

**PERCEIVED FACTORS AFFECTING EMPLOYEE JOB SATISFACTION IN
ENERGY REGULATORY COMMISSION OF KENYA**

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DECLARATION

This research project is my original work and has not been submitted for a degree in any other university.

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DEDICATION

To my husband Benson Bundi and son Trevor Muthomi for their understanding as well as their endless endurance during my studies.

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ABSTRACT

Job satisfaction refers to the source of relief or tension caused by the gap between the expectations of the individual and unmet needs (Kotler, 2003). The study sought to establish the perceived factors affecting employee job satisfaction at Energy Regulatory Commission, Kenya. The study used descriptive research design and primary data was collected using semi –structured questionnaire. Descriptive statistics such as frequencies and percentages presented in tables were used to analyze the data. The study covered 96 respondents, but only 73 of them responded. The study found out that work environment, training and development were the most important perceived factors affecting job satisfaction followed by remuneration and then promotion. Based on these findings the study recommended that the management and the policy makers of Energy Regulatory Commission should offer extensive training and development programs to enhance employees’ knowledge and skills, ensure a safe and conducive work environment, improve employees’ remuneration, establish an effective and fair promotional policy. Finally, the study recommended a further research on the perceived factors affecting job satisfaction in other organizations in other sectors to ensure that the dynamic employee needs and wants are put into consideration. Such studies would promote sustainable competitiveness and validate the results of this study.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Human capital is key and by all accounts increasingly important part of the resource-base of firms. Human resources have been called the “key ingredient to organizational success and failure” (Baron and Kreps, 1999), including success and failure in company innovation performance. It is important to understand why and how human capital encourages innovation, and what deployment of human resource management (HRM) practices inside the firm can produce desired levels of innovation performance.

This emanates from the recognition that the human resources of an organization and the organization itself are synonymous (Wadhwa & Verghese, 2011). These organisations consider employees rather than capital as the core foundation of the business and contributors to firm development. To ensure the achievement of firm goals, the organisation creates an atmosphere of commitment and cooperation for its employees through policies that facilitate satisfaction. Such employees are satisfied with their job and are inclined to be more energetic, ardent, inspired, and committed to their work (Syptaket al., 1999).

Employees’ satisfaction is closely linked to motivation and job performance. The reluctance to implement the factors of job satisfaction may be due to several factors such as, lack of resources, lack of skills internally and lack of strong leadership in the organization. Climate with growing emphasis on training and development, promotion policy implementation, remuneration based on markets rates and good working environment may become increasingly prevalent and important. Competition for scarce resources among organizations is becoming stiffer which means that organizations needs grow to the extent that employees’ are supported to grow.

Rhodes and Eisenberger (2002) argued that employees' perception in any organization is important as it influences their job satisfaction which impact on organizational performance. Employee perception of fairness and unfairness is determined by how well particular event (s) or incident (s) reflects on widely held beliefs, expectations and norms. Baron and Greenberg (2003) assert that job satisfaction is an attitude towards ones' job and it is basically the affective, cognitive and evaluative reactions towards their job.

Energy Regulatory Commission was experiencing high levels of absenteeism, lack of efficiency, increased losses and negative feedback from both internal and external customers and an increased turnover which was profoundly affecting the company's productivity. But the organization had not made job satisfaction a top priority in its overall human resource strategy. The organization seemed to have been unable to understand the significant link between job satisfaction and productivity. Thus there was need to evaluate job satisfaction challenges of these organizations and derive recommendations on how enhance contentment.

1.1.1 Concept of Perception

Perception is the process by which organisms interpret and organize sensation to produce meaningful experience of the world (Lindsay & Norman 1997). Perception not only creates our experience of the world around us but also allows us to act within our environment. Perception has a strong impact on an individual's descriptions, analysis of events and subsequent behavior (Gordon, Mondy, Sharplin & Premeaus 1990). People's behavior is based on their perception of the reality.

Perception is psychological and can be measured by qualitative factors such as people's attitudes, emotions, previous experience and their needs. People's attitudes have a powerful influence upon what they pay attention to, what they remember and how they interpret information (Arnold & Feldman 1986). Perception leads to decision making and action taking. At the most basic level, the decision is to act or not to act and this depends on how a person develops motivation. The meaning one gives to a stimulus perceived

fundamentally shape the choices and actions taken in response to it (Lindsay & Norman 1977). The primary purpose of perception is to guide action (Gaulin et al 2003). Rhodes and Eisenberger (2002) argue that employees' perception in any organization is important as they influence their job satisfaction which impact on organizational performance. Employee perception of fairness and unfairness is determined by how well particular event (s) or incident (s) reflects on widely held beliefs, expectations and norms.

1.1.2 Job Satisfaction

Satisfaction refers to a "person's feeling of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her expectations" (Kotler, 2003). Hence, job satisfaction being source of relief or tension caused by the gap between the expectations of the individual and unmet Graham (1982), defined Job satisfaction as "the measurement of one's total feelings and attitudes towards one's job. Job satisfaction is the constellation of attitudes about job. Job satisfaction is how employees feel about different aspect of their job. Job satisfaction is basically described as the feelings that an employee has about his/her job. Job satisfaction can be formally defined as the degree to which individuals feel positively and/or negatively about their jobs (Steyn & Van Wyk 1999).

Employees experience a feeling of accomplishment if their desired expectations are met, that will ultimately determine the degree of satisfaction. In other words, job satisfaction befalls when a job meets the, values, expectations and standards of an individual and will stimulate their commitment and performance (Gordon 1999). The level of job satisfaction will be high if the degree of the expectations being met is greater. From the worker's perspective, the level of job satisfaction increases when the work more interesting and different (Dinler, 2008; Wright & Davis, 2003). Baron and Greenberg (2003) assert that job satisfaction is an attitude towards ones' job and it is basically the affective, cognitive and evaluative reactions towards their job.

1.1.3 Factors Affecting Job Satisfaction

Overall satisfaction focuses on the individual's general internal state of satisfaction or dissatisfaction. Hence overall satisfaction or dissatisfaction is a holistic feeling that is dependent on the frequency and intensity of positive and negative experiences arising from components of their jobs such as work environment plays a vital role since it influences job satisfaction, as employees are concerned with a comfortable physical work environment that will ultimately renders more positive level of job satisfaction. (Robbins 2001). Lack of favorable working conditions, amongst other things, can affect poorly on the worker's mental and physical well-being (Baron and Greenberg, 2003). According to Arnold and Feldman (1996) factors such as working hours, temperature, ventilation, noise, hygiene, lighting, and resources are all part of working conditions. Negative performance will be provoked by poor working conditions since employees job demand mentally and physically tranquility. Monetary rewards play a very influential role in determining job satisfaction. Pay is one of the fundamental components of job satisfaction since it has a powerful effect in determining job satisfaction. Individual has infinite needs and money provides the means to satisfy these needs, (Arnold and Feldman 1996). Boggie (2005) says that poor pay and absence of recognition often leads to a problem with employee retention.

Job satisfaction is strongly associated to opportunities for promotion (Pergamit & Veum, 1999; Sclafane, 1999). The positive relationship between job satisfaction and promotion is dependent on perceived equity by employees (Kreitner & Kinicki, 2001). As compared to recognition and achievement the degree of promotion has a stronger impact on job satisfaction. Locke (1976) advocates that the aspiration to be promoted emanates from the desire for social status psychological growth, the desire for justice .Therefore management should commemorate that promotion furnishes a positive motivating tool in ensuring that the employee attains goals at a higher level. 'Training and development' has a significant positive impact on employees' job satisfaction. Thang and Buyens (2008) stated that training and development lead to superior knowledge, skills, abilities,

attitudes, and behavior of employees that ultimately enhance excellent financial and non-financial performance of the organizations.

1.1.4 Energy Regulatory Commission

The coming to being of Energy Regulatory Commission was as a result of the enactment of the Energy Act, 2006 established as a single sector regulatory agency, with responsibility for economic and technical regulation of both power, renewable energy, and downstream petroleum sub-sectors, including tariff setting and review, licensing, enforcement, dispute settlement and approval of power purchase and network service contracts. This Act was officially passed in 2007 giving rise to Energy Regulatory Commission.

The main aim of this Commission is to act as a protector of consumers and a think tank of Kenyan future energy preparedness as the country strives to meet vision 2030. Energy being the 'fuel' that steers development is the cornerstone of any development and as such is seen as a key component of strategic measure that a country must put in place to be able to progress further. How the Commission continues to manage this uphill task is what the country keenly watches as this is the pace setter in any future developments.

Energy Regulatory Commission was experiencing high levels of absenteeism, low levels of motivation and an increased turnover which were profoundly affecting a company's productivity according to employee satisfaction survey done for Energy Regulatory Commission by Strategic Business Organization Research Limited in the financial year 2013/2014. But the organization had not made job satisfaction a top priority in its overall human resource strategy. The organization seemed to have been unable to understand the significant link between job satisfaction and productivity. Thus there was need to evaluate job satisfaction challenges of these organizations and derive recommendations on how enhance contentment.

1.2 Problem Statement

Recognizing that employees are the critical resources in any organization necessary to enhance performance, most organizations now are focusing on the factors that improve on their job satisfaction. Woodruffe (2000), emphasized on the importance of training and skills development of employees applied through the underlying principle of continuous organizational learning. According to Champion-Hughes (2001) job satisfaction results from many influential factors such as rewards, job position and working environment and that such imperative aspects of job satisfaction include nature of job (intrinsic), tangible rewards (extrinsic) and relationships with people at work (interpersonal). The elements of satisfaction are strongly influenced by direct working environment which encompasses controlling regulations, job stress, interpersonal conflicts, team work, and sufficient provision of funding and facilities (Kotler, 2003). Jobs act as a major source of wealth and livelihood for people, so it has a direct effect of extrinsic rewards associated with work and would result into of employees satisfaction (Boggie, 2005).

Energy Regulatory Commission was experiencing high levels of absenteeism and an increased turnover according to employee satisfaction and work environment (survey 2013/2014 financial, Strategic Business Organization Research Limited). This was profoundly affecting the company's productivity and the organization had not made job satisfaction a top priority in its overall human resource strategy. The organization seemed to have been unable to understand the significant link between job satisfaction and productivity. Thus there was need to evaluate job satisfaction challenges of these organizations and derive recommendations on how enhance contentment.

A number of studies have been done relating to the determinants of job satisfaction. Clark and Oswald (1995) looked at the effect of income on job satisfaction. Their two main findings were: workers' reported satisfaction levels decline in wages and holding income constant satisfaction levels were strongly declining in the level of education. Abdullah et al., (2011) found wages as the main factor for job satisfaction, but other

factors such as the promotion, recognition of work, and employees' loyalty also considered. In addition, salaries and incentives were the most important determinants of job satisfaction. Hanif and Kamal (2009), argued that if companies made favorable strategies and rules for the employees related to pay scales, policy development, staff input, and the work environment, may lead to employee engagement, satisfaction and increased employee loyalty with the organization because satisfied employees are more likely to be welcoming and attentive which attracts customers and the who were employees not satisfied with the job can lead to customer unhappiness. Juma, Simatwa, and Ayodo (2011) study assessed job satisfaction among female principals in Rachuonyo North and South Districts. Their study revealed that good relationship with the teachers and autonomy to attend seminars and workshops were factors that influenced job satisfaction among female principals. Other factors influencing job satisfaction included remuneration, improvement and security among others. Mokaya, Musau, Wagoki and Karanja (2013) study examined the effects of organizational work conditions on employee job satisfaction in the hotel industry in Kenya. The study established that there was high employee job satisfaction with working conditions, remuneration and promotion system. Wachira and Kamau (2014) undertook an inquiry into job satisfaction habits among private secondary school teachers in Kenya. The study set to identify factors that affect teacher motivation in private schools. The study established that promotion, remuneration and leadership style affect job satisfaction among teachers in private secondary schools. Therefore this study was done to seek answers to the following research question: What are the employees' perceptions towards the factors that affect job satisfaction at Energy Regulatory Commission?

1.3 Research Objective

To establish the employees' perception on factors that affect job satisfaction in Energy Regulatory Commission of Kenya.

1.4 Value of the Study

The findings of the study are useful to Energy Regulatory Commission Kenya Ltd and to all other organizations of similar line of business in the country since they can rely on them to change the perception of employees towards the factors affecting job satisfaction. The study is also useful to the policy makers in the sub sector as they can cease to rely on theories and models whose findings did not originate from this industry or from Kenya but base their management decisions on facts about perception of employees on job satisfaction evidenced by research. The study has developed recommendations that are useful in developing the management and operational policies to improve employee job satisfaction hence changing their perception to increase the benefits that accrue due adoption of this concept and hence the growth and development of various organizations in Kenya.

Lastly, the study forms a background for further studies and reference for other researchers and readers in general and the information of the study will contribute to existing body of knowledge. It therefore produces knowledge that has hitherto been unavailable.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents a theoretical foundation of the study, job satisfaction and factors affecting employee job satisfaction.

2.2 Theoretical Foundation of the Study

This study was based on the following theories; Affect theory, Two- factor theory of motivation and Job characteristics model as reviewed below.

2.2.1 Affect Theory

The main premise of Locke's Range of Affect Theory (1976) is that satisfaction is determined by a discrepancy between what one wants in a job and what one has in a job. Further, the theory states that how much one values a given facet of work (e.g. the degree of autonomy in a position) moderates how satisfied/dissatisfied one becomes when expectations are/aren't met. When a person values a particular facet of a job, his satisfaction is more greatly impacted both positively (when expectations are met) and negatively (when expectations are not met), compared to one who doesn't value that facet.

According to this theory (Baron & Greenberg 2003), the impact of the various factors of job satisfaction can be determined if we know the value a person places on a particular work-related outcome. The greater the value placed on each factor, the greater the shift in satisfaction changes that will be produced. This theory also advocates that if too much value is placed on a particular factor; stronger feelings of dissatisfaction will occur. Locke's theory is therefore multifaceted and greatly specific to each individual.

2.2.2 Two-Factor Theory of Motivation

Two-Factor Theory of Motivation states that satisfaction and dissatisfaction are driven by different factors – motivation and hygiene factors, respectively. An employee's

motivation to work is continually related to job satisfaction of a subordinate. Motivation can be seen as an inner force that drives individuals to attain personal and organization goals (Hoskinson, Porter, & Wrench). Motivating factors are those aspects of the job that make people want to perform, and provide people with satisfaction, for example achievement in work, recognition, promotion opportunities. These motivating factors are considered to be intrinsic to the job, or the work carried out. Hygiene factors include aspects of the working environment such as pay, company policies, supervisory practices, and other working conditions.

The following table presents the top six factors causing dissatisfaction and the top six factors causing satisfaction, listed in the order of higher to lower importance.

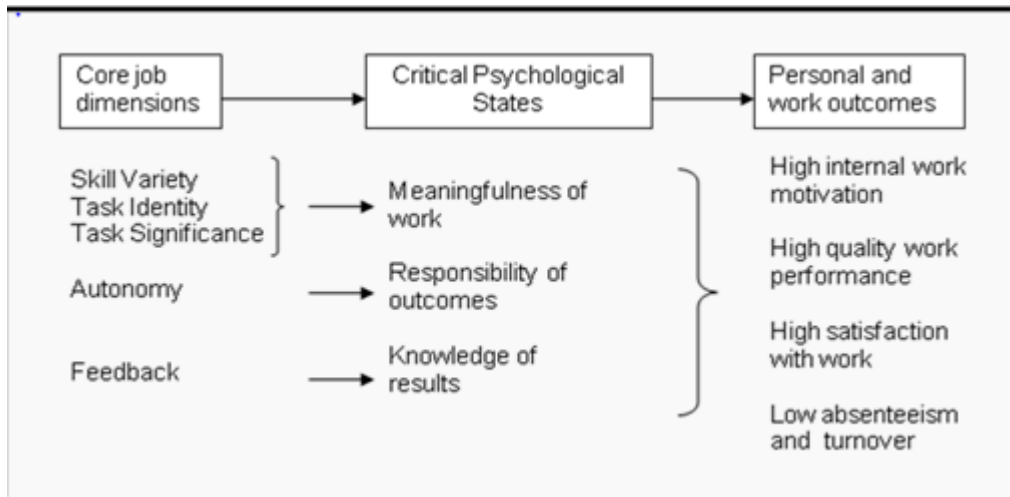
2.2.3 Job Characteristics Model

Robbins (2001), Hackman & Oldham (1976) argued that Job Characteristics Model, is a framework to study how particular job characteristics impact on job outcomes, including job satisfaction. The model states that there are five core job characteristics (skill variety, task identity, task significance, autonomy, and feedback) which impact on three critical psychological states (experienced meaningfulness, experienced responsibility for outcomes, and knowledge of the actual results), in turn influencing work outcomes (job satisfaction, absenteeism, work motivation). The five core job characteristics can be combined to form a motivating potential score (MPS) for a job, which can be used as an index of how likely a job is to affect an employee's attitudes and behaviors.

The first three dimensions, that is skill variety, task identity and task significance is unified to ensure that the job is more meaningful. If these characteristics are evident in a job, then the incumbent will interpret the job as more valuable and worthwhile. Many employees may complain that their jobs lack variety and creativity, therefore rendering the job boring and dull. Robbins (2001) adds that if the first three dimensions were included in a job, this would make the job more interesting, worthwhile and valuable to the incumbent. This will therefore have a favorable effect on job satisfaction. The jobs that include autonomy will equip workers with a sense of personal responsibility and self-

fulfillment. If a job possesses feedback, incumbents will become more wary about their performance and effectiveness (Robbins, 2001).

The five key job characteristics are analyzed in the characteristic model table below.



Source: **European Agency for Safety and Health at work, Page 210**

2.3 Job Satisfaction

Job satisfaction is the feeling employees have about their job in general (Smith et al. 1975). It is a multifaceted construct encompassing specific facets of satisfaction related to pay, work, supervision, professional opportunities, benefits, organizational practices and relationships with co-workers (Misener et al. 1996). Organizational research shows that employees who experience job satisfaction are more likely to be productive and stay on the job (McNeese-Smith 1997). In the study (Irvine & Evans 1995) it was found that the variables related to nurse job satisfaction, the work content and work environment variables which the administrators and nurse managers have more control over, have a stronger relationship with satisfaction than the economic or individual difference variables.

An empirical study by Vold-wein and his colleagues (1998) explored support for several aspects of job satisfaction: work challenges, risk taking initiatives, innovative abilities, autonomy and sense of accomplishment as sources of intrinsic satisfaction and a reflected attitude and behaviors towards potential income, growth opportunities, and salary and

benefits as extrinsic satisfaction. The way someone reacts to working hours, job stress, job security and organizational politics shows his/her satisfaction with organizational working conditions. Interpersonal relationships reflect satisfaction in communicating with work colleagues. Job satisfaction is positively and significantly influenced by variety of job-related factors such as strong organizational culture, interpersonal relationships, employee empowerment, teamwork, and self-perceived responsibility.

Over the years, many studies have attempted to categorize and find out the factors that affect job satisfaction (Abdullah et al., 2011) and found wages as the main factor for job satisfaction, but other factors such as the promotion, recognition of work, and employees loyalty also considered. In addition, salaries and incentives are the most important determinant of job satisfaction (Calisir et al., 2010). Ali and Ahmed (2009) concludes that due to the changes in reward or recognition programs, there will be a corresponding change in work motivation and satisfaction, this means that if there is a greater focus on remuneration and recognition, can have a positive impact as a result of motivation and thus lead to higher levels of job performance. Moreover positive and significant association found between job satisfaction and management practices such as team work, independence and leadership positions (Hunjra et al., 2010).

2.4 Factors Affecting Job Satisfaction

Factors that affect job satisfaction include; Work environment, remuneration, promotion, training and development.

2.4.1 Work Environment

The term “work environment” covers many different aspects such as physical work environment, management’s attitude towards employees, relationship with colleagues, and working conditions (Emerson, 2007). Fran Tarkenton declares that to seek what motivates people, “you have to find what turns people on.” This is the most important issue in the process. A motivating workplace environment need going over and beyond the call of duty and providing for the needs of the employee (Smith, 2010). An

environment is anything that helps and supports employees to be or to perform in a certain way.

Moreover, a motivating work environment must be the one in which employees feel like they are treated fairly. No matter what level of input a particular employee has in relation to the business processes as a whole, it is necessary for a manager to offer each employee a sense of playing a self-motivated, integral role in something much larger. In fact, engendering loyalty is a key element of motivating employees and thereby increasing the overall productivity of operations (Chandrasekar, 2011).

2.4.2 Remuneration

Remuneration refers to the cash and non cash rewards to an employee for the service offered. There is no doubt that monetary rewards play a very influential role in determining job satisfaction. Pay is one of the fundamental components of job satisfaction since it has a powerful effect in determining job satisfaction. Individual has infinite needs and money provides the means to satisfy these needs, (Arnold and Feldman 1996). However, there is no such empirical evidence that asserts that pay alone improves worker satisfaction or reduces dissatisfaction (Bassett 1994). The author is of the opinion that handsome salary cannot be the only factor of job satisfaction even highly paid employees may still be dissatisfied if they do not like the nature of their job. Moreover, a study conducted by Young, Worchel and Woehr (1998) in the public sector organizations revealed the failure of any significant relationship between job satisfaction and pay. However, Boggie (2005) says that poor pay and absence of recognition often leads to a problem with employee retention. Chung (1977) says that dissatisfaction and discontent can be the reason if salaries are not market related. Nel, Van Dyk, Haasbroek, Schultz, Sono, and Werner (2004) also say that employees will compare themselves with their colleagues in terms of salary and their inputs to their job and may feel dissatisfied.

2.4.3 Promotion

Promotion refers to advancing in career or career progression. There is a consensus among the researchers that job satisfaction is strongly associated to opportunities for promotion (Pergamit & Veum, 1999). The positive relationship between job satisfaction and promotion is dependent on perceived equity by employees (Kreitner & Kinicki, 2001). As compared to recognition and achievement the degree of promotion has a stronger impact on job satisfaction. Locke (1976) advocates that the aspiration to be promoted emanates from the desire for social status psychological growth, the desire for justice. Therefore management should commemorate that promotion furnishes a positive motivating tool in ensuring that the employee attains goals at a higher level.

The level of promotion has a stronger impact on job satisfaction as compared to recognition and achievement. The promotion to the next level will result in positive changes such as pay, autonomy and supervision, (Arnold & Feldman, 1996). However, Hoy and Miskel (1991), warns that those top achievers promoted too quickly can result in dissatisfaction amongst loyal, intelligent but less creative senior workers. The human resources department, at most times, is constantly asked the question “does the job position entails opportunity for advancement (promotion). Locke (1976) advocates that the wish to be promoted stems from the desire for psychological growth, the desire for justice and the desire for social stays. Management should therefore bear in mind, that promotion can serve as a very positive motivating tool in ensuring that the employee attains goals at a higher level.

2.4.4 Training and Development

Training and development’ refers to any effort to improve current status of future employees’ skills, abilities, and knowledge (Aswathappa, 2008). ‘Training and development’ has a significant positive impact on employees’ job satisfaction (Garcia, 2005). Thang and Buyens (2008) stated that training and development lead to superior knowledge, skills, abilities, attitudes, and behavior of employees that ultimately enhance excellent financial and non-financial performance of the organizations.

According to Bhatia (2001), career development can enhance job security to employees by providing them some training program and hence promotion. Career development is not only the organization responsible but it is also process that employees try to improve themselves, get promoted with their job performance and potential skills. Self-improvement is important in the career development. Employees must have the acknowledgment to learn new things, skills of management, giving suggestion for solving organization's problem and becoming innovative. Therefore, employees could be easily improving themselves in their career field. Most of the organizations wish that their employees were independent and have potential for handling the problems.

2.4.5 Job Security

According to previous research done by Seema et al. (n.d) found that there a significant difference between job security and loyalty when job security consider is a factor. According to Commerce Dictionary.com, job security is defined as the like hood that an employee will keep his or her job for a long time or until retirement and an employee's feeling that he has a right to keep his job, or that he will never be made redundant. Other than that, job security defines as the feeling that an employee has of being able to stay in a job as long as he or she wants from Publishing Dictionary.com. In other words, job security is the security of continued employment in the same occupation with the same employer. Bolman and Deal (1997) as cited in (Gerhardt, 2004) recommended that promotions from an organization would give employees a sense of job security because they support employees to stay with the organization and gain more skills. The promotions like given the training and opportunity to learn something new can influence the employee decide continue stay at that company because they will feel the company is concerned about them so their jobs are secure.

2.4.6 Nature of Business Operation

This refers to the line of business of an organization such as; private or government, profit making or nonprofit making and also if it is service industry or manufacturing. "Nature of business" refers to the type or general category of business or commerce you

are describing. For example, if you work at Microsoft, then the nature of your business is software. If you work at a restaurant, the nature of your business is food services. Other examples include retail, wholesale, manufacturing, and marketing.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter covers the research design, target population, data collection procedures as well as the data analysis techniques that were used in the study.

3.2 Research Design

The study adopted descriptive survey design. Cooper and Schindler (2003), support the descriptive design as it is concerned with finding out the aspect of a phenomenon such as who, what, where, when and how. The design was found appropriate because it gave a complete description of the situation, minimizing bias.

3.3 Target Population

Population comprised of all Energy Regulatory Commission ninety six (96) employees' (Staff List; ERC/HR/1 September, 2014).

3.4 Data Collection

The study used primary data which was collected using semi-structured questionnaire. The questionnaire was divided into two parts. Part A contained demographic information of the respondents, while the part B contained information on the variables of the study.

3.5 Data Analysis

The collected data was checked for completeness. The data was then summarized and tabulated. Descriptive statistics such as means and standard deviation were used to analyze the data. The findings were presented using percentages and frequency tables.

CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents the response rate, demographic characteristics and factors perceived to affect the employee job satisfaction in Energy Regulatory Commission.

4.2 Response Rate

Ninety six (96) questionnaires were issued and seventy three (73) questionnaires representing 76% of the total questionnaires distributed were returned fully completed, while twenty three (23) questionnaires were not returned representing 24% of the total questions distributed to the respondents. The response rate was adequate.

4.3 Demographic Characteristics of the Respondents

These consisted of highest level of education, length of service and position held in the firm.

4.3.1 Highest Level of Education

Majority of the respondents (35.6%) who participated in the study indicated that they had acquired first degree as their highest level of education; 32.9% had masters degree, whereas 21.9% had diploma and 9.6% of respondents had attained other levels of education(O- level). This implied that 68% of the employees' of Energy Regulatory Commission had at least a first degree and above.

Table 4.1 Highest Level of Education of the Respondents

Categories	Percentage %
Diploma	21.9
Degree	35.6
Masters	32.9
Others	9.6

4.3.2 Length of Service of the Respondents

Majority of respondents represented by 57.7% had worked between for 4 years and above while 42.4% of respondents had worked between for 3 years and below. This is an indication that most of the respondents have good working experience and they are not fresh from the institutions of learning the employee job satisfaction is not a new concept.

Table 4.2 Length of Service of the respondents

Categories	Percentage %
1-3 years	42.4
4-6 years	57.6

4.3.3 Positions Held by the Respondents

Majority of the respondents were the support staff who had a representation of 45%, 35% were management and 20% were senior management. This was an indication that the majority of the staff was the support staff.

Table 4.3 Positions Held by the Respondents

Categories	Percentage %
Senior Management	20
Management	35
Support staff	45

4.4 Perceived Factors of Affecting Job Satisfaction

The study sought to establish the factors perceived to affect the employee job satisfaction at Energy Regulatory Commission Kenya. The findings were that work environment, remuneration, promotion, training and development were perceived to affect job satisfaction as presented below.

4.4.1 Work Environment

Majority of the respondents had positive perception on factors of work environment with a mean of 3.57 (Table 4.4). The results implied that work environment were very important to the respondents in job satisfaction. Robbins (2001) found that work environment plays a vital role since it influences job satisfaction, as employees are concerned with a comfortable physical work environment that ultimately renders more positive level of job satisfaction. Baron and Greenberg, (2003) stated that employees desire working conditions, which will result in greater physical and mental comfort and the absence of such working conditions, amongst other things can impact poorly on the workers mental and physical well-being.

Table 4.4: Components of Work Environment

Work Environment	(n=73)	
	Mean	S.D.
Favorable working hours results into employees' job satisfaction	3.62	1.202
Less stressful working environment enhances employees' job satisfaction	3.82	1.059
Job security enhances employees' job satisfaction	3.44	1.312
Positive organizational politics promotes employees' job satisfaction	3.57	1.162
Working conditions result in greater physical comfort and convenience hence enhance job satisfaction	3.84	1.198
Availability of working tools enhance employees' job satisfaction	3.48	1.324
Healthy and safety is critical to employees' job satisfaction	3.55	1.302
Working environment promotes teamwork and enhances employees' job satisfaction	3.26	1.167
TOTAL	3.57	1.216

4.4.2 Remuneration

Majority of the respondents had a positive perception on factors of remuneration this is confirmed by a mean of 3.44 (Table 4.5). This implied that remuneration was important in job satisfaction. Arnold and Feldman (1996) stated that pay is one of the fundamental components of job satisfaction since it has a powerful effect in determining job satisfaction. An individual has infinite needs and money provides the means to satisfy some of these needs.

Table 4.5: Components of Remuneration

Remuneration	(n=73)	
	Mean	S.D.
Pay promotes employees' job satisfaction	3.58	1.232
Allowances enhance employees' job satisfaction	3.49	1.405
Commission promotes employees' job satisfaction	3.39	1.131
Bonuses enhance employees' job satisfaction	3.30	1.224
TOTAL	3.44	1.248

4.4.3 Promotion

Majority of the respondents had a positive perception on factors of promotion since the mean was 3.39 (Table 4.6). Pergamit and Veum (1999) and Kreitner and Kinicki (2001), stated that job satisfaction is strongly associated to opportunities for promotion however the positive relationship between job satisfaction and promotion is dependent on perceived equity by employees. Therefore this implies that promotion is very important in job satisfaction.

Table 4.6: Components of Promotion

Promotion	(n=73)	
	Mean	S.D.
Job satisfaction is strongly associated to opportunities for promotion	3.30	1.288
Promotion is perceived as equity by employees	3.17	1.292
Promotion is regarded as recognition and achievement	3.37	1.173
Promotion entails opportunity for growth or advancement	3.51	1.166
Promotion results into positive changes in pay, autonomy and supervision satisfaction	3.58	1.337
TOTAL	3.39	1.251

4.4.4 Training and Development

Majority of the respondents had a positive perception of factors of training and development by having a mean of 3.57 (Table 4.7). Garcia, (2005), found that training and development' has a significant positive impact on employees' job satisfaction. Thang and Buyens (2008,) stated that training and development lead to superior knowledge, skills, abilities, attitudes, and behavior of employees that ultimately enhance employee job satisfaction and performance. Therefore this implied that training and development is a factor that contributes to employee job satisfaction.

Table 4.7: Components of Training and Development

Training and Development	(n=73)	
	Mean	S.D.
Effort to improve current or future employees' skills enhances employees' job satisfaction	3.78	1.228
Training and development leads to superior knowledge hence employees' job satisfaction	3.55	1.155
Regular and relevant training and development programmes energize employees at all levels	3.42	1.394
Supporting employees with the capabilities that an organization requires motivates them	3.62	1.113
Seeking solutions in terms of re-skilling or reassignment is essential in improving employees' job satisfaction.	3.48	1.226
TOTAL	3.57	1.223

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summary, conclusions, recommendations, limitations of the study and suggestions for further research.

5.2 Summary

From the findings the factors that were perceived to affect the job satisfaction included remuneration which the respondents were of the view that various allowances, commissions, pay and also bonuses according to the job that they do would increase or improve the level of job satisfaction. Training and development was also another factor perceived to affect employee job satisfaction since the respondents felt that if offered it would increase current and future skills and would also lead to increased knowledge both in their areas of expertise and in the dynamic technology. Work environment was another perceived factor of job satisfaction which the respondents referred to having favorable working hour, having job security, having positive organization politics, availability of working tools or machinery and also ensuring health and safety at work place. The study also established another perceived factor was opportunity for growth and promotion changes in pay, autonomy and supervision satisfaction.

5.3 Conclusions

The history of job satisfaction stems back to the early 1900's with the situationist perspective on job satisfaction. This perspective states that satisfaction is determined by certain characteristics of the job and characteristics of the job environment itself (Cranny, Smith & Stone 1992). This study confirms the same view that job satisfaction would be strongly influenced by work environment with the highest mean of 3.57 as shown in table 4.4. In their job characteristic model Robbins (2001), Hackman & Oldham (1976) alludes to the same view that job satisfaction occurs when the work environment encourages intrinsically motivating characteristics. These key characteristics include: Skill variety, task identity, task significance, autonomy and feedback.

It is also evident from the study that training and development components significantly affect job satisfaction with the same mean score of 3.57 as illustrated in table 4.7. This means that an organization that provides more opportunities for training and development is likely to have employees who are more satisfied. However, training and development alone are not enough to ensure job satisfaction, the study identified remuneration and promotion as other factors that would also affect job satisfaction in most organisations. Although these two factors recorded comparatively low mean scores (3.44 and 3.39 respectively - Table 4.5 and 4.6) among the respondents, they have a significant relationship with job satisfaction. This means that the management of any organization should be able to create a total reward structure that includes more than just compensation. The study results also suggest that the management should establish and implement a fair promotional policy that would encourage employees to work hard to achieve their set targets and make them more satisfied in their pursuit for higher ranks or positions.

5.4 Recommendations

The findings of the study recommended to the management to create a total reward structure that includes more than just compensation, provide training and development to all employees to improve skills and knowledge. The study results also suggested that the management should establish and implement a fair promotional policy that would encourage employees to work hard to achieve their set targets and make them more satisfied in their pursuit for higher ranks or positions.

5.5 Limitation of the Study

The study was limited in terms of methodology used. A more comprehensive study by use of more rigorous statistical analysis would have led to a better understanding on the factors affecting job satisfaction. The study would also be extended by use of other data collection methods besides a survey such as interviews, case analysis among others.

5.6 Suggestions for Further Research

There is adequate opportunity for further research on perceived factors affecting employee job satisfaction in the Energy Regulatory Commission. It is recommended that in order to create a better understanding of the perceived factors affecting employee job satisfaction in the Energy Regulatory Commission, more needs to be studied in terms of challenges affecting improvement of the employee job satisfaction and ways in which these challenges can be overcome. This will enable scholars draw more accurate conclusions and give policy makers a more solid grip of the state of employee job satisfaction.

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APPENDIX : QUESTIONNAIRE

Introduction

This questionnaire is divided into two sections:

1. Demographic Characteristics (Part A)
2. Perceived factors affecting job satisfaction (Part B)

This is the first section please complete the questions and tick where applicable.

PART A. DEMOGRAPHIC CHARACTERISTICS

1. Position.....

2. What is your highest level of education?

Diploma Degree Masters

(Please tick where applicable)

Others specify.....

3. How long have you been at Energy Regulatory Commission?

1-3 Years 4- 6Years 7-9 Years 10 and above

(Please tick where applicable)

PART B: PERCEIVED FACTORS AFFECTING JOB SATISFACTION

In relation to the perceived factors affecting job satisfaction to what extent do you agree or disagree with the following? Strongly Agree = 5, Agree = 4, Neither Agree nor Disagree = 3, Disagree = 2, Strongly Disagree = 1

Effect of Work Environment on Job Satisfaction	5	4	3	2	1
Favorable working hours results into employees' job satisfaction					
Less stressful working environment enhance employees' job satisfaction					
Job security enhances employees' job satisfaction					
Positive organizational politics promotes employees' job satisfaction					
Working conditions that result in greater physical comfort and convenience enhance job satisfaction					
Availability of working tools enhance employees' job satisfaction					
Healthy and safety is critical to employees' job satisfaction					

In relation to the perceived factors affecting job satisfaction to what extent do you agree or disagree with the following? Strongly Agree = 5, Agree = 4, Neither Agree nor Disagree = 3, Disagree = 2, Strongly Disagree = 1

Effect of Remuneration & Promotion on Job Satisfaction	5	4	3	2	1
Pay promotes employees' job satisfaction					
Allowances enhance employees job satisfaction					
Commission promotes employees' job satisfaction					
Bonuses enhance employees' job satisfaction					
Job satisfaction is strongly associated to opportunities for promotion					
Promotion is perceived as equity by employees hence enhance employees' job satisfaction					
Promotion entails opportunity for growth or advancement results in employees' job satisfaction					

In relation to the perceived factors affecting job satisfaction to what extent do you agree or disagree with the following? Strongly Agree = 5, Agree = 4, Neither Agree nor Disagree = 3, Disagree = 2, Strongly Disagree = 1

Effect of Training & Development on Job Satisfaction	5	4	3	2	1
Possibility and hope for career development satisfies employees					
Effort to improve current or future employees' skills enhances employees' job satisfaction					
Training and development leads to superior knowledge hence employees' job satisfaction					
When each and every employee is supported with the capabilities that an organization requires - motivation explodes hence employees' job satisfaction					
Seeking solutions in terms of re-skilling or reassignment is essential in improving employees' job satisfaction.					

THANK YOU FOR YOUR COOPERATION