Abstract

The current nursing shortage and high turnover is of great concern in many countries because of its impact upon the efficiency and effectiveness of any health-care delivery system. Recruitment and retention of nurses are persistent problems associated with job satisfaction. The main purpose of this paper is to identify the relationship between rewards and job satisfaction among nurses. This research is quantitative research and has been conducted at one private hospital located in Kajang, Selangor. A total 102 completed questionnaires were used in the data analysis process. The responses obtained were evaluated and the data analyzed through various tests performed, using the Statistical Package for Social Science to determine their reliability, correlation and significant. Findings show that both monetary and non-monetary have a significant and positive relationship on job satisfaction among respondent. The implications of these findings were discussed and suggestions for future research were advanced.

Keywords: rewards, job satisfaction, nurses, private hospital

INTRODUCTION

From both anecdotal and research-based accounts, worker's job satisfaction is a major concern for management in many modern organizations (Westover & Taylor, 2010; Westover, Westover & Westover, 2010). Thus over the past years, studies on job satisfaction have generated considerable interest among researchers globally. This has further led to a debate as to what variables actually impact employees' satisfaction with their job, which in turn leads to improved productivity in work organizations.

Job satisfaction is one of the most important and significant variables in organizational behavior and in work organizations. It is the general attitude of an employee to the job. The higher the job satisfaction, the more likely workers will hold a positive attitude toward their jobs (Wang & Feng, 2003), and are more likely to be committed to the organization. Similarly, workers with higher level of job satisfaction would display a decreased propensity to search for a job and decreased propensity to leave the organization (Wright & Bonett, 2007). In the same way, employees who perceive their needs as unmet grow in general dissatisfaction and become increasingly attracted to competing places of employment (Tziner, 2006), and often result in voluntary termination and organizational turnover (Mathieu & Zajac, 1990).

Thus job satisfaction is the affective orientation that an employee has towards his or her work (Price, 1997). It can be considered as a global feeling about the job or as a related constellation of attitudes about various aspects or facets of the job. The global approach is used when the overall attitude is of interest while the facet approach is used to explore which parts of the job produce satisfaction or dissatisfaction. Based on the review of the most popular job satisfaction instruments, Spector (1997) summarized the following facets of job satisfaction: appreciation, communication, co-workers, fringe benefits, job conditions, nature of the work itself, the nature of the organization itself, an organization's policies and procedures, pay, personal growth, promotion, opportunities, recognition, security and supervision.
Since turnover appears to be a major issue for many organizations, and indeed a problem of considerable importance because of the costs associated with hiring and training new personnel; rewards, particularly intrinsic rewards, such as interesting job and job autonomy, are found to be the major drivers of job satisfaction for most countries (Westover & Taylor, 2010).

Beyond the findings of these studies, there are still gaps with regard to knowledge of the specific effects of the influence of rewards on job satisfaction in the workplace, and the ways in which supervisors or managers can effectively manage employee satisfaction. This study intend to examining the relationship between monetary rewards and non-monetary rewards on employees’ satisfaction among nurses. The main contribution of our study is to extend the HR literature on employee job satisfaction and ascertain new ideas from employees in the health care service sector on some of the contemporary variables that stimulate employee satisfaction.

LITERATURE REVIEW

Job satisfaction has been a topic of wide interest to both academic and practitioners for past four decades. In fact it has been one of the most frequently studied variables in organizational behavior research and human resource theory and practices (Spector, 1997). The traditional model of job satisfaction focuses on all the feelings that an individual has about his/her job. However what makes a job satisfying or dissatisfying is not limited to the nature of the job but it also depends upon the individual’s, perceptions, attitudes and expectations towards the job itself (Hong, While, & Barriball, 2005).

The work of Maslow (Maslow, 1954) has played a crucial role in developing and shaping many concepts in organizational behavior including job satisfaction. Based on Maslow’s theory, some researchers have approached job satisfaction from a need fulfillment perspective (Kuhlen, 1963; Worf, 1970). However during the last two decades, this approach has become less popular as more researchers are emphasizing on the cognitive process rather than the underlying needs. Therefore in contrast to the traditional view, job satisfaction was defined as all the feelings that an individual has about his/her job (Gruneberg, 1976). This view was primarily based on cognitive processes which over the years have resulted in the attitudinal perspective and has now taken centre stage in the study of job satisfaction (Spector, 1997).

Another school of thought was developed based on the two factor theory of job satisfaction (Herzberg, 1959) and suggested that both satisfaction and dissatisfaction are two separate constructs. Intrinsic factors named ‘motivators’ (i.e. factors which were inherent to the nature and experience of the job) were found to be ‘satisfiers’ and included: recognition, achievement, the work nature, level of responsibility. On the other hand extrinsic factors named ‘hygiene factors’ were found to be job dissatisfiers and included: company rules, regulations, policies, hierarchy, supervision, salary, workplace environment and interpersonal relations. Herzberg and Mausner’s Motivation – hygiene theory has been a key influencer in the study of the nature of job satisfaction and has been predominant in the development of measures for assessing job satisfaction.

Thus job satisfaction has been defined and measured as a global construct and as a concept with multi dimensions or ‘facets’ (Price 1997). This study adopts a global approach over a faceted approach, conceptualizing job satisfaction as a degree of positive emotions towards a work role (Locke, 1976; Kallerberg, 1977). Given that employees satisfaction with their jobs, have been found to be related to number of organizational outcomes, such as increased customer satisfaction (Ryan Schmit, & Johnson, 1996), lower turnover rates (Mobley, 1977), increased response rate (Ryan et al., 1996) and higher performance at work place (Launerweerd & Boumans, 1988), it is not surprising that the concept of job satisfaction has attracted much attention. Researchers have attempted to identify the various constituents of job satisfaction, measure the relative importance of each constituent and examine what effect these components have on worker’s productivity (Hong et al., 2005). A range of findings derived from quantitative
and qualitative studies have been reported in the literature on sources of job satisfaction among employees. However most of these studies have been conducted within healthcare particularly, nursing with few focusing on financial services (Timonthy, Carl, Joyce, & Patton, 2001).

Researchers have also argued that rewards offered by organizations may have a powerful impact on employees’ attitudes towards their jobs and the company for which they work (Lincoln & Kallerberg, 1990). Based on Herzberg & Mausner’s two factor theory, these rewards are either intrinsic or extrinsic thus impacting the level of satisfaction employees experience with their jobs (Hong et al., 2005). Hence in this context, it is vital to distinguish between intrinsic and extrinsic rewards. Intrinsic rewards are inherent to job or they exist within the job itself such as variety, challenge and autonomy. Extrinsic rewards on the other hand include pay and fringe benefits, promotion or advancement opportunities within organizations, social aspect and workplace conditions. Further research has suggested that while intrinsic rewards will probably be more salient for job involvement (Driscoll & Randall, 1999), satisfaction with extrinsic rewards will lead to continuance commitment with organization resulting in increased customer satisfaction and loyalty (O'Reilly, Chatman, & Caldwell, 1991).

Statement of the Problem

High turnover is a well pronounced trend in most critical work sectors especially in the health care service sector in Malaysia (Ahmad, 2011). Malaysian health care sector also has been characterized as high job mobility where many health professionals especially doctors and nurses, leave the public sector to join the private sector (Ahmad, 2011). Skilled labor migration is also another problem being faced by the health care service sector (Lee, Chitpakdee, & Chontawan, 2011). One of the main challenges faced by organizations in employee retention is the competition factor. Frost (2001) states that many professional organizations are in a dilemma as a result of the competition that is present in attracting and retaining highly skilled workers because they fail to match the salaries being offered by their competitors or to offer more than their competitors. The challenge for many organizations today is therefore is to come up with an efficient reward strategy for retaining these core employees for the success of the organization.

Another challenge is that most employers are unable to predict the future needs of their employees. This is why many organizations face some difficulties in retaining their core employees. According to Birt, Wallis and Winternitz (2004) the fundamental issue for organizations are to keep track of the ever changing needs of employees so that they can become an employer of choice to employees.

Relatively, there is little published research on reward system practices and their outcomes especially in Malaysian health care sector. Therefore, this study will focuses on rewards systems practices and their influence the job satisfaction among nurses at a selected private hospital in Kajang, Selangor.

Research Question and Hypothesis

The following research questions were raised in the course of the study:
1. What is the level of job satisfaction among nurses?
2. Is there a significant relationship between rewards (monetary and non-monetary) and job satisfaction among the nurses?

To answer the research question, the researchers developed the hypothesis as below:
H1: Monetary rewards has significant relationship with job satisfaction among nurses.
H2: Non-monetary rewards has significant relationship with job satisfaction among nurses.
RESEARCH METHODOLOGY

Research Design

This research is quantitative research using purposive sampling technique and has been conducted in the one private hospital located in Kajang, Selangor. The total population of current study was 112 nurses from different grade and department. Unit of analysis is individual. A total of 112 questionnaires were distributed over the respective lecturers. A total of 102 respondents returned the completed questionnaire, representing a 91% response rate.

Measurement

Questionnaires with 48 questions in five different sections were designed to gather information from the respondents. Likert-scale with seven point type formats was used for question about the rewards and job satisfaction. Questions on demographic information used ordinal and nominal scales.

Reliability of the questionnaire

The pilot test conducted as preliminary survey with main purpose to identify the reliability of the questionnaire adapted from past researcher. The result showed a significantly high value of reliability of all items above 0.70. This indicates a high level of internal consistency of the items (Sekaran & Bougie, 2010).

DATA ANALYSIS

Demographic characteristic

A majority of the respondents were female (91.2%) compared to male (8.8%), aged between 21 to 30 years old (73.5%), followed 31 to 40 years old (17.6%). This situation is normal as a majority of nurses in Malaysia are women (Lee et al., 2011). Eighty percent of the respondents had a length of tenure between one to six year works with the studied hospital.

Descriptive Statistics of variable

The mean, standard deviation and variance were obtained using SPSS. Mean score for all items is average as show in Table 1. Overall respondent reported that they had an average level in job satisfaction at the workplace.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary Reward</td>
<td>2.981</td>
<td>5.614</td>
</tr>
<tr>
<td>Non-Monetary Reward</td>
<td>3.547</td>
<td>6.090</td>
</tr>
<tr>
<td>Overall Reward</td>
<td>3.301</td>
<td>9.482</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>3.285</td>
<td>8.946</td>
</tr>
</tbody>
</table>

The correlation result showed a positive and direct significant relationship between the independent variable and dependent variable. Non-monetary rewards showed a relatively low positive significant relationship with job satisfaction among respondents with correlation value of 0.493 compared with monetary rewards ($r = 0.321$). Based on these results, all hypotheses developed in the research have been accepted.
Table 2. Correlations between independent variables and dependent variables

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Satisfaction</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monetary Rewards</td>
<td>0.321**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-monetary Rewards</td>
<td>0.493**</td>
<td>0.527**</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

** p < 0.01 (2-tailed)

Table 3 represents the model summary. The R-value in the model summary is 0.630, showing a strong linear relationship between variables. The R square value in the model summary is 0.397. This value indicates that 39.7% of the variation in job satisfaction may be explained by the relationship between independent variables.

Table 3. Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R-Square</th>
<th>Adjusted R-Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.630</td>
<td>0.397</td>
<td>0.358</td>
<td>7.015</td>
</tr>
</tbody>
</table>

Table 4. Regression equation and related statistics

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Model Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>Model 1 (Constant)</td>
<td>20.401</td>
<td>5.745</td>
</tr>
<tr>
<td>Monetary Rewards</td>
<td>.581</td>
<td>.131</td>
</tr>
<tr>
<td>Non-monetary Rewards</td>
<td>.606</td>
<td>.121</td>
</tr>
</tbody>
</table>

Table 4 displays the regression equation for every significant factor with the job satisfaction among respondents.

CONCLUSION AND DISCUSSION

In overall, the respondents reported that they satisfied with their work. From the results, majority of respondents (to be exact 90.3%) stated that job satisfaction would lead to increase in job performance which would intend increase organizations’ profits margin. Similarly, 58.6% of respondents stated that job satisfaction will encourage workers’ enthusiasm to work even at odd times, and 53.84% of respondents were of the view that work will be done more accurately and conveniently when there is job satisfaction. All these assertions demonstrate the power of employee job satisfaction in work organizations if managers pay attention to the variables that trigger worker satisfaction. The results of the study also suggest that higher rewards and satisfied employees in work organizations play a major role both in the promotion of employee job satisfaction and consequently higher productivity in organizations. These findings support Wang and Feng (2003)'s claim that the higher the job satisfaction, the more likely workers will hold a positive attitude toward their jobs, and are more likely to be committed to the organization.

In particular, this study affirms the efforts of prior workplace research on the importance of rewards and work relations to job satisfaction (Lincoln & Kallerberg, 1990; O'Reilly et al., 1991). Non-monetary rewards are found to have a positive and significant impact on job satisfaction compare with monetary rewards.
Therefore, the major findings of this work are that; first, there is a significant relationship between rewards and job satisfaction of employees, and second, non-monetary rewards has a higher significant relationship with job satisfaction compare with monetary rewards. This finding indicated that majority of the respondents agreed that non-monetary such as recognition from their superior, good working environment and career development opportunity that they get from the work they do.

Thus, this study adds to our knowledge on job satisfaction and management practices in several ways. In the first place, employees' perceptions are built on reactions of organizational policies and practices towards employee input. Thus, the higher the rewards perceived by workers, the greater the satisfaction of workers to organizational policies and practices leading to greater productivity as a result of employee performance. Likewise, perceived satisfaction of employees will lead to better performance and better management of customer care and loyalty. Secondly, we gain knowledge from this study with regards to current aspirations of employee job satisfaction as respondents suggested the following: managers should provide fair opportunities for all categories of staff, management must show concern for their employees through regular meetings, managers should provide good working environment for employees, managers should organize training and seminars to increase or sharpen the skills of employees, and that regular salary increases by managers would increase the level of job satisfaction of their employees.

Giving this new insight, management must pay attention to these cues, assumptions, and response patterns in order not to sway the perception of employees in a negative direction (Abugre, 2011) which ultimately affect organizational output.

There are several limitations regarding this research. Our first limitation relates to the use of one organization, the sample size and the context. We believe that an important subject like job satisfaction particularly in a rarely studied context could have involved more organizations and participants in order to get a better generalization of the study.

Second, the measurement of the construct could be more rigorous with the infusion of pre-existing scale items. Nevertheless, as an exploratory study with a specific focus on how rewards and employee satisfaction moderate job satisfaction in the service industry, developing a scale with open-ended questions to garner new ideas from employees was the better option.

Based on this, future studies could explore several areas of research that can make more valuable contributions to Job satisfaction and employee rewards systems in different sectors including manufacturing, finance, and the public sectors.

REFERENCES


