

**Job Satisfaction and its Effect on Employee's Performance:
The Case of MarTrust Corporation Ltd.**

ANTONIOS MIHALAKIS

ORCID NO. 0000-0001-5036-1160

Email Address: michalakis.a@gmail.com

Westford University College - UCAM, Spain

JOHN GILBERT FLORES

ORCID No. 0000-0003-4853-6210

Email Address: john@westford.org.uk

Address: Westford University College, Sharjah UAE

ABSTRACT

Job satisfaction and employee performance have become one of the major areas of concern for organizations – challenging it will help maintain or even enhance financially healthy positions. MarTrust Corporation Ltd is an organization that has been servicing the maritime industry and has been constantly growing since its inception in 2016. The research relied on available literature and primary data collected by a survey to perform an analysis. The study aims at identifying and addressing the problematic aspects of job satisfaction that impact employee motivation and performance. Motivation was found to be depended on two variables (dimensions) that define job satisfaction – nature of work, and opportunities for development. The effect of remuneration was also noted to be of significant. The final chapter concluded the dissertation where implications and recommendations were made to the incumbent organization to retain its best talent and maintain financial health in the long run.

Keywords— Job Satisfaction, Employee Performance

INTRODUCTION

Assessing job satisfaction is one of the major topics of concern for businesses and organizations today. The key aim is understanding the importance of human resources for the business and therefore the need to make the most of it. Job satisfaction is associated with employee performance which leads to improved financial results for the organization.

The term "job satisfaction" defines how satisfied an individual is with their job. It is one of the key issues in organizational psychology, mainly because it is considered to be directly related to both the mental health of the workforce, and the interest of businesses to be highly efficient and, in many cases, to retain stable, tenured and satisfied staff. Job satisfaction is often defined as a person's emotional response to work, but is typically assessed as an evaluation of

job characteristics that is combined with either internal or external benchmarking (Spector, 1997).

Job satisfaction comprises three general areas: (a) the values an individual has or wants; (b) the individual's perception of how the business they are working for fulfills those values; and (c) the comparative significance of these values for the individual (Locke, 1976). Furthermore, satisfaction can be allocated into two categories: intrinsic and extrinsic satisfaction (Spector, 1997). Intrinsic satisfaction denotes the nature of work tasks and people's feelings about the work they do. Extrinsic satisfaction represents other facets of work such as pay, benefits, promotion system, etc.

Recently, measuring job satisfaction has been understood to be of vital importance by all businesses and organizations, which can be considered to be the most reliable feedback system for the organization, as it offers a significant and direct image of its employees within it. This can be achieved, either by supplying surveys encompassing various aspects of the job and the organization, or by the open-ended questioning method, where subjects openly convey their opinions. Consequently, by measuring satisfaction, a range of information is provided to the organization, which can then take necessary steps to avert any issues that may develop, such as turnovers, internal conflicts, etc. It is therefore not surprising that organizations are adopting a job satisfaction orientation philosophy, to ensure the best achievable satisfaction for their staff, which in turn will increase organizational performance and productivity.

However, it should be noted that, to this day, job satisfaction is not adequately approached by advanced scientific methods and models of satisfaction. The main reason is that there are no experimental findings, but mainly relational research, which highlights the plethora of factors that can affect it positively or negatively. Although many studies have shown that job satisfaction is made up of many sub-factors, recent research supports that these factors are related to each other in such a way that they constitute the most general aspect of job satisfaction; employees who are satisfied in one area of their work are inclined to be satisfied in other areas as well (McClelland, 1971).

Consequently, job satisfaction should be construed as a set of assessable parameters that are directly linked to the work functions of the organization's employees, and the employees themselves; that is, factors that management can interpret, analyze and act upon with the necessary changes.

Organization Background

The Marcura Group established in 2001 is an organization that is committed to streamlining the processes of the maritime industry. Under its umbrella, Marcura has a portfolio of companies with the aim to become a preferred specialist partner to the front-line people of the industry. One of these subsidiaries is MarTrust Corporation Ltd., which was established in 2016 and has operations hubs in London, Mumbai, Dubai and Manila, as well as commercial sales branches in Hong-Kong, Greece, and Denmark.

MarTrust provides customized maritime financial services to the maritime industry. Specifically, its client base is shipowners and ship managers. It performs secure transactions at low cost, and pays client suppliers and crew around the globe, in over 130 currencies with transparent, competitive FX rates which are safeguarded by a first-class compliance scheme (Marcura, n.d.). In an industry where global payments revenues totaled \$1.9 trillion in 2018, with

a sustainable annual growth level of 6 percent (McKinsey & Company, 2019), MarTrust ensures that global payments are being paid on time by providing support with expert knowledge on global payment regulations.

Moreover, MarTrust provides access to a leading payment gateway that is easily integrated to existing systems. In close partnership with leading global financial institutions, the payment platform gives clients global reach and customized solutions in a simple process that gets payments done on time, and at a lower cost than the bank.

As mentioned earlier, Marcura has developed an established brand since 2001. MarTrust was fashioned owing to Marcura's already established clientele, in 2016. The clients themselves were demanding a global payment outsourcing system so they could themselves focus on their core competencies: shipping and logistics. As such, the MarTrust payment platform slowly entered the market, initially under a licensed software, which later became proprietary. With its rising success, the client base began increasing and certain issues started emerging. It became apparent that the operations team in Mumbai could not alone manage the volume of payments processing and customer support. Additionally, the diversified clientele was based in countries outside India, including Greece, Ukraine and Russia, the USA and China, traditional powerhouses of the maritime industry. The quality of service, hence, started fading and a need of change was manifesting.

MarTrust's upper-management team in London was given the objective, by Marcura's Board of Directors, to form an international support team in Dubai to adhere to customer demands for higher quality service, while at the same time managing the resistance to change from the existing support teams in Mumbai and, by extension, in Manila. MarTrust, with the hefty funding of its parent organization Marcura, is heavily investing in improvements to its online platforms, in addition to restructuring its support teams and increasing commercial sales.

Still, funding operational and sales processes is not the answer for measuring job satisfaction of employees. As mentioned earlier, it is the satisfaction of the employees, which will increase organizational performance and productivity.

In light of this, the below research aim, objectives and questions are presented:

RESEARCH AIM

The general aim of the research is the study of job satisfaction and its effect in employee performance. Does MarTrust as an organization positively motivate its employees? Where does it need to make improvements to increase job satisfaction? Will these improvements help to retain its employees in the long run?

RESEARCH OBJECTIVES

- a. To study the main theories associated with explaining job satisfaction that impact employee motivation.
- b. To identify the problematic aspects of the job of which management may not be aware.
- c. To assess if job satisfaction enhances performance and outcomes.
- d. To review improvements that the organization can institute to retain best talent.

METHODOLOGY

Research is the process of arriving at dependable solutions to problems through the planned and systematic collection, analysis and interpretation of data (Mouly, 1978).

A research methodology provides a piece of research with its philosophy, the values and assumptions which drive the rationale for the investigation as well as the standards that will be utilized for the interpretation of information and the drawing of conclusions (Bailey, 2007). It provides an efficient path of decoding an issue and is a procedure of examining how research is performed. The research methodology follows the research method known as the research onion (Saunders, et al., 2016).

Research Philosophy & Approach

The pragmatic philosophy for this study has been chosen. Pragmatism is simply oriented toward solving practical problems in the real world rather than being built on assumptions about the nature of knowledge (Shannon-Baker, 2016). This means that pragmatism leads "action-oriented" research procedures (Cameron, 2011).

In line with pragmatism, a mix of quantitative and qualitative approaches are used (mixed methods). The core assumption of the mixed research approach is that mixing quantitative and qualitative methods provides a complete understanding of the research problem than using only one type of method (Molina-Azorin, 2016).

Hence, the evaluation of job satisfaction requires investigating, on a quantitative and qualitative basis, various job satisfaction parameters.

To investigate the satisfaction of employees at MarTrust, initially the collection of information and the necessary literature related to the general factors affecting job satisfaction were required. Then, for the measurement of job satisfaction, the primary survey has been chosen, since the present research has a specific purpose, to measure the satisfaction of employees. The data collected has been tailored to the information in this study to provide specific answers to the research questions.

Population & Sample

There are over 600 individuals currently employed with the Marcura Group. However, since our study is focused on the employees of MarTrust, a sample of 67 employees, in management and non-management positions, were required for the quantitative analysis, across all divisions and geographic hubs where MarTrust operates. An ideal survey participation rate for the size of this company aims to be between 80-90%. The participation of 63 respondents is indicative of the employee engagement in the survey, which leads to great data and great results/feedback.

Data Collection & Analysis

Data collection is central to the conduct of any research, and hence there are various channels to measure satisfaction depending on its conceptual definition and the object of study and focus. While personal/telephone interviews, and postal surveys can enable the collection of the largest amount of data, they have key disadvantages; mainly increased costs, a high-level of

statistical awareness of the population and reduced response rates (time). Consequently, a primary survey reduces the cost of research and the time it takes, while limiting the role of the researcher and avoids, to a degree, bias errors that may arise from weaknesses of communication between the researcher and the population. Key advantages of questionnaires include customization to the needs of the survey, easy and cost-effective execution, and quick collection of extensive information.

The purpose of this research, beyond exploring if employees are satisfied with their job, is mainly to discover the dimensions (variables) where there is reduced satisfaction so that the organization can make improvements or corrective actions.

According to Locke, who does not suggest a specific method of measuring job satisfaction, the four basic variables that affect it are (Locke, 2013):

1. Rewards
2. Colleagues - Working climate
3. Nature of work
4. Organizational leadership

Considering the above, for the measurement of work at MarTrust by two dominating measurement scales Job Descriptive Index (JDI) (Smith & H., 1969) and Minnesota Satisfaction Questionnaire (MSQ) (Weiss, 1967), the first was applied, which is based on five sub-variables: nature of work, opportunities for development, remuneration, managers/supervisors, and colleagues. Two additional variables that are considered particularly important and were taken under consideration in the questionnaire and drawn up for the research are organizational leadership framework as well as the workplace environment.

The questionnaire utilizes the Likert scale and direct questions. The respondents were asked to respond to the items by indicating their level of agreement using a five-point Likert scale (from “strongly disagree” – “strongly agree”). This type of scale allows a compromise between offering enough choice and making it manageable for respondents. Furthermore, if researchers want to use *agree-disagree* scales, they should offer 5 answer categories rather than 7 or 11, because the latter yield data of lower quality (Revilla, 2014).

This questionnaire has yielded data that has been coded into SPSS statistical package for analysis, classification, and reliability of results. SPSS was chosen because of its popularity within both academic and business circles, making it the most widely used package of its type (Arkkelin, 2014). SPSS is also a versatile package that allows many different types of analyses, data transformations, and forms of output - in short, it more than satisfactorily serves our purposes.

Limitations of Study

It is crucial to underline the limitations of this dissertation and reveal the course for additional research. First, this research is venturing into the field of job satisfaction for individuals employed within MarTrust Corporation Ltd. across all the geographical hubs in which it operates and is the first time such a research study is performed on and for the organization.

Secondly, the present study investigated only one of Marcura’s companies and the respondents were chosen from the researcher’s workplace. Despite the strict ethical considerations in place, the findings obtained in the study cannot be said to represent the views of employees of the entire organization and are not therefore generalizable.

To address these limitations, the collection of primary data is extensively supported, and the interpretation of results was undertaken prudently by recognizing their generalizability.

Validity and Reliability

To ensure the validity and reliability of the data instruments utilized, a pilot survey was undertaken before the primary survey. The pilot survey was distributed to 5 participants, one from each of MarTrust's operating hubs (Dubai, Mumbai, Philippines, London, Hong Kong) and included the part of the questionnaire that could be responded by indicating the participant's level of agreement using the five-point Likert scale. Results from the pilot survey were used by the researcher for indicating instruments' ability to assess concepts measured consistently and provide information on improvements required in the survey for enhancing validity and reliability.

Ethical Considerations

The primary survey was conducted as per below aims/guidelines:

- a. Permission was obtained from appropriate channels of Martrust Corporation Ltd. to perform the survey.
- b. Informed consent was requested from all survey participants, and purpose was clearly explained.
- c. The researcher committed to integrity in data collection, presenting results and all communications with respondents.
- d. Bias from the researcher's side was avoided by exercising objectivity.

DISCUSSION

The survey asked the employees of MarTrust to respond to their level of job satisfaction. The main objective was to discover the problematic aspects of the job of which management may not be aware, and to assess the dimensions of job satisfaction that enhance performance and outcomes.

Using the questionnaire, employees' main factors of satisfaction were discovered – mainly, opportunities for development and nature of work. With a 94% participation rate, the study is provided with good representativeness, and hence, the results can be generalized.

The study generated some notable characteristics. The male population at MarTrust comprises 73% of the workforce. Most employees are between the age of 31-45 years, who are holders of graduate or post-graduate degrees. These characteristics are found to be in line with the organization's area of specialization that require relevant work experience and knowledge. 52.4% of participants have been employed with MarTrust over 3 years which is consistent with their perception for nature of work and opportunities for development – the two factors that have been preferred as the most important for job satisfaction. The results complement Vroom's expectancy theory where satisfaction from the nature of the job provides certain suitable results (attractiveness, expectation) which are significant for motivation and performance.

Moreover, the survey showed that most accounting/finance and operations functions are in Mumbai and Dubai, demonstrating that the organization has chosen to outsource these

business functions. A deeper analysis indicated the different management to staff ratios. Specifically, 1:3 in Dubai and 1:6 in Mumbai. According to the KPI Institute (Costea, 2018) this ratio reflects the career path development outlook, and the organization's approach to personnel management. A high ratio may suggest that a division is top-heavy and may reflect an organization's approach to employee retention and development, by providing its employees with managerial level opportunities. A low ratio, however, may prove to negatively affect succession planning, as there exist fewer opportunities for promotion/development. As per Herzberg's theory, the possibility of promotion is a parameter for motivation. It is imperative that MarTrust finds the proper balance in this ratio, as the main factor of job satisfaction is opportunities for development, and if there exist minimal/none, then motivation and performance will be driven downwards.

In the context of the overall analysis, there does not seem to be many dissatisfied employees with the nature of their work. However, 71.4% agree that the work hours are demanding and 42.9% agree that the organization requires frequent overtime. From the above, it was derived that 30.6% agree that they are not rewarded for their overtime work. Additionally, remuneration scores were the lowest among all dimensions of the survey ($\mu_x = 3.03$). A fair number of employees responded neutral or disagreed when asked if the organization invests in their abilities in the form of seminars or training. The results are inconsistent with Locke's goal setting theory where educating employees positively contributes to purpose, motivation, and subsequent satisfaction.

Moreover, the results of the study showed that only 23.8% of employees agree they are paid fairly with respect to their colleagues, and a large 50.8% disagree that they are rewarded for their overtime work. As per Adam's equity theory, employees may be dissatisfied when there is a discrepancy between effort and remuneration, and equity, which can result in demoralization in quality and quantity of work. Besides, numerous studies and reports suggest that productivity can suffer with increased overtime hours. In white-collar jobs, performance decreases by as much as 25% when 60 or more hours are worked in a week (Sirois, 2001). Job that is not governed by a continuous process can be affected by decreased productivity, and even process-driven work can suffer if reject rates and customer dissatisfaction increase due to diminished quality and performance linked to long hours. One's well-being in the workplace is reflected by job satisfaction, which also indicates *emotional* well-being or good mental health.

The study further showed high scores in "*Manager/Supervisor*" and "*Colleagues*" variables. The high scores correlate well with Alderfer's ERG theory and Maslow's hierarchy of needs, on the fulfillment of which job satisfaction depends. Specifically, most employees feel safe for their positions (only 9.5% of employees do not) - *existence*. The *relatedness* need is showcased through the positive interpersonal contact with colleagues; 80.9% agree that their suggestions are taken into consideration when presented to a manager. Moreover, a large 80.6% agree that they can freely request help from their colleagues, and **no** one employee does not trust their colleagues ($\mu = 3.97$). Over 40% agree that competition among colleagues is intense. Competition in this case acts as motivation because *growth* needs are met when the work is innovative and offers challenges and independence. Another important piece of statistic is that 79.4% trust their managers' instructions (for tasks), however 19% disagree and 15.9% are neutral when asked if their managers effectively handle relationships in respective teams. This can be classified as a

trigger for dissatisfaction under *hygiene*, as per Herzberg, and the organization must seek to improve this variable to enhance motivation, satisfaction and hence performance.

The study shows that the organizational leadership framework results have a satisfactory response overall, which aim to assess job satisfaction based on the main theory behind this dimension. As per Locke's goal-setting theory, in order to be motivated, the employee must embrace and adopt the organization's goal so that their actions are directed towards them, which requires all human energy; 80.9% of employees agree that they share these goals, 19.1% are neutral, and none disagree. Additionally, employees agree that the quality of services offered is high ($\mu=3.97$). The percentage of dissatisfied workers in this dimension can be attributed to isolated and random cases. However, there are enough employees who have a neutral attitude towards the administration, especially when asked if the organization makes changes that favor them. Hence, there are improvements that can be performed if certain principles are met, so the individuals become mobilized, and achieve high performance and satisfaction all at once. The results of this study substantiate the correlation between job satisfaction and performance. The dissertation adds to the knowledge of job satisfaction's effect on performance, by providing insights on MarTrust employees' satisfaction levels based on different needs and variables.

CONCLUSIONS

Most employees are satisfied or very satisfied with their job. The study also highlighted that nature of work and opportunities for development are the most important driving factors for job satisfaction. They are the factors that motivate the employees to perform their best. Further analysis however showed a low management to staff ratio across the organization (except in Manila) which may negatively affect succession planning, as there exists fewer opportunities for promotion/development.

The employees with the nature of their work, almost half of the employees agree that the frequent overtime work and the demanding hours are not rewarded by the organization. Within the same variable, employees find that the company does not invest in their abilities through seminars and training.

Other variables of job satisfaction earned acceptable scores. Still, this study may force MarTrust's decision makers to rethink their approach to employee satisfaction and develop improved human resource strategies to increase job satisfaction.

IMPLICATIONS

Until now, MarTrust is focusing on the growth and expansion of its services to become a preferred specialist partner to the front-line people of the maritime industry. However, the organization must simultaneously focus on its employees and their motivation, now more than ever, to ensure quality performance. As the definition suggests, job satisfaction is associated with employee performance which leads to improved financial results for the organization.

A low score in the remuneration variable of job satisfaction is not a downside on its own for the organization, so long as other variables are supported with higher scores. Arguably, larger organizations with higher management to staff ratios have the ability to promote from within more freely. However, results of the study show that opportunities for development are low

within MarTrust and this may directly impact employee experience down the line. Hence, if succession planning is not addressed, it is very likely that the organization may not be able to retain best talent.

The dissertation attempted to execute a foundation analysis between employees' level of job satisfaction and the variables that define satisfaction as outlined in the literature review. This may serve to uncover certain problematic aspects upon which the organization may choose to improve with prompt effect. A future study with more in-depth analysis may be decided to be undertaken when the organization has expanded and grown its human capital. With a larger sample, a more concrete study will allow for rich statistical analyses (parametric and non-parametric) and even richer conclusions. Likewise, further studies in aspects such as, but not limited to, leadership styles may explain the relationship between employee attitude (job satisfaction and commitment) and performance.

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