WORK SATISFACTION AND WORK PERFORMANCE: HOW PROJECT MANAGERS IN MALAYSIA PERCEIVE IT?

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ABSTRACT

The performance of project managers is very important to ensure the success of any construction project. In spite of the complexity of construction projects (which involves different design, material, consultant, environment and so on), managers also have to ensure that the project can meet the client's satisfaction. Thus, the task of the construction project managers is very critical in determining the project performance which is normally influenced by their job satisfaction. The study was conducted to see the relationship between job satisfaction and job performance of construction project managers in Malaysia. The study was based on Herzberg's two factor theory (the hygiene and motivator factor). Our results show that there is a high correlation between certain variables of job satisfaction and job performance. The variables are organization management, salary, workplace and work status for hygiene factor; and rank increment and responsibility for motivator factor. The findings also indicate that the respondents' job satisfaction highly depends on both factors; hygiene and motivator factors. The most important hygiene factors are organizational performance and interpersonal relationship; whereas responsibility and opportunity to expand has been ranked as the important motivator factors that contribute to their job satisfaction.

INTRODUCTION

Contracting firms operate in a highly competitive environment. Currently, in Malaysia, more than 64,000 firms operate in different sizes. They are competing within each other to gain projects in order to survive in the industry. Unfortunately, the growth of the industry is affected badly by the global economic. For example the percentage growth of the Malaysian construction industry (CI) was only 1.9% in 2003, -1.9% in 2004, -1.0% in 2005 and predicted to be the same in 2006. Looking at this scenario, the contracting firms are facing a hard time in getting projects in this industry.

Jaafar (2003) proved empirically that project performance was positively related to firm success. Kale (1999) identified that the difficulties faced by clients in measuring contractor's performance in advance, make clients judge their capability based on their past project performance. As the master or key man in

the contracting firm, project managers can be considered as a very important person contributing to the firm's success.

Traditionally, the success criteria for construction projects i.e. time, quality and cost have been used to gauge a manager's performance. But Dainty et al., (2003) argued that managers are exposed to many variables that are outside their control which can outturn their performance. So, it is unfair for managers to be considered as non-performers when they fail to fulfill the project objectives.

In spite of that many management theories have emerged to consider internal factors that highly influence job performance. Furthermore the functions of project managers are very challenging due to the pressure in the industry. In today's environment, project success can be a bonus for the contractors to be considered for the next project. Having continuous project is a key factor for a company's survival.

This study examines the relationship between job satisfaction and job performance of the construction project managers. Based on the two factor theory (the hygiene and motivator factor) by Herzberg (1959), this study will identify actual factors of job satisfaction which can influence performance. The study will also determine the rank of the job satisfaction facets based on their importance. We will start the discussion on these two important variables related to the task of project managers in part 2 and followed by methodology, analysis and finding and conclusions in part 3, 4 and 5 respectively.

LITERATURE REVIEW

Job satisfaction and job performance

Job satisfaction is traditionally defined as an attitude held by an employee regarding various aspects of work and attitudes have both affective and cognitive components (Wright and Cropanzano, 1997). This theory was developed by Herzberg in 1959. His theory is based on two important dimensions of job satisfaction i.e. hygiene and motivator. Hygiene issues can minimize dissatisfaction, if handled properly and can only dissatisfy if they are absent or mishandled. This factor focuses on employee's environment issues for example company policies, supervision, salary, interpersonal relationship and working conditions.

Motivators are the factors that create satisfaction by fulfilling individual's needs for meaning and personal growth. The issues include achievement, recognition, the work itself, responsibility and advancement. According to Herzberg (1959), once the hygiene areas are addressed, the motivators will promote job satisfaction and encourage production.

Researches in related areas found different results in assessing the relationship between job satisfaction and job performance. Few researchers have advocated the existence of such 'linkages' (Harter et al., 2002; Heskett et al., 1997 and Koys,

2001) while Bernhardt et al, (2000) and Ryan et al., (1996) failed to prove a strong relationship in satisfaction-performance covariance. A study by Fisher (2003), on the other hand, found that a majority of the respondents in study on inexperienced undergraduates agreed that 'employees who are satisfied with their jobs are usually good performers'.

Cote (1999) suggested that there is only a modest positive correlation between job satisfaction and job performance (Fisher, 2003; laffaldano and Muchinsky, 1985). Yet lay people are thought to believe strongly that satisfied or 'happy' employees are more productive at work. Happy workers are productive workers or that employees who are satisfied with their jobs are likely to be better performers (Fisher, 2003).

Project managers and their job performance

Management has generally been defined as a high stress occupation (Cohen, 1997; Noblet et al., 2001). The job of a manager has been categorized as demanding, complex and varied (Haynes and Love, 2004). This is related to the various job functions that need to be implemented by managers for example managing people, information, decision-making process, product implementation and human resources. Furthermore, managers have to be aware of the demands and constraints imposed by the internal and external environment. This resulted in longer working hours, which can have adverse psychological and physiological consequences.

According to Khosh and Kerzner (1984), and Sommerville and Langford (1994), the level of stress inducement encountered by construction project managers is significantly higher than that of managers in other industries. This is due to the nature and characteristics of the industry (Sommmerville and Langford, 1994). For instance, the industry is dominated by males, which promotes competitiveness and conflict, one-off type production requires high levels of coordination and specialised input, and poor on-site working condition can lead to quality and safety problems being experienced (Haynes and Love, 2004). In spite of that, they have specific project objectives that need to be fulfilled in terms of time, quality and cost. The involvement of various stakeholders in each project also tends to increase the level of conflict. Therefore, the function of project managers may be stressful whereby they have to ensure and maintain all the stakeholders' level of satisfaction based on their objectives.

Definitely, for project managers in contracting firms, they have to ensure the success of each project they lead. According to Jaselskis and Ashley (1991), effective project management can be seen to be dependent upon the project manager's competency and authority. Since every construction project is unique and exposed to different type of problems for example site conditions, project buildability, design problem, variation order and so on; thus, project managers have to be very capable in managing those problems.

METHODOLOGY

Survey

This study collected data through mail from managers of contracting firms in the Northern Region of Peninsular Malaysia using a stratified proportionate sampling. Sixty contracting firms registered with Construction Industry Development Board (CIDB) were chosen as the sample. The survey was conducted from December 2004 to February 2005. A total of 32 responses were obtained giving a total rate of 53.3%.

Questionnaires

The structure of the questionnaire was divided into 4 parts. Part A was about demography of the managers, part B includes 18 questions related to Hygiene factor, part C includes 18 questions related to motivator factor and part D includes questions related to job performance. Dimensions for Hygiene factors are organization management, supervising, interpersonal relationship, salary, safety, work place and work status. Dimensions for motivator factors are achievement, acknowledgement, rank increment, type of work, opportunity to expand and responsibility. The instruments were adapted and modified from Sanusi (1997).

Performance was measured by their work attendance, punctuality in quality and quantity, discipline and their readiness to accept extra work which is not in their routine work. All the measures have been combined to get an overall performance index. The 5-point Likert scale has been used which ranges from 1=most disagree to 5=most agree. Table 1 shows the Cronbach Alpha value for the measures.

Table 1: Cronbach Alpha and descriptive for the Main Variables

	Number of items	Cronbach Alpha	Mean	Standard deviation
Hygiene				
Organisation management	2	0.57	4.32	0.56
Supervision	3	0.56	3.97	0.49
Interpersonal relationship	2	0.86	4.06	0.63
Salary	2	0.70	3.29	0.79
Safety	2	0.81	3.18	0.53
Workplace	2	0.78	3.94	0.53
Work status	2	0.86	3.70	0.61
Motivator				
Acknowledgement	3	0.45	3.96	0.44
Rank increment	2	0.82	3.18	0.83
Type of work	2	0.83	3.82	0.67
Opportunity to expand	2	0.77	3.98	0.76
Responsibility	2	0.80	4.45	0.57
Performance	15	0.92	3.86	0.43

ANALYSIS AND FINDINGS.

It can be seen from table 2 that most of the managers are above 26 years old and have degree in civil engineering. In terms of experience, 32.3% have less than 10 years of experience while others have more than 10 years of work experience in the industry.

Table 2: A profile of managers

Descriptions	Frequency	Percentage
Age		
20-25	2	6.5
26-30	7	22.6
31-35	9	29.0
36 and above	13	41.9
Academic qualifications		
Degree	22	71.0
Diploma	7	22.6
Others	2	6.5
Area of specializations		
Quantity surveying	3	9.7
Civil engineering	19	61.3
Building	2	6.5
Others	7	22.6
Years of experience		
<5 years	10	32.3
6-10	8	25.8
11-15	9	29.0
16 and above	4	12.9

Table 3 indicates the intercorrelations for the main variable. As you can see from this table, hygiene and motivator factors are strongly correlated to performance of the managers. Hygiene factor especially salary, work place and work status correlated at $p<0.01$ while organization management is only correlated at $p<0.05$ to performance. Motivator factors that are positively correlated to performance are rank increment ($p<0.05$) and responsibility ($p<0.01$).

Table 3: Intercorrelations for the main variables

Variables	Dependent variable: Work Performance Correlation Coefficient
Organisation management	0.384*
Supervision	0.296*
Interpersonal relationship	0.209
Salary	0.482**
Safety	0.262
Workplace	0.494**
Work status	0.813**
Acknowledgement	0.167
Rank increment	0.381*
Type of work	0.298
Opportunity to expand	0.189
Responsibility	0.618**

**p<0.01

Table 4: Ranking of the Hygiene and Motivators

Variables	Mean rank	Ranking
Responsibility	9.76	1
Organisation management	8.90	2
Interpersonnal relationship	8.44	3
Opportunity to expand	7.56	4
Supervision	7.18	5
Workplace	6.97	6
Acknowledgement	6.65	7
Type of work	6.47	8
Work status	5.37	9
Rank increment	3.90	10
Salary	3.85	11
Safety	2.95	12
Chi-Square=132.21** P<0.01		

The answers from respondents were also ranked by using the non-parametric Friedman test. From the above table, we can see that the respondents chose responsibility as their most important dimension followed by organisation management, interpersonal relationship and opportunity to expand.

CONCLUSIONS

From the above discussion, we can conclude that responsibility and work status are positively related to the performance of construction project managers. Although in other industries, researchers found a weak correlation but our results show a strong relationship between these two variables. This supports the argument that the responsibility of project managers is very heavy and very challenging. In order to successfully carry out the task, managers should be given enough freedom and power so that they feel they 'own' the result (Syptak et al., 1999). The importance of how managers perceive the function of project managers is also important. They have to believe that the work they are doing is important and that their tasks are meaningful. More importantly, for a construction company, project managers can be considered as a key person that can contribute to the company success.

Considering the important role of project managers to the construction company, employers should nominate project managers as one of the top managers in the company management. Since project managers have to deal with all the project functions, he is supposed to have some kind of respect from other workers.

Apart from responsibility which has been ranked as a very important measure of their satisfaction; hygiene factors are also important measures in identifying their job satisfaction. The importance of factors such as management of the organization and interpersonal relationship shows that working environment has a tremendous effect in determining their job satisfaction. Workplace environment can create certain feelings that will influence their job satisfaction. When employees 'love' their work environment, they desire to spend their time and energy in contributing to their highest level of performance.

Sometimes according to Syptak et al., (1999), an organization's policy can be a great source of frustration for employees if the policies are not clear or unnecessary or if not everyone is required to follow them. The way employers manage the staff will bring a substancial impact on the social relationship between employees. Employees also need a social contact where they have a reasonable amount of time for socialization (for example during breaks and over lunch). Thus, it is useful and interesting for the company's management to create a work culture and environment that can give strong positive job satisfaction to employees in terms of their willingness and be happy doing it.

Creating a valuable workplace environment is the responsibility of all corporate or organizational leadership. Most critically, it is the primary job of the person the managers report to directly. In case of construction firms, project managers are considered as top management team where they have to report directly to the company owner or Chief Executive Officer. It is most likely that these persons will influence the manager's satisfaction level.

The results also indicate that employee compensation is not a dominant factor in employee satisfaction. Consequently, employers attempt to buy employee satisfaction with increased pay and benefits. Fortunately, in today's competitive environment, there is a much less expensive way to create greater employee satisfaction for example nurturing culture of work environment. Sometimes, it is actually cost free and it increases productivity which significantly improves their performance.

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