Effect of Job Satisfaction on Workers’ Productivity in the Nigerian Public Sectors: A Case of Ifedayo Local Government Secretariat, Oke-Ila Orangun, Osun State.

by

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Abstract

This study aimed at identifying various employee relations practice and its effect on productivity. It also identified ways of enhancing healthy relationships between employees and employer, especially in Ifedayo local government, Oke-Ila Orangun. The study adopted a quantitative approach using the survey design. Out of the 500 questionnaires that were initially distributed, 250 were eventually used, representing a response rate of 50%. Regression analysis was used to analysis the data presented. It was revealed that there was a significant positive correlation between working conditions and organizational performance \( r=0.721; p<0.05 \). This finding depicted that organizational performance increased with an improvement in working conditions and decreased with the deterioration of working conditions. It was therefore recommended from the study that organizations should learn how to motivate their staff-members in order to enhance productivity. Secondly, workers should be hardworking in their prospective jobs in order to enhance a high level of productivity in our organizations.

Keywords: Effect, Job Satisfaction, workers’ Productivity, Nigerian Public Sector.
1. Introduction

Public organizations in Nigeria face immense pressure to excel in their performance, notwithstanding the highly unstable and competitive environment in which they operate. This environment is characterized by factors such as increased globalisation, demanding stakeholders, shortages of critical skills, increased workforce diversity as well as technological innovations (Mayfield and Mayfield, 2002). These factors compel public sector organizations to develop and implement strategies for improving their performance (Yee, Yeung and Cheng, 2008). One such strategy is to have employees who are highly satisfied with their work (Okanya, 2007). This calls for organizations to place more emphasis on recognizing and enhancing all components of work linked to higher levels of employee satisfaction. At the same time, organizations need to identify and lessen the effects of those facets associated with high levels of employee dissatisfaction (Ferguson, Ashcroft and Hassell, 2011).

The subject of organizational performance within Nigeria’s public sector has received significant research attention from a number of scholars (e.g. Hornbaek, 2006; Minnaar, 2006; Molefe, Roodt, and Schurink, 2011; Van der Waldt, 2004). Questions relating to the performance of public organizations are based on the expectation that Government should supply public goods and services more effectively and efficiently (Carrim, 2009; Mulder and Collins, 2007; Putu, Mimba, Van-Heden and Tillema, 2007). Nilsson (2010) holds the view that public sector organisations in Nigeria find it difficult to overcome the challenge of underperformance in most disciplines of their operations. As a result, they continue to receive constant criticisms for poor service delivery, internal wrangles, bureaucracy, financial mismanagement, corruption and poor corporate governance (Van der Heijden and Mlandi, 2005). Certainly these malpractices, perceived or real, do not bode well for a public sector which seeks to support the ideals of a government that strives to be a developmental state. It has been argued that low institutional capacities, limited stakeholder participation, high levels of corruption and high levels of informality are amongst some of the reasons for underperformance in the public sector (Putu et al., 2007). Other factors include the lack of demographic representation, poor accountability, centralised control systems and conflicting labour relations (Schwella, 2001). In view of the above, it is imperative that the question of underperformance in public sector organisations be well understood. Since the advent of democracy in 2009, government put in place various constitutional and legislative frameworks which were meant to enable public sector organisations to improve their delivery of public goods and services. The 2010 White paper on transforming public service delivery and the development of a code of conduct for public servants are cases in point (cited in Draai, 2008; Schwella, 2001). However, underperformance continued despite these interventions (Carrim, 2009; Nilsson, 2010; Van der Heijden and Mlandi, 2005). To this extent, there have been very few interventions that have enjoyed widespread or sustainable success (Molefe et al., 2011). There is thus a serious need to correct the situation as failure to address the problems associated with underperformance impacts negatively on the Nigerian economy and the societies served by public sector
organisations, as well as other stakeholders and international relations (Local Government Research Centre, 2009). Previous studies which sought to shed light on performance issues within the public sector in Nigeria did so from socio-economic perspectives rather than specific dimensional aspects of human behaviour. This study is intended to fill this gap; therefore, the purpose of this study is to investigate the underlying relationship between employee satisfaction and organisational performance in the context of Ifedayo Local government departments, Oke-Ila, Osun State, Nigeria.

1.2 Statement of the Problem
High employee productivity is the heartbeat of successful business. When employees are distracted and unhappy, their work suffers and ultimately so does the organization. When employees experience problems, they do not perform their highest potential. Troubled employees often call in sick or are not mentally present when they attend work. Job security stress is another common problem that affects workers when such workers are unsure of the organization’s future or their personal success, they may not work to their full potential. In the study area, the above-stated problem is common and therefore calls for research in specific terms and issues.

1.3 Aim and Objectives
The objectives of this study were:

i. To identify various employee relations practice and its effect on the productivity of Ifedayo local government.

ii. To identify the challenges faced by employees at Ifedayo local government.

iii. To identify ways of enhancing healthy relationship between employees and employer of Ifedayo Local Government Council.

2. Conceptual Framework
2.1 Employee satisfaction
Throughout the history of organizational and behavioural research, the subject of employee satisfaction has always attracted widespread empirical examination, leading to a number of interesting definitions. Prince (2001) defined employee satisfaction as the effective orientation that an employee has towards his or her work. It may also be recognised as the individual’s perception and evaluation of the overall work environment (Sempane, Rieger and Roodt, 2002). Lu, While and Barriball (2005) defined employee satisfaction as a global feeling about one’s work or a related cluster of attitudes about various facets of the work environment. Employee satisfaction may also be perceived as a ‘positive emotional state resulting from the appraisal of one’s job or job experiences’ (Islam and Siengthai, 2009). A common aspect that connects these definitions is that employee satisfaction is concerned with what people in an organisation feel about their overall work. A study conducted by Ellickson and Logsdon (2001) gave emphasis to environmental factors and personal characteristics as the two most influential variables that determine the level of employee satisfaction. Lambert, Edwards and Cacic (2003) also found low employee satisfaction levels amongst employees whose expectations
felled short. Ganguly (2010) maintained that the person environment fit paradigm has been widely recognised as the most appropriate explanation for employee satisfaction. Additionally, other researchers uphold that employee satisfaction is influenced by the interaction of a family factors such as recognition, communication, co-workers, fringe benefits, working conditions, the nature of the work itself, the nature of the organisation itself, organizational systems, policies and procedures, compensation, personal development, promotion, appreciation, security, and supervision (Ilies, Wilson and Wagner, 2009; Irving and Montes, 2009; Koonmee, Singhapakdi, Virakul and Lee, 2010). Foremost management scientists, meeting the needs of employees remains the prime employee satisfaction-enhancement strategy (Giannikis and Mihail, 2011). However, contemporary research advances have challenged this view, which attests to the multifactorial character of employee satisfaction. In order to improve employee satisfaction, it is important to measure and establish the existing levels first (Wright, Gardner, Moynihan and Allen, 2005). However, due to its multi-faceted nature, the measurement of employee satisfaction varies from one organisation to the other. Some organisations use anonymous employee satisfaction surveys which are administered periodically to measure the levels of employee satisfaction (Deshpande, Arekar, Sharma and Somaiya, 2012). In other organisations, meetings are held between management and small groups of employees where the latter are asked questions pertaining to their satisfaction (Ybema, Smulders and Bongers, 2010). However, in other organisations, exit interviews are the primary employee satisfaction measurement tools (Schulz, 2001). The importance of these methods lies in the elicit satisfaction sentiments from employees themselves (Schneider, Hanges, Smith and Salvaggio, 2003). Employee satisfaction has thus been widely recognised as a predictor of productivity and performance in organisations (Dawal, Taha and Ismail, 2009; Silvestro, 2002). Organisational productivity and efficiency are attained by satisfying employees and being sensitive to both their physiological and socio-emotional needs in a holistic manner (Schneider et al., 2003). A study conducted by Cole and Cole (2005) reported that there was a positive correlation between the job attitudes of individuals and their performance. A meta-analysis conducted by Judge, Thoresen, Bono, and Patton (2001) also found a positive relationship between individual employee satisfaction and factors such as motivation, job involvement, organizational citizenship and job performance. In another meta-analysis conducted by Harter, Schmidt and Hayes (2002), it was found that there was a positive relationship between employee satisfaction and productivity, profit, turnover and customer satisfaction in nearly 8000 business units in 36 organisations across the five continents of the world. Studies conducted by Schneider et al. (2003) and Zohir (2007) confirmed that there is a positive correlation between overall employee satisfaction with the organisation’s financial and market performance. Corporate Leadership Council (2003) also conducted an employee satisfaction survey of over 40% of the companies that are listed in the Top 100 of Fortune 500 companies. It was concluded from the study that employee satisfaction, behaviour and turnover predicted the following year’s profitability, and that these were even more strongly correlated with customer satisfaction. A survey conducted by Price Waterhouse
Coopers (2002) which involved several multinational companies sustains that employee satisfaction as well as decreased turnover were major contributors of long-term shareholder returns. Conversely, employee dissatisfaction resulting from poor workplace environments can also lead to a decrease in productivity leading to poor organisational performance (Chandrasekar, 2011). It is important for management in organisations to create a work environment that facilitates higher employee satisfaction levels. This is because employee satisfaction has a stimulus effect on the loyalty and confidence of employees, improves the quality of outputs and also increases productivity (Surujlal & Singh, 2003; Yee et al., 2008). Satisfied employees tend to perceive that the organisation will be more satisfying in the long run, they care about the quality of their work and are more committed to the organisation, leading to a demonstration of organisational citizenship behaviours (Fraser, 2001; Sempane et al., 2002; Yoon and Suh, 2003). Goslin (2005) was also of the opinion that satisfied employees have higher retention rates and are more productive. When employees are dissatisfied, their physical and mental health is negatively affected (Faragher, Cass and Cooper, 2005). Consequently, organisational performance will also deteriorate as more production time will be lost because dissatisfied employees are likely to take more leave (Judge, Piccolo, Podsakoff, Shaw and Rich, 2010; Shields, 2006); therefore, if steps are taken to improve employee satisfaction, the overall success of the organisation is enhanced and the results can be reflected through happier employees, enhanced workforce productivity, reduced workdays and higher profits. This also typifies the importance of people in organisations, since people are the promoters of excellent organisational performance. In the context of the service industry, substantial research evidence reveals that there is a positive association between employee satisfaction and customer satisfaction (Bernhardt, Donthu and Kennett, 2000; Wangenheim, Evanschitzky and Wunderlich, 2007). Providing employees with an outstanding internal working environment is likely to lead to satisfied employees who are both loyal to the organisation and are capable of providing customers with an exceptional service experience (Chi and Gursoy, 2009). Customers will naturally recognise and value the excellent service offered to them, leading to an exhibition of loyalty behaviours, such as repeat purchases and increased referrals (Koys, 2003). These behaviours suggest, therefore, that satisfied employees will create satisfied and loyal customers, which will result in better organizational performance. It is important then for service organisations to direct sufficient resources towards employee satisfaction programmes.

2.2 Employee Attitudes and Job Satisfaction

Organizations cannot directly impact Employee personality, the use of sound Selection methods and a good match between employees and jobs will ensure people are selected and placed into jobs most appropriate for them, which, in turn, will help enhance their job satisfaction. Even though organizations cannot directly impact employee personality, the use of sound selection methods and a good match between employees and jobs will ensure people are selected and placed into jobs most appropriate for them, which, in turn, will help enhance their job satisfaction.
2.3 Cultural Influences

In terms of other influences on employee attitudes, there is also a small, but growing body of research on the influences of culture or country on employee attitudes and job satisfaction. The continued globalization of organizations poses new challenges for HR practitioners, and the available research on cross-cultural organizational and human resources issues can help them better understand and guide practice (Erez, 1994; House, 1995; Triandis, 1994). The most cited cross-cultural work on employee attitudes is that of Hofstede (1980, 1985). He conducted research on employee attitude data in 67 countries and found that the data grouped into four major dimensions, and that countries systematically varied along these dimensions. The four cross-cultural dimensions were: (1) individualism versus collectivism; (2) uncertainty avoidance versus risk taking; (3) power distance, or the extent to which power is unequally distributed; and (4) masculinity/femininity, more recently called achievement orientation. For example, the United States was found to be high on individualism, low on power distance, and low on uncertainty avoidance.

2.4 Job Satisfaction and Job Performance

The study of the relationship between job satisfaction and job performance has a controversial history. The Hawthorne studies, conducted in the 1930s, are often credited with making researchers aware of the effects of employee attitudes on performance. Shortly after the Hawthorne studies, researchers began taking a critical look at the notion that a “happy worker is a productive worker.” Most of the earlier reviews of the literature suggested a weak and somewhat inconsistent relationship between job satisfaction and performance. Thus, these authors concluded that the presumed relationship between job satisfaction and performance was a “management fad” and “illusory.” This study had an important impact on researchers, and in some cases on organizations, with some managers and HR practitioners concluding that the relationship between job satisfaction and performance was trivial. However, further research does not agree with this conclusion. Organ (1988) suggested that the failure to find a strong relationship between job satisfaction and performance is due to the narrow means often used to define job performance. Organ argued that when performance is defined to include important behaviors not generally reflected in performance appraisals, such as organizational citizenship behaviors, its relationship with job satisfaction improves. Research tends to support Organ’s proposition in that job satisfaction correlates with organizational citizenship behaviors (Organ and Ryan, 1995). In addition, in a more recent and comprehensive review of 301 studies, Judge, Thoresen, Bono, and Patton (2001) found that when the correlations were appropriately corrected (for sampling and measurement errors), the average correlation between job satisfaction and job performance was a higher. In addition, the relationship between job satisfaction and performance was found to be even higher for complex (e.g., professional) jobs than for less complex jobs. Thus, contrary to earlier reviews, it does appear that job satisfaction is, in fact, predictive of performance, and the relationship is even stronger for professional jobs.
2.4 Job Satisfaction and Life Satisfaction

An emerging area of study is the interplay between job and life satisfaction. Researchers have speculated that there are three possible forms of the relationship between job satisfaction and life satisfaction: (1) spillover, where job experiences spill over into nonworking life and vice versa; (2) segmentation, where job and life experiences are separated and have little to do with one another; and (3) compensation, where an individual seeks to compensate for a dissatisfying job by seeking fulfillment and happiness in his or her nonworking life and vice versa. Judge and Watanabe (1994) argued that these different models may exist for different individuals and were able to classify individuals into the three groups. On the basis of a national sample of U.S. workers, they found 68% were the spillover group, 20% We hear debates and confusion about whether satisfied employees are productive employees, and HR practitioners Rightfully struggle as they must reduce costs and are concerned about the effects on job satisfaction and, in turn, the impact on performance and other outcomes. Numerous studies have shown that dissatisfied employees are more likely to quit their jobs or be absent than satisfied employees in the segmentation group, and 12% in the compensation group. Thus, the spillover model, whereby job satisfaction spills into life satisfaction and vice versa, appears to characterize most U.S. employees. Consistent with the spillover model, a review of the research literature indicated that job and life satisfaction are correlated (average true score correlation: Tait, Padgett and Baldwin, 1989). Since a job is a significant part of one’s life, the relationship between job satisfaction and life satisfaction makes sense one’s job experiences spill over into one’s life. However, it also seems possible the causality could go the other way - a happy or unhappy life spills over into one’s job experiences and evaluations. In fact, the research suggests that the relationship between job and life satisfaction is reciprocal - job satisfaction does affect life satisfaction, but life satisfaction also affects job satisfaction (Judge and Watanabe, 1994). Also in support of a spillover model for job and life satisfaction, the research literature shows a consistent relationship between job satisfaction and depression (Thomas and Ganster, 1995). One might speculate on the possibility that the relationship is simply due to personality traits that cause both low job satisfaction and depression. However, to counter this, there is evidence that job loss and other work events are in fact associated with depression (Wheaton, 1990). Thus, this research suggests that dissatisfaction resulting from one’s job can spill over into one’s psychological well-being. Based on this research, one conclusion is that organizations only have so much control over a person’s job satisfaction, because for many people, their job satisfaction is a result, in part, of spillover of their life satisfaction. However, continuous actions to address low job satisfaction is not only important for organizational effectiveness, but by not doing so, organizations can cause spillover of employees’ low job satisfaction into their life satisfaction and well-being.
2.5 Job Satisfaction and Withdrawal Behaviors

Numerous studies have shown that dissatisfied employees are more likely to quit their jobs or be absent than satisfied employees (e.g., Hackett and Guion, 1985; Hulin, Roznowski, & Hachiya, 1985; Kohler and Mathieu, 1993). Job dissatisfaction appears to be related to other withdrawal behaviors, including lateness, unionization, grievances, drug abuse, and decision to retire. Hulin et al. (1985) have argued that these individual withdrawal behaviors are all manifestations of “job adaptation” and have proposed that these individual behaviors be grouped together. Because the occurrence of most single withdrawal behaviors is quite low, looking at a variety of these behaviors improves the ability for showing the relationship between job attitudes and withdrawal behaviors (Hulin, 1991). Rather than predicting isolated behaviors, withdrawal re-search and applied practice would do better, as this model suggests, to study patterns in withdrawal behaviors—such as turnover, absenteeism, lateness, decision to retire, etc.—together. Several studies have supported this, showing that when various withdrawals behaviors are grouped together, job satisfaction better predicts these behavioral groupings than the individual behaviors. Based on the research that shows job satisfaction predicts withdrawal behaviors like turnover and absenteeism, researchers have been able to statistically measure the financial impact of employee attitudes on organizations (e.g., Cascio, 1986; Mirvis and Lawler, 1977). Using these methods can be a powerful way for practitioners to reveal the costs of low job satisfaction and the value of improved employee attitudes on such outcomes as absenteeism and retention.

2.6 Employee Attitude Surveys

Two major research areas on employee attitude surveys are discussed: these are employee attitude measures used in research and face versus global measures. The areas discussed are not meant to provide knowledge of all relevant considerations for designing employee surveys, but rather provide background on the research and an overview of some major areas of study. In the research literature, the two most extensively validated employee attitude survey measures are the Job Descriptive Index (JDI; Smith, Kendall, and Hulin, 1969) and the Minnesota Satisfaction Questionnaire (MSQ; Weiss, Dawis, England, and Lofquist, 1967). The JDI assesses satisfaction with five different job areas: pay, promotion, coworkers, supervision, and the work itself. The JDI is reliable and has an impressive array of validation evidence. The MSQ has the advantage of versatility—long and short forms are available, as well as faceted and overall measures. Another measure used in job satisfaction research (e.g., Judge, Erez, Bono, and Thoresen, in press) is an updated and reliable five-item version of an earlier scale by Brayfield and Rothe (1951). All of these measures have led to greater scientific understanding of employee attitudes, and their greatest value may be for research purposes, yet these measures may be useful for practitioners as well. In practice, organizations often wish to obtain a more detailed assessment of employee attitudes and/or customize their surveys to assess issues unique to their firm.
There are two additional issues with measuring employee attitudes that have been researched and provide potentially useful knowledge for practitioners. First, measures of job satisfaction can be faceted (such as the JDI)—whereby they measure various dimensions of the job—while others are global—or measure a single, overall feeling toward the job. An example of a global measure is “Overall, how satisfied are you with your job?” If a measure is facet-based, overall job satisfaction is typically defined as a sum of the facets. Scarpello and Campbell (1983) found that individual questions about various aspects of the job did not correlate well with a global measure of overall job satisfaction. However, if one uses job satisfaction facet scores—based on groups of questions on the same facet or dimension rather than individual questions—to predict an independent measure of overall job satisfaction, the relationship is considerably higher. As has been noted elsewhere (e.g., Judge and Hulin, 1993), job satisfaction facets are sufficiently related to suggest that they are measuring a common construct—overall job satisfaction. Second, while most job satisfaction researchers have assumed that overall, single-item measures are unreliable and therefore should not be used, this view has not gone unchallenged. Wanous, Reichers, and Hudy (1997) found that the reliability of single-item measures of job satisfaction is .67. For the G. M. Faces scale, another single-item measure of job satisfaction that asks individuals to check one of five faces that best describes their overall satisfaction (Kunin, 1955), the reliability was estimated to be .66. Therefore, respectable levels of reliability can be obtained with an overall measure of job satisfaction, although these levels are somewhat lower than most multiple-item measures of job satisfaction. Based on the research reviewed, there is support for measuring job satisfaction with either a global satisfaction question or by summing scores on various aspects of the job. Therefore, in terms of practice, by measuring facets of job satisfaction, organizations can obtain a complete picture of their…measures of job satisfaction can be faceted (such as the JDI)—whereby they measure various dimensions of the job—while others are global—or measure a single, overall feeling toward the job. It is helpful when interpreting survey data to know how the survey results compare to industry norms or country norms. Analyzing and Interpreting Survey Results for Action Effective analysis and interpretation of employee attitude survey data is necessary in order to understand the results and, in turn, take appropriate actions to improve employee attitudes and job satisfaction. Research on employee attitude measurement and statistical analyses is a key contribution of the field of psychology (e.g., Edwards, 2001; Macey, 1996). Highlights of the research on survey analyses and the most important issues for HR practitioners to consider are reviewed below. Ratings made by employees on survey questions can systematically vary—and vary widely—no matter what company they work for. For example, ratings of pay are typically low and ratings of workgroup cooperation are typically rated very high. Similar systematic variations are found when comparing survey data for many companies across countries. Switzerland tends to have some of the highest ratings, Italy some of the lowest. Therefore, it is helpful when interpreting survey data to know how the survey results compare to industry norms or country norms. Survey norms are descriptive statistics that are compiled from data on the same survey questions from a
number of companies and are obtained by joining a consortium. Comparability of the companies, company size, and number of companies are important factors in the value of the norms (Morris and Loverde, 1993). In addition, the professionalism in the norms process and the age of the norms will affect their relevance and accuracy (R. H. Johnson, 1996, Bracken, 1992). If survey norms are not an option, overall company or unit results can serve as internal norms, although they encourage an inward focus and potentially internal competition. Actions determined through normed-based comparisons can be strong drivers of change and help focus a company externally to other companies and the competition.

3. Methodology

The study adopted a quantitative approach using the survey design. The survey method was selected due to its ability to facilitate the collection of data from large groups of respondents. It is also inclusive in the number of variables that can be studied, requires minimum investment to develop and administer, and is relatively easy for making generalizations.

3.1 Sampling Procedure and Data Sources

Participants sampled in this study were (n = 250) and was composed of conveniently selected managers and staff in Olorunda Local Government area departments. To determine the sample size, Green’s (1991) rule of thumb which states that no less than 50 participants are suitable for a correlation or regression with the number increasing with larger numbers of Independent Variables. In addition, previous studies in which similar sample sizes were used to investigate organizational performance in public sector organizations were also used as reference points that provided direction in determining the sample size for this study.

3.2 Survey Feedback and Action

Employee surveys, used effectively, can be catalysts for improving employee attitudes and producing organizational change. This statement is based on two important assumptions, both supported by research already reviewed in this article: first that employee attitude affect behavior and second, that employee attitudes are important levers of organizational performance. Survey feedback and action help support and drive organizational change, and the “ability to manage change” is evaluated by line managers as the most important competency for HR professionals (Ulrich, Brockbank, Yeung, and Lake, 1995). There are many variations of survey feedback and action, though an important research finding is that participation in feedback sessions alone will not result in change—and this is often where organizations fall short. In fact, Rynes et al. (2002) found that one of the highest percentages of HR professionals responding contrary to the research facts was to the statement “Ensuring employees participate in decision making is more important for improving organizational performance than setting performance goals.” Extensive research does not support this statement, yet 82% of HR professionals marked it as true. In fact, actual action, not just involvement in survey feedback
discussions and the development of plans, is critical for an employee survey to result in improved performance. Feedback sessions that result in concrete goals and result- One of the newest areas of research that assists with identifying important areas for survey action is to statistically link employee attitudes to business outcomes. Today, organizations need more from HR than someone to administer the tactical aspects of an employee survey and to check that managers are holding feedback discussions and have action plans. This is supported by extensive research on goal-setting theory, which shows that having specific goals is a major factor for motivation and performance (Locke, Feren, McCaleb, Shaw, and Denny, 1980; Locke and Latham, 2002).

4. Data collection procedure and Sample demographic characteristics.

4.1 Data collection procedure

Primary data were collected by means of a three-section questionnaire. The method used in the measuring instrument were adopted from Ittner, Larcker and Meyer (2003); Jenkins, Gupta, Mitra and Shaw (1998); the Minnesota Satisfaction Questionnaire (Fields, 2002) as well as Lau and Sholihin (2005). The adopted questionnaire was pretested using a conveniently selected sample of 20 respondents in order to identify and eliminate problems as well as to determine the time for the completion of the questionnaire (Presser et al. 2004). Feedback from the pre-test sample was used to make minor revisions to the questionnaire (Radhakrishna, 2007). Ethical considerations such as the participants’ right to anonymity, confidentiality, privacy or non-participation, informed consent and protection from discomfort, harm and victimization were adhered to during the administration of the questionnaire. Out of the 500 questionnaires that were initially distributed, 250 were eventually used in the study, thereby representing a response rate of 50%.

4.2 Sample demographic characteristics.

In terms of the demographic profile of the respondents, 55% (150) of the respondents were male and 45% (122) were female. Approximately 58% (185) of the respondents were aged below 35 years and 74% (200) of the respondents had been employed in the department for periods less than five years. With regard to the type of employment, 82% (223) of the respondents were under permanent employment within the department. In terms of the qualifications held, 43 % (117) of the respondents were holders of a first degree and approximately 15% (40) of the respondents were holders of a postgraduate degree. Furthermore, 1.5% (4) of the respondents were executive managers, 7% (18) were senior managers, 9% (24) were middle managers, 18% (48) were line managers, 27% (74) were specialist staff, 26% (70) were clerical or administrative staff and 13% (34) occupied other auxiliary positions such as internships, security and general work.

Internal consistency estimates (Cronbach alpha) and operational definitions for employee satisfaction sub-scales. Five factors namely working conditions, ability utilisation, teamwork, creativity and autonomy, which influence anindividual’s level of satisfaction at work, were identified. These factors were computed through the Principal
Component Analysis (PCA) using Varimax rotation. Notably, reliabilities of all five factors were above the recommended 0.7 threshold (Hair et al. 2010), which indicate that the internal consistency estimates for the entire scale were acceptable. The reliability of the scale as measured using the Cronbach alpha was 0.72, which was also acceptable since it fell beyond the 0.7 standard recommended by Fraering and Minor (2006).

The five employee satisfaction factors reflected distinct dimensions with a high level of communalities showing cohesiveness of each factor. Convergent validity was assessed through the computation of correlations between the five employee satisfaction sub-scales and organisational performance.

5. **Data analysis**

Descriptive and inferential statistical analyses were conducted using the Statistical Package for the Social Sciences (SPSS version 20.0). Pearson’s correlation and multiple linear regression analysis were used to determine the relationships between variables. Significance values were set at \( p \leq 0.05 \). In order to establish the relationship between employees satisfaction and organisational performance, the five employee satisfaction dimensions were correlated with organisational performance. The Pearson’s correlation coefficient (r), which assesses the degree to which quantitative variables were linearly related in a sample, was used (Maxwell and Moores, 2007). An analysis of the correlation matrix revealed that there were strong positive correlations anchored by \( (r = .462; \ p < 0.05) \) and \( (r = .721; \ p < 0.05) \) between organisational performance and all five employees satisfaction factors. In terms of inter-factor correlations, it was interesting to note that there were strong positive correlations ranging between \( (r = .507; \ p < 0.05) \) and \( (r = .583; \ p < 0.05) \) among all five employee satisfaction factors. As such, an increase in any one factor could trigger increases in any of the other employee satisfaction factors. Conversely, any decrease in any employee satisfaction factor may stimulate a decrease in any of the other factors as well.

In this study, multiple linear regression analysis was performed to identify the variables that predicted or provided the best explanation for the portion of the total variance in the scores of the dependent variables (Malhotra, 2010). Employee satisfaction (adjusted \( R^2 = 0.391 \)) was found to explain approximately 39.1% of the variance in overall organisational performance. In terms of evaluating the assumptions of multicollinearity, if the variance inflation factor (VIF) is greater than 10 then collinearity is a cause for concern (Field, 2005). Multicollinearity suggests that several of the independent variables are closely linked in some way, which causes strange results when attempting to study how well individual independent variables contribute to an understanding of the dependent variable (Field, 2009). The VIF for the five sub-scales were acceptable since they ranged between 1.769 and 1.971. The effect of this value was that it reduces multicollinearity problems. In terms of tolerance, larger tolerance values of more than 0.5 are more desirable as they are more indicative of lesser problems with multicollinearity (Denis, 2011); therefore, the tolerance values obtained in the regression analysis were within the acceptable range. In the regression analysis, three factors, namely
working conditions (p =0.000), teamwork (p = 0.000) and ability utilisation (p =0.001) were statistically significant at p < 0.05 and contributed to 45.3% of the explained variance in organisational performance. In terms of Beta weights, three factors namely, working conditions (β =0.351), teamwork (β = 0.224) and ability utilisation (β =0.129), contributed significantly towards organizational performance, respectively. These findings were congruent to the results of previous studies conducted by Cooke (2000) and Mohamad, Lo and La (2009) which found that the same employee satisfaction factors contributed significantly towards the variance in organisational performance. However, creativity (β = 0.069) and autonomy (β = 0.014) did not contribute significantly to the variance in organizational performance; therefore, the performance of an organization is likely to be determined by the extent to which employees within that organisation are satisfied. The mean score ranking of each factor is shown in the last column.

6. Results
The results indicated positive relationships between these five sub-scales and organisational performance, thereby providing evidence of convergence. Predictive validity was assessed through regression analysis. All five factors showed positive causal relationships with organizational performance.

7. Discussions
Pearson’s correlation analysis reveals that there was a significant positive correlation between working conditions and organisational performance (r = 0.721; p< 0.05. This finding depicted that organizational performance increased with an improvement in working conditions and decreased with the deterioration of working conditions. These findings were consistent with previous research conducted by Lee, Singhapakdi and Sirgy (2007) which substantiated that working conditions have a positive impact on job satisfaction, organisational commitment, and comradeship amongst employees. Moreover, working conditions have a positive impact on employee and job-related outcomes such as worker’s welfare, health, team spirit, morale, efficiency, and productivity (Koonmee et al., 2010; Mike, 2010). In contrast, poor working conditions make employees uncomfortable, thereby reducing the pace of work. This situation may demand extra efforts to keep everything organised, which is tantamount to time-wasting (Chandrasaker, 2011). In addition, inconvenient timetables influence labour productivity in that repetitive long workinghours get workers exhausted (Chadha, 2007). Moreover, poor working conditions also lead to the deterioration of the relationships between managers and employees (Estes and Wang, 2008). Such unfriendly atmosphere may undermine self-esteem, co-operation and the ability of employees to come up with creative ideas. It appears then that working conditions are an instrumental factor in enhancing the performance of both the individual employees as well as the organisation in general. A further analysis of the correlation matrix indicated a strong positive relationship between ability utilisation and organisational performance (r = 0.514; p <0.01). This finding illustrated that organisational performance may be enhanced through structural improvements in the use of the abilities of employees. As proposed by Liu and White
(2011), ability utilisation is a predominant component of employee satisfaction. Clark (2001) also acknowledged that if a job was interesting and provided the opportunity for an individual to utilise his or her skills, the individual was bound to enjoy the job and the likelihood of that individual leaving the organisation was significantly reduced. Furthermore, ability utilisation facilitates the recruitment and retention of staff and helps the organisation to benefit from improved motivation and superior business performance (SQW Consulting, 2010). Conversely, when employees feel that their abilities are under-utilised, they may become de-motivated and may seek employment elsewhere; leading to increased employee turnover in the organisation (Hassanain, 2006). It is an important supposition then that increased opportunities for members of the department to apply their abilities may result in higher levels of organisational performance within the organisation. Teamwork and organisational performance were positively correlated (r = .556; p < 0.01). This finding suggested that an increase in teamwork could trigger an increase in organisational performance where as a decrease would work otherwise. Research has provided evidence that a higher level of teamwork is associated with greater employee satisfaction, which motivates employees to exert more effort at work (Nickerson and Nagle, 2005; Sumer and Knight, 2001). Abolghasemi and Varaniyab (2010) also found that teamwork was positively related to both resilience as well as perceived positive stress. As such, an increase in team work within the organisation will have a snowball effect on the resilience of employees in addition to enabling an individual to feel better and to develop resources for coping with life. The findings of this study suggested that teamwork within the organisation was vital to the enhancement of individual employee satisfaction, which directly influenced organisational performance.

A moderate correlation (r = 0.462; p < 0.05) was found between creativity and organisational performance. This finding suggested that an increase in creativity would inspire a moderate increase in organisational performance. These results were supported by a number of previous studies (Martins and Martins, 2002) which revealed that employee creativity was critical for improving organizational performance. Creativity is also an important driver of sustainable organisational growth through innovation (Hogan, 2003). It may, therefore, be suggested that in organisational turnaround strategies, the issue of creativity should not escape attention during the diagnosis of performance-related problems. Various creativity-oriented strategies are available (Lee and Choi, 2003) which can be implemented to ensure that organisational performance is increased. The autonomy factor and organisational performance were moderately correlated (r = .466; p < 0.05). This finding showed that an increase in autonomy resulted in the enrichment of organisational performance. The degree to which a job provides substantial freedom, independence and discretion of the employee in his or her job influences the level of job satisfaction that the employee experiences (Brunetto and Farr-Wharton, 2004). Giving task autonomy to employees is generally expected to result in higher motivation, satisfaction, and performance (Langfred and Moye, 2004). Evidence from a study conducted by Exworthy et al. (2010) further suggested that an unwillingness to exercise autonomy because of centralising tendencies, risk-averse behaviours and an uncertain
policy environment results in decreased organisational performance; therefore, the performance of public organisations would be enhanced significantly if employees become more autonomous on their jobs.

8. Summary of findings

In reviewing the findings of the study, two streams of observations were evident. First, employee satisfaction was encapsulated through five factors, namely working conditions, ability utilisation, teamwork, creativity and autonomy. The impact of employee satisfaction on organisational performance was established by conducting Pearson’s correlation analysis as well as multiple linear regression analysis between the five employee satisfaction sub-scales and organisational performance. All five factors were positively correlated to organisational performance. The fact that all of the five employee satisfaction sub-dimensions were positively correlated with organizational performance signified that on the overall, employee satisfaction contributed positively to organizational performance in a public organisation. When employee satisfaction is optimised and expedited, it acts as an incentive to enhance organisational performance. On the contrary, when employees are dissatisfied, organizational performance will diminish. Second, the mean score-ranking technique was applied to measure the strength of each of the five factors relative to each other, with regard to their impact on organizational performance. The findings of the study revealed that teamwork had the strongest impact on organisational performance, followed by ability utilisation, creativity, autonomy, with working conditions exerting the least influence.

9. Managerial implications

The findings of this study have managerial implications. At a micro level, organisational performance may be accelerated by positively adjusting the levels of employee satisfaction factors such as teamwork, ability utilisation, creativity, autonomy and working conditions, which are predictors of organizational performance. In addition, these factors qualify as diagnostic mechanisms for organizational performance problems in organisations. Management practitioners and turnaround strategists would be able to address performance problems by checking to see if there are any shortfalls within any of the five employee satisfaction factors used in this study. An identical approach could be adopted at the macro level, where performance issues in the entire Nigerian public sector may be partially resolved by placing special emphases on such behavioural aspects of employees within public organisations.

10. Conclusion and Recommendations

The purpose of this study was to establish the relationship between employee satisfaction and organizational performance in a public sector organization. The study employed a quantitative design in which a survey questionnaire was administered to employees of a Nigerian government department. Using a combination of correlation and regression analyses, positive and significant relationships were observed between organizational performance and five employee satisfaction factors namely teamwork,
ability utilization, creativity, autonomy and working conditions. These results suggested that increase in organizational performance may be achieved by increasing each of the five employee satisfaction factors. Additionally, the fine employee satisfaction factors used in the study may be used to predict the future performance of public organizations. Using the findings of this study, managers in public organizations may be able to improve organizational performance by optimizing employee satisfaction along the dimensions proposed in this study.

It is, therefore, recommended from the study that the organizations should learn how to motivate their staff in order to enhance productivity. Secondly, staff/workers should be hardworking in their prospective jobs in order to enhance a high level of productivity in the Nigerians organizations.

11. References


