Influence of Job Satisfaction on Employee Performance in Software Industry, Hyderabad –A Statistical Analysis

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Abstract
An employee work related attitude determines the level of satisfaction he has. A satisfied employee does perform high intellectual ability in his job. The aim of this study is to focus on what type of reward system influence job satisfaction in software employees and also considered is there any association between job satisfaction and job performance in software industry. Data was collected through field survey using a structured questionnaire from software employees from five select software industries in Hyderabad.

Keywords: Employee Performance, Job Satisfaction, Intrinsic Reward, Extrinsic Reward.

Introduction

Software organizations are based on high intellectual ability and skills. To achieve their goals like developments and programming languages they required innovative knowledge people for achieving high level of productivity and efficiency. In order to achieve their targets they required highly intellectual ability and skilled employees. The job performing interest of an employee depends on the level of job satisfaction he got from his organization .Satisfied employees show high levels of interest and productivity in his job. Dissatisfied employees display certain characteristics such as monotonous nature, low output, negligence and absenteeism, and low turnover. These are highly expensive for the organization in terms of time and money. Therefore, it is essential to focus on to determine the association between job satisfaction and employee performance.

Review of literature

Ayesha masood (2014) made a study on job satisfaction. She conducted her study on 155 respondents in public and private sector organizations. in her Study she found that working condition of the organization, job security training , development opportunity in the organization employee empowerment opportunities are strongly associated with job satisfaction and performance further she found that employee attrition intention was negatively associated with job satisfaction.

Objectives of the study

✓ To study the demographic profile of the employees in the selected software industry,

✓ To examine, which reward(intrinsic and extrinsic)system affects the employee job satisfaction in the selected software industry,

✓ To assess whether there is any positive relationship between job satisfaction and the employee performance in the selected software industry,

✓ To offer suggestions for the enhancement of the job satisfaction of employees.

Methodology of the Study:

This portion refers to the methods and data sources used to carry out this study and evaluate the research questions. It clearly lays emphasis on research design, nature of the sample, size of the sample, methods of sample selection, data collection tools and techniques and the statistical tools used to analyze the collected data in order to draw inferences and conclude accordingly.

Research Design

For the purpose of the present study, it is proposed to adopt a descriptive research design in order to study the existing conditions and to test the variables in the prevailing circumstances.

Techniques of Data Collection:

The present research study involves both primary and secondary data. The primary data is collected through a field survey by the help of a structured questionnaire with closed- end questions. The questionnaire consists of definite, concrete and pre-ordered questions. The scaling

technique installed in the questionnaire is 5-point Likert-scale. The secondary data is also collected by referring to the NASSCOM annual reports, published reports of the IT companies, Journals, research magazines and published data of varied in nature.

Sample Design, Sample Size and Sampling Method

The sample selected for the study is software industry; the present study covers 5 organizations located in Hyderabad. The nature of the sample is restricted to software employees only. A total of 180 questionnaires were dispatched to the respondents in the selected software industry, out of which only 156 questionnaires are received and 12 questionnaires are not answered completely resulting in 144 questionnaires, out of which 4 questionnaires were eliminated for statistical accuracy. Thus, the sample size for the study is fixed at 140. The items selected for the study are given in the following tables.

Limitations of the Study:

The research survey was completely based on the opinions of the selected software employees. fear of superiors was the another limitation of the study, we cannot justify other software employees have the same responds . Further, due to the work burdens the employees were given very little response for the questionnaire.

Data Analysis tools

To examine the job satisfaction level of employees weighted average mean score was performed. To test the reward systems both intrinsic and extrinsic t-test was conducted and to assess the impact multiple regression analysis was performed.

Results and Discussion:

✓ **Objective-1:Analysis on the demographic profile of the sample respondents:**

The total sample employees chosen are consisted of 30 per cent females and 70 per cent males. Further, age-wise classification is 20-30 years 66.25 per cent employees, 30-40 years 27.5 per cent employees and below 20 years 3.75 per cent employees. It is observed from the data that the majority of the respondents are in the male gender category with 70 percent followed by the respondents in the female group with 30 percent. It shows that female employees are only one-third in the employment of IT industry.It can be concluded from the foregoing discussion that two-third of the sample respondents are belong to the age group 20 - 30 years, who are in the beginning of their employment carrier.

Objective -2: Effect of Reward System on the employee job satisfaction:

Table1. Employee job satisfactions

Sl.No.	Job satisfaction elements	SDA	DA	NT	AG	SA	MS	%
1	Satisfaction about training and development programs	20	19	28	41	42	3.44	61
2	opportunity for career growth	26	34	20	40	30	3.09	52.33
3	giving importance to your opinions	16	18	42	33	41	3.43	60.83
4	feelings of job security	22	24	16	46	42	3.41	60.33
5	feedback on performance	26	15	18	45	46	3.47	61.667
6	close supervision	14	25	13	45	53	3.65	66.33
7	opportunity to do many things	24	18	23	34	51	3.47	61.67
8	freedom on the job	23	22	26	46	33	3.29	57.33
9	Competitive compensation	15	32	10	44	49	3.53	63.33
10	job enrichment	20	20	21	39	50	3.53	63.17
11	opportunity for participation	20	19	22	42	47	3.51	62.83
12	opportunity for promotion	20	20	19	49	42	3.49	62.17
13	peers and subordinates giving respect and fair treatment	20	17	23	46	44	3.51	62.83

AVG frequency		20.46	21.77	21.62	42.31	43.85	3.45	61.22

SDA= Strongly Disagree; DA=Disagree; NT= Neutral; AG= Agree; SA= Strongly Agree

The data in table -1explains that the software employees are above averagely satisfied with the job in the selected software organization, the mean score is 3.45 and the percentage is 61.22 as per the present survey.

Table 2. Employee job performance

Sl.No	Intrinsic Rewards	SDA	DA	NT	AG	SA	Mean	%
1	Employee recognition,	18	25	17	41	49	3.52	63
2	Professional growth,	20	26	19	48	37	3.94	73.5
3	Accomplishment,	18	30	23	48	31	3.76	69
4	Variety of job,	22	20	18	40	50	3.51	62.75
5	Autonomy,	20	22	24	42	42	4.17	79.25
6	Respect	19	20	23	41	47	3.64	66
7	Appreciation	10	25	32	42	41	3.46	61.5
	Frequency	**18.14**	**24**	**22**	**43.1**	**42.4**	**3.714**	**67.86**

SDA= Strongly Disagree; DA=Disagree; NT= Neutral; AG= Agree; SA= Strongly Agree

Table-2data depicts that the IT employees' job performance is good with the average mean score of 3.71 and the average percentage is 67.86. as per the present survey.

Table-3: Employee job satisfaction from extrinsic reward system

Sl.No	Extrinsic Rewards	SDA	DA	NT	AG	SA	Mean	%
1	Employee recognition,	14	20	24	45	47	3.61	65.17
2	Professional growth,	12	25	28	32	53	3.59	64.83
3	Accomplishment,	17	19	21	42	51	3.61	65.17
4	Variety of job,	23	14	10	56	47	3.60	65.00
5	Autonomy,	3	8	20	60	59	4.09	77.33
6	Respect	19	16	17	52	46	3.60	65.00
7	Appreciation	18	22	17	43	50	3.57	64.17
	Frequency	**15.14**	**17.71**	**19.57**	**47.14**	**50.43**	**3.67**	**66.67**

SDA= Strongly Disagree; DA=Disagree; NT= Neutral; AG= Agree; SA= Strongly Agree

The t-value is -0.3083. The p-value is .0077187. The result is significant at p<.05.
Test: two tailed test

Table 4: Employee Satisfaction from intrinsic rewards

Sl.No.	Extrinsic rewards	SDA	DA	NT	AG	SA	MS	%
1	Salary hikes	19	10	36	49	36	3.49	62.17
2	Promotion	23	24	24	39	40	3.33	58.17

3	Bonus	22	20	18	41	49	3.50	62.50
4	Fringe Benefits	23	14	19	46	38	3.21	55.33
5	Job security	21	21	24	41	43	3.43	60.67
6	Interpersonal relations	19	23	20	42	46	3.49	62.17
7	Working conditions	20	27	21	42	40	3.37	59.17
	Frequency	**21.00**	**19.86**	**23.14**	**42.86**	**41.71**	**3.40**	**60.02**

SDA= Strongly Disagree; DA=Disagree; NT= Neutral; AG= Agree; SA= Strongly Agree
The t-value is 0. 75532, the p-value is .459826 and the result is Not significant at p<.05,
Test : Two tailed test

Findings:
According to the data in table 1.3 The t-value is -0.3083. The p-value is .0077187. Hence, t –value is less than the p value. Therefore, it can be inferred that the software employees derived more satisfaction with extrinsic rewards than the intrinsic rewards. The statistical analysis, based on the general opinions, it is hypothesized that the job satisfaction is influenced more by extrinsic rewards than the intrinsic rewards in the selected software organization.

Objective-3: Assess the relationship between job satisfaction and performance:

Reliability Statistics

Cronbach's Alpha	N of Items
.976	13

The cronbach alpha value is 0.976 which indicates the variables are significant

Table-5: Correlation between job satisfaction and job performance

	T&d	OCG	GIO	JS	FOP	CS	OM	FOJ	COMP	JE	OFP	OFPP	RES	JOB
T&d	1													
OCG	0.374	1												
GIO	0.753	0.217	1.000											
JS	0.846	0.766	0.300	1.000										
FOP	0.900	0.504	0.429	0.930	1.000									
CS	0.857	0.657	0.419	0.950	0.874	1.000								
OM	0.866	0.216	0.596	0.773	0.887	0.858	1.000							
FOJ	0.860	0.648	0.462	0.863	0.829	0.732	0.564	1.000						
COMP	0.721	0.778	0.231	0.925	0.774	0.971	0.733	0.658	1.000					
JE	0.928	0.428	0.583	0.893	0.927	0.954	0.967	0.712	0.858	1.000				

OFP	0.966	0.480	0.601	0.925	0.955	0.946	0.930	0.814	0.844	0.987	1.000		
OFPP	0.920	0.685	0.445	0.979	0.945	0.916	0.777	0.936	0.853	0.895	0.948	1	
RES	0.978	0.516	0.602	0.929	0.959	0.897	0.857	0.908	0.789	0.936	0.980	0.977	1.000
JOB	0.938	0.637	0.545	0.955	0.897	0.971	0.831	0.858	0.911	0.945	0.970	0.968	0.962	1

Finding:
The value of r is 0.988, which explains that there is a strong positive correlation between the job satisfaction and the performance of the employees' in the selected software organization. The value of the result is significant at $p<0.05$ and the coefficient of determination r^2 is 0.9667, the p value is 0.002607.

Elements in Correlation Matrix:
Training and development =**T&D,**
Opportunity for Career Growth=**OCG,**
Giving Importance to Your Opinions=**GIO,**
Job Security=**JS,**
 Feedback on Performance=**FOP,**
Close Supervision=**CS,**
Opportunity to do many things=OM
Freedom on the Job=**FOJ,**
Compensation =**COMP**,
Job Enrichment=**JOE**,
Opportunity for Participation=**OFP**,
Opportunity for promotion=OFPP
Respect and Fair Treatment=**RES**,
Job Performance=**JOB.**

Correlation Matrix
The Pearson Correlation find out that there is a pair-wise relationship among dependent as well as independent variables and the results are summarized in table-6. The correlation analysis shows that all of the job satisfaction determinants have positive correlation with the job performance.

Table-6 shows that the job satisfaction factors are positively correlated with job performance and also significant at 1% level. Therefore, Hypothesis-II (Alternative Hypothesis-H_{a2}) of the present study was accepted. Hence, job satisfaction has a resultant impact on the job performance of employees in the selected software industry.

Conclusion and Suggestions:
The study is conducted mainly to find out the impact of jobsatisfaction on the job performance of the software employees. It can be concluded from the study that aspect of job satisfaction significantly influence the level of employee performance among Software employees. The organization should consider both rewards systems, which have a significant impact on the job satisfaction and job performance.

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