

Linkage between Demographic Factors and Employee Job Satisfaction- A Critical Evaluation of Selected Organized Retails at Bengaluru City

Dr. Sumathi.K

Faculty Member IMSR, Jnana Sahyadri, Kuvempu University

Dr.Vidya.R

Faculty Member IMSR, Jnana Sahyadri, Kuvempu University

Kiran.G

Assistant Professor, Acharya Bangalore B-School

Abstract

Retail industry is one of the pillars of Indian economy with its huge opportunities. Retail industry is largest in India, with an employment of around 8% and contributing to over 10% of the country's GDP. The Indian retail industry can be divided into two parts i.e. organized and unorganized sectors. Organized sector retailing refers to trading activities undertaken by licensed retailers i.e. those who are registered for sales tax, income tax etc. These include the corporate-backed hypermarkets and retail chains, and also the privately owned large retail businesses. Unorganized retailing, on the other hand, refers to the traditional formats of low-cost retailing, for example, the local kirana shops, owner manned general stores, paan/beedi shops, convenience stores, hand cart and pavement vendors etc. In the recent past the organized retail sector in India is experiencing its transformation. Customers are preferred to shop at organized retail shops due to increased disposable income, changing life styles and quality of services offered by the retailers. In this view the retailers are concentrating on having better HR policies to satisfy their employees there by satisfying the customers too. But satisfaction of the employees is very difficult as the satisfaction is not only depended on the organizational facilities but demographic profile of the employees as well. Therefore the present study is an attempt to identify factors influencing employee satisfaction and the linkage between the demographic factors and employee satisfaction which will boost the development in the sector.

Key Words: Organized Retail Industry, Employee Job Satisfaction, HR Strategies

Introduction

The retail sector has played a phenomenal role in India with tremendous contribution to the Indian economy. Retailing sector has been observing tremendous changes with the entry of organized retail companies. The organized retailing in India is undergoing a metamorphosis and is expected to scale up to meet international standards(). At the same time the industry is experiencing cut through competition from the global retailers consequently they have realized the need for efficient manpower. In this backdrop satisfaction of the employees has become their prime concern. They have implemented strategies and provided their employees a good financial and non financial benefits where as the employees can be satisfied by these facilities. However Human beings are considered as the dynamic elements of management. The success of an organization depends hugely on the efforts of the human resources. Human resource is now recognized and utilized as the most valuable of all organizational assets. The resources of men, money, materials and machinery are collected, co-ordinate and utilized through people. But the difficult task in front of HR managers is to satisfy the employees, because the employee satisfaction is considered weighty when it comes to define organizational success. Employee's satisfaction is central concern particularly in the service industry. Need to enhance employee satisfaction is critical because it is a key to business success of any organization. At the same time apart from the efforts made by the

organization to satisfy its employees, other factors will also contribute to the satisfaction.

Review Literature

Deepika Jhamb, Ravi Kiran (2011) have focused on identifying the growth and growth potentials of organized retail industry in India. The Indian retail sector is witnessing tremendous growth with the changing demographics and an increase in the quality of life of urban people. Retail Sector is the most booming sector in the Indian economy. With a growing economy, improving income dynamics, rising awareness, and a youth-heavy customer base, India is well on its way to become one of the most prospective markets for the domestic and global retailers. The main objective of the study was to strategically analyze the Indian retail Industry. The present paper identifies the drivers which affect the growth of the Indian retail market, looks at the major factors affecting the retail business and to carry out the SWOT analysis of organized retail in India. The results of the study depict that infrastructure, economic growth and changing demographics of consumers are the major drivers of organized retail in India. The location of the retail store, management style and adequate salaries to personnel enhance the effectiveness of retail business and are important factors for retailers.

Lise M. Saari and Timothy A. Judge (2004), opines that "Happy employees are productive employees", and "Happy employees are not productive employees". Because the employees' satisfaction depends on their attitude. Therefore the author suggested some of the strategies to the HR practitioner for their knowledge gap. The study recommends that the practitioners have to concentrate on the work situation as it is the cause of employee attitude. The study also entails that the culture and key personality traits, core self-evaluation are directly related with the employee job satisfaction. The study concluded that the field of industrial/ organizational psychology has a long, rich, and at times, controversial history related to the study and understanding of employee attitudes and job satisfaction.

Kurt Matzler, Birgit Renzl., (2007) evidenced in their article that the employee satisfaction is an innermost concern in service industry. It is a multi-

factorial construct. Employee satisfaction contains basic factors, excitement factors and performance factors. Basic factors are the minimum requirements that cause dissatisfaction. Excitement factors increase customer satisfaction and performance factors result in satisfaction only when performance is high.

Rachel W.Y. Yee, Andy C.L. Yeung, T.C. Edwin Cheng., (2008) Employee satisfaction is closely related to service quality and customer satisfaction which is then related to firm profitability. Service quality has a positive persuade on customer satisfaction. Besides this, firm profitability has a reasonable non-recursive effect on employee satisfaction. Employee satisfaction plays a considerable role in enhancing the firm profitability and improving operational performance of organizations and quality of goods and services. There is no doubt in it that employee satisfaction is critical to attain quality and profitability especially in service industry. Employee satisfaction impacts quality at industry through satisfaction-quality-profit cycle. In service industry, to achieve quality and profitability at organization, employee satisfaction is fundamental and without it, service industry cannot think of being successful.

Research Design

Research Gap

From the above literature review it is clear that many researchers have undertaken studies on employee job satisfaction in many organizations, they have concentrated on the different issues and influence of employee satisfaction on the organization performance. But in the field of organized retailing the employee job satisfaction is not studied clearly and the influence of the demographic factors on the employee job satisfaction is not addressed as well. Therefore the present study is an attempt to fill this gap.

Objectives of the Study

1. To study the factors determining employee job satisfaction at organized retail organizations at Bengaluru
2. To critically examine the influence of demographic factors on the factors influencing employee job satisfaction

Scope of the Study

The scope of the present study has covered the employee of selected organized retail organizations in Bengaluru city like shopperstop, Reliance groups, Lifestyle, Future groups, More etc..

Methods of Data Collection

In order to reach above stated objectives the primary data is collected through Questionnaire and observation methods. Secondary data is collected through published sources like Journals, Books and e-sources.

Sampling Techniques adopted

For this study simple random sampling was used and respondent groups had the employees at both the levels of managerial and employee.

Sample Size

The sample size of the study is limited to 300 employees who are working at various organized retail organizations.

Statistical tool used for analysis:

In order to reduce the factors selected for the study factor analysis is used, before that to see the reliability of the data Cronbach's Alpha test has been used. In order to prove the set hypothesis for the study chi-square test has been used. And the test is done through the SPSS software

Hypothesis tested

H10: There is no significant relationship between the demographic factors and employee job satisfaction under identified factor-1

H20: There is no significant relationship between the demographic factors and employee job satisfaction under identified factor-2

H30: There is no significant relationship between the demographic factors and employee job satisfaction under identified factor-3

Scope for Further Research

Respondents considered for the present study is limited to 300 employees and also the study is only covered the geographical area of Bengaluru city. Further study can be done for various metro and Cosmo cities in India by applying various models available.

Analysis and Discussions

In order to analyze the primary data factor analysis and to test the hypothesis set for the study chi-square test has been used.

Factor Analysis:

In order to study the employee job satisfaction at the study area various factors has been used. Out of those factors to find out major factors that contribute towards the employee's satisfaction at selected retail organizations data reduction technique is used. The factor analysis is a statistical technique which is used to reduce the large number of attributes in to similar groups based on the responses received from the respondents. To check out the data reliability for factor analysis cronback's Alpha test has been used as shown below.

Reliability Statistics	
Cronbach's Alpha	N of Items
.826	17

Table			
Rotated Component Matrixa			
	Component		
	1	2	3
There is a Flexibility in Working Hours	.017	-.114	-.086
Treated Fairly	.104	.827	.048
Supportive Manager	.037	.715	-.021
Freedom for Decision Making	.006	.912	-.032
Job Recognition	.893	.116	-.009
Team work atmosphere	.024	.136	.233

Relationship with the co-worker	.149	-.112	.660
Relationship with the higher authority	-.047	-.133	.729
Benefits and responsibilities are communicated with the employees	-.038	-.077	-.082
Satisfactory Salary	.769	-.004	.126
Good career Prospects	.692	.039	-.146
Appreciation of creativity and innovative ideas	.604	-.097	-.019
Satisfactory Welfare facilities	.893	.116	-.009
Involvement in management decisions	.784	-.032	.151
Training opportunities	.853	.178	.058
Opportunity to identify individual SWOT	-.114	.009	.681
Match between qualification and job responsibilities assigned to me	-.014	-.130	-.367
Extraction Method: Principal Component Analysis.			
Rotation Method: Varimax with Kaiser Normalization.			
a. Rotation converged in 4 iterations.			

Source: SPSS Output

Interpretation

From the above table it is clear that attributes under component 1 are Job recognition, good career prospects, satisfactory welfare facilities, and training opportunities which have a high factor loading of 0.963, 0.756, 0.963, 0.972 this shows that these attributes are much influencing the employee satisfaction in selected segments of organized retail organizations, therefore it is termed as Benefits and Career Growth.

The attributes coming under Component 2 are Fair Treatment, Supportive manager and freedom for decision making, which have a high loading of 0.819, 0.732 and 0.926, this shows that these attributed are next influencing factors to the employee job satisfaction at organized retail organizations, which is named as Empowerment and Working Environment.

The attributes coming under Component 3 are Relationship with co-workers, Relationship with the higher authority, Satisfactory Salary, involvement in management decision, which have a high loading of 0.660, 0.729 and 0.681, this shows that these attributes are next influencing factors to the employee job satisfaction at organized retail organizations, which is named as Working Relationships.

Remaining factors like team work atmosphere, communication of benefits and responsibilities, match between qualification and job responsibilities, and flexibility in working hours are not much influencing factors to the employee job satisfaction.

Further to study the influence of demographic factors on the satisfaction level of the employees regarding the identified factors the following hypothesis has been checked out by using Chi-square test.

Hypothesis Testing:

H10: There is no significant relationship between the demographic factors and employee job satisfaction under identified factor-1

Chi square test for Factor-1(Benefits and Career Growth) and Demographic Factors							
Test Statistic							
	Job Recognition	Satisfactory Salary	Good career Prospects	Appreciation of creativity & innovative ideas	Satisfactory Welfare facilities	Involvement in management decisions	Training opportunities
Chi-Square obtained value (Gender)	0.29	0.199	1.13	1.139	0.169	0.312	0.075
Df	4	4	4	4	4	4	4
Critical value	9.488	9.488	9.488	9.488	9.488	9.488	9.48
Chi-Square obtained value (Age)	1.823	0.837	1.495	0.695	1.828	0.947	1.025
Df	2	2	2	2	2	2	2
Critical value							
Chi-Square obtained value (Education Qualification)	2.020	0.036	3.387	1.535	2.020	0.576	0.500
Df	1	1	1	1	1	1	1
Critical value							
Chi-Square obtained value (Marital Status)	0.111	0.704	0.591	0.032	0.111	0.299	1.043
Df	1	1	1	1	1	1	1
Critical value							
Chi-Square obtained value (Social Background)	0.181	0.001	0.128	0.388	0.189	0.063	0.000
Df	1	1	1	1	1	1	1
Critical value							
Chi-Square obtained value (Length Of the Service)	1.525	0.07	0.847	0.098	1.525	0.019	0.671
df	16	16	16	16	16	16	16
Critical value	26.296	26.296	26.296	26.296	26.296	26.296	26.296

Inference: From the above test it can be clear that in all the cases calculated chi-square value is less than the critical value. Hence the null hypothesis is rejected and it is proved that the demo-

graphic factors like Gender, Age, Education qualification, Marital status, social background and length of the service is influencing the satisfaction of the employees for the components of Factor-1.

H20: There is no significant relationship between the demographic factors and employee job satisfaction under identified factor-2

Chi Square test for Factor-2 (Empowerment and Working Environment) and Demographic Factors			
Test Statistics			
	Treated Fairly	Supportive Manager	Freedom For Decision Making
Chi-Square (Gender)	2.91	0.594	1.434
Df	2	2	2
Critical Value			
Chi-Square (Age)	0.002	0.002	2.059
Df	4	4	4
Critical Value			
Chi-Square (Education Qualification)	4.759	1.692	2.899
Df	1	1	1
Critical Value			
Chi-Square (Marital Status)	3.411	3.230	5.998
Df	1	1	1
Critical Value			
Chi-Square (Social Background)	2.424	0.500	1.108
Df	1	1	1
Critical Value			
Chi-Square (Length of the Service)	0.814	1.105	0.529
Df	16	16	16
Critical Value	26.296	26.296	26.296

Inference: From the above test it can be clear that in all the cases calculated chi-square value is less than the critical value. Hence the null hypothesis is rejected and it is proved that the demographic factors like Gender, Age, Education quali-

fication, Marital status, social background and length of the service is influencing the satisfaction of the employees for the components of Factor-2.

H30: There is no significant relationship between the demographic factors and employee job satisfaction under identified factor-3

Chi Square test for Factor-3 (Working Relationships) and Demographic Factors			
Test Statistics			
	Relationship with the Co-Worker	Relationship with the Higher authority	Opportunity to identify individual SWOT
Chi-Square (Gender)	1.222	0.661	0.265
Df	4	4	4
Critical Value	9.488	9.488	9.488
Chi-Square(Age)	4.506	1.76	0.26
Df	2	2	2
Critical Value			
Chi-Square(Education Qualification)	2.588	0.181	0.059
Df	1	1	1
Critical Value			
Chi-Square(Marital Status)	0.107	0.035	1.085
Df	1	1	1
Critical Value			
Chi-Square(Social Background)	0.331	1.754	0.012
Df	1	1	1
Critical Value			
Chi-Square(Length of the Service)	0.29	0.08	1.841
Df	16	16	16
Critical Value	26.296	26.296	26.296

Inference

From the above test it can be clear that in all the cases calculated chi-square value is less than the critical value. Hence the null hypothesis is rejected and it is proved that the demographic factors like Gender, Age, Education qualification, Marital status, social background and length of the service is influencing the satisfaction of the employees for the components of Factor-3.

Discussions

From the above discussions it is clear that all three null hypotheses are rejected. The reason for this is the employees working at the organized retail organizations are not much qualified for all the cadres. For managerial level only the retailers appoint the degree holders and PG holders, whereas for other jobs they prefer SSLC and PUC holders. Moreover the organized retails are providing job opportunities for urban and rural people as well. And the facilities provided by them are

much better than other industries like textiles, manufacturing, and garments. In order to compete with the global players in the field the retailers are also adopted good HR strategies that made the employee to satisfy with the benefits and also facilities. However the demographic factors are the major contributors to the employee job satisfaction, as the expectations of the people in the organization always depends on their gender, age, marital status and also other demographic factors. The present study has proved the same. In addition to that the satisfaction of the employees at the selected organized retail organizations is also studied.

Major Findings

For the study many variables are selected to check out the employee job satisfaction but in order to find out the variable which influence much factor reduction technique has been used. In the factor reduction technique many variables are not considered for further analysis as they got least factor loading, the reason for least factor loading is because of the negative response of the respondents for some of the variable selected for the study. The negative response says that they are not satisfied with some of the issues in the organization. Those issues can be discussed as Flexibility in working hours, team work atmosphere, communication of benefit and responsibilities and also match between qualification and job responsibility assigned.

Managerial Implications

- i. In order to solve the above identified problems it is suggested that the retailers can provide shift facilities to the employees where as they can reduce the waste of manpower and also go for proper utilization of it.
- ii. The retailers can also have training centers and facilitate training programmes to the employees to develop their interpersonal skills and develop team work atmosphere.
- iii. Measures should be taken for the proper communication of the responsibilities assigned to them and also benefits provided to the employees, so that the employees can full fill their responsibilities properly and make use of the benefits provided at the organization.

iv. The employees can be appointed based on the qualification and also experience can be considered while promoting them to the higher level jobs so that the problem of match between the qualification and responsibilities assigned can be solved.

Conclusion

Retail industry is one of the pillars of Indian economy with its huge opportunities with an employment of around 8% and contributing to over 10% of the country's GDP. Especially organized retails in the recent years experiencing tremendous growth with the entry of global players and strengthened domestic players. Now a days the customers are also preferred to shop at organized retail shops not only for the quality and verity in addition to that the service provided. Therefore in order to satisfy the potential customers the retailers need to adopt HR strategies which lead to both employee satisfaction and customer satisfaction. Because, the satisfied employees can only keep their customers happy and satisfied. However the employee satisfaction also depends on the demographic factors. The organization needs to imbibe the policies and practices which lead to employee job satisfaction.

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