collecting tool. The instrument used five point likert scale to record the Responses of the respondents where 1=strongly disagree, 2= disagree, 3=neutral, 4=agree and 5=strongly agree. To check the reliability, reliability analysis was used and a statistically accepted cronbach alpha value of 0.68 was found. A total of 200 questionnaires were distributed out of which 156 were returned with a response rate of 78%. This is followed by an analysis using the SPSS 17 software to find the prediction of promotion for job satisfaction.

Analysis

Demographic analysis

Table 1 shows that main population of the study was glass industry of Lahore and data was collected from Gunj glass (6.4%), Baber Fareed (4.5%), GVG (14.7%) and Ghani glass (74.4%). Majority of the respondents were between 20 -30 years of age showing 53.2% of whole sample while between the age ranges 31-40 were 33.3%. 12.2% were falling in age category of 40-50 and remaining 1.3% was lying in age category of 50-aboFurthermore, 25% of the respondents were matric, 16% were having intermediate level of education, 28.2% were having graduation degrees, and 21.8% were masters. Other education level was as low as 9%. 46.8% respondents of the survey were having 0-5 years experience, 30.8% respondents had 6-10 years experience, 12.8% were having 11-15 years experience while 9.6% respondents had 16-above years experience.

Table 1: Demographic Analysis

		Frequency	Percentage
Organization Name	Gunj glass	10	6.4%
	Baber Fareed	7	4.5%
	GVG	23	14.7%
	Ghani glass	116	74.4%
Level of Education	Matric	39	25.0%
	Intermediate	25	16.0%
	Graduation	44	28.2%
	Masters	34	21.8%
	Others	14	9.0%
Age	20-30	83	53.2%
	31-40	52	33.3%
	41-50	19	12.2%
	51-above	2	1.3%
Experience	0-5	73	46.8%
	6-10	48	30.8%
	11-15	20	12.8%
	16-above	15	9.6%

Descriptive Analysis

The aggregate mean value of 3.393 of promotion in **Table 2** explains that the length of service as well as the immediate supervisor plays a vital role to increase the chances of promotion in the organization. This will increase the retention rate if the employee is satisfied with all such factors necessary for arousing his sense of satisfaction with job. The mean value for overall job satisfaction is describing the satisfaction level of workers toward different aspects of their job. The aggregate mean value of 3.679 shows that employees are satisfied with their work. The results show positive attitude of employees for their work which means employees are satisfied with their job. They are satisfied with their designation in the company. The work itself gives the sense of satisfaction since it give the employee the strength to move forward in the development of a better career.

Table-2: Descriptive Analysis

	Mean	Std. Deviation
Promotion	3.393	.576
Job satisfaction	3.679	.589

Regression Analysis

Table 3 shows the results of regression analysis, which explores that whether promotion (independent variable) is a predictor of job satisfaction (dependent variable) or not. Value of R shows the strength of relationship between IVs and DVs and lies between 0-1. If R value is near to 1, it means that the relationship between dependent and independent variables is strong and if it is near to 0 then the relationship is weak (Ibrahim et al., 2006). The R value as .430 shows a moderate relationship between promotion and job satisfaction. Thus the results show that promotion is a predictor of job satisfaction. R Square shows the percentage change in the dependent variable due to the independent variable. Regression analysis shows that 18.5% change in job satisfaction is due to the internal promotion, while remaining 81.5% is the unexplained variability. In table the value of $t = 5.919$, $P < .05$ shows that the relationship between job satisfaction and internal promotion is highly significant at .000 significance value and our model is a good fit. Correlation coefficient (β) represents the degree to which one or more independent variables are related to the dependent variable. Correlation coefficients (β) of evaluation as .440 shows that 1 unit change in promotion will bring about .440 unit changes in job satisfaction in a positive direction.

Table-3: Regression Analysis of Pro and JS

Relationship	R	R Square	F	β	Sig
Pro → J.S	.430	.185	35.032	.440	.000

Pro: Promotion

J.S: Job Satisfaction

Conclusion

After the analysis it is concluded that promotion is a predictor of job satisfaction. So H_1 is accepted and H_0 is rejected. Regression analysis shows a moderate and positive relationship between promotion and job satisfaction. This explains that elements like length of service, ability and skills which are the determinants of promotion has moderate effect on enhancing the job satisfaction level of employees. The employees perceive management to be supportive in climbing up their professional ladder. Management gives more preference to promote employees within the organizations than to higher employees outside the organization.

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