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A COMPREHENSIVE REVIEW OF JOB SATISFACTION: THEORIES, DETERMINANTS, AND ORGANIZATIONAL IMPLICATIONS

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Abstract

Job satisfaction plays an important role in the analysis of organizational behavior, as well as in the topics of human resource management. Job satisfaction is considered to play a crucial role in employee motivation, engagement, and work performance. This paper employs a literature review and examines some of the most influential theories regarding job satisfaction. Maslow's hierarchy of needs, Herzberg's two-factor theory, Hackman and Oldham's job characteristics model, and the equity theory are discussed and analyzed. Besides them, to be up-to-date, the manuscript considers some modern and relevant elements related to employee engagement and work environment. With a focus on antecedents and outcomes of the job satisfaction construct, this study aims to highlight that job satisfaction is not only a product of an employee's internal feelings but also an outcome of behavioral factors in the work environment. During the recent years, where the technology development is growing faster and faster, managers have to adopt to a new approach to satisfy the staff needs and their satisfaction.

Keywords: Job Satisfaction, Employee Motivation, Work Environment, Employee Engagement



INTRODUCTION

Job satisfaction has a strong influence on organizational effectiveness and employee well-being. According to Locke (1976), job satisfaction is considered a positive emotional feeling that employees have when the outcome of their work is in line with their expectations and values. A high level of job satisfaction has a great impact on higher productivity, lower absenteeism, and reduced turnover, resulting in overall success for the business and individual well-being (Faragher et al. 2005). The importance of job satisfaction is considered to be established in industrial psychology, according to Hoppock (1935). During the last few years, researchers have also included pay, supervision, and career approaches in the construct of job satisfaction (Brief & Weiss, 2002). So, lately, it is considered that satisfaction is a mixture of judgments and feelings that change over time as employees interpret their experiences (Judge & Klinger, 2008).

Besides this, between job satisfaction and performance results, job satisfaction has a crucial mediating role. A lot of studies agree that transformational and supportive leadership can significantly get higher levels of satisfaction by promoting trust, fairness, and meaningfulness in work (Avolio & Gardner, 2005). On the other hand, authoritarian and laissez-faire leadership are often associated with a lower level of satisfaction and a higher level of turnover intentions (Colquitt et al., 2001).

In the twenty-first century, globalization and digital evolution have created new work structures, unfaced challenges, and lots of opportunities in the study of job satisfaction. Since remote and hybrid work arrangements are becoming usual, employees are reconsidering how they experience autonomy, performance feedback, and support from their team (Wang et al., 2021). This evolution recreates the need for a better understanding of the job satisfaction's antecedents and consequences and adapts them to new realities.

The purpose of this study is to summarize some important frameworks and findings about Job Satisfaction. This study evaluates some determinant theories and analyses their linkage to employee behavior, organizational performance and employee engagement. This structured overview combines theoretical approaches with practical applications.

LITERATURE REVIEW

Concept and Definition of Job Satisfaction

One of the most cited definitions, which has served for a lot of studies in organizational psychology, is from Locke (1976). According to him, job satisfaction is a complex psychological construct, "a pleasurable state coming from the appraisal of one's job or previous job experiences." According to Hoppock (1935), job satisfaction is a mixture of psychological,

physiological, and environmental situations that foster someone to declare satisfaction with their job. Over the years, the concept has changed from a simple emotional reaction into a more complex concept, including both intrinsic and extrinsic factors (Spector, 1997). Cognitive theories consider job satisfaction as a result of employees' judgments of how effectively their job fulfills their expectations and value systems (Brief & Weiss, 2002). On the other hand, the affective approach focuses on how daily operations and emotions influence job perceptions in general.

According to Weiss (2002), job satisfaction is an attitude composed of both evaluative and emotional components that change over time with circumstances and objectives. Besides that, some important factors that have a great influence on job satisfaction are considered the cultural and contextual factors. There are some cultural dimensions, according to Hofstede (1980) and later by Oyserman et al. (2002), such as individualism–collectivism and power distance that indicate how employees evaluate their jobs. For example, in collectivist societies, group harmony and success increase the level of satisfaction more than individual recognition or pay.

Theoretical foundations of job satisfaction

Through the years, a lot of theoretical studies have been undertaken to explain why some employees experience a higher job satisfaction and others a lower one. On job satisfaction, the most influential theories are content theories, which focus on *what* factors foster satisfaction, and process theories, which show *how* satisfaction increases through psychological processes.

Maslow's Hierarchy of Needs

According to Abraham Maslow's (1943) theory, motivation is structured in a hierarchy scale, beginning from physiological needs to safety, belongingness, esteem, and self-actualization. When work allows people to fulfill these needs progressively, job satisfaction evolves.

When people fulfill their needs in a progressive way, job satisfaction increases. For example, proper pay and job security satisfy the basic needs of an employee, while employees who seek chances for recognition and individual growth belong to higher-order needs (Jerome, 2013). Maslow's framework is still one of the most important theories in understanding the motivational process of satisfaction, despite the criticisms of its solid hierarchy.

Herzberg's Two-Factor Theory

In a study, Frederick Herzberg et al. (1959) defined two factors that might influence job satisfaction: *hygiene factors* (elements of the outside, such as salary, company policy, and supervision) and *motivators* (internal elements such as achievement and recognition). According to this study, when hygiene factors are missing, they cause dissatisfaction, while the presence of motivators enhances satisfaction. This theory made a revolution because it stressed that satisfaction and dissatisfaction are not opposite ends of the same continuum but distinct phenomena (Herzberg, 1966). Later studies have given mixed empirical evidence, yet the two-factor theory has a lot of influence in both managerial practice and academic approach.

Job Characteristics Model

During their study, Hackman and Oldham (1976) defined a new model: the Job Characteristics Model. According to this model, satisfaction comes from five important job dimensions—skill variety, task identity, task significance, autonomy, and feedback—which make a big contribution to three important psychological states: experienced meaningfulness, responsibility, and knowledge of results. When these states are at a high level, followers feel greater motivation and satisfaction. This model has received a lot of empirical support across various industries (Humphrey et al., 2007), showing that work design influences psychological outcomes in an important way.

Equity Theory

In one of his studies, John Stacey Adams (1963) invented the Equity Theory. According to that, employees judge the level of job satisfaction by putting into a comparison their input–output ratio with each other. Feelings of inequity—whether under- or over-rewarded—create feelings of distress, prompting individuals to restore balance through behavioral or cognitive adjustments (Walster et al. 1978). This theory stresses the relational and comparative nature of satisfaction, stressing fairness and justice as very important factors.

ANTECEDENTS OF JOB SATISFACTION

There are a lot of factors that might produce job satisfaction. Satisfaction is created in the moment when the results of an employee's work align with their individual goals (Locke, 1976). Regarding a study of Herzberg (1966), crucial elements that foster job satisfaction are achievement and recognition. Furthermore, according to a study by Hackman and Oldham (1976), autonomy and feedback are also important to increase satisfaction. According to Judge et al., (2000), also a crucial role to increase satisfaction play the emotional stability and self-

discipline. Besides them, according to Colquitt et al. (2001), fairness and trust are very important in creating positive job attitudes.

Another important factor that produces satisfaction is leadership. According to Bass (1985), by inspiring people, transformational leadership can produce high levels of job satisfaction. On the other hand, Avolio and Gardner (2005) stated that trust and empowerment can be some important factors that generate satisfaction. Besides them, Bakker and Demerouti (2007) noted that autonomy and social support can lower stress and increase the level of satisfaction. Furthermore, Kelloway et al. (2012) noted that, by creating an environment with psychological safety, supportive supervision can increase the level of satisfaction. On the contrary, laissez-faire, which is a "hands-off" leadership where direction and support from the leader are absent, can produce low levels of satisfaction (Skogstad et al., 2007). All these studies show that the quality of leadership has a big impact on employees. Of great importance in influencing satisfaction are the environmental factors, as well as personal factors.

According to Oldham and Fried (2016), a good work environment increases levels of job satisfaction. According to Parker et al. (2003), the energy inside an organization is psychologically important to an employee, which later reflects their commitment to work. Greenhaus and Beutell (1985) stated that keeping a good balance between worktime and free time can help to increase the levels of well-being and job attitudes. According to Clark (1997), social expectations define how people experience satisfaction, while Kalleberg and Loscocco (1983) stated that a higher level of satisfaction is also indicated by the years a person has been working in the same company. To sum up, Faragher et al. (2005) showed that a higher level of satisfaction aligns with better mental health, demonstrating once again that internal and external factors play a crucial role in the job satisfaction of an employee. As a conclusion, a work environment that is balanced lowers stress and increases satisfaction.

Of course, a financial reward system has a great impact on job satisfaction, since it boosts both external and internal needs of motivation (Deci & Ryan, 1985). The concept of justice in salary and pay plays a crucial role in balancing satisfaction in Adams' Equity Theory (1963). Also, according to Kuvaas (2006), not only the amount of financial pay but also the fair division of the salary between employees defines how they perceive their jobs. Furthermore, verbal communication, chances of growth, and acknowledgements have a vital impact on employee satisfaction (Grawitch et al. 2006). For these reasons, if proper financial pay is in line with the verbal acknowledgments, employees would have a sustainable level of satisfaction in the long term. According to (Probst, 2002), the perception of having a secure job can have a big impact on a positive emotional state of mind and high commitment to work. Furthermore, according to Meyer & Allen (1991), chances of being promoted increase employee satisfaction

by giving them the possibility to grow in their career and fulfill their self-actualization needs. Leaders who promote professional growth of employees foster employees find a work environment full of meaning and vision (Noe, 2017). To sum up, leaders who establish a culture of job security and career development for their employees can create a solid sense of satisfaction and loyalty in them.

Job satisfaction is impacted by demographic factors as well. According to Clark et al. (1996), older employees tend to be more satisfied than those who are younger because of the experience they have and also their concrete expectations. According to Kalleberg et al. (1983), people who have a lot of experience in the same company tend to be more satisfied because they feel stable and full of autonomy. On the other hand, there are a lot of controversial findings about the impact of gender differences. According to Clark (1997), women are less satisfied than men because they feel the lack of growth in career chances, but according to Sousa-Poza (2000), there are no gender differences even when the job context is limited. According to Judge et al. (2000), personal character and emotional factors can impact satisfaction.

OUTCOMES OF JOB SATISFACTION

The higher the level of satisfaction, the greater the impact on the attitude of the employee and team productivity. According to Judge et al. (2001), satisfaction has a key role in performance, commitment, and turnover. According to Organ et al. (1995), proper job attitudes strengthen the solidity of the team and also increase productivity. According to Farrell et al. (1988), satisfaction has a great impact on lowering absenteeism levels because employees work on a regular basis, and the engagement to work is much higher. Furthermore, according to Schaufeli et al. (2004), high levels of satisfaction cause less stress, anxiety, and the emotional feeling of being tired.

On the other hand, dissatisfaction causes high levels of turnover and destruction of the employees' network (Maslach & Leiter, 2008). According to Harter et al. (2002), satisfaction can play a mediating role between employee engagement and business-unit performance. Furthermore, according to Meyer et al. (2002), satisfaction can have a great impact on commitment, work stability, and positive behaviors. According to Tett et al. (1993), dissatisfied employees lead to turnover, which increases the organizational cost.

Besides these, Spector (1997) has shown that dissatisfaction causes lateness and lower effort to the organization, and furthermore, according to Riketta (2008), dissatisfaction can have a negative impact in employee performance. According to Diener et al. (2004), satisfied employees enjoy higher levels of life satisfaction and emotional well-being. Besides that, in his study, Kivimaki et al. (2002) found out an interesting linkage between dissatisfaction at work and

heart problems, stressing health problems for a long time. According to Judge and Klinger (2008), job satisfaction plays a key role against the stress at work, increasing the level of positive emotions. According to Wright et al. (2000), job satisfaction strengthens sustainable performance and stability at work.

CONCLUSION

Job satisfaction is a key factor explaining employee behavior, engagement, motivation, and productivity. This paper proved the fact that job satisfaction is a very complex concept, impacted by personal attitudes, job characteristics, demographic factors of the employee, and leadership. A lot of theories give important knowledge for explaining satisfaction in detail, whereas in this modern era, other models stress the value of work-life balance, psychological equity, and emotional feelings. To sum up, these antecedents stress that individual factors, as well as structural ones, have an important role in defining satisfaction. Organizational factors create the environment for employee satisfaction, while personal factors define how employees react to this environment.

Through this method, organizations create plans and strategies to produce satisfaction among the employees. A satisfied employee has a direct impact on higher performance and commitment. It is proven that organizations that are interested in producing satisfaction among employees tend to have a lot of successful results from innovation and a better level of retention and adaptability. But it is still unclear how the concept of satisfaction will adapt in this modern era, inside different cultural environments, and with remote work technology. It remains a great challenge to study and will need a lot of new studies on how to perfectly combine old, solid theories with the new, modern findings.

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