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Measuring Employee Expectations in a Strategic Human Resource Management Research: *Job Satisfaction*

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Abstract

The main objective of the research is to examine employee job satisfaction in a strategic human resource management research with a model of job satisfaction in the Research and Development (R&D) industry should consist of work-related factors such getting pay for overtime, giving employees more authority, the possibility of getting promotion in the workplace, employees' participation in decision-making processes and sensitivity of management towards problems at work. The data gained from employees of the firm are analyzed by using OLS regression model. All variables have a positive effect over job satisfaction.

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1. Introduction

Some authors define strategic human resource management as the effective application of the organization's human resources to accomplish the organization's overall strategies [1]. Human Resource plays an important and strategic role in supporting organizations. Employees are the most important assets of an organization that is very strategic instrument for a company's market competition.

It is known that to ensure a high probability of success in the implementation of strategic human resource management, a number of things is necessary.

- Strategic recruitment where the right person is selected to fill the right job and according to organizational needs.
- Using the right mix of incentives to motivate and engage employees who then can concentrate improving their performance.

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- Provision of the right set of training and development programs on an on-going basis to every level of employees.
- Implementation of a performance management system to identify high-performing employees for the purpose of giving rewards befitting their performance, work quality and output.
- Giving recognition and implementing a fair rewards system to retain quality employees.

The purpose of this paper is to examine employees' job satisfaction in strategic human resource management research with a model of job satisfaction in the Research and Development (R&D) industry should consist of work-related factors such as getting paid for overtime, giving employees more authority and responsibility. In addition to these factors, we recommend that possibility of getting promotion in the workplace should be included as well. Finally, it was decided that the model of job satisfaction that best fit the purposes of the study reflected a bottom-up approach.

2. Literature Review

Strategic human resource management research has mostly gravitated towards financial measures of performance in order to assess the effectiveness of human resource management initiatives. At a basic level, strategic HRM research has tended to gravitate toward measures of financial- or market-based organizational performance as its dependent variable [2; 3]. But it should be noted that people are an organization's most important asset that is very strategic instrument for a company's market competition. We now define 'human advantage' as being competitive strategy and system-based view of the value of human resource which makes towards adding value to customers, towards managing cost, through accelerating operational and management processes, and in challenging the status quo through innovation and change. For about the past decade or so, the mantra of Human Resource has been "be a strategic business partner."

Whence, HRM research has generally focused on individual level outcomes such as job performance [4], job satisfaction [5] and motivation [6], strategic HRM research has focused on unit or firm level outcomes related to labor productivity [7;8;9] scrap rate [10], sales growth [11;12], return on assets (ROA) and return on investment (ROI) [13] and market-based performance [7]. These aggregate level outcomes can further be differentiated by department level, plant (site) level, business unit level, and firm (corporate) level performance measures [3;14].

Job satisfaction is one of the most researched topics in the field of organisational behaviour [15;16]. "Managers, supervisors, human resource specialists, employees, and citizens in general are concerned with ways of improving job satisfaction" [17]. Judge, Hanisch, & Drankoski [18] supported the submission of Cranny et al [17], by advising that it was imperative for human resource managers "to be aware of those aspects within an organization that might impact most employees' job satisfaction, and to enhance these aspects because, in the long run, the results will be fruitful for both the organization and the employee".

Rosnowski & Hulin [19] submitted that the most informative information to have about an employee in an organization was a valid measure of their overall level of job satisfaction. The urgency of a valid measure of job satisfaction, as proposed by Rosnowski & Hulin [19], was possibly the motivation behind the numerous research efforts pertaining to job satisfaction.

3. Methods

The significant part of the material used in the research consists of the data about the workers of a R&D firm active in Istanbul. There are 170 employees working in the enterprise and the name list of the employees is determined as the framework from which the sample is to be selected. Each employee in the enterprise is taken as a sample unit. 150 of 170 employees have been included within the scope of the research according to the complete inventory method. Through conducting face-to-face inquiry method, a

lot of data has been obtained that throws light on evaluation of the effective over employee's performance in strategic human resource management and job satisfaction of the employees in the R&D enterprise.

The responses to the statements about job satisfaction and work-related attitudes of employees could range from 1.0, Strongly Disagree, to 5.0, Strongly Agree. The responses were summed and averaged because there were different numbers of questions in the sections of the survey. If the questions were stated from a negative perspective, they were reversing scored. Descriptive statistics were used in the initial descriptive analysis.

After coding the responses and examining the average scores for each aspect of the job, an Ordinary Least Squares (OLS) regression was conducted [20] using job satisfaction as the dependent variable. A multivariate regression allows the investigator to assess the relationship between a dependent variable (job satisfaction) and several independent variables, such as demographics (age, gender) and work-related factors (job security, attitude toward the job etc.) [21;22].

Statements were developed by the authors to measure the dependent variable, job satisfaction [23]. The responses could range from 1, extremely dissatisfied, to 5, extremely satisfied.

There are several methods of constructing the sample regression function; the method that is used extensively is the method of ordinary least squares (OLS). The OLS attributed to Carl Friedrich Gauss. Under certain assumptions, the method of least squares has some very attractive statistical properties that have made it one of the most powerful and popular methods of regression analysis [24].

The two-variable linear model, or simple regression analysis, is used for testing hypotheses about the relationship between a dependent variable Y and an independent or explanatory variable X and for prediction. Simple linear regression analysis usually begins by plotting the set of XY values on a scatter diagram and determining by inspection if there exists an approximate linear relationship:

$$Y_i = b_0 + b_1 X_i \quad \text{Eq.(1)}$$

Since the points are unlikely to fall precisely on the line, the exact linear relationship in Eq. (1) must be modified to include a *random disturbance, error, or stochastic term, u_i*

$$Y_i = b_0 + b_1 X_i + u_i \quad \text{Eq.(2)}$$

The error term is assumed to be normally distributed, with zero expected value or mean, and constant variance, and it is further assumed that the error terms are uncorrelated or unrelated to each other, and that the explanatory variable assumes fixed values in repeated sampling (so that X_i and u_i are also uncorrelated).

The ordinary least-squares method is a technique for fitting the "best" straight line to the sample of XY observations. It involves minimizing the sum of the squared (vertical) deviations of points from the line:

$$\text{Min } \sum (Y_i - \hat{Y}_i)^2 \quad \text{Eq.(3)}$$

where Y_i refers to the actual observations, and \hat{Y}_i refers to the corresponding fitted values, so that $Y_i - \hat{Y}_i = e_i$ the residual. This gives the following two normal equations:

$$\sum Y_i = n b_0 + b_1 \sum X_i \quad \text{Eq.(4)}$$

$$\sum X_i Y_i = b_0 \sum X_i + b_1 \sum X_i^2 \quad \text{Eq.(5)}$$

where n is the number of observations and b_0 and b_1 are estimators of the true parameters β_0 and β_1 . Solving simultaneously Equation 4 and 5 we get;

$$\hat{b}_1 = \frac{n \sum X_i Y_i - \sum X_i \sum Y_i}{n \sum X_i^2 - (\sum X_i)^2} \tag{Eq.6}$$

The value of b_0 is then given by Equation 7.

$$\hat{b}_0 = \bar{Y} - \hat{b}_1 \bar{X} \tag{Eq.7}$$

Therefore, we need to extend our regression model to cover models involving more than two variables. Adding more variables lead us to the discussion of multiple regression models. Multiple regression analysis is used for testing hypotheses about the relationship between a dependent variable Y and two or more independent variables X and for prediction. The n -variable linear regression model can be written as in Eq.(8).

$$Y_i = b_0 + b_1 X_{1i} + b_2 X_{2i} + \dots + b_n X_{ni} + u_i \tag{Eq.8}$$

where Y is the dependent variable, between X_1 to X_n the explanatory variables, u is the stochastic disturbance term and i the i^{th} observation in the data. Estimator b_j measures the change in Y for a unit change in X_j while holding X_2 and other variables constant. Estimators of the multiple regression model like as b_1 and b_2 are called *partial regression coefficients* [25].

4. Findings

Table 1 shows the information about statutes, age and experience of employees. Workers have the highest share in the total employees as 61%. Walk in a controlled manner that provides jobs for 7% of section chiefs, administrative workers, and the working staff that provides administrative control of the rate of 14% and follow-up and quality control of works is 13% of the experts. In company management staff (5%) of all sub-sections of the work involved with each other in a coordinated manner.

Personnel involved in the company between 18 and 55 years of age. Company staff, especially young people constitute the majority of workers are striking. 41% of total staff is 26 and 35 age group. Management personnel are identified at the age of 30 and over (5%).

By examining the experiences of personnel, 62% of staff is the people who have been working for less than four years parting the company.

Table 1. Statute Distribution, Age Groups and Experiences of Personnel (%)

Statute	Age groups		Experience		
Management	5	18-25	37	0-1	27
Specialist	13	26-35	41	2-4	35
Chef	7	36-45	15	5-6	23
Officer	14	46-55	5	7-8	12
Worker	61	55+	2	9-10	3
	100		100		100

Pay, appreciation, promotion, social benefits, pensions, social security, job security and so on facilities are provided for employees. Provided facilities for the employees by the company are more important for the employees to determine which of these criteria, first of all 1 to 5 importance scale, a scale was developed and prepared by giving a figure for each degree. According to this scale, "1", the number of firms in terms of employees mentioned criteria is unimportant, "5" indicates that the figure is also very important. It has been shown by "3" numeral when the employee do not have an idea regarding the criteria. This information is generated in the light of Figure 1, taken from the arithmetic average of the

answers given to those criteria. The highest average is employee appreciation expectation and social security criterion. The lowest average is the criterion for retirement.

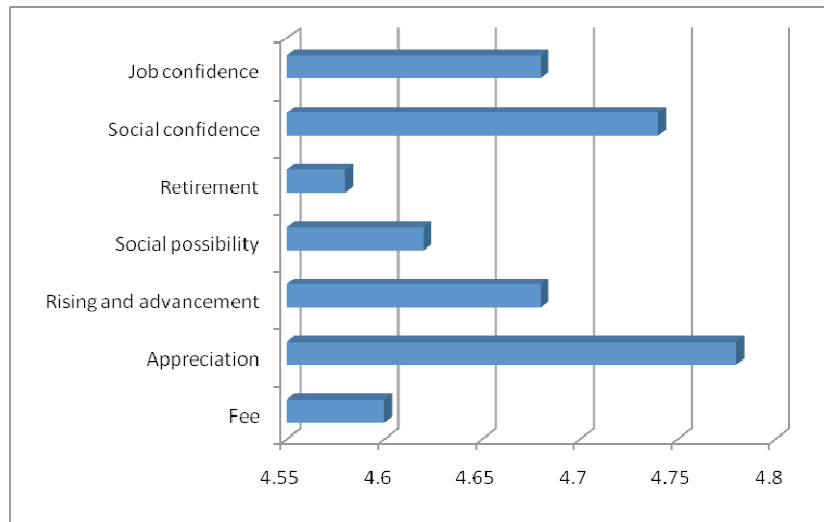


Figure 1. Importance levels of elements provided by the company for employees

The degree levels of importance of various criteria that has been possibly influencing personnel motivation have been examined in terms of personnel. Among these criteria, pay, good working conditions, promotion and progression criteria have been determined as the greatest impact on motivation of staff (Figure 2). The occurrence of these criteria to the fore in the country is not a very good working conditions and economic situation is an important factor. Staff in terms of financial means in order to survive in better conditions and better working conditions and promotion of progress must be important. In a financially comfortable and good working environment in which individuals' willingness to work and the quality of their work tend to be good. Occupational safety and understanding in the provision of other important criteria of a discipline. An understanding of discipline has a direct effect on the individual's efficiency is an extremely important in the workplace.

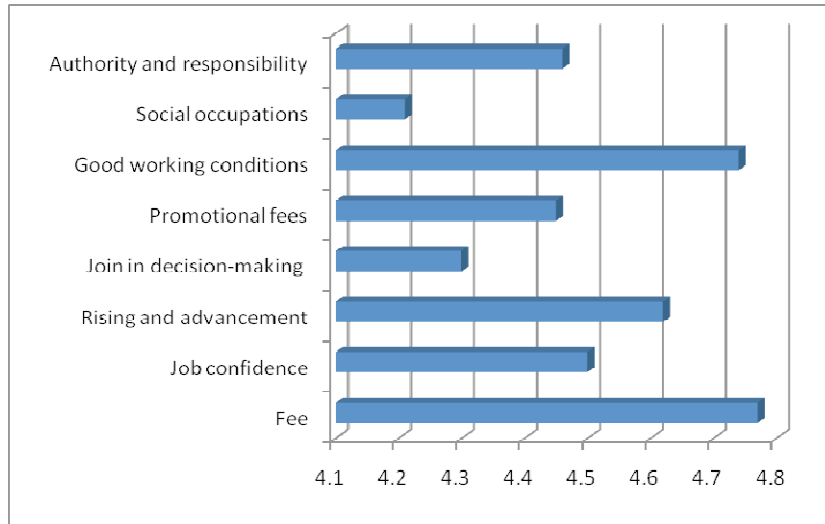


Figure 2. Factors effecting employee motivation

In the study, work-related attitudes and job satisfaction of employees were evaluated with two different econometric models. Models were solved by OLS. In both models, a number of different criteria have been tested as explanatory variables and the factors. However, the contribution coefficient of variables of the model does not provide explanation and statistically significant results; therefore the models have been asserted below.

In the first model, the employees' attitudes towards their jobs identified as the dependent variable. Employees' opinions towards their jobs according to success, excitement, fatigue, and pays are calculated as the average of the answers determined as general attitudes criteria. In this study, although the many dependent variables tested for model, but some variables were statistically insignificant. Hence satisfaction for working hours, a fair promotion system, giving more responsibility, getting pay for overtime, handling the negative situations by the management in the workplace, the level of satisfaction for pays have been used as independent variables in the model.

According to the model results, signs of the coefficients are compatible with expectation. While, working hours and giving personnel more responsibility have a negative impact, getting pay for overtime and promotional system and other factors have a positive impact. The model's determination coefficient was calculated as 41% and the model was significant at 99% of confidence level (Table 2).

Table 2. Work-related attitudes of employees

Variables	Coefficient	t-statistic	Significance
Constant	2.357	6.671	0.000
Working Time	-0.055	-1.604	0.111
Fair Promotion System	0.162	4.054	0.000
More Responsibility	-0.114	-2.491	0.014
Getting Pay for Overtime	0.070	2.282	0.024
Handling the Negative Situations by the Management	0.195	2.925	0.004
Pay	0.077	2.401	0.018
<i>R Square</i>	<i>0.414</i>	<i>F statistic</i>	<i>14.505</i>
<i>Adj.R Square</i>	<i>0.386</i>	<i>F significance</i>	<i>0.000</i>

As shown in Table 3, identifying job satisfaction as the dependent variable in the other model, getting pay for overtime, giving employees more authority, the possibility of getting promotion in the workplace, employees' participation in decision-making processes and sensitivity of management towards problems at work were identified as independent variables. All variables have a positive effect over job satisfaction. Coefficients of the model were statistically significant. Determination coefficient calculated as 38% ($p=0.000$) and the model provided significant results at the level of %99.

Table 3. Job satisfaction

Variables	Coefficient	t-statistic	Significance
Constant	1.936	6.599	0.000
Getting Pay for Overtime	0.127	4.051	0.000
More Authority	0.114	2.089	0.039
The Possibility of Getting Promotion	0.100	2.244	0.027
Participation in Decision-Making Processes	0.098	1.912	0.058
Sensitivity of Management Towards Problems	0.074	1.801	0.074
<i>R Square</i>	0.379	<i>F statistic</i>	13.685
<i>Adj.R Square</i>	0.352	<i>F significance</i>	0.000

5. Conclusion

The results also support the consumer satisfaction research that compares the expectations of an experience with the experience itself. Satisfaction is greater if there is congruency between the expectation and the experience [26]. Even Though there are several factor affecting job satisfaction, we only considered five variables: getting pay for overtime, more authority, the possibility of getting promotion, participation in decision-making processes and sensitivity of management towards problems. Therefore in future conducting a detailed research including various factors in this field, further option findings can be obtained.

Attitude toward the job was another highly significant predictor of job satisfaction. The results of the survey were similar to those of previous research showing that having a sense of control, a feeling of accomplishment, and a complex job contribute to an individual's positive attitude toward the job [27]. This supports the bottom-up theory in which the individual is assumed to measure work role outputs and sum up the positive and negative factors to determine whether he or she is happy [28]. The positive results for Company Support and relations with Fellow Workers reinforce both the bottom-up theory and Maslow's model of hierarchical needs [27]. As expected, getting pay for overtime was an important determinant of job satisfaction. However, it is important to note that the statements that measure pay focus on the individual's pay relative to others and relative to the demands of the job.

Job satisfaction played an important role to employees' attitude towards jobs because it would lead employee resigned when their job satisfaction is low. The results indicate strategic human research management practice a positively and significantly correlated with job satisfaction [28;29]. Today people spend most of their lives in business organizations and satisfy many of their material social and even sentimental needs at these organizations. Therefore, members of the organizations become more dependent on their organizations in satisfying some of their needs.

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