RELATIVE IMPORTANCE OF FACTORS INFLUENCING JOB SATISFACTION AMONG SAFARICOM'S RETAIL CENTRE AGENTS IN NAIROBI
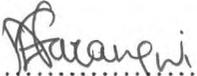
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A management research project submitted in partial fulfillment of the requirements for a degree of Master of Business Administration(MBA), school of Business, University of Nairobi
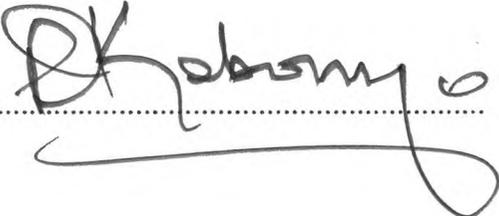
OCTOBER, 2009

Declaration

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

Signed ....Ntarangwi............... Date......11·11·09.................

Florah Ntarangwi

This management research project has been submitted for examination with my approval as University supervisor

Signed................................. Date....12|11|2009....

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Dedication

To my children, Alvin Kobia and Kelsey Kinya, for allowing me to take time that was rightfully yours to complete this project.

Acknowledgement

I thank the Almighty God for the physical, mental and emotional health that has enabled me to get this far

Sincere gratitude to my supervisor Prof. K'Obonyo for your guidance, advice and invaluable input throughout this project

I'm forever indebted to my daddy, Joseck Mwarania and my mummy, Ann Mwarania for their selfless sacrifice that enabled me reach academic heights they could not reach themselves

Special thanks to the retail centre agents at Safaricom who took their time to fill out the questionnaire that enabled me complete the project

Last but not least, heartfelt gratitude to my husband, Godfrey Mucheke for your financial support without which I would not have began the MBA course in the first place.

Thank you all and may God always shine his face upon you

Abstract

The primary purpose of this study was to establish the relative importance of factors that influence job satisfaction among Safaricom retail centre agents. The objective of the study was to establish the relative importance of factors influencing job satisfaction among retail centre agents at Safaricom. The research design was a survey.

The population of interest consisted of retail centre agents in the 8 retail shops in Nairobi. The data was collected using semi structured questionnaires. The drop and pick later method was used to administer the questionnaires. The response rate was 86%.The data was analyzed using descriptive statistics

The findings of the study showed that salary is an extremely important factor in influencing the job satisfaction of the retail centre agents with 81.9% of the respondents rating it as such. 32.6% of the respondents rated the nature of supervision as not important in influencing the job satisfaction of the retail centre agents. The relative importance of the factors that influence job satisfaction among Safaricom retail agents as rated by the respondents are: salary, responsibility for the job, recognition for a job well done, opportunity for achievement, the job itself, opportunity for advancement, interpersonal relations, working condition, company policies and administration, and nature of supervision

The recommendation from the study is that HR administrators' need to benchmark the salaries for the retail agents to the prevailing market rates in order to maintain or increase the level of job satisfaction for the retail agents since this factor has been identified as being extremely important to the agents. The job itself is also very important to the employees; strategies such as job rotation, job enrichment and job enlargement can be employed in order to positively enhance the job satisfaction of the retail center agents

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CHAPTER ONE
INTRODUCTION

1.1 Background

In the recent past the business environment has been punctuated with extreme levels of turbulence. The environment is discontinuous, unpredictable and volatile as it emerges with new business opportunities and challenges. Today's world has witnessed rapid political changes, changes in legislation, the greenbelt movements, pressure groups, inflation, recession, and insecurity concerns among others (Nyaga, 2007). Above all the globalization of world economies has created global consumers who must be satisfied by the ever growing portfolio of competitors. Companies especially in Africa's fastest growing industry of IT must therefore be able to meet the ever changing customer demands. This is only possible if the firms employ not only qualified and competent but also employees who are satisfied in the job (Ukur, 2003) this satisfaction is particularly significant to employees who are central in the generation of the sales volumes and performance of the firm.

1.1.1   Job Satisfaction

Job satisfaction and job performance are too closely linked to one another, and that they affect each other. Here are cases in point: If a person is highly satisfied with his/her job, this would lead the person to want to do a good job and to perform well. On the other side is the person's ability level. If the person is struggling with performing the job, it may give the appearance that the person is a poor performer even though may be exhausting a great deal of effort in trying to perform the job. This person's frustration then in turn leads to poor job satisfaction. Job satisfaction elements include task satisfaction, employment satisfaction, and market satisfaction. Task satisfaction comes from performing the tasks required of the job. Increasing a person's· salary may make an undesirable task more bearable, but it doesn't necessarily make it more enjoyable. Employment satisfaction consists of elements such as personnel policies, benefits, career opportunities, work environment, style of management, fit in the organization, etc. Market satisfaction is

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comprised of forces external to the company that affect the individual's job. Political situations and public laws can easily affect job satisfaction. In most cases, market satisfaction will be consistent across the job market; the same external forces will be present even if the employee changes employers. However there are differences in the external forces affecting jobs within the government and those within the private sector (Nyaga, 2007)

Job satisfaction is an important element in work situations and has been associated with improved performance as well as increased commitment to the organization. It determines employee retention, motivation, productivity and levels of both customer satisfaction and revenue (Mukandara, 2006). Job satisfaction has been defined as a positive emotional state resulting from the pleasure a worker derives from the job (Oluoch, 2007). Rendering effective services largely depends on the human resource, and job satisfaction experienced by employees will affect the quality of services they provide. All organizations are concerned with what should be done to achieve sustained high level of performance through people. This means giving close attention to how individuals can best be motivated through means as incentives, rewards, leadership and importantly the work they do and the organizational context within which they carry out that work (Armstrong, 1999)

Job satisfaction describes how content an individual is with his or her job. An individual is said to be satisfied with his or her job if he or she likes more aspects of the work than he or she dislikes others. Employees with higher job satisfaction believe that the organization will satisfy in the long run, care about the quality of their work, are more committed to the organization, have higher retention rates and are more productive.

1.1.2 Factors that influence job satisfaction

Factors that influence job satisfaction include perceived opportunity elsewhere, perceived long range opportunities, working conditions, and social relationships, compensation, job design and supervision (Rue et al 1993). Herzberg (1959) proposes that the primary determinants of employee satisfaction are: recognition, achievement, responsibility, advancement, and the work itself.

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1.1.3 Safaricom Ltd.

Safaricom Ltd, Kenya's leading mobile service provider was founded in 1997 under the state owned Telkom Kenya. In 2000, global telecommunications leader Vodafone Plc acquired 40% shareholding in Safaricom, effectively putting part of top management responsibility under Vodafone. Safaricom is in the mobile communication business, with a vision to be the best company in Africa. In order to live this vision, focus is placed on the quality of service that is provided to the existing and potential customers. This quality service is provided by, among other company employees, the retail centre agents who have a daily direct interface with the customers. The company currently has a total of eight (8) retail outlets in Nairobi, with a total of 144 retail centre agents and a wide dealer network that assists in promoting and selling the various products and services. (Company records, 2009)

Safaricom retail center agents are playing a pivotal role in the amount and level of income generated by the firm. This is achieved through the various responsibilities they are charged with. First, they handle customer service which entails providing high quality service to the customers for the various needs concerning their mobile communication. Also, they sell the various products and services of the company so as to enable the retail centre to attain its sales target. Finally, the customer care representatives ensure that the operational expenses are kept within the budget. How this cadre of staff delivers on their key performance indicators is influenced in part by the level of their job satisfaction.

There has been growing competition in the mobile communication industry, with the entrance of new providers such as orange and yu coupled with the rebranding of zain, and this puts pressure on safaricom's retail center agents to deliver quality service to the customers so as to retain the existing ones and attract new ones. This is only possible when the employees have sufficient levels of job satisfaction. In terms of company structure, the retail center agents report to a.retail manager in the respective retail shop, who in turn reports to the area retail manager. The area retail manager then reports to the head of retail. Retail center agents at Safaricom are ranked at grade 8, which is the lowest grade in the organization. The salary difference between this grade and the one

immediately above it is quite substantial. Moreover, majority of the retail center agents are highly qualified in terms of academic and professional achievements. The combination of all these issues is likely to influence the level of job satisfaction of retail center agents.

1.2 Statement of the problem

A growing concern for top executives throughout the world is the critical need for increased employee productivity, because this productivity is the basis for wealth maximization of any firm. (Koech, 2002). The level of Job satisfaction is dependent on factors such as conditions of work, type of work, design of work, supervisor attitudes, attitudes towards company and even personal problems at home (Oluoch, 2007). A number of studies have been conducted on employee job satisfaction. Mukandara (2006) researched on job satisfaction of grades A-F employees of the University of Nairobi while (Wambui 2006) dealt with the effect of Job design on employees' job satisfaction at "Feed the Children Kenya". These studies made a great contribution to the identification of some of the factors influencing job satisfaction

Okoth (2003) did a survey of factors that determine the level of job satisfaction among teachers in top ranking private secondary schools, and Mwaura (1993) studied the probable causes of job dissatisfaction among University of Nairobi library workers. All these studies agree on some of the factors that influence job satisfaction as opportunity for achievement, recognition, responsibility, more challenging jobs and opportunity for advancement, among others. None of these studies determined the relative importance of these factors. Due to the limited organizational resources, the organization needs to know how to prioritize employee needs and therefore the need for knowing the relative importance. This constitutes a gap in knowledge that the proposed study intends to fill. In addition, all these studies were carried out mainly before 2007, the time period within which a lot of the fundamental changes in the turbulent environment such as the increased competitive arena had not taken root in Kenya. The time variance in relation to the changes in the business environments after 2006 Vis a Vis the current situation clearly justifies this research. It is also instructive to note that the studies that have been

done, did not specifically deal with Safaricom. Although companies studied operated within the same business arena as Safaricom, their markets and services are dissimilar to those of Safaricom. In fact, even their customer care staff could not be assumed to share in the same job satisfaction factors as those of Safaricom. Above all, most of the research has been undertaken in industries other than that of telecommunications, yet this industry are unique in many ways. Consequently, this leaves a knowledge gap that requires to be addressed by the current study. In the light of the above, what then are the factors that influence job satisfaction among Safaricom customer care representatives?

1.3 Objective of the study

To establish the relative importance of the factors influencing job satisfaction among retail centre agents of Safaricom Ltd in Nairobi.

1.4 Importance of the study

The findings of this study will be important to the following groups:

i) HR administrators

The study shall equip the HR administrators with knowledge on the impact of specific HR policies such as compensation on job satisfaction. The research will also enlighten the administrators on the required HR strategies to improve on job satisfaction.

ii) Safaricom Management

The findings of this study could enable Safaricom management to undertake benchmarking of their employees with those of competitors with a view to improving on their competitive advantage. At the same time the results shall be crucial for planning on such aspects as customer care representatives training, salaries and allowances.

iii) Researchers

The study findings will add to the existing knowledge. The study will act as a point of reference for future research especially on aspects of methodology on related research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The concept of job satisfaction may seem simple but it is actually complex. This complexity is evident in the numerous researches that have been done. McCormick (1989) acknowledges this aspect by noting that job satisfaction has been the primary attitude of interest to both practitioners and researchers over the years. Locke (1976) reported that there had been well over 3000 published studies of job satisfaction. In the chapter, there are various definitions as given by scholars who have studied the concept of job satisfaction, there is also a discussion on the theories on job satisfaction, how it is measured and the various factors that influence it

2.2 Job Satisfaction

Job satisfaction refers to an individual's general attitude toward the job. It can be affected by such factors as working conditions, pay and benefits, the individual's attitudes towards the organization, supervision and towards the work itself, and the individual's health and age (Rue et al: 1993). According to Richard et al (1977) job satisfaction refers to an individual's affective reactions or feelings towards his work. Milkovich et al (1988) further defines job satisfaction as a pleasurable or positive emotional reaction to a person's job experiences. Armstrong (2006) says job satisfaction is the attitudes and feelings people have about their work. Positive and favorable attitudes towards the job indicate job satisfaction. Negative and unfavorable attitudes towards the job indicate job dissatisfaction. An attitude is an individual employee's feeling (satisfaction, indifference or dissatisfaction) towards a specific subject, situation, object or person. Job satisfaction is the net result of the good or poor attitude held by an individual employee at a given period of time (Kingori, 2003).

Job satisfaction is not only important to the organization but also to the individual. Winter (1969) carried out research on the relation between job satisfaction and physical

and mental well being, and concluded that worker's physical and mental well being appeared to be highly correlated with job satisfaction and that highly satisfied worker tended to have better physical and mental records. On the part of importance of job satisfaction to the organization, human resource decision makers are concerned with the feelings and emotions employees have towards their work for at least two reasons: first, employee attitudes seem related to employee behaviors such as attendance and length of service, and though there is no supporting evidence, there is a common belief that positive attitudes contribute to increased employee performance. Secondly, independent of its effects on behaviors related to efficiency, equity is one of the major objectives of human resource management (Milkovich et al 1988)

Individual satisfaction leads to organizational commitment, while dissatisfaction can lead to lower work performance, tardiness, absenteeism, grievances and other problems that are costly to the organization. Employees who are dissatisfied with their jobs have both higher than normal rates of voluntary absenteeism and resignation. Costs are associated with absenteeism and turnover hence these relationships provide ample reason for being concerned about employee job satisfaction

2.3 Theories of job satisfaction

2.3.1 Affect Theory

Edwin A. Locke's Range of Affect Theory (1976) is arguably the most famous job satisfaction model. The main premise of this theory 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. To illustrate, if Employee A values autonomy in the workplace and Employee B is indifferent about autonomy, then Employee A would be more satisfied in a position that offers a high degree of autonomy and less satisfied in a position with little or no

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autonomy compared to Employee B. This theory also states that too much of a particular facet will produce stronger feelings of dissatisfaction the more a worker values that facet.

2.3.2 Dispositional Theory

Another well-known job satisfaction theory is the Dispositional Theory. It is a very general theory that suggests that people have innate dispositions that cause them to have tendencies toward a certain level of satisfaction, regardless of one's job. This approach became a notable explanation of job satisfaction in light of evidence that job satisfaction tends to be stable over self-esteemtime and across careers and jobs. Research also indicates that identical twins have similar levels of job satisfaction.

A significant model that narrowed the scope of the Dispositional Theory was the Core Self-evaluations Model, proposed by Timothy A. Judge (1998) where he argued that there are four Core Self-evaluations that determine one's disposition towards job satisfaction: general self-efficacy, locus of control, and neuroticism. This model states that higher levels of self-esteem (the value one places on his/her self) and general self-efficacy (the belief in one's own competence) lead to higher work satisfaction. Having an internal locus of control (believing one has control over her\his own life, as opposed to outside forces having control) leads to higher job satisfaction. Finally, lower levels of neuroticism lead to higher job satisfaction

2.3.3 Two-Factor Theory (Motivator-Hygiene Theory)

Frederick Herzberg's two factor theory (also known as Motivator Hygiene Theory) (1959) attempts to explain satisfaction and motivation in the workplace This theory states that satisfaction and dissatisfaction are driven by different factors – motivators and hygiene factors, respectively. 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.

While Hertzberg's model has stimulated much research, researchers have been unable to reliably empirically prove the model, with Hackman & Oldham suggesting that Hertzberg's original formulation of the model may have been a methodological artifact. Furthermore, the theory does not consider individual differences, conversely predicting all employees will react in an identical manner to changes in motivating/hygiene factors Finally, the model has been criticized in that it does not specify how motivating/hygiene factors are to be measured.

2.3.4 Job Characteristics Model

Hackman & Oldham (1975) proposed the Job Characteristics Model, which is widely used as 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 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, etc.). 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.

2.4 Measures of job satisfaction

One of the biggest preludes to the study of job satisfaction was the Hawthorne studies. These studies (1924-1933), primarily credited to Elton Mayo of the Harvard Business School, sought to find the effects of various conditions (most notably illumination) on workers' productivity. These studies ultimately showed that novel changes in work conditions temporarily increase productivity (called the Hawthorne Effect). It was later found that this increase resulted, not from the new conditions, but from the knowledge of being observed. This finding provided strong evidence that people work for purposes other than pay, which paved the way for researchers to investigate other factors in job satisfaction.

Scientific management (also known as Taylorism) also had a significant impact on the study of job satisfaction. Frederick Taylor (1911) argued that there was a single best way to perform any given work task. This book contributed to a change in industrial production philosophies, causing a shift from skilled labor and piecework towards the more modern approach of assembly lines and hourly wages. The initial use of scientific management by industries greatly increased productivity because workers were forced to work at a faster pace. However, workers became exhausted and dissatisfied, thus leaving researchers with new questions to answer regarding job satisfaction.

Also, Maslow's hierarchy of needs theory, a motivation theory, laid the foundation for job satisfaction theory. This theory explains that people seek to satisfy five specific needs in life – physiological needs, safety needs, social needs, self-esteem needs, and self-actualization. This model served as a good basis from which early researchers could develop job satisfaction theories. At this point it is important to note that job satisfaction needs measurement for planning purposes. There are many methods for measuring job satisfaction. By far, the most common method for collecting data regarding job satisfaction is the Likert scale. Other less common methods of for gauging job satisfaction include: Yes/No questions, True/False questions, point systems, checklists, and forced choice answers. This data is typically collected using an Enterprise Feedback Management (EFM) system.

The Job Descriptive Index (JDI), developed by Smith, Kendall, & Hulin (1969), is a specific questionnaire of job satisfaction that has been widely used. It measures one's satisfaction in five facets: pay, promotions and promotion opportunities, coworkers, supervision, and the work itself. The scale is simple, participants answer either yes, no, or can't decide (indicated by '?') in response to whether given statements accurately describe one's job.

The Job in General Index is an overall measurement of job satisfaction. It is an improvement to the Job Descriptive Index because the JDI focuses too much on individual facets and not enough on work satisfaction in general.

Other job satisfaction questionnaires include: the Minnesota Satisfaction Questionnaire

(MSQ), the Job Satisfaction Survey (JSS), and the Faces Scale. The MSQ measures job satisfaction in 20 facets and has a long form with 100 questions (five items from each facet) and a short form with 20 questions (one item from each facet). The JSS is a 36 item questionnaire that measures nine facets of job satisfaction. Finally, the Faces Scale of job satisfaction, one of the first scales used widely, measured overall job satisfaction with just one item which participants respond to by choosing a face.

2.5 Factors that influence job satisfaction

Why do individuals differ in their job satisfaction? What processes operate to influence satisfaction with the various facets of work? Edwin Lock (1976) has proposed a discrepancy theory of job satisfaction. This theory states that satisfaction is affected by two factors; First, individual's values that define what they want or desire as well as the importance of the desire, second, perceptions that define how much individuals believe they are receiving. The discrepancy between the desired and perceived work facets determine the level of satisfaction (Milkovich et al 1988).

Herzberg (1959) in his two factor theory proposes that the primary determinants of employee satisfaction are factors intrinsic to the work that is done; recognitions, achievement, responsibility, advancement and personal growth in competence. These factors are called motivators because employees are motivated to obtain more of them.

Dissatisfaction on the other hand is seen as being caused by hygiene factors that are extrinsic to the work, for example company policies, supervisory practices, pay plans and working conditions (Champoux, 1996). Managers first must improve the hygienic conditions of work before trying to increase motivation because negative hygienic conditions distract employees from experiencing motivators. Once the work context is improved, the managers can try to provide the motivators by redesigning jobs using a process Herzberg called job enrichment (Champoux, 1996).

According to Armstrong (2006) the level of satisfaction is affected by intrinsic and extrinsic motivating factors, the quality of supervision, social relationships with the work group and the degree to which an individual succeeds or fails in their work. The specific

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factors that then influence job satisfaction are: opportunity for achievement, Opportunity for advancement, recognition, responsibility and more challenging jobs. These factors are reviewed in detail below

2.5.1 Opportunity for achievement

One premise inherent in Herzberg's (1959) theory is that most individuals sincerely want to do a good job. To help them, organizations should ensure that employees have been placed in positions that use their talents and are not set up for failure. Clear, achievable goals and standards for each position should be set and the managers should ensure that employees know what those goals and standards are. Individuals should also receive regular, timely feedback on how they are doing and they should feel that they are being adequately challenged in their jobs. The challenges should however not be too difficult or impossible as that can be paralyzing to the employee (Koech, 2003).

2.5.2 Opportunity for advancement

The drive to learn is hard wired in us. When organizations thwart this innate drive by not allowing employees to learn, they create a bored, disengaged work force. Giving employees the chance to learn on the job, to solve problems, to offer solutions can transform a lethargic, disengaged work force into a vibrant, passionate team. When work allows employees to use their minds, acquire new skills and face situations that invite them to grow, they come alive. Organizations need to provide their employees with on going learning opportunities through formal training as well as cross- training and assigning employees projects and responsibilities that cause them to stretch

Loyalty and performance need to be rewarded with advancement. If there are no open positions to which to promote a valuable employee, he or she can be given a new title that reflects the level of work he or she has achieved. When feasible, employees should be supported by allowing them to pursue further education, which will make them more valuable to the organization and more fulfilled professionally (Hackett, 1996)

Being promoted is an almost certain source of increased satisfaction to most workers. Failing to receive a promotion can increase dissatisfaction, but only if a promotion was expected. Those who have resigned themselves to staying at their current job level are

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largely unconcerned about who gets promoted and sometimes express more satisfaction than those who aspire to and anticipate advancement. Ambition, it would seem, generates or is founded on some degree of dissatisfaction by its existence

2.5.3 Recognition

Individuals at all levels of the organization want to be recognized for their achievements on the job. There are many ways of recognizing good performance and what may be appropriate at any time will depend on the personalities involved, and the significance of the performance (Hill 1997). The individual's successes do not have to be monumental before they deserve recognition, but praise should be sincere. If as a manager, you notice employees doing something well, take the time to acknowledge their good work immediately because people often highly value being recognized or rewarded for their outstanding performance at the time it occurs. Publicly thank them for handling a situation particularly well. Write them a kind note of praise, or give them a bonus, if appropriate. The manager may even want to establish a formal recognition program, such as 'employee of the month' (Armstrong, 2006).

2.5.4 Responsibility

Employees will be more motivated to do their jobs well if they have ownership of their work. This requires giving employees enough freedom and power to carry out their tasks so that they feel they 'own' the results. As individuals mature in their jobs, they should be provided with opportunities for added responsibility. The manager should however be careful that he or she does not simply add more work. Instead he or she should find ways to add challenging and meaningful work, perhaps giving the employee greater freedom and authority as well (Khainga, 2006).

2.5.5 More challenging jobs

This basically involves the variety on the job creativity, difficulty of goals and use of one's skills. People tend to be more satisfied with their job when the work is clear and when the work environment is unambiguous. Dissatisfaction results if jobs are not rewarding in themselves. They should be designed to maximize skill variety, task significance, autonomy and feedback and should provide opportunity for learning and

growth. Job content incorporates issues such as job specialization. When the job is neither specialized nor standardized, an employee would have difficulty knowing what or how to do the job. On the other hand, the job should not be too specialized but rather create opportunity for inter linkage with other areas of specialization. This will then create job satisfaction because of the curiosity an employee develops in trying to do some tasks that transcend his specialization. Highly repetitive jobs have been found to diminish worker alertness, t decrease sensitivity to sensory input and in some situations to impair muscular coordination (Richard et al 1977). Employees dislike working on such jobs, so they engage in behaviors aimed at countering their feeling of boredom, such as day dreaming, chatting with other workers and finding excuses to take unnecessary breaks from work. Many of these behaviors impair the employees work effectiveness yet provide only temporary relief from the boredom of the job

Jobs can also be redesigned – the employer can enlarge jobs, which means increasing the number and variety of tasks. For example, the job of a typist, receptionist and file clerk can be merged into a single one called clerk typist. This expands the responsibilities of the employees and takes care of feeling of low achievement

2.5.6 Company policies and administration

An organization's policies can be a great source of frustration for employees if the policies are unclear or unnecessary or if not everyone is required to follow them. Although employees will never feel a great sense of satisfaction due to the company's policies, dissatisfaction can be decreased in this area by making sure the policies are fair and apply equally to all. Also, printed copies of the policies-and-procedures manual should be easily accessible to all members of staff. If there isn't a written manual, one should be created, soliciting staff input along the way. If there already exists a manual, it should be updated (again, with staff input). The company policies can also be compared to those of similar companies to determine whether particular policies are unreasonably strict or whether some penalties are too harsh.

2.5.7 Supervision

To decrease dissatisfaction in this area, begin by making wise decisions when appointing someone to the role of supervisor. Be aware that good employees do not always make good supervisors. The role of supervisor is extremely difficult. It requires leadership skills and the ability to treat all employees fairly. The supervisors should be taught to use positive feedback whenever possible and should establish a set means of employee evaluation and feedback so that no one feels singled out.

2.5.8 Interpersonal relations

The Hawthorne researches in the 1920s and 1930s found that people working on isolated jobs were more apt to express irritation, dissatisfaction, or feelings of depression on the job. The opportunity for pleasurable interaction with co workers appears to atone for considerable shortcomings in other features of jobs such as uncomfortable working conditions or tedious work (Organ et al 1991)

Part of the satisfaction of being employed is the social contact it brings; employees should be allowed a reasonable amount of time for socialization (e.g., over lunch, during breaks, between patients). This will help them develop a sense of camaraderie and teamwork. At the same time, there should be a crack down on rudeness, inappropriate behavior and offensive comments. If an individual continues to be disruptive, take charge of the situation, perhaps by dismissing him or her from the company.

2.5.9 Salary

There is an interesting relationship between salary and job satisfaction. For people who are poor (living below poverty line), pay correlates with job satisfaction, but once an individual reaches a level of comfortable living, the relationship disappears (Robbins et al, 2007). There is no indication that high pay alone improves worker satisfaction or reduces dissatisfaction. Indeed, higher-than-market pay for similar work that locks one into the job may become a source of decreased satisfaction among workers who dislike their job but feel they cannot afford to enter a more satisfying occupation. The pursuit of job satisfaction is sometimes powerful enough to induce a change into lower-paying but more desirable work. There seems to be a limit to the amount of dissatisfaction high

wages can buy. All other factors being equal, though, workers who are paid above average and know they are well paid are probably more satisfied.

Wages are most commonly a source of dissatisfaction with those workers who feel they are unfairly paid for their level of effort, skill, and experience. Observing that a coworker with similar skill, ability, and work output is paid higher is very likely to elicit dissatisfaction. Identifying a pay equity discrepancy within one's own firm is more distressing than one outside it. The inequity need not be real or substantial, just perceived.

2.5.10 working conditions.

The environment in which people work has a tremendous effect on their level of pride for themselves and for the work they are doing. Equipment and facilities should be kept up to date. Even a nice chair can make a world of difference to an individual's psyche. Also, if possible, avoid overcrowding and allow each employee his or her own personal space, whether it is a desk, a locker, or even just a drawer. If you've placed your employees in close quarters with little or no personal space, don't be surprised that there is tension among them.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research design

The research was a Survey. A survey is an attempt to collect data from members of a population in a highly economical way, in order to determine the current status of that population with respect to one or more variables (Mugenda et al, 2003). Surveys are also easy to understand and it gives more control over the research process (Saunders et al, 2004)

3.2 Population

The population of the study consisted of all Safaricom retail center agents who work in the retail shops located in Nairobi. There are currently eight (8) retail shops in Nairobi and a total of 144 retail center agents

The numbers of the retail center agents in each retail shop is attached as table 1

3.3 Data collection

Primary data was collected from all the retail center agents totaling 144 using a semi-structured questionnaire that comprised both open ended and closed ended questions. The questionnaire was administered using the drop and pick later method. The data collected was both qualitative and quantitative.

The questionnaire is attached as appendix II. It consists of two sections: section A focused on demographics, and section B addressed the objective of the study

3.4 Data analysis

Completed questionnaires were edited for completeness and consistency.

Data was then be coded and checked for any errors and omissions. The analysis was done using statistical package for social sciences (SPSS)

Descriptive statistics, which is proportions and frequencies in form of percentages, was used while content analysis was used for responses to open ended questions. Factor analysis was used to determine the relative importance of the factors that influence job satisfaction.

CHAPTER FOUR
DATA ANALYSIS AND FINDINGS

4.1 Introduction

Completed questionnaires were edited for completeness and consistency. Data was then coded and checked for any errors and omissions. The analysis was done using statistical package for social sciences (SPSS). Selected descriptive statistics were used. A manual comparison of the percentages of the respondents who rated each of the factors that influences job satisfaction was used to determine the importance of the factors that influence job satisfaction, as well as the relative importance of these factors to the retail center agents at Safaricom

4.2 Importance of factors influencing job satisfaction

These factors include: job itself, opportunity for advancement, nature of supervision, recognition for a job well done, responsibility, opportunity for achievement, company policies, interpersonal relations, working conditions and salary.

The aim of the study was to establish the extent to which the respondents were satisfied with the various aspects of their employment

The questions that the respondents were required to answer was to rate, on a scale of 1-5, with 1 being extremely important and 5 being not important, how important each of the factors that influences job satisfaction is to their job

The findings on these factors are presented on Table 4.2.1

Table 4.2.1: Importance of factors influencing job satisfaction

Aspect of the job	Extremely Important		Very important		Important		Somewhat Important		Not Important	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Job itself	42	29.2	53	36.8	37	25.7	4	2.8	5	3.5
Opportunity for advancement	36	25	36	25	53	36.8	6	4.2	5	3.5
Nature of supervision	1	0.7	24	16.7	32	22.2	39	27.1	47	32.6
Recognition for a job well done	35	24.3	60	41.7	46	31.9	0	0	3	2.1
Responsibility for the job	59	41	63	43.8	17	11.8	0	0	0	0
Opportunity to achieve	29	20.1	55	38.2	41	28.5	6	4.2	1	0.7
Company policies & administration	3	2.1	24	16.7	41	28.5	39	27.1	15	10.4
Interpersonal relations	3	2.1	50	34.7	54	37.5	29	20.1	5	3.5
Working conditions	14	9.7	51	35.4	30	20.8	18	12.5	9	6.3
Salary	118	81.9	13	9	1	0.7	0	0	0	0

From Table 4.2.1, the findings show that 118(81.9%) of the respondents rated salary as being an extremely important factor in influencing their job satisfaction, while 47(32.6%) of the respondents rated the nature of supervision as not important in influencing their job satisfaction as retail centre agents at Safaricom.

Several factors were identified as being very important in influencing job satisfaction among the retail center agents; 53(36.8%) of the respondents rated job itself as being a very important factor to their job satisfaction, 60(41.7%) of the respondents rated recognition for a job well done as being very important, 63(43.8%) rated responsibility for the job as being very important, 55(38.2%) of the respondents rated opportunity to achieve as being very important and

51(35.4%) of the respondents rated working conditions as being very important in influencing their job satisfaction as retail centre agents at Safaricom. The factors that respondents rated as being important in influencing job satisfaction are: opportunity for advancement 36.8%, company policies and administration 28.5% and working relations 37.5%

4.3 Relative importance of the factors that influence job satisfaction

To determine the relative importance of the factors that influence job satisfaction, a manual comparison of the percentage of the respondents who rated each factor as either being extremely important, very important or important, were added. Those that were positive were collapsed and labeled important. The one that was on the lower end of the scale was labeled as not important. The scores representing important were ranked to show their relative importance in influencing the job satisfaction among the retail centre agents. The scores representing not important were also ranked to show their relative importance in influencing the job satisfaction among retail centre agents at Safaricom, as shown in Table 4.3.1

Table 4.3.1: Relative importance of the factors influencing job satisfaction

Factor influencing job satisfaction	Rating (%)	
	Important	Not important
Responsibility for the job	100	0
Salary	100	0
Opportunity for achievement	95	1
Recognition for a job well done	98	2
Interpersonal relations	76	4
Opportunity for advancement	92	4
Job itself	94	4
Working conditions	78	7
Company policies & administration	56	12
Nature of supervision	40	33

From the results in Table 4.3.1, salary and responsibility for the job have an equal rating of being important in influencing job satisfaction among Safaricom retail centre agents, with 100% of the respondents rating each of the above two factors as either extremely important, very important or

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important. The nature of supervision is not important in influencing job satisfaction among Safaricom retail centre agents, with 33% of the respondents rating it as not important. Other factors in order of importance as rated by the respondents are: recognition for a job well done (98%), opportunity for achievement (95%), job itself (94%), opportunity for advancement (92%), working conditions (78%) and company policies and administration (56%).

CHAPTER FIVE

DISCUSSION, SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Discussion

The objective of the study was to establish the relative importance of factors influencing job satisfaction among retail centre agents at Safaricom ltd

Rue et al (1993) says job satisfaction can be affected by such factors as working conditions, pay and benefit, the individual's attitude towards the organization, supervision and the work itself. Herzberg (1959) also proposes that the primary determinants of employee satisfaction are recognition, achievement, responsibility, advancement and the work itself

The findings of the study have shown that the factors influencing job satisfaction that have been identified by Rue et al (1993) and other scholars are the same ones that influence the job satisfaction among Safaricom retail centre agents; however the factors varied in their relative importance to the job satisfaction for the retail centre agents. Salary and responsibility for the job were extremely important and very important respectively. The nature of supervision was not important in influencing the job satisfaction of the retail centre agents. The other factors in order of importance were: Opportunity for achievement, recognition for a job well done, opportunity for advancement, working conditions, interpersonal relations, and company policies and administration.

Herzberg (1959) in his motivator – hygiene theory argued that pay, company policies, supervisory practices, and working conditions were hygiene factors that did not contribute to job satisfaction but reduced dissatisfaction, however the study has shown that salary for example is an extremely important factor in influencing job satisfaction among Safaricom retail centre agents with 81.9% of the respondents rating it as so. Another factor that was very important to the job satisfaction of the retail centre agents was working conditions that had 35.4% of the respondents rating it as so. From the findings of the study, the factors that Herzberg (1959) argued did not contribute to job satisfaction have been shown to contribute to the job satisfaction of the retail centre agents at Safaricom

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The implications from the findings in this study are especially to HR administrators so that they can be able to prioritize employee needs due to the limited organizational resources. They will be able to know the factors that influence job satisfaction, those that are identified by the employees as being either extremely important or very important, and give such factors a first priority in respect to the available organizational resources. The findings are also of importance to the Safaricom management so that they can benchmark their employees with those of the competitors so as to be able to improve their competitive advantage, especially because a satisfied work force is more productive in the long run and there is a reduction in tardiness and high employee turn over that has cost implications attached to it

5.2 Summary

From the research findings, the factors that influence job satisfaction among Safaricom retail center agents are the job itself, opportunity for advancement, recognition for a job well done, responsibility for the job, opportunity to achieve, company policies and administration, interpersonal relations, working conditions, salary and nature of supervision. These factors differ in their relative importance to the retail center agents, with the factor that is extremely important having a percentage of 81.9 and the factor that is not important having a percentage of 32.6.

5.3 Conclusions

Salary is extremely important in influencing the level of job satisfaction among the Safaricom retail agents. The nature of supervision is not important in influencing the level of job satisfaction among Safaricom retail center agents. Responsibility for the job, recognition for a job well done, the job itself, opportunity to achieve and the working conditions are very important in influencing job satisfaction. Opportunity for advancement, interpersonal relations and company policies and administration are important in influencing job satisfaction among the Safaricom retail agents.

5.4 Recommendations and suggestion for further research

HR administrators need to benchmark the salaries for the retail agents to the prevailing market rates in order to maintain or increase the level of job satisfaction for the retail agents since this factor has been identified as being extremely important to the agents.

Measures for recognizing employees who have had an outstanding performance can be put in place because recognition for a job well done is one of the factors that is very important to the retail center agents. Measures such as 'employee of the month' can be implemented

The job itself is also very important to the employees; strategies such as job rotation, job enrichment and job enlargement can be employed in order to positively enhance the job satisfaction of the retail center agents

The study focused on the retail center agents, who are on the lowest grade in the organizational structure. Another study can be conducted on middle level and high level managers to determine their relative importance of the factors that influence job satisfaction

5.5 Limitations of the study

The retail center agents work in shifts, therefore it took a long time to collect the data from each one of them

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Appendix I: Letter of Introduction

> Florah Ntarangwi,
> P. O Box 17901
> 00100,
> Nairobi.

Dear sir/madam,

RE: Research on relative importance of factors influencing job satisfaction among Safaricom's retail center agents in Nairobi

I'm a student at the University of Nairobi, pursuing a MBA. As part of my academic requirements, I'm undertaking the above research project and will be very grateful if you could spare some time and fill the attached questionnaire.

The information you give will be treated with the utmost confidentiality and will be used solely for this research. The findings can be availed to you upon request on completion of the research.

Thank you for your cooperation.

Sincerely yours,
Florah Ntarangwi,
MBA student

This questionnaire is intended to get information about the individual. The information given will be kept confidential. No name is required

A. Demographics

Gender   male[   ]   female[   ]

Age in years   23 – 28 [   ] 29 – 34 [   ] over 35 [   ]

Education level   Diploma [   ]   Bachelors degree [   ] Masters degree [   ] other(specify) [   ]

Number of years you have worked in   1 – 3 [   ] 4-6 [   ] over 6 [   ]
customer service

B. Job satisfaction orientation

The purpose of this section is to establish the extent to which you are satisfied with the various aspects of your employment

1. On a scale of 1 – 5, with 1 being extremely important and 5 being not important, rate how important each of the following aspects of your job is to you

Aspect of the job	Extremely important	Very important	important	Somewhat important	Not important
	1	2	3	4	5
Job itself					
Advancement opportunity					
Nature of supervision					
Recognition for a job well done					
Responsibility for the job					
Opportunity to achieve					
Company policies and administration					
Interpersonal relations					
Working conditions					
Salary					

2. Please specify and rate any other factors of job satisfaction not mentioned above that are important to you as a retail center agent at Safaricom?

Aspect of the job	Extremely important	Very important	important	Somewhat important	Not important
	1	2	3	4	5

Thank you for taking your time to complete this questionnaire

Table 1.1 number of retail centre agents in the various retail shops in Nairobi

Number	Retail Shop	Number of retail center agents
1	I & M	23
2	Sarit Centre	22
3	Westgate	6
4	Village Market	7
5	Moi avenue	44
6	JKIA	11
7	Kimathi	13
8	Buruburu	18
	Total	**144**

Source: company records, 2009