

How Does Employee Satisfaction and Motivation Affect Productivity?

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Abstract

The achievement of any organisation, is a contributing factor towards the increase employee satisfaction and motivation toward productivity. Further, productivity is mostly affected over, employee satisfaction and motivation. In a finding, high level employee satisfaction and motivation will impact positively on organisation productivity. From the results of this literature review, Motivated employees is more likely to have job satisfaction and that increase organisation productivity. It follows, then employees will put hard work when sensed satisfy and motivated, will result in organisation objective. Therefore, there is a strong relationship between employee satisfaction, motivation, and organisation productivity. The aim of the study is to analyse the relationship between employee satisfaction and motivation and the affect overall organisation productivity.

Keywords: employee satisfaction; motivation; productivity

1. Introduction

Saudi Arabia has a dynamic environment and rapid change on national economy following vision 2030 in different aspect using digital transformation and that make all organisations in the country (Arabia, 2022; Transformation, 2022). Furthermore, organisations have to work hard to hir qualified employees and spend time to train them to perform the task required to achieve the country and organisation goal (Ali et al., 2021). Moreover, satisfy employees will contribute to the organisation productivity and lead to positive outcome. Hence, satisfy employee will engage more in the daily routing and behave positively more than whom unsatisfied employee (Arifin et al., 2019).

Although, a case study at Al Haya and Pepsi employees in Iraq found the more a company spend in their employees will lead them to be satisfied and perform more in organisation productivity (Abdulkhaliq & Mohammadali, 2019). Kurdi et al, (2020) stated, employee satisfaction and motivation were impacted positively toward organization's productivity.

On the other hand, Krekel et al, (2019) found, strong relationship between employees' satisfaction and employees' productivity and profitability. Moreover, Utami & Vioreza, (2021) proved in their study the strong relation between job satisfaction and increasing the productivity and on the other hand, low productivity with unsatisfied employee. Andreas, (2022) itemized that motivation enhance employee's attitude and affect the productivity to result in whole organization performance.

2. Literature Review

2.1 Research Objectives

The study is investigating the relationship between employee satisfaction, employee motivation and organisation's productivity.

The following study questions are:

Does employee satisfaction affect the organisation's productivity?

Does employee motivation affect the organisation's productivity?

Does employee satisfaction and motivation affect the organisation's productivity?

2.2 Conceptual Framework

Figure 1 summarises the conceptual framework, which forms the basis of data collection and analysis within the theoretical framework. The dependent variable is productivity and employee's satisfaction and motivation as independent variables arising from the literature review.

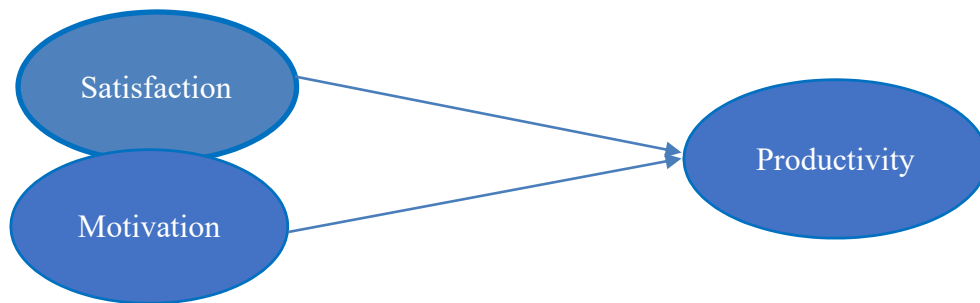


Figure 1 Conceptual framework

2.2.1 Independent Variables

Employee satisfaction: Employee feels satisfy and benefit once organisation has positive work environment and positive management style (Pancasila et al, 2020). Also, Mugira (2022) stated that a leadership model has a positive in employee felling and impact on organisation environment to lead to positive organisation productivity. In addition, Shan, & Tang, (2020) found, employee with high satisfaction perform better than unsatisfied employee during COVID-19 more than normal times. On the other hand, employee's dissatisfaction will lead to high turnover and low productivity in the organisation which effect the organisation as whole (Hee et al., 2018).

Suprpti et al. (2020) advocate, performance effected by different dimension and one of them employee satisfaction and that stimulus positively on organisation productivity. Budie, 2019 stated that when employee satisfy on the workplace will result on the organisation environment and will affect positively the organisation productivity. Furthermore, that job benefited from employee satisfactory and life quality toward the job productivity (Querbach et al, 2022).

Employee motivation: Motivation affects by employee behavior toward individual and group and that benefit organisation (Paais & Pattiruhu, 2020). Hance, Hanaysha, & Majid, (2018) found high positive relationship between employee motivation and organisation productivity and outcome. Kuswati, (2020) proved there has a relationship between employee motivation enhancement on the employee performance to prime job productivity.

Haryono and Sulistyo, (2020) in their study showed a positive effect on organisation productivity and influence performance through motivation. Moreover, Rozi, & Sunarsi, (2020) stated that motivation has significate influence on organisation productivity. Besides, Vanesa et al, (2019) indicated positive and significant influence on organisation productivity by motivating the employee and inspiring organsation culture.

2.2.2 Dependent Variable

Organisation productivity: Eliyana & Ma'arif (2019) noted, employee loyalty and commitment toward the organisation start when positive environment built. Bankole et al, (2018) found that employee productivity enhances by many motivators which advance the productivity and outcome of the organisation. Jackson & Fransman (2018) stated that there a relationship between job satisfaction and motivation to toward organisation productivity

Correspondingly, Green, (2020) found a link between employee performance and organisation productivity which led to organisation outcome. Rizky, & Ardian (2019) study found a negative effect on organisation productivity through employee dissatisfaction and performance. Alternatively, a result found association between employee satisfaction and organsation productivity and outcome (Albert, 2018). Similar, to the study Demir, (2020) found partial effect on employee satisfaction and employee motivation on organisation productivity.

3. Research Methodology

3.1 Research Tool

The study is distributed to examine the relationship between employee satisfaction, motivation, and organisation's productivity. Therefore, the survey was distributed to more than 120 employees when only 84 responds. The

study was used descriptive and questionnaire method and the data was examined using the Statistical Package for Social Sciences (SPSS) tools. As a result, the organisation rises the awareness of organisation productivity in developing employee satisfaction and motivation will lead positive affect on organisation outcome (Hendri, 2019).

3.1.1 Study Sample

The study collect data from numeral employees in different organisations the survey involved demographic data that were designed based on a literature review to meet the survey's needs. Quantitative information was gathered during year 2022 in the eastern province of Saudi Arabia and evaluated using a Likert scale and a response rate of 70 percent was reported (Onwuegbuzie & Collins, 2007).

4. Results and Discussions

4.1 Descriptive Statistics

The study provides the demographics of the employee respondents, who also corroborate the sample's impartiality. Women made up 27.4 percent of respondents in this study, which was lower than the male response rate of 72.6 percent. Around 69.1 percent of the respondents had work experience spanning less than 10 years. 52.4 percent of the respondents held employee positions, while 75 percent of the respondents were Saudi with 85.8 percent less than 40 years old.

Table 1. Description of participants (N=84)

Characteristic	Frequency	Percentage	Characteristic	Frequency	Percentage
Gender			Marital		
Male	61	72.6	Single	37	44.0
Female	23	27.4	Married	47	56.0
Total	84	100.0	Total	84	100.0
Education			Nationality		
Graduate	50	59.5	Saudi	75	89.3
Undergraduate	34	40.5	None Saudi	9	10.7
Total	84	100.0	Total	84	100.0
Age			Experience		
18-30 years	36	42.9	1-5 years	34	40.5
31-40 years	36	42.9	6-10 years	24	28.6
41-50 years	8	9.5	11-15 years	13	15.5
51-60 years	4	4.8	16 years +	13	15.4
Total	84	100.0	Total	84	100.0

4.2 Correlations Analysis

Cohen, 2016 in table 2 designates that the value ranging from 0.50 to 1.00 is used to calculate the correlations, which are used to determine the relationships between all variables. The productivity is significantly associated with employee satisfaction (0.69, $p < 0.01$), and motivation (0.71, $p < 0.01$). According to Table 2, the mean for motivation is the greatest (30.32), while the mean for satisfaction is the lowest (29.54) and productivity (29.63).

Table 2. Correlation analyses (N=84)

Variable	Mean	SD	Satisfaction	Motivation	Productivity
Satisfaction	29.54	4.33	1		
Motivation	30.32	5.47	.70**	1	
Productivity	29.63	6.42	.69**	.71**	1

Notes. * $P < .05$, ** $P < .01$, Cronbach's alpha italicised along the diagonal.

4.3 Regression Analysis

Table 3 showed the regression analysis with independent variables was employed and resulting a relationship between employee satisfaction and motivation to affect productivity (Pallant, 2020). The end result, multiple hierarchical regressions were run to assess the association between employee satisfaction and motivation affect productivity. At $p < 0.01$, it was determined that these variables were statistically significant. Productivity was

tested using beta coefficients for employee satisfaction (.38), and motivation (.45), with significant results. Whereas, the value of VIF showed moderate correlation between all variables in regression model with (1.94) in employee satisfaction and motivation with significant results.

Table 3. Regression analyses (N=84)

Variables	Productivity				
	B	S.E	Beta	T	VIF
(Constant)	1.41	4.80	--	.29	
Satisfaction	.56	.15	.38	3.77	1.94
Motivation	.53	.12	.45	4.48	1.94

Notes. *p < .05, **p < .01, b = Unstandardised coefficients, Beta = standardised coefficients, T + t-statistics.

4.4 Model Summary

Table 4 showed model summary with R-value = (.76) between employee satisfaction and motivation as independent variable and organisation productivity as dependent variable. Besides, R-square is (.58) and Adjusted R square is (.57). Hence, model summary has significant results.

Table 4. Model Summary (N=84)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.76a	.58	.57	4.20

Notes. a. Predictors: (Constant), Satisfaction, Motivation.

b. Dependent Variable: Productivity.

4.5 One-way ANOVA

Table 5 showed one-way ANOVA results with P-value = <0.000 on organisation productivity and F-ratio is (56.49). Hence, one-way ANOVA has significant results.

Table 5. One-way ANOVA (N=84)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	1995.19	2	997.59	56.49	.000b
Residual	1430.37	81	17.66		
Total	3425.56	83			

Notes. a. Dependent Variable: Productivity;

b. Predictors: (Constant), Satisfaction, Motivation.

Employee satisfaction has a positive effect on organisation's productivity.

Employee motivation has a positive effect on organisation's productivity.

Employee satisfaction and motivation has a positive effect on organisation's productivity.

5. Conclusions and Recommendation

The result found employee satisfaction and motivation have a positive effect on organisation productivity. The recommendation outline in the study that both employee satisfaction and motivation need to be more active to increase the organisation productivity and lead to achieve the objective. The organisation benefited from promoted employee satisfaction and motivation to accomplish their goal (Riyanto & Herlisha, 2021). Additionally, Demir, (2020) fund a direct effect on employee satisfaction and employee motivation on organisation productivity. Besides, that employee's dissatisfaction will lead to high turnover and low productivity in the organisation which any organisation needs to endorse highly on their organisation to increase the employee satisfaction and motivation to enhance organisation productivity since human resource the main

competitive advantage.

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