



IMPACT OF PAY AND PROMOTION ON JOB SATISFACTION IN GOVERNMENT SECTOR

Anshul Saxena, Research Scholar

C S J M University, Kanpur, anshulsaxena30@gmail.com

Dr. Pankaj Pandey, Asso. Prof. Commerce Department

V S S D Pg College, Kanpur, C S J M University, Kanpur

ABSTRACT

In developing nations, people usually think from stomach and not from their brain. Due to instability of economy, there is one and only confirm source of satisfaction of job is advertise and pay. This analysis is basically an attempt to find the effect of advertise and pay on satisfaction of job in Government sector. Pay has put a remarkable effect on satisfaction of job but the advertisement has less impact and partly important to the satisfaction of job.

Keywords: Job Satisfaction, Pay, Promotion, and Government Sector.

I. INTRODUCTION

As per the explanation of the Morgan, One of the important purpose of human resource department is to not only to make firm fit that is to select the right candidate for their company but also the job is suitable of the right work for the right person and also assure that what the work person is doing, he will be satisfied in that. At present time, the workers of an organization are considered as an asset for the organization as it is not feasible for survival in the absence of them. To ensure the loyalty of the worker, satisfaction of job is very necessary. There are so many factors that can results into a satisfaction of job: related with surroundings and work like promotion, advertisement, pay, observation, acknowledgement, supervisor report and the work itself. The influence of these factors are depend on the factor by person to person as to how much weight he provide to each factor and compute the standard of satisfaction with each of these factors.

So as to ensure that these factors results into satisfaction of job, the company should not only concentrate on providing a good package of pay but also provide enjoyable work surroundings. This research review will commonly compute the association of 3 of those factors to satisfaction of job of workers in banks. The review will only concentrate on advertisement, pay and observation. This review will try to determine that which factors affect the most to the workers at present time in order to attain the satisfaction.

Satisfaction of job can be explained as how much an employee is happy with his job. The productivity and innovation of the people increase when they are happy with their job because they give more attention there and also show more dedication towards their work. Thus, the satisfaction of the employee is very important for any organization.

There has been notable impact on satisfaction of job by Rewards and Recognition. The human resource development should make certain that while implying the technique for the rewards and recognition, they should keep the balance in mind for the best result in terms of high manufacturing and performance as well as ordinary market study should also be complete as to how other various company and banks are functioning on the satisfaction of the workers. Several theories are stated by many researchers and writers related with the job satisfaction like Herzberg two factor theories, theory of Locke. Each of the theory is explained that both financial and non-financial rewards are essential for the workers.



Pay is also considered as the financial reward that comprised of bonus, salary and cost of the living allowance etc. It is very important that the pay should be given equally despite of gender. If the pay is not justified by the work load then it will create a dissatisfaction and motivation level of employees also affected. If the pay will equally give to the employees then it tends to create more promising outcomes in terms of employee efficiency and job satisfaction. Moreover, the pay should be given as per the skills and experience of the employee, it will lead to the more productive and effective work from the employee.

When a person moves from one designation to a higher designation it is considered as the promotion. Most of the people considered the job satisfaction as promotion. There is something tricky by promoting employees to improve satisfaction of job unless there is explanation that promotions will originally resolve conflicts pertaining to job satisfaction. There are many reasons for promotion which is differing from person to person. Some people want promotion because they are bored with their current work , some want promotion when they realize that their expertise are not utilize properly, some want promotion because they might be not having good relationship with their supervisor or simply they want to have a higher status job. All these factors results into job satisfaction.

Recognition refers when a person does a verbal appreciation for the work, to allow the efforts and to say well done and the employees work is observed and when the workers get praise for the attempt they have done, it makes them more eager , satisfied and provide them the feelings that they and their work has some value. This will also increase their efficiency standard.

The basic intention of human resource and labour management is to upgrade the confidence or to improve the behaviour or an employee toward the job in a well-organized manner. From past few years, it is an essential part of research and many experts examine the relation among job satisfaction and its affecting features. The importance of the job satisfaction of the company variables has been analyzed by different experts in the past. We also know that the dissatisfaction of job lead to turn over. These factors can help to retain significant value for any organization to stay alive and succeed.

- **Job Satisfaction**

Satisfaction of job is considered as a huge and significant zone of exploration, numerous analysts indicated that few articles and expositions are published or written on job satisfaction. "Satisfaction of job is an enjoyable or positive passionate state, coming about because of the examination of one's professional adventures". It implies that optimistic feeling about job and surroundings around job lead somebody towards satisfaction. It is the level to which employee's desires or likes to perform job. Satisfaction is the contentment of a desire which is come out or to accomplish satisfaction from a wish. Various components have different impact on job satisfaction demonstrated by the past examinations. Female employees feel less satisfaction with respect to their pay and promotion, so it gives proof to a perception about their lesser happiness related to their pay, promotion.

- **Factors influencing job satisfaction**

Various examinations by the experts have disclosed different variables that have impact over job satisfaction. A remarkable analysis conducted by Herzberg in 1968 discovers what makes employees fulfilled and disappointed and at last he presumed that there are two significant factors that influence the job satisfaction are motivators and hygiene factors. Motivators are the components that lead to high satisfaction of job for example accomplishment, acknowledgment, job, responsibility, progress and development. Furthermore, the variables that lead to job disappointment are the hygiene factor, for example, organization strategy and organization, supervision, working relationship, status and security.



As per the conclusive evidences of Heinemann, Greenberger and Stressed (1988) that pay and performance are interconnected with each other and plays a vital role in bringing job satisfaction. An examination conducted by Hunjra *et. al.* (2010) introduced that there is a positive connection between self-governance, authority conduct and collaboration surroundings and job satisfaction.

Reisel *et. al.* (2010) deduced in their investigation that job insecurity is negatively related with satisfaction and that uncertainty of job has both direct and indirect impacts on job emotions and behaviour.

As per the conclusion of Parvin and Kabir (2011) that job conditions, impartiality, promotion, and pay are key elements influencing drugs organizations' employees' job satisfaction.

Bontis, Richards and Serenko, (2011) have indicated that Job autonomy as a methods for Job difficulties and eventually leads to the employees job satisfaction , the examination was led on the huge national telecommunications association in North America.

Hellawell, (2012) have discussed that to reap the benefits of employee satisfaction, an organisation must consider certain practices like discussion with the employees about results (share the bigger picture with them) , have a good communication channels, have a good reward and recognition program, have defined career progression for employees, provide adequate training, build the right culture, etc.

Jain *et. al.* (2012) suggested in their comparative study that “The employees of public banks are more satisfied than the private bank. Recognition, continuous training & education program and challenging jobs can make the employees of public banks more satisfied .And in private banks, secure job environment, welfare policies, and job stability increase the degree of job satisfaction”.

A study conducted by Lorber and Savic (2012) suggested that “Job satisfaction is positively correlated with leadership style, managerial competencies and personal characteristics of leaders”.

Kadarisman (2012) concluded that “salary, benefits and facilities, the relationship between superiors and subordinates, the relationship among co-workers, development, opportunity, safety at work, education, Policies within the organization, conflict resolution and career achievements are the dominant factor that affects the job satisfaction in government organisation”.

Singh and Jain (2013) concluded in their study that “a good work environment and good work conditions can increase employee job satisfaction and the employees will try to give their best which can increase the employee work performance”.

Grover and Wahee (2013) have identified in their research that working environment seems to be one of the most important ingredients of job satisfaction followed by job security, salary and benefits, training, performance, superior subordinate relationship and fairness in the job.

Devi and Nagini (2013) concluded in their investigation that the employees are more satisfied with factors like working conditions in bank, benefits received, healthy work environment, welfare policies, challenging and responsible jobs, dignity and respect provided by the job, good opportunities for growth of employees and relatively less satisfied with working hours, study or training leaves, attitude of management, role overload, tedious work and quality time for family member.

A study by Tanjeen, (2013) shown that “the factors that lead to highest satisfaction are working condition, job security and relationship with co-workers and pay and the factors that lead to lowest satisfaction are freedom, relationship with immediate supervisor and promotion. In addition to this autonomy, decision making authority, promotion structure based on performance and recognition should also be taken into the consideration.”



According to Chahal *et. al.* (2013), study presented that the overall satisfaction of bank employees is associated with different factors of job satisfaction which includes nature of job, working environment, salary and incentives linked job, working hours, promotional methods, performance appraisal, relationship with other employees and management, training and development program, and grievance handling.

Waqas *et. al.* (2014) suggested that Participation in decision making, empowerment, reward and recognition, work place environment are the four major factors that affect the employee job satisfaction.

According to Sharma and Khanna (2014), “salary of employees, performance appraisal system, promotional strategies, employee’s relationship with management and other co-employees, training and development program, work burden and working hours are found important for improving job satisfaction of bank employees in banks”.

Malpani and Varshney (2014) concluded that “people get jobs easily in private sector banks in comparison to public sector bank. In private sector banks, dissatisfaction level is higher in the reference of pay, promotion, working hour, leave facilities. Working environment and behaviour are so good in private sector banks.”

Monga *et. al.* (2015) concluded in their study that salary, inter-personal relationship, communication, attitude of superiors, working conditions and team work have more bearing than the factors of training and development, rewards and compensation, nature of job, job security, morale and role clarity in determining job satisfaction of employees of the ICICI bank in Himachal Pradesh.

Raziqa and Maulabakhsha (2015) concluded that “working environment has a positive impact on job satisfaction. If the working conditions are not proper then it will restrict employees to portray their capabilities and attain full potential, so the businesses need to realize the importance of good working environment for maximizing the level of job satisfaction”. Munira and Rahman (2016) identified that “benefits and salary, organization social support including co-workers and managerial support, and working conditions which support employees’ career development, enhance the job satisfaction of the nurses”.

Sudha and Joice (2017) identified in their study that “Work environment, Co-worker relationship, Salary, Career planning, Rewards have a positive association with job satisfaction.”

Rose (2003) analyzed a number of possible influences on job satisfaction including individual well-being, working hours, work orientation, financial variables, and the employment contract, and market and job mobility. His findings fail to provide strong support for explanations of job satisfaction primarily in terms of socio-technical rewards of the job, although low influence in the workplace did emerge as a significant factor. All but one of the indirect measures developed to represent qualitative features of the workplace remained statistically insignificant, the measure of workplace influence being the exception. Much more important were factors related to the contractual features of the job. Having the ‘right package’ - contractually assured promotion opportunities, annual pay increments, bonuses and, above all, a job that was regarded as permanent - significantly boosted the job satisfaction score, with a marginal increment for not having to work unpaid overtime. There was also little support for the view that job satisfaction rises in a closely linear association with earnings; rather, jobs enabling financial expectations - at whatever level these were set - to be met, were more important. Having a recognized career path was also a highly significant factor relating to job satisfaction. High levels of work stress and a desire to work fewer hours - an aspiration held by a third of the sample of respondents - together accounted for well over a half of a standard deviation in job satisfaction scores. The key point that Rose makes (echoed in his more recent publication, (Rose 2005) is that his conclusions are not intended to demonstrate that intrinsic rewards do not matter in



analysing job satisfaction. However, they may matter significantly less than is sometimes assumed once a greater range of influences is introduced. What is needed is an expansion of the range of causality. Differences in job satisfaction between groups and individuals are extremely complex and require more research, especially in relation to the measures used to gauge job satisfaction.

- **Relationship between pay and job satisfaction**

Difference exists between the connection of pay differential and job satisfaction because of male influence society. In this way pay difference exists between guys and female supervisors. Female feel less satisfaction towards their arrangement rules worried to pay and promotion that point out low level of job satisfaction as coordinate to male bank administrator that have significant pay and satisfaction with job. The decision of satisfaction related with job can be made with the assistance of pay wage frame job. Various types of associations adopt various kinds of wages arrangement of wages. The laborers of low wage and high wage with in growing nations to analyze job satisfaction level and furthermore enlighten various determinants of satisfaction of job among the laborers that exist in low and higher wages in over the world.

- **Correlation between Promotion and Job Satisfaction**

“Promotion is a Shifting of employee for a job of higher significance and higher pay”. “The development of an employee upward in the hierarchy of the association, usually that prompts enhance of responsibility and standard and an improved pay package is a promotion “Another meaning of promotion is "the reassignment of an employee to a higher-position of job. As per the Most of the researchers job satisfaction is highly related with promotion chances and there is a direct and positive relationship between promotional chances and satisfaction of job. The dependence of the positive relationship amongst promotion and satisfaction of job is on perceived justice by laborers. A notable aspects of the career of an employee is promotion that influences different aspects of work experience.

II. LITERATURE REVIEW

As per the explanation of Kalisii (2013), when the employees attain self-actualization on the job. We can say that job satisfaction is originally associated with the efficiency and productivity and also a individual’s self-esteem. IT is very crucial key that leads to pay, promotion and the achievement of various aim that lead to a feeling of satisfaction.

As per the conclusive statement of Nimalathan & brabete (2011), positive relations exists among satisfaction Of employee on the job, Standard of employee performance and many factors like equality in promotion, pay system and suitable job. Moreover, there is positive connection between job satisfaction and positive job surroundings.

As per the Gurusamy and Mahendran (2013), salary of the workers justifies the satisfaction of the job when compared to the other determinants based on their analysis

Abdulla, Djebarni and Mellahi (2010) in their finding defined it as the extent to which a job is liked by a worker. Job satisfaction is basically a set of beliefs, attitude and feelings that employees have about the job they are doing. The job satisfaction level of employee can range from highly satisfied to highly dissatisfy. Workers can form attitude about various aspects of their job such as, their supervisor and subordinate behavior, pay, autonomy (George& Jones, 2008). Employees have their own set of needs, demands, wants, desires that need to be considered. As a result of job satisfaction employee will be able to perform more effectively and efficiently which will leads to better performance and higher productivity.



Mullins (2005) in his studies said that; Job satisfaction is a complex and comprehensive concept, different people have different concept or give different meaning about it. Motivation is sometime linked with job satisfaction, with uncertain results. Motivation and satisfaction are not intermittently similar. It is something which shows in the employee's personality in the form of attitude and mindset. For example the employee might feel a sense of accomplishment and that he is working for a higher cause.

Armstrong (2006) defined job satisfaction as attitude and feelings employees have towards their work. Positive and good attitudes regarding job show job satisfaction. Negative and bad attitudes about the job indicate job dissatisfaction.

George *et. al.* (2008) defined job satisfaction as a collection of feeling and beliefs employee has regarding present job. Employee level of satisfaction can range from extreme satisfaction to extreme displeasure. In addition to the attitude to job as a whole, employee also have attitudes about few traits of their jobs like kind of work they do, co-workers, managers or subordinates and also pay.

Chandrasekhar (2011) says organization has to take responsiveness to make a work environment which enriches the ability of employees to become productive in order to increase profits. He even argued that employee to employee interactions and relations are more important than money but management skills and energy are required to improve the performance of the organization.

Mahmood (2012) found that job security and Co-worker's conduct influence the public sector whereas private sector universities educators are more concerned with Supervision, Salary and Promotional opportunities. The public and private university faculty members show variation in the level of job satisfaction.

Gurusamy and Mahendran (2013) say that Salary occupies the First Rank for defining job satisfaction when compared with other determinants based on their study.

Raziq and Maulabakhsh (2015) found that working environments, career growth chances, and progresses are the important factors in the job satisfaction and motivation. Machado-Taylor et al. (2016) found that job satisfaction depends on several demographic factors like age, gender and psychology of the employee.

Waijjer *et. al.* (2017) found that temporary employment affects the level of satisfaction and well-being of workers. Also there might be inequalities between permanent and temporary employees. Whereas highly educated employees consider temporary jobs to be stepping stones to permanent jobs.

Clara Viñas-Bardolet (2018) based on his study found that knowledge based employees are more satisfied than less knowledge employees. The satisfaction of knowledge based employees depends mainly on the financial and nonfinancial rewards given by the firm.

III. CONCLUSION

The satisfaction of job of employee does not rely on the quality factors, it vary from worker to worker based on their motivational and inspirational factors. Some of the common factors that affect the satisfaction are working situations and the economic rewards. Only few employees are inspired by the less supervision therefore the proper and suitable supervision is need to evaluate the performance of the workers. The entire rate of job satisfaction of the workers in government sector is found more satisfied.

REFERENCES

- [1] Reise, A. P. (2010). Race differences in job satisfaction: A reappraisal. *Journal of Human Resources*, 16, 295–303.
- [2] Bellemare, C., & Shearer, P. S. (2011). Sorting, incentives and risk preferences: Evidence from a field ex-periment. *IZA Discussion Papers*. Bonn, 2227.
- [3] Benabou, R., & Serenko, J. (2011). Intrinsic and ex-trinsic motivation. *Review of Economic Studies*, 70, 489–520.



- [4] Hellawell, S., Gintis, H., & Osborne, M. (2012). The determinants of earnings: A behavioral approach. *Journal of Economic Literature*, 39, 1137–1176.
- [5] Brown, J. (2012). Unequal pay, unequal responses? Pay referents and their implications for pay level satisfaction. *Journal of Management Studies*, 38, 879–896.
- [6] Lorber, C. B., Song, F., & Tapon, F. (2012). Sort-ing and incentive effects of pay for performance: An Experimental investigation. *Academy of Management Journal*, 50, 387–405.
- [7] Kadarisman, A. (2001). What really matters in a job? He-donic measurement using quit data. *Labour Economics*, 8, 22–42.
- [8] Malpani, R., Estrin, S., & Wooden, M. (1992). Pay for performance incentives and work attitudes. *Australian Journal of Management*, 17, 217–232.
- [9] Geddes, Lori, A., & Chandrasekhar, J. S. (2011). Gender and piece rates, commissions and bonuses. *Industrial Relations*, 42, 419–444
- [10] Gibbons, R. (1998). Incentives and careers in organizations. *Journal of Economic Perspectives*, 12(4), 115–132. doi:10.1257/jep.12.4.115
- [11] Grund, C., & Sliwka, D. (2006). Performance pays and risk aversion. *IZA Discussion Papers*. Bonn, 2012.
- [12] Kalisii, T. S. (2013). Subjective outcomes in eco-nomics. *Southern Economic Journal*, 71, 2–11.
- [13] Hamermesh, W. S. (2017). The changing distribution of job satisfaction. *Journal of Human Resources*, 36, 1–30
- [14] Heywood, John S. and Xiangdong Wei. 2006. "Performance Pay and Job Satisfaction," *Journal of Industrial Relations* 48: 523 – 540.
- [15] Jirjahn, Nagini. 2013. "A Note on Efficiency Wage Theory and Principal-Agent Theory." *Bulletin of Economic Research* 58: 235 – 52.
- [16] Gurusamy and Peter (2013). "Performance Pay, Productivity and Morale," *Economic Record* 71: 231 – 50.
- [17] Lazear and Edward (2000). "Performance Pay and Productivity." *American Economic Review* 90:1346 – 61.
- [18] Lazear, Edward P. 1986. "Salaries and Piece Rates." *Journal of Business* 59: 405-31.
- [19] McCausland, W., Pouliakas, K. and Theodossiou, I. 2005. "Some Are Punished and Some Are Rewarded: A Study of the Impact of Performance Pay on Job Satisfaction." *International Journal of Manpower* 26: 636 – 59.
- [20] George, M.P. and P.W. Mulvey. 2008. "Consequences of Satisfaction with Pay Systems," *Industrial Relations* 39: 62 – 87.
- [21] Moen, Rahman R. and Asa Rosen. 2005. "Performance Pay and Adverse Selection," *Scandinavian Journal of Economics*: 107: 279 – 98.
- [22] Sudha, G.S. 2017. "Do Piece Rates Influence Effort Choices? Evidence from Stadium Vendors," *Economics Letters* 73: 117-23.
- [23] Paarsch, Harry J. and Bruce Shearer. 2000. "Piece Rates, Fixed Wages, and Incentive Effects: Statistical Evidence from Payroll Records." *International Economic Review* 41: 59-92.
- [24] Mellahi, Daniel. 2010. "Methods of Pay and Earnings: A Longitudinal Analysis." *Industrial and Labor Relations Re-view* 53: 71 – 86.