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**Job Satisfaction & Socio Demographic diversity in Indian Organizations**

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**Abstract**

Satisfaction is not an independent emotion it is dependent of a lot of factors contributing to the feeling. Every organization is a complete blend and mix of various individuals collectively working to achieve professional and organizational goals .The research aims at studying effect of socio-demographic characteristics like age, gender, region, educational qualification, designation of employees, work experience and its effect on job satisfaction. The main objective is to analyze how these factors enhance or decrease the feeling of contentment amongst employees. The survey was conducted on four different types of industry namely Consultancy, Insurance, FMCG and an export house reveals that job satisfaction was considerably affected by age, educational qualification and region whereas gender, experience and designation did not have a considerable impact of level of job satisfaction.

**Keywords:** *job satisfaction; demographic profile; demographic diversity; managing diversity; satisfaction; employees.*

**Introduction:** An organization comprises of employees who form an integral part of the organization .The human and intellectual capital is actually the only appreciating asset in an organization. The value and quantum of success is directly proportional to this factor. Employees direct their synergies and coordinate all their efforts to achievement of these objectives. An organization constantly nurtures its employees and helps them develop in every way. Training, motivating and appraising the workforce creates a balanced environment for growth. The management of diversity approach concentrates on individuals, and includes the improvement of opportunities for all individuals and not just those in minority groups. Managing diversity involves everyone and benefits everyone, which is an attractive message to employers and employees alike (Derek Torrington, Laura Hall, Stephen Taylor, 2005). Managing diversity is about the realization of the potential of all employees ...

certain group based equal opportunities, policies need to be questioned in particular positive action and targets (Kandola and Fullerton, 1994). Diversity is defined as a human characteristic that makes people different from one another. Individual characteristics over which a person has little or no control are biological characteristics namely age, gender, race etc. The conscious modification of the individual after education, designation, salary, geographic location all come together to exert a powerful influence on individual identity and directly affect level and perception of job satisfaction. To survive and prosper in an increasingly heterogeneous society organizations must capitalize on employee diversity as a source of competitive advantage.

The challenge of meeting the needs of a culturally diverse workforce and of sensitizing workers and managers to differences associated with gender, race, age and nationality in an attempt to maximize the potential productivity of all employees (Ellis and Sonnenfeld 1994). Multicultural management perspective fosters more innovative and creative decision making satisfying work environment, and better products. A number of people have a contribution to make and are encouraged to be involved in a meaningful way.... More information, more points of view are better than fewer (Ellis and Sonnenfeld, 1994). Recognizing that men and women present different cultures at work and this diversity needs to be managed. Men and women have different perceptions, interpretations of reality, language and ways of solving problems, if properly used can benefit whole organizations and improve job satisfaction (Masreliez-Steen, 1989). Individual self esteem is important to performance. People who feel comfortable in their work environment are more likely to feel confident in their ability to contribute, business, social and moral values are one and the same, job is part of life. The more productive people are those who feel valued. Productive people= a high performance organization.(F.La Fasto, 1992). Increased heterogeneity at workplace can be anticipated by managers, they should be prepared to deal with the challenges associated with such demographic changes. Effective management of diversity can increase an organizations productivity through several avenues. The attainment of benefits depends upon how well diversity is managed. Amount of diversity, cultural awareness training, and awareness of background information on group members affect the quality of idea generation. Level of heterogeneity should also be aptly managed yet there is no specified level that defines the level of heterogeneity and performance as compared to a specific consideration of race, ethnicity or gender. Demographic trends have a major implication for career potential and job satisfaction of individual worker. Theories prove that implications of aging are that workforce will be more experienced, stable and reliable. As a result more productive, but less flexible and younger people may be more dynamic in comparison (Charles R. Greer, 2005). The Labour force is becoming more diverse in terms of ethnicity, race, gender, disability and other cultural factions. The managerial challenge is learning how to take advantage of this diversity and also create a feeling of contentment amongst employees at all levels (Luis R.

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Gomez-Mejia, David B. Balkin, Robert L. Cardy, 2005). Job Satisfaction is associated with how well our personal expectations at work are in line with outcomes.

**Literature Review:**

Lefkowitz (1994) states with regard to gender, the evidence is not clear cut, a number of studies and reports that women's job satisfaction is lower than men. The study supports the expectation hypothesis and suggests there is a gender effect on job satisfaction, particularly for wage and work environment (Kwangho Jung, M. Jae Moon and Sung Denk Hahm, 2007). Study reveals that effect of gender as compared to level of satisfaction, highlights that both men and women face work to family interference, for female employees working hours and family to work conflict had a significant and negative effect on their job satisfaction whereas the same was not true for male employees. Even though they too faced similar situations of conflict but their overall job satisfaction levels did not get affected drastically (Karthik Namasivayam and Daniel J Mount, 2004). There is strong evidence of a direct connection between day to day job conditions and workers satisfaction, regardless of gender. Although both men and women evaluate their jobs in terms of the immediate work environment, there are differences in the particular job conditions that influence their assessments (Joane Miller, 1980). The importance of perceived job attributes in accounting for previously observed gender differences in job satisfaction and psychological distress. The results indicated that male ratings of job satisfaction were equivalent to those of females. The results of large surveys provide clear evidence that men and women do not differ with respect to their overall evaluations of job satisfaction (Ebeling, King and Rodgers, 1979). However the above finding does not stand when certain variables like age, education, income and status are held constant. With regard to age there is a tendency for job satisfaction to increase with age. Three views have been advanced concerning the nature of the relationship between age and job satisfaction. The first view is that the relationship is best represented by a U shaped function (Herzberg, Mausner, Peterson and capwell, 1957). Satisfaction decreases initially and then increases with age. The second view is that job satisfaction increases in a positive linear fashion with respect to age (Hulin and smith, 1965). The third function is positive and linear until a terminal period in which there is a significant decline in job satisfaction (Carrell and Elbert, 1974; Salen and Otis, 1964). On the question of education particularly higher education, those who were well qualified experienced lower levels of satisfaction due to a failure to meet expectations (Clarke, 1996). Other factors like work pressure, reservations about remuneration, career prospects could affect this. Research has suggested that education is an important variable in conditioning the kinds of expectation workers bring to the workplace. Interestingly, Studies have found evidence that when job conditions do not correspond with educational attainment the net effect of education on level of workers satisfaction is negative. Moreover there is additional evidence that form of this relationship may be different for men and

women (Jack .k. Martin and Contance .I.Shelian, 1989). Studies based on life cycle and career stage models suggest that determinants of attitudes change depending on the particular stage of the career. Age, however, has been shown to be consistently related to one attitude, job satisfaction (Rhodes, 1983). The contradictions found in the research suggest that other factors like educational qualifications and salary could affect relationship between age and job satisfaction. Education and income strongly moderate the relationship of job satisfaction and life satisfaction (Bamundo Kopelman, 1980). Similar results were found in a study by Gibson and Klein (1970). Age, job tenure, and job satisfaction revealed a positive linear relationship. One group of studies supports the theory that direct effects of education on job satisfaction could be negative (Bruce, Bonjean and Williams, 1968; Carell and Elbert, 1973; Vollmer and Kriney, 1955). Education has an indirect positive effect but a direct negative effect on overall work satisfaction. It appears that education may increase work satisfaction by increasing work rewards. On the other hand the findings also indicate that education which does not lead to greater intrinsic rewards may also reduce work satisfaction. This effect is due higher aspirations of work associated with education (Clifford Motlaz, 1984). Designation/status would depend on other variables education, age and tenure of service, remuneration etc it is not an independent variable. As regards to ethnicity people feel connected to people of similar values, attitudes and regional backgrounds, it prospers the feeling of fraternity. Employee turnover can have a devastating effect on correctional facilities. Excessive turnover wastes recruiting and training dollars. In addition high turnover rates may also directly affect the security of the institution as well as safety of both. Indications studied were that age, job satisfaction and organizational commitment directly influenced turnover intent, whereas gender, job satisfaction, role conflict, role ambiguity, role overload, input into decision making, and organizational fairness indirectly affected employees decision to leave the job (Eric Lambert and Nancy Hogan, 2009). Catalyst (2004) conducted a study of linkages between gender diversity of top management and business performance in fortune 500 companies. After controlling size and industry, the study showed that firms with higher top management gender diversity had 35% higher return on equity and 34% higher total return to shareholders than others firms. Kochan et al (2003), there are a few direct effects of workforce diversity on organizational performance. Research increasingly suggests that the relationship between the presence of diversity and organization performance may not necessarily be simple direct positive or negative. Diversity as a viable construct in research needs to be accompanied by some adjective or modifier: ethnicity, gender, age, educational background, job level, pay, region etc (Konrad, Prasad and Pringle, 2006). Individual attributes include demographic or biographic attributes, competency and personality. Performance= Individual\*work efforts\*organizational support. Individual differences have implications on work place. Strategies may be employed to deal with these differences and capitalize on the increasing diversity of the new workforce. The individual

performance equation views performance as the result of the personal attributes of individuals. The individual attributes consist of demographics competency and psychological characteristics. There are main links between demographics, performance and human resource maintenance (Wood, Wallace, Zeffane, Schermerhon, Hurt and Osborn, 1998). Based on Schneider's (1987) ASA model and Pfeffer's (1983) Organizational demography theory, it is hypothesized that individual demographic dissimilarity and team level demographic heterogeneity are positively related to individual executive turnover (Marleen Godthelp and Ursula Glunk, 2003). Job satisfaction partially mediates the moderating effects of diversity management and demographic context on turnover intention of employees (Sungjoo Choi, 2009). Theoretically a diverse workforce should supply a rich array of different ideas to bear on organizational problems. Such a workforce should produce higher quality work because it brings a broader set of perspectives, approaches and ideas to bear on problem solving (Cox 1993, Stephen B. Knouse and Mickey R. Dansby, 1999).

**Objectives of research:**

- 1) Establish relationships between socio-demographic variables namely age, gender, experience, educational qualification, region and designation with job satisfaction.
- 2) To study the effect of contributing factors on perception of work and engagement of an employee with the organization.
- 3) To analyze the extent to which these variables effect job satisfaction.

**Research Methodology:**

Sample: The sample used is random stratified and further sub stratified. Sample size was 150 employees from companies in four different sectors namely insurance (Iffko Tokyo), Consultancy (Rites Ltd), FMCG (Bonny Baby care) and an Export House (Manu Creations). A total of completed questionnaires used for analysis were 112. The employees from age groups from 20 to 50 were interviewed both male and female employees were part of survey. The sample consisted of people from different regions west, north and south. The designations ranged from trainee to manager to senior level management and their respective educational qualifications. The experience of each employee was also recorded.

Questionnaire: The questionnaire was circulated amongst employees at various levels as per convenience and availability. Questionnaire consisted of information relating to basic demographic information of name, age, gender, educational qualification, job experience, region, designation and other questions relating to sense of belonging, adaptability to organization, understanding of culture, and Likert scale was used for expressing level of job satisfaction.

**Nature of sample:** Six variables were used for analysis, age group (fac.1), Gender (fac.2), Education (fac.3), Designation (fac. 4), region (fac.5), Experience (fac.6). Job satisfaction index measured on Likert scale. Age group 1 represents (20-30), 2 represents (30-40), 3 represents (40-50). In Gender 1 represents male, 2 represents female. In Education 1 represents graduate and 2 post graduate. Designation 1 represents lower management, 2 represents middle management, 3 represents top management. Region 1 represents north, 2 represents south, 3 represents west. In experience 1 represents less than five years, 2 represents 5-10 years, 3 represents more than 10 years. Job sat. index value 2 count is 12, 3-24, 4-54, 5-22, total is 112 respectively.

### Analysis and findings

The response (Job Satisfaction Index) being Ordinal i.e., 5 is better than 4 which is better than 3 etc., the regression approach has been Ordinal Logistic as data is categorical.

### Logistic Regression Table and Interpretation

#### Age Group Vs Satisfaction Level

Age Group (Fac. 1)	Coef	SE Coef	Z	P Ratio	Lw	Up
2	-1.55855	0.634699	-2.46	0.014	0.21	0.06 0.73
3	-0.220850	0.741561	-0.30	0.766	0.80	0.19 3.43

In this case the Reference factor is Age Group of 20 – 30 yrs. All the other levels have been compared with this reference level. The ‘p’ value indicates whether there is a significant difference between the satisfaction level of the reference level vs. the level being compared keeping rest other factors constant.

The ‘p’ value here is 0.014 (1.4%) when compared for level 2 which is age group of 30 – 40 yrs. which is less than 5% hence indicating the significant difference between the satisfaction level of Age Groups of 20-30 and 30 -40 yrs.

The Satisfaction Level of the employees of the age group of 30-40 yrs is significantly higher than the satisfaction level of 20-30 yrs and 40 - 50 yrs.

In this case any change in the level from 2 to any other level would tend to decrease the satisfaction level by an amount indicated by the odds ratio. In this case the odd ratio being .21, it will bring down by 21%.

#### Gender Vs Satisfaction Level

Gender(Fac. 2)	Coef	SE	Coef	Z	PRatio	Lw	Up
2	-0.0718001	0.453526	-0.16	0.874	0.93	0.38	2.26

In this case the Reference factor is Male gender. Since the P value in this case is not less than 5%, this means that there is no significant difference in the satisfaction levels of the Female and Male employees.

#### **Education Vs Satisfaction Level**

Education (Fac. 3)	Coef	SE	Coef	Z	PRatio	Lw	Up
2	-1.69289	0.487063	-3.48	0.001	0.18	0.07	0.48

In this case the Reference factor is Education level of Graduate. The Post Graduate level is compared with this reference level.

The 'p' value here is 0.001 (0.1%) when compared for level 2 which is education level of Post Graduate, which is less than 5% hence indicating the significant difference between the satisfaction level of Education Level of Graduate and Post Graduate Employees. We can interpret that the Post Graduate employees are significantly more satisfied than the Graduate Employees and the satisfaction level goes down by 18% if we move from post graduate level to graduate level.

#### **Designation Vs Satisfaction Level**

Desig (Fac. 4)	Coef	SE	Coef	Z	PRatio	Lw	Up
2	-0.0061384	0.665664	-0.01	0.993	0.99	0.27	3.66
3	0.184378	0.918580	0.20	0.841	1.20	0.20	7.28

In this case the Reference Factor is Designation level of Lower Management. Since the P value in this case is not less than 5%, this means that there is no significant difference in the satisfaction levels of employees with different levels of designation i.e. no difference in the satisfaction levels of lower, middle and top management.

#### **Region Vs Satisfaction Level**

Region (Fac. 5)	Coef	SE	Coef	Z	PRatio	Lw	Up
2	0.902730	0.585669	1.54	0.123	2.47	0.78	7.77
3	0.972313	0.488362	1.99	0.046	2.64	1.02	6.89

In this case the Reference factor is Region North. The Regions South and West are compared to Region North.

The 'p' value here is 0.046(4.6%) when compared for level 3 which is Region West, which is less than 5% hence indicating the significant difference between the satisfaction level of Employees from North and West. We can interpret that the Employees from North are significantly more satisfied than the employees from West. As we go from West to North the satisfaction level increases by 164%.



**Experience Vs Satisfaction Level**

Exp (Fac. 6)	Coef	SE	Coef	Z	PRatio	Lw	Up
2	0.124255	0.677589	0.18	0.855	1.13	0.30	4.27
3	0.136778	0.916705	0.15	0.881	1.15	0.19	6.91

In this case the Reference Factor is Experience level of <5 yrs. Since the P value in this case is not less than 5%, this means that there is no significant difference in the satisfaction levels of employees with various levels of experience

**Conclusions**

- Age, educational qualification and region are the factors which affect the level of job satisfaction to a large extent whereas gender, designation and experience do not seem to have a considerable effect on job satisfaction.
- Age group of 30-40 seemed to be most satisfied as compared to age group of 20-30 and 40-50.
- People from north region were most satisfied as compared to people of south and west. This could also be because of the fact that survey was conducted in northern region and employees feel most comfortable in their native place. This information would definitely require further research.
- As far as gender was concerned men and women reacted similarly to job satisfaction, and men and women definitely faced similar amount of stress from domestic front but the reaction to the stress was varied. This aspect would be clearer after more probing.
- There is clear indication that post graduates are more satisfied as compared to graduates.
- In levels of experience there was no significant change across less than five years, between five to ten years and more than five years.
- Relational demographics is different as the index has a multiple influence. Even though each variable is analyzed individually it creates a varied opinion as each variable also acts independently.
- Work and its perception is not only affected by demographics but also by psychological factors so an isolated study cannot be depended on for accurate findings.
- Demographic helps to study case of social integration better than job satisfaction.
- The effect of political and economic factors cannot be ruled out.
- Workplace diversity research is informed by a wide variety of theoretical perspectives. Psychological perspectives have contributed theories of social identity and inter group relations.
- Human resource management has emphasized the value of diversity and its impact on overall perception and feeling of satisfaction related to work. It is a strategic issue that fully develops the



potential of a diverse group of employees and brings about a business advantage through fostering team creativity, innovation and problem solving.

•Human resource management implements formal diversity management programs in large numbers organizations and research has examined the impact of these programs.

Diversity has multiple dimensions including gender, age, race, ethnicity and disability, religion, nationality etc.

The theoretical approaches used in each area of research are similar in many ways and highlighted similarities and differences may bring to light potential valuable avenues for future research.

Suggestions and Recommendations:

There is no specified level of diversity for any organization but for higher level of job satisfaction organizations can ensure the following:

- Avoiding Ethnocentric attitude, Respect for another person's diversity
- Awareness about other cultures
- Encourage cultural interaction
- Emphasis on humanitarian values
- Detailed study and understanding of mix of an organization.
- Trainings which are diversity specific and oriented towards greater understanding of creation of job satisfaction amongst workforce.
- Develop strategies for capitalizing on workforce diversity and dealing with individual attributes.
- Create a fit between job requirements and individual characteristics to reduce the gap created by diversity.
- Education and wider range of training keeping in mind individual performance equation.
- Designing and redesigning jobs to suit diversity and recreate teams for better performance.
- Flexible employment options to suit the team as compared to "one size fits all".

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