Introduction to measuring job satisfaction business essay

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Employee job satisfaction can be distinguished from its indicators; indicators in this case mean effects of job satisfaction towards employee's performance. According to Stephen P. Robbin, the effects of job satisfaction toward employee's performance are (Robbins, 1996, p. 182-183):

Satisfaction and productivity

A company that has more satisfied employees tends to become more effective compared to a company that has less satisfied employees.

Satisfaction and absenteeism

Employees that have a low job satisfaction level tend to have a high absenteeism level, even though it is not absolute.

Satisfaction and employee turnover

An employee who has a high level of job satisfaction tends to stay at the company because they have a high loyalty to the company.

Measuring Job Satisfaction

There are two ways to measure job satisfaction that are normally used, they are (Robbins, 2005, p. 85):

Single global rating

It is a method by asking individuals to answer questions, the respondent will circle one number from 1-5.

Summation Score

This method distinguishes main components in a job and asks the employee about their feelings toward each component.

Factors used as an evaluation rating are:

Personal desirability, appropriate rewards, supportive co-workers, availability of working equipment, supportive management and company policies. These factors will be rated in normal scale numbers and then will be summed up to create a total score of job satisfaction.

Loyalty

Definition of Loyalty

In the past loyalty was measured by how long an employee stayed in the company, but nowadays loyalty is measured by commitment.

According to Malayu S. P Hasibuan employee loyalty is the willingness of an employee to maintain and protect the company, inside and outside the job from irresponsible people (Hasibuan, 2000, p. 94).

According to Indayati Utomo, loyalty is a sense of responsibility; it is not only responsibility but also the sense of belonging. If an employee follows and order from his boss, it means he gives an input to do the best for the company. In this case the employee is being proactive.

And according to Wignoyo Subroto, employee loyalty towards a company means the willingness of an employee to have a good relationship with the company; even if they should sacrifice their personal interest without expecting anything back from the company.

In conclusion, loyalty means the willingness of an employee to keep working and staying in the company and having commitment towards the company that the employee works for. Loyalty these days has been redefined as a commitment; it is how willingly the employee is committed to their job. Employees not only join the company physically but their mind, attention and their dedication are for the company.

Loyalty Theory

If someone from a high position in the company resigns, it will increase the cost of recruitment, selection and training. It will also affect the company's efficiency because the company should find and prepare a new employee to fill the empty position. Therefore, it is very important for a company to keep their employees, especially the best employees that are willingly to give their best for the company. That is why a lot of companies need this type of employee, and it is easy for them to move from one company to another. The top rated employee can choose a company that gives them a higher salary and provide great working conditions. Therefore, the company should

maintain their employees' loyalty to keep their employees committed to them.

Managers view their subordinate's loyalty if their subordinates:

a. Follow all orders from managers.

b. Work hard and do their tasks.

c. Finish all tasks successfully.

d. Protect the manager and not become a backstabber.

e. Respect the manager.

f. Remind the manager when they do something wrong.

g. Are aware of the job value and job norms.

h. Have a commitment towards the company.

In reality, loyalty is an important condition to increase productivity in a work place. It is mentioned that employee's loyalty can be viewed from:

Strong bonds with the company even though the company may have a difficult time.

Work hard as possible to achieve the company's goals.

Act positively with co-workers.

Easily adapt to organization changes.

Have a low absenteeism rate.

Meanwhile, the employee's loyalty toward the company could happen if:

The employee believes that they can remain in the company.

The employee believes if they remain in the company they will receive rewards.

The employee honors the rewards, in another words it means that their motivation to stay with the company is to receive that reward.

Job security, which is a feeling that assumes the company will not lay off their employees, only creates loyalty in the lower level. Therefore, employees also need promotion, rewards, a chance to develop, and everything that creates job satisfaction will affect employee loyalty to their company in the end.

Loyalty Measurement

In measuring employee loyalty and commitment towards the company, there should be a benchmark to measure it, and those benchmarks are as follow:

The employee should be in one particular company.

The employee knows about the company's business and their customers well, so it will create productivity.

The employee participating maintains a good relationship with their customers for the company's benefit.

The employee promotes the company that they work for as an ideal place to work, has a good future for the employee and has more advantages compared to other companies.

The employee put their maximum effort and work serious with their job.

The employee does not have the willingness to resign or move to another company.

The employee attendance is high.