

**INDICATORS OF EMPLOYEES' JOB SATISFACTION AND ORGANIZATION
CLIMATE COMMITMENT AT SELECTED FACTORIES: BASIS FOR HUMAN
RESOURCE MANAGEMENT ENHANCEMENT PLAN**

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ABSTRACT: *This study aims to find out the key factors affect the employees' job satisfaction and organization climate commitment at selected factories in Vietnam. The researcher surveyed 620 people working at three selected factories of Hong Minh Co. Ltd. in Ho Chi Minh City: Song Than, Tan Binh and Binh Duong Factory. These respondents include those who are currently managers and workers these three factories. The primary sources of data collected from June 2015 to June 2017 in Vietnam. Simple random sampling technique. The Data analyzed weighted mean. Responses measured through an adapted questionnaire on a 5-point Likert scale. Finally, the findings of the study have the various factors affect the employees' job satisfaction and organization climate commitment at selected factories in Vietnam with significance level 0.05.*

KEYWORDS: Job, satisfaction, commitment and human resource.

INTRODUCTION

Job satisfaction studies often focus on the various, parts that are believed to be important, since these jobs related attitudes predispose an employee to behave in certain ways. Consequently, if a person is dissatisfied with their work, this could lead to dissatisfaction in other areas of their life. Keeping worker's happy helps to strengthen a company in many ways.

In the context of emerging country like Vietnam, a rising of new local businesses and Foreign Direct Investment (FDI), especially in Industrial Park and Export Processing Zones created a tough competition in labor market. The need for more qualified employees is increasing. The newcomer companies are trying to attract employees from their competitors through incentive policies. New paradigm companies find that a critical element in Human Resources practices is the need to highly motivate and retain qualified employees who survive organizational restructuring, downsizing, consolidation, reorganizing or re-engineering initiatives. Employee retention and productivity are two main factors contribute significantly to the success of organizations in today's competitive business environment. Essentially more organizations are recognizing that retention is a strategic issue and presents a comparative advantage.

The high inflation of Vietnam economy and increasing cost of living CPI of October 2014 increases 7% in comparison with October 2013 add more difficulties to the life of blue-collar workers. Therefore, looking for higher pay jobs and striking for pay rises and benefits are ways the workers used to do to solve their problems. A small company manages affairs, a large company manager people. In the context of Vietnam, labor-weighted manufacturing companies are facing high turnover as well as the waves of strikes. Workers are requiring higher pay to afford their

survival needs at least. These issues become imperative to employers. Therefore, the researcher chosen topic "*Indicators of employees' job satisfaction and organization climate commitment at selected factories: basis for human resource management enhancement plan*" as a paper. This paper helps managers who apply the research results for improving policy on human resource management plan better in the future.

LITERATURE REVIEW

Organizational Commitment: A look at literature reveals no universal definition of organization climate commitment (OCC). Various researchers hold different theoretical perspectives on the concept of organization climate commitment. (Amiri, M., Khosravi A., & Mokhtari, A, 2010) studied that majority of researchers provided a definition of organization climate commitment based on either a behavioral perspective or an attitudinal perspective while It made a distinction between the attitudinal and behavioral approaches to commitment and provides a description of the way commitment has been viewed in contrast based on two perspectives. On the other hand, organizational commitment presented a cyclical relationship that exists between the two types whereby the commitment attitudes generally result in commitment behaviors reinforcing commitment attitudes. It is important to note that existing literature has viewed commitment as a positive and active attitude towards the organization from both perspectives.

Job Satisfaction: It has been defined in many different ways. Some believe it is simply how content an individual is with his or her job, in other words, whether or not they like the job or individual aspects or facets of jobs, such as nature of work or suspension (Cherati, H., Mahdavi, I., & Rezaeian, J, 2013).

1. **Personnel policy regulation:** Regulations can be considered as restrictions promulgated by company. Then Policies are systems of codified decisions, established by an organization, to support administrative personnel functions, performance management and employee relations (Hong, T. T., & Waheed, A., 2011).

2. **Job security:** It is an assurance that an individual will keep his or her job without the risk of being unemployed. S/he will have continuity in employment and it may be from the terms of a contract of employment, collective bargaining agreement, or labor legislation that prevents arbitrary termination. Events related to signs of presence or absence of job security (Javed, M., Rafiq, M., Ahmed, M., & Khan, M, 2012).

3. **Job itself:** Events to role conflict, role ambiguity, task identify, work itself challenge, matching job and person. This survey would be conducted with manufacturing workers. They had a single role and task. Therefore, the facets of role and task were not considered in the questionnaire (Kim, S, 2009).

4. **Management supervision:** It includes supervisor's willingness to delegate responsibility or to teach; Leadership skill; Fair/unfair treatment; trustful; positive feedback; coaching; recognition of worker's contribution; communication ability; characteristic (Kumar, N., & Singh V, 2011).

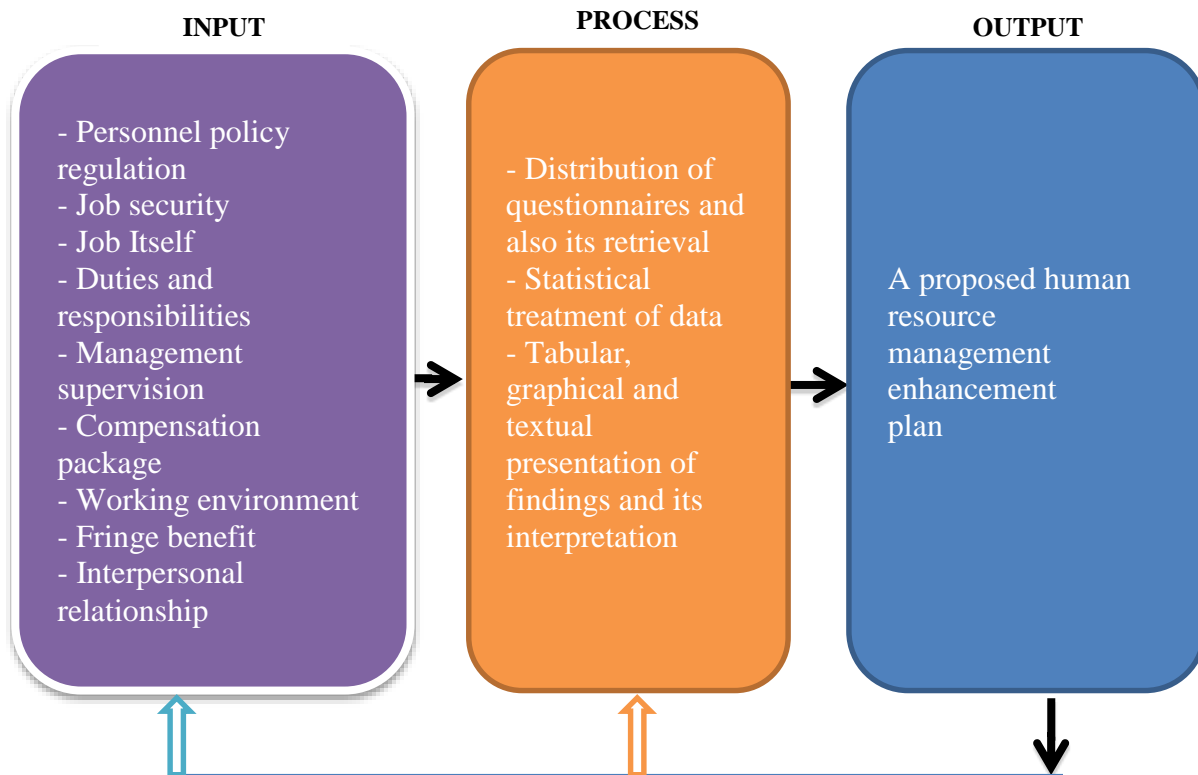
5. **Compensation package:** It includes salary, allowance, bonus and other benefits from the company. a compensation package is the combination salary and fringe benefits an employer provides to an employee. When evaluating competing job offers, a job seeker should consider the total package and not just salary. There is almost an unlimited number of potential benefits packages offered by employers (Ozturk, A. B., Hancer, M., & Im, J. Y, 2014).

6. **Working environment:** It including workshop temperature & climate; working facilities; workload; safety. Basing on preliminary interviews to supervisor, overtime and the location of company might be problems that workers care much after physical working conditions (Yang, S. B., Brown G. C., & Moon, B, 2011).

7. **Fringe benefit:** The benefit that workers received from the factories beside salary. It is benefits provided by an employer to an employee (Saleem, R., Mahmood, A., & Mahmood, A, 2010).

8. **Interpersonal relationship:** It is a strong, deep or close association or acquaintance between two or more people that may range in duration from brief to enduring. This association may be based on inference, love, solidarity, regular business interactions, or some other type of social commitment. Opportunities to socialize; Sense of camaraderie and teamwork; the practice dealing with disruptive individuals (Ozturk, A. B., Hancer, M., & Im, J. Y, 2014).

The briefly demonstrates proposed feedback mechanism used in this study, following:



(Source: The researcher proposed)

Figure 1: The Paradigm of the Study

Hypothesis:

While collecting and studying factors influencing worker’s job satisfaction and workers’ organizational commitment, author gives the following hypotheses:

1. There is no significant difference on respondents' assessment on factors Influencing Workers' Organizational Commitment.
2. There is no significant relationship between factors influencing worker's job satisfaction and workers' organizational commitment.

METHODS OF RESEARCH

Quantitative approach is main tool for this study. Both primary and secondary data used for all analytical methods. Preliminary interviews were conducted face-to-face with five heads of department who had worked for the companies over 10 years. The aim of interview was to collect supervisors' views about human resources issues that might influence worker turnover. Open questions were conducted to encourage their further contribution. This approach provided the interviewer detailed and meaningful data (Hoang Trong and Chu Nguyen Mong Ngoc, 2008).

Another source of primary data was also collected from exit workers. In-depth interview was conducted with 17 left-workers. Besides background information, they would be asked the reason of leaving and their expectation from new job. The questionnaires for the survey would be developed basing on the information collected from the interviews mentioned above.

Questionnaire survey was designed to collect information of works' opinion. Exploratory study was used to discover factors having impact on the level of workers' commitment and satisfaction. The questionnaire included two sections: Section 1: This section consisted of 59 questions. It was designed to examine the fulfillment of human resource practices in three factories of Hong Minh Co. Ltd. The respondents would be asked to agree or disagree with Likert scale anchored by 1 "strongly disagree" to 5 "strongly agree". Section 2: This section consisted of 6 questions. It was used to collect background information of respondents.

Secondary data: It was collected from Human Resource Department (HRD), import & export department. Also, it was gathered from economics news and journal of management study. Measurement scales of the questionnaire: It basing on the theories and researches were mentioned in the previous chapter together with information collected from preliminary interviews, the measurement scales of the questionnaire adapted and developed as the below table.

The survey was conducted with manufacturing workers having seniority above six months. The employee lists provided by HRD was sorted by tenure. Workers with seniority under six months were eliminated from the survey list. The remaining list would be divided by two, female and male list. Then the researcher selected randomly on these two lists to obtain balance ratio of gender.

Sample size: Refer to the sample size defined in the Multivariate Data Analysis book (Hair, J.F., Jr.; Black, W.C.; Babin, B.J.; Anderson, R.E, 2014), as a general rule, the minimum sample size is to have at least five times as many observations as there are variables to be analyzed, and the more acceptable size would have a ten-to-one ratio. The questionnaire was designed with 59 variables; the sample size needing for analysis should be 300 at least. The researcher expected to receive about 60% answers returned and met requirements. Thus, 620 questionnaires were issued and made up about 30% population

Respondents of the study

Respondents of the study were Vietnamese workers working at three selected factories of Hong Minh Co. Ltd. in Ho Chi Minh City: Song Than, Tan Binh and Binh Duong Factory. These respondents include those who are currently managers and workers these three factories.

Research instruments: The questionnaire was adapted and developed in English. However, the target respondents were Vietnamese workers. Therefore, the questionnaire should be translated into Vietnamese as understandable as possible. Fifty questionnaires were sent to workers for testing purpose to ensure that the questionnaires could be understood well as what the questions mean. Together with the comments from experts, the questionnaires were revised before putting these questionnaires in a survey.

Data Gathering Instruments: It conducts survey 620 questionnaires were sent to workers in selection list through tools-distribution staff who were well trained in explaining the purpose of survey and questions. The returned questioners were collected by a mail box to take away worker's fear of their judgments (Hair, J.F., Jr.; Black, W.C.; Babin, B.J.; Anderson, R.E, 2014).

Data Gathering Procedures: All returned questionnaires were checked for validity before keying them in database. The data file was tested and refined before being used in the research.

Statistical treatment of the Data: The following are statistical tools used for the interpretation of results relative to the sub-problems.

1. Frequency. It is the actual response to a specific item/question in the questionnaire where the respondent ticks his choice.
2. Percentage. This is as descriptive statistics or something that describes a part of the whole. The formula is: $\% = f/N \times 100$
3. Weighted Mean. This gets the average frequency of the responses in each weighted item.
4. Ranking. This reinforces the percentage to show the proportional importance of an item considered.

RESEARCH RESULTS**Table 1: Factors influencing workers' job satisfaction with personnel policy regulation**

Criteria	Weighted Mean	Verbal Interpretation	Rank
1. Rules and regulations are applied equally to all employees	3.50	Agree	2.5
2. Employees of high ranking are easily able to avoid the enforcement of many rules and regulations. (R)	3.48	Agree	5.5
3. No exception is made by my employer in applying its rules and regulations.	3.50	Agree	2.5
4. I have been fully provided performance standards of workers	3.50	Agree	2.5
5. The promotion procedures are administered fairly in our company	3.48	Agree	5.5
6. Promotions by my employer are totally based on seniority (R).	3.47	Agree	7.5
7. The company policies of salary, bonus are administered the same in all department	3.50	Agree	2.5
8. The procedures used to determine salary increases are administered fairly in our company.	3.40	Agree	9
9. Dismissal policy is administered explicitly in my company	3.47	Agree	7.5
Composite Weighted Mean	3.48	Agree	

(Source: The researcher's collecting data and SPSS 20.0)

Table 1 showed that the respondents assessment on factors influencing worker's job satisfaction as to personnel policy regulation. As presented in the data, all items were rated by the respondents as agree: Rules and regulations are applied equally to all employees (WM=3.50) rank 2.5; No exception is made by my employer in applying its rules and regulations (WM=3.50) rank 2.5; I have been fully provided performance standards of workers (WM=3.50) rank 2.5; The company policies of salary, bonus are administered the same in all department (WM=3.50) rank 2.5; Employees of high ranking are easily able to avoid the enforcement of many rules and regulations (WM=3.48) rank 5.5. The promotion procedures are administered fairly in our company (WM=3.48) rank 5.5; Promotions by my employer are totally based on seniority (WM=3.47) rank 7.5. The composite mean value of 3.48 were interpreted by the respondents as agree on factors influencing worker's job satisfaction as to personnel policy regulation.

Table 2: Factors influencing workers' job satisfaction with job security

Criteria	Weighted Mean	Verbal Interpretation	Rank
1. I am confident that I will be able to work for this company as long as I do a good job	3.48	Agree	2
2. My job is a secure one	3.47	Agree	3
3. I am confident that the company growth will bring us the security of job	3.50	Agree	1
Composite Mean	3.48	Agree	

(Source: The researcher' processing SPSS 20.0)

Table 2 showed that the respondents assessment on factors influencing worker's job satisfaction as to job security. As revealed in the data, all items were interpreted as agree: I am confident that the company growth will bring us the security of job (WM=3.50) rank 1; I am confident that I will be able to work for this company as long as I do a good job (WM=3.48) rank 2; and My job is a secure one (WM=3.47) rank 3. The computed composite mean value of 3.48 were assessed by the respondents as agree on factors influencing worker's job satisfaction as to job security.

Table 3: Factors influencing workers' job satisfaction with job itself

Criteria	Weighted Mean	Verbal Interpretation	Rank
1. I have opportunity to learn new things and skills from my job	3.45	Agree	2
2. My present job is suitable to my competence and characteristics	3.55	Agree	1
3. The training I received from the company supported much for my current job	3.42	Agree	3
4. The amount of training I was offered supports for my advancement	3.40	Agree	4
Composite Mean	3.46	Agree	

(Source: The researcher' processing SPSS 20.0)

Table 3 showed that the respondent's assessment on factors influencing worker's job satisfaction as to job itself. As shown in the data, all criteria were rated by the respondents as agree: My present job is suitable to my competence and characteristics (WM=3.55) rank 1; I have opportunity to learn new things and skills from my job (WM=3.45) rank 2; the training I received from the company supported much for my current job (WM=3.42) rank 3. And The amount of training I was offered supports for my advancement (WM=3.40) rank 4. the computed composite mean value of 3.46 were assessed by the respondents as agree on factors influencing worker's job satisfaction as to job itself.

Table 4: Factors influencing workers' job satisfaction with management supervision

Criteria	Weighted Mean	Verbal Interpretation	Rank
1. I receive regularly the update/feedback on my job performance from my supervisor	3.48	Agree	4
2. My supervisor is technically competent	3.47	Agree	5.5
3. My supervisor clearly explains policy and procedure changes	3.50	Agree	3
4. Performance appraisal is fairly administered in my department	3.40	Agree	10.5
5. My supervisor lets me know which areas of my performance are weak	3.47	Agree	5.5
6. My supervisor can be relied on when things get tough on my job	3.45	Agree	8
7. My supervisor deals with all employees fairly	3.55	Agree	1
8. My supervisor treats me with respect	3.42	Agree	9
9. My supervisor is willing to listen to my job-related problems	3.40	Agree	10.5
10. My supervisor does not care about my well-being (R)	3.46	Agree	7
11. My supervisor praises me when I do a good performance	3.53	Agree	2
Composite Weighted Mean	3.47	Agree	

(Source: The researcher' processing SPSS 20.0)

Table 4 showed that the respondent's assessment on factors influencing worker's job satisfaction as to management supervision. As reflected in the table, all criteria were rated by the respondents as agree: My supervisor deals with all employees fairly (WM=3.55) rank 1; My supervisor praises me when I do a good performance (WM=3.53) rank 2; My supervisor clearly explains policy and procedure changes (WM=3.50) rank 3; I receive regularly the update/feedback on my job performance from my supervisor (WM=3.48) rank 4; My supervisor is technically competent (WM=3.47) rank 5.5; My supervisor lets me know which areas of my performance are weak (WM=3.47) rank 5.5; My supervisor does not care about my well-being (WM=3.46) rank 7.

Table 5: Factors influencing workers' job satisfaction with compensation package

Criteria	Weighted Mean	Verbal Interpretation	Rank
1. Salary levels that my company has just applied compare well to other companies in the area.	3.48	Agree	2
2. The salary I receive compare well to my co-worker basing on skill, efficiency and responsibility	3.47	Agree	3
3. The salary I receive reflects my work amount and responsibility	3.50	Agree	1
4. Our company maintains benefits that compare well to other companies in the area	3.40	Agree	4
Composite Weighted Mean	3.46	Agree	

(Source: The researcher's collecting data and SPSS 20.0)

Table 5 showed that all criteria were interpreted by the respondents as agree: The salary I receive reflects my work amount and responsibility (WM=3.50) rank 1; Salary levels that my company has just applied compare well to other companies in the area (WM=3.48) rank 2. The computed composite mean value of 3.46 were assessed by the respondents as agreeon factors influencing worker's job satisfaction as to compensation package.

Table 6: Factors influencing workers' job satisfaction with working environment

Criteria	Weighted Mean	Verbal Interpretation	Rank
1. My working place in the company is convenient and helpful (R)	3.49	Agree	4.5
2. I have adequate working equipment to do my job	3.52	Agree	3
3. I have adequate protecting equipment to do my job (R)	3.53	Agree	1.5
4. I do not have enough time to get everything done on my job	3.49	Agree	4.5
5. My workload is too heavy for my job	3.47	Agree	6
6. Hours of overtime are too much	3.46	Agree	7
7. The distance from my home to work place is far	3.53	Agree	1.5
8. The location of my company is inconvenient for me in moving	3.41	Agree	8
Composite Weighted Mean	3.48	Agree	

(Source: The researcher's collecting data and SPSS 20.0)

Table 6 showed that the computed composite mean value of 3.48 were interpreted by the respondents as agree on factors influencing worker's job satisfaction as to working environment.

Table 7: Factors influencing workers' job satisfaction with fringe benefits

Criteria	Weighted Mean	Verbal Interpretation	Rank
1. Our company rewards workers with good performance	3.65	Agree	3
2. Many incentive programs are established by my company to encourage workers' long term contribution	3.82	Agree	1
3. The rewards I receive are adequate to my contribution	3.76	Agree	2
Composite Weighted Mean	3.74	Agree	

(Source: The researcher's collecting data and SPSS 20.0)

Table 7 showed that the computed composite mean value of 3.74 were assessed as agree on factors influencing worker's job satisfaction as to fringe benefits.

Table 8: Factors influencing workers' job satisfaction with interpersonal relationship

Criteria	Weighted Mean	Verbal Interpretation	Rank
1. I receive support from my coworkers	3.89	Agree	1
2. My co-workers are friendly	3.78	Agree	2
3. The employees in my department work well as a team	3.70	Agree	3
Composite Weighted Mean	3.79	Agree	

(Source: The researcher's collecting data and SPSS 20.0)

Table 8 showed that the computed composite mean value of 3.79 were rated by the respondents as agree on factors influencing worker's job satisfaction as to interpersonal relationship.

Table 9: Summary of respondent's assessment on factors influencing workers' organizational commitment

Variables	T-test		
	t-value	Int.	Decision
1. Job satisfaction	0.78	NS	Accept H ₀
2. Organization climate commitment	1.07	NS	Accept H ₀
Overall t-value	0.87	NS	Accept H ₀

(Source: The researcher's collecting data and SPSS 20.0)

Table 9 showed that the summary of respondents assessment on the significant difference on factors influencing workers' organizational commitment. Given in the data on table 9, the obtained t-values of 0.78 and 1.07 which fell lower than the critical value of 1.645 at five percent level of significance and were interpreted not significant. These values were supported by the computed

over t-value of 0.87 which is less than the critical value of 1.645 at five percent level of significance, the hypothesis that there is no significant difference on respondents assessment is accepted.

CONCLUSIONS AND MANAGERIAL IMPLICATIONS

Conclusions

Based on the findings of the study, the following concluding statement were drawn:

1. In general, the respondents viewed the factors influencing workers' job satisfaction as agreeable on the aforementioned variables.
2. The computed overall weighted mean value of 3.47 was interpreted by the respondents as agree on factors influencing workers' organizational commitment.
3. The computed over t-value of 0.87 which is less than the critical value of 1.645 at five percent level of significance reveals that the there is no significant difference on respondent's assessment hence, the hypothesis is accepted.
4. There is significant relationship between factors influencing worker's job satisfaction and worker's organizational commitment.

Managerial implications

Based on the findings and conclusions, the following recommendations are suggested:

1. It suggested that the following recommendations be adopted by the selected factories to motivate their employees:
 - Recognize individual differences,
 - Match people to jobs,
 - Use goals by allowing employees to participate in planning and decision making
 - Individualize rewards,
 - Use recognition,
 - Don't ignore money to pay the salaries/wages, bonuses and other incentives of employees.
2. The management must focus on improving the quality of the product or service their enterprises provide.
3. Promote and improve the competitiveness of Vietnam enterprises and building their trademarks.
4. A similar study in the future is suggested to validate and confirm the findings of this study.

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