

JOB SATISFACTION INDEX FOR ISTANBUL LABOR MARKET

Cigdem BOZ

Maltepe University, Faculty of Economics and Administrative Sciences
Marmara Eğitim Köyü, Başibüyük- Maltepe, İstanbul, Turkey
E-mail: cigdemboz@maltepe.edu.tr

Abstract

There has been a general concensus about the role of motivation on the productivity and effectiveness. And it is commonly accepted that individual and organizational succes depends on the willingness of people. The motivation or willingness to work can be seen as the job satisfaction which depends on some variables such as physical conditions of work, income, leisure and the benefits of job. In this paper, an index of job satisfaction which includes these variables will be presented and discussed.

This paper uses results of a survey designed and implemented by the author to create an indicator of job satisfaction for İstanbul labor market.

Keywords: *Job satisfaction, İstanbul labor market, employment*

JEL Classification: **J81, I31**

1. INTRODUCTION

Job satisfaction remains a variable that has been relatively little studied in economics though there are many papers in other social science disciplines such as psychology, sociology and management science. The job satisfaction analysis is important for two reasons. First, it is a measure of individual well-being and welfare distribution among the members of society is the interest of social scientists. Second, a study of job satisfaction may give us some ideas about the labour market. As Clark (1996, p.189) puts, “ Workers’ decisions about their labor force participation, whether to stay on at a job or to quit, and how much effort to devote their job are all likely to depend in part upon the workers’ subjective evaluation of their work, in other words on their job satisfaction. The other side of the labor market consists of firms, who prefer that their workers be satisfied.”

Although the concept of job satisfaction seems to be belongs to the field of management sciences, it can be seen an important aspect for economics. One of the subjects that economics is concerned with is production and the most important production factor is labor. Labor productivity means higher production level. And labor productivity not only depends on the quantity and quality of psyhical capital but also worker’s subjective perception of his/her work, thus it can be said that job satisfaction is among the key determinants of productivity. Lower job satisfaction has been shown to increase the proportion of the workforce intending to quit, to increase actual quits, to lower participation rates and to increase absenteeism. Job satisfaction data provide information on the non-pecuniary aspects of jobs (Scott et al., 2006:519)

This paper consists of five sections. In order to measure the job satisfaction, this paper uses the survey data which was designed and implemented by the author (Boz, 2009). In the second section, definitions of job satisfaction will be mentioned and in the third section an index which

was composed for İstanbul labor market will be introduced. After the exploration of results and findings in the fourth section, fifth section concludes.

2. DEFINITIONS OF JOB SATISFACTION

Cranny, Smith and Stone (1992:1) have suggested that there is a clear concensus in the definition of job satisfaction. Their “concensus” definition is that job satisfaction is “an affective reaction to one’s job, resulting from the incumbent’s comparison of actual outcomes with those that are desired “. This definition is essentially equivalent to the definition offered by Locke in his two classic and influential papers on job satisfaction.

A classic reference fort he meaning of job satisfaction is Locke (1976), who traces interest in workers’ subjective well-being back to the ideas of scientific management and fatigue reduction at the begining of the century (Clark, 1996:190). Locke (1976:1300) defines job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences”. Satisfaction according to different schools of thought, depends variously on the individual’s expectations, needs (physical and psychological) and values. More specifically, work attributes that involve mental challenge leads to satisfaction. According to Clark (1996), most psychological research, in line with Locke, job satisfaction is readily identified with individual well-being. Both Hakim (1991) and Veenhoven (1991) accept job satisfaction as an index of individual well-being without any qualms.

As we mentioned before, job satisfaction field is unfamiliar for economists. One of the first economic papers on this subject, Hamermesh (1977), uses job satisfaction data, which is considered as a direct index of utility from working, to test a model of occupational choice based on workers’ maximization of their expected lifetime utility. However, Freeman (1978: 140) concludes “that subjective variables like job satisfaction ...contain useful information for predicting and understanding behavior, but that they also lead to complexities due to their dependency on psychological states.” Clark (1996:191) asserts that it is probably fair to say that economists’attitudes towards subjective measures of well-being remain sceptical, although a recent resurgence of interest in the analysis of subjective variables may change attitudes in time.

Features of the job satisfaction could be summarized in four categories:

- 1- Job satisfaction implies different attitudes related with the job.
- 2- Workers can be satisfied about one feature of the job while he or she is dissatisfied about another one.
- 3- Job satisfaction has a dynamic characteristic; it can easily transform from affirmative sate to negative one.
- 4- Job satisfaction does not have only economic and physical dimensions but also psychological dimension.

Once the effect of job satisfaction on organizational performance and productivity was recognized, it has been made many researches about job satisfaction and factors that influence it (Locke and Whiting, 1974: 145; Schneider and Snyder, 1975: 318; Lee and Wilbur, 1985: 781-791; Khaleque and Rahman, 1987: 401; Graham and Messner, 1998: 198; Oshagbemi, 2000: 88; Dole and Schroeder, 2001: 235; Tuten and Neidermeyer, 2004: 26-34). Because the job satisfaction is directly related with workers’ emotions and experiences, the issues such as factors that affect

workers' feelings toward their jobs and why the workers have different feelings about their job has been commonly studied. Some studies suggest that among the variables that affect a worker's feelings about job, there are wage, work safety, promotion opportunities, social entitlements, managers, communication, working conditions, productivity and the qualification of the work (Toker, 2007: 94).

3. JOB SATISFACTION INDEX

In order to analyze the labour market from the perspective of job satisfaction, we used survey data which was made for 500 workers from various sectors in Istanbul. From the responses to survey questions, we chose some objective and subjective criteria to be able to create an index. The following employment characteristics were chosen to be included in index:

- income
- benefits
- weekend vacation
- physical conditions
- job recommendation for their children

The each variable above is important in the sense of they affect the emotional responses to the work thereby affect the job satisfaction and well-being of person. We have assigned a score to each person in the survey and classified the levels of satisfaction as low, medium and high. Before presenting the index findings, it will be better to give some information about our sample.

Table 1: Sample By Sectors

Sector	Number	Rate (%)	Cumulative Percent
Industry	127	25,4	25,4
Agriculture	1	0,2	25,6
Construction	91	18,2	43,8
Service	281	56,2	100,0
Total	500	100,0	

Table-1 shows the sample by sectors. Accordingly, 25% of sample is from industry, 0.2 % of is agriculture, 18.2 % is from construction and 56,2% of sample is from service sector.

Table 2: Sample by Gender

Gender	Number	Rate (%)	Cumulative Percent
Male	321	64,2	64,2
Female	179	35,8	100,0
Total	500	100,0	

Table 2 demonstrates that 64,2% of sample is men and 35,8 % of sample is women.

Table 3: Sample By Education Level

Education	Number	Rate (%)	Cumulative Percent
Elementary	134	26,8	26,8
High School	198	39,6	66,4
University	137	27,4	93,8
Graduate	28	5,6	99,4
None	3	0,6	100,0
Total	500	100,0	

According to Table-3, 26,8% of survey respondents has elementary, 39,6% has high school, 27,4% has university, 5,6% has graduate degree and 0,6% has never gone to school.

4. MAIN FINDINGS

Table-4 demonstrates that the main finding of the job satisfaction index for İstanbul labour market. According to this index, while 44,8 % of workers has low and 48,8% of them has medium level satisfaction, only 6,4% of the workers has high level of job satisfaction.

Table 4: Job Satisfaction

Satisfaction Level	Number	Rate(%)
Low	224	44,8
Medium	244	48,8
High	32	6,4
Total	500	100,0

Table-5: Satisfaction Level By Gender

Job Satisfaction Level	Gender		Total
	Male	Female	
Low	%50	%34	%44,8
Medium	%43	%59	%48,8
High	%7	%7	%6,4
Total			

Another result of our index is given in Table-5. Accordingly, while nearly all of the male worker has low and medium satisfaction level, only 7% of them has high satisfaction level. Female workers' situation is almost the same, only 7% of female workers has high satisfaction level. But the rate of female workers with medium satisfaction level is higher than male workers.

Table 6-: Satisfaction Level By Age Group

Job Satisfaction Level	Age				Total
	18-26	27-35	36-44	45 ve üzeri	
Low	%50	%48	%37	%34	224
Medium	%46	%44	%60	%52	244
High	%4	%8	%3	%14	32
Total	161	172	94	73	500

As Table-6 shows that as the age of workers increases, job satisfaction level becomes higher.

Table-7: Satisfaction Level By Education

Job Satisfaction Level	Education					Total
	Elementay	High School	University	Graduate	None	
Low	%58	%48	%29	%32	%33	224
Medium	%41	%47	%60	%43	%67	244
High	%1	%5	%11	%25	0	32
Total	134	198	137	28	3	500

We can infer from Table-7, more education people have more satisfaction they will have.

Table-8 shows that while the worst satisfaction level occurs in construction sector, industry sector has the best levels.

Table-8: Satisfaction Level By Sector

Job Satisfaction Level	Sector					Total
	Industry	Agriculture	Construction	Service	Other	
Low	%26	%100	%67	%46	%38	224
Medium	%68	0	%31	%47	%54	244
High	%6	0	%2	%7	%8	32
Total	50	1	88	168	193	500

Table-9: Satisfaction Level By Size of The Employer

Job Satisfaction Level	Size Of The Employer						Total
	Less than 10 workers	10-24 workers	25-49 workers	50-249 workers	250-499 workers	More than 500 workers	
Low	%32	%40	%41	%53	%57	%61	224
Medium	%61	%51	%58	%42	%29	%27	244
High	%7	%9	%1	%5	%14	%12	32
Total	130	67	102	109	7	85	500

If we look at the satisfaction levels by the size of the employer, as the size of employer increases the rate of low satisfaction levels rises and the rate of medium level decreases.

Table-10: Satisfaction Level By Statute of The Employer

Job Satisfaction Level	Statute			Total
	Government	Private	Endowed charity	
Low	%51	%45	0	224
Medium	%42	%48	%100	244
High	%7	%7	0	32
Total	66	423	11	500

Table 10 shows the satisfaction levels by statute of the employer. Accordingly, there is no dramatic difference between government and private jobs. The workers in both have low job satisfaction level.

It can be easily seen from Table-11, the lowest job satisfaction level belongs to the workers who are paid daily. If we consider the fact that the most of the workers who is paid daily works for construction sector, this result will not be surprising. Another unsurprising result is that the satisfaction levels for employers are higher than the other working types.

Table-11: Satisfaction Level By Type of Working

Job Satisfaction Level	Type of Working				Total
	Paid monthly	Paid daily	Employer	On one's own	
Low	%45	%72	%24	%38	224
Medium	%49	%28	%65	%38	244
High	%6	0	%11	%24	32
Total	440	18	29	13	500

5. CONCLUSION

Job satisfaction, in the general sense, implies the contentment about employee's work. This situation occurs when the attributions of the job and the wishes of worker collide with one another. Having positive feelings and thoughts about the work will affect personal happiness and the people who benefit from this work in the affirmative way both.

Despite the importance of the subject, job satisfaction has been relatively little studied in economics. In this paper, it's aimed to create an index of job satisfaction for İstanbul labour market. To be able to compose such an index, five variables which have impacts on the satisfaction of a worker was selected. These variables include income, benefits, weekend vacation, wish for one's child, physical conditions of the workplace. By assigning a score to each person in the survey, we could classified them into three categories such as low, medium and high level of job satisfaction. As a result, we found that in İstanbul labour market almost the half of participants has low job satisfaction level while only 7 percent has high job satisfaction level.

BIBLIOGRAPHY

- Boz, Çiğdem. 2009. *From The Quantity To The Quality of Employment: An Application of The Capability Approach to The İstanbul Labor Market*. International Conference on Social Sciences, 10-11 September 2009, İzmir-Turkey.
- Clark, Andrew E. 1996. *Job Satisfaction In Britain*. British Journal of Industrial Relations, 4-34:2 June 1996: 189-217
- Cranny, C.J., Smith, P.C., & Stone, E.F. (1992). *Job Satisfaction: how people feel about their jobs and how it affects their performance*. New York: Lexington Pres.
- Freeman, R. (1978). *Job satisfaction as an economic variable*. American Economic Review, 68:135-41
- Locke, E.A. (1976). *The Nature and Causes of job satisfaction*. In M.D. Dunnette (Ed.), Handbook of Industrial and Organizational Psychology. Chicago: Rand McNally.
- Toker, Boran. 2007. *The Effects of Demographic Factors on Job Satisfaction*. Doğuş Üniversitesi Dergisi, 8(1): 92-107
- Weiss, Howard M. 2002. *Deconstructing Job Satisfaction*. Human Resource Management Review, 12: 173-194