Exploring the Impact of Employee Satisfaction on Organizational Success: Evidence from Private Sector Organizations in Khost, Afghanistan

Jahan¹, Faridullah Lalzai² and Hafizullah Meen Amin³

¹Department of HR and Finance, Chandigarh University, Mohali Chandigarh-160012, INDIA
²Department of Applied Agriculture, Central University of Punjab, Bathinda, Punjab-151401, INDIA
³Department of Business and Administration, Shaikh Zayed University, Khost-0025, AFGHANISTAN.

¹Corresponding Author: jahanghorzang@gmail.com

https://orcid.org/0009-0001-2911-8163

ABSTRACT

The primary objective of this research paper is to examine workplace employee satisfaction and its influence on the effective utilization of organizational resources. This entails exploring the various factors that significantly impact employee satisfaction within an organization, with the goal of identifying key drivers that have a profound effect on the morale and motivation of the workforce. By understanding these crucial factors, organizations can employ diverse strategies to enhance employee performance, thereby maximizing both individual and organizational objectives.

In today’s competitive market landscape, human resources are undeniably a critical asset for any organization. With intense competition, businesses are relentlessly striving to enhance customer satisfaction to gain a competitive edge. The utilization of human resources has a direct and substantial impact not only on customer satisfaction but also on gaining a competitive advantage. Consequently, it is imperative for managers to consistently assess employee satisfaction and pay close attention to the variables that exert significant influence on both employee satisfaction and performance. To investigate employee satisfaction and its ramifications on employee performance, this study employs a survey method. The utilization of an experimental approach is deemed unnecessary for this research, as employee satisfaction primarily involves theoretical aspects, making experimental methodologies redundant. Data for this research was collected through questionnaires, constituting primary data, targeting managers at various organizational levels within the private sector.

The analysis of the gathered data reveals a robust positive correlation between employee satisfaction and employee performance. Notably, the variables most closely associated with employee satisfaction, and subsequently, with a significant impact on employee performance, are employee creativity and reduced absenteeism. Consequently, it can be confidently asserted that there exists a strong, positive relationship between employee satisfaction, employee performance, and the attainment of organizational goals.

Keywords: Competition, Customer Satisfaction, Employee, Employee satisfaction, Organization.

I. INTRODUCTION

Employee satisfaction is a critical factor essential for fostering a healthy working environment within organizations (Crossman et al, 2003). It reflects employees' feelings about various aspects of their jobs and extends beyond mere fulfillment of their needs. Instead, it exerts profound influences on both individual employee performance and the overall success of the organization. Therefore, top-level management must
prioritize understanding and enhancing employee satisfaction, as contented employees tend to be more productive, enthusiastic, and motivated, ultimately contributing to the achievement of organizational goals with efficiency and cost-effectiveness (Miah, 2018).

In stark contrast, dissatisfied employees can lead to a waste of time and increased absenteeism within the organization. They may become disengaged, neglecting their responsibilities and organizational objectives while merely awaiting their salary or wage. Hence, it becomes imperative for top-level management to continually assess the various factors that influence employee satisfaction (Miah, 2018).

Employee satisfaction encompasses both tangible and emotional responses to job-related aspects, representing what employees seek to attain from their working environment (Mishra, 2018). In today's competitive landscape, organizations are increasingly recognizing the value of keeping their employees content by crafting conducive work environments that facilitate improved performance (Sarker & Prodhan, 2017). Employee satisfaction also entails the perception of fair compensation, an element vital for employees' assessment of their worth within the organization (Sarker & Prodhan, 2017).

While employees are indeed an organization's most vital asset, it is important to note that customer satisfaction also plays a pivotal role in organizational development. Interestingly, customer satisfaction is closely intertwined with employee satisfaction and employee performance (Chen & Wang, 2006). Consequently, the primary objective of top management is to enhance employee performance and productivity to maximize competitive advantages. Achieving this necessitates a comprehensive evaluation of the factors that impact employee satisfaction (Dugguh & Ayaga, 2014).

In this context, understanding and managing employee satisfaction becomes paramount for high-level managers. Happy employees are inherently more motivated and tend to deliver superior performance compared to their discontented counterparts (Saner & Eyüpoğlu, 2012). Employee satisfaction serves as a cornerstone for improving overall performance and achieving organizational objectives (Ahmad et al., 2013).

Satisfied employees consistently exhibit positive behaviors, such as punctuality, low absenteeism, and a willingness to contribute their best efforts. Key variables affecting employee satisfaction encompass pay and benefits, opportunities for promotion, working conditions, and leadership styles (Singh & Jain, 2013). Thus, nurturing employee satisfaction remains a central focus for organizations aiming to manage employee stress and elicit peak performance (Mishra, 2018).

In summary, the significance of employee satisfaction cannot be overstated, as it directly correlates with employee performance, organizational development, and profitability. Cultivating satisfied employees is pivotal for an organization's growth, and it forms the foundation for achieving organizational goals efficiently. The interplay between management and employees, addressing both organizational and employee desires, is pivotal for success (Ali & Ahmed, 2009). Ultimately, higher employee satisfaction is linked to improved employee performance, further underscoring its importance (Awaludin et al., 2016).

II. HYPOTHESES

H1: Reasonable salaries or wages system will lead high level improvement of employee satisfaction.
H2: High level of good working condition will lead to high level improvement of employee satisfaction.
H3: High level training programs will lead to high level employee satisfaction improvement.
H4: There is a significant relationship between management relation and employee satisfaction
H5: There is a significant relationship between reward and employee satisfaction
H6: There is a significant relationship between promotion opportunities and employee satisfaction
H7: There is significant relationship between employee satisfaction and employee creativity.
H8: There is significant relationship between employee satisfaction and lower turnover.
H9: There is a significant relationship between employee motivation and organizational performance
H10: There is a significant relationship between lower turnover ratio and organizational performance

III. RESEARCH METHODOLOGY

Given the theoretical and descriptive/interpretive nature of the topic, a descriptive/interpretive research approach was chosen. Data was collected from employees across various departments of private organizations in Khost, Afghanistan, utilizing the survey method.

The experimental method was deemed unsuitable for this study due to its theoretical focus, rendering experiments unnecessary. A total of 250 respondents were selected from different departments of private organizations in Khost, Afghanistan, to ensure comprehensive data collection.

Primary data, crucial for this study, was gathered through a survey technique using questionnaires, as it is a well-established and effective method for accurate data collection. Subsequently, the collected data underwent a thorough evaluation. Only relevant information was included in the report, ensuring alignment with the project's objectives. Data analysis was performed using SPSS to derive meaningful insights.

Analytical tools used: SPSS used for analyzing the statistical tests.
IV. RESULT AND DISCUSSION

Variables effect employee satisfaction

The main aim of the employees from their working is financial benefits, workers must be happy with their salaries or wages and rewards that they receive from their working. It means compensation policy should be competitive. Promotion is the result of best performance in which employee shift from lower position to higher with increasing salary and responsibilities. If there are promotion opportunities for employees it leads strongly employee satisfaction in this situation, every employee try to get organizational goals maximally to get promotion chance. Job security is an assurance that employee expect that I will able to work for long term with organization, and I will not become unemployed, those employees that they are working with high-level job security or they have a low chance of losing the job shortly they will be satisfied employees in an organization. Human resource management policies guide the people in an organization to achieve specific goals, various policies of the management have great impacts on employee satisfaction employee performance, and the following policies are the guidelines of employees’ efforts.

- Reward policy
- Training and Development policy
- Promotion policy

Personal characteristics of employees also have a very important role in employee satisfaction, pessimists’ people dissatisfied with their job every time and they will complain every time related to their job in the working environment. There is a significant relationship between job satisfaction and Age of employees, it means that younger workers are dissatisfied than older workers from their working environment, there are many reasons about this relationship but the most important reasons are

- Desires or expectations of young employees are more than older.
- Older people have more experience in the labor market, so they can obtain a better, higher salary-job which leads to increase job satisfaction.
- Older employees have more experience related to problem-solving which is very important for positive employee relationship

According to gender, females employees experience higher level of satisfaction than males despite their lower payment and the limited chance for advancement, it means females employees have fewer expectations from their job than males employees, also the expenses of the male are more than female so they expect to gain more financial benefits from their job. Personality represents the characteristics of a person or it is the traits of a person, personality traits directly affect employee satisfaction in an organization, some of the important traits that affect employee satisfaction are

- Self-confidence
- Self-esteem
- Conscientiousness
- Values

Job security is the assurance that employee expects that I will able to work for long term with organization, and I will not become unemployed, those employees that they are working with high-level job security or they have a low chance of losing job shortly they will be satisfied employees in an organization.

Working environmental factors also very important variables that affect employee satisfaction...
within the organization, these factors directly related to working environment, these are the most important factors which affect job satisfaction as well as employee motivation. Teamwork significantly improve employee satisfaction and organizational performance, within the team there may be employees with different skills and abilities and each employee shared their skills members of the group to do their job well and get their specific goals and also The working condition means employees, desire that the working environment should be clean and healthy, good working condition employees lead to physical comfort and its lead employees to give the best performance. Fair temperature, humidity, ventilation, lighting, cleanliness of the workplace and quietly workplace is the characteristics of good working condition which lead high-level employees’ satisfaction.

V. CAUSES OF EMPLOYEE DISSATISFACTION

Dissatisfied employees are those which have a negative feeling about their workplace, or dissatisfaction represent the unhappy feeling of employees from job output in an organization, there are many reasons that lead dissatisfaction in the workplace, some of them are underpaid, lack of advancement, lack of interest, poor management, unsupportive Boss, luck of career growth and limited incentives. The result or consequences of employee dissatisfaction have the worst effect on both the employees and organization, it may be a lack of motivation, loss of interest, less productivity, Absenteeism, and high turnover ratio and the following are the reasons for employee dissatisfaction.

Theories of job satisfaction

Hierarchy of needs theory is the most noticeable theory of motivation and satisfaction, Maslow side that the people motivation and satisfaction is a sequence of needs that a person motivates to fulfill these needs step by step and satisfied their self step by step these needs include physical needs, safety needs, social needs, self-esteem or achievement, and self-actualization.

Herzberg two factor model or motivation theory is the most important model to study employee satisfaction in workplace (Kim, 2004), Herzberg theory shows that two variables affect job satisfaction within an organization, namely job satisfiers or motivator factors and job dissatisfaction or hygiene factors, Satisfier’s or motivational factors are those that have a direct effect on employee satisfaction or motivation it means motivational factors directly bring positive satisfaction in the workplace, the absence of these factors create effect.
on employee psychologically, so existent of these factors motivate the employee to hard work. 

**Motivational factors:** Recognition, Advancement, Responsibility, Achievement. 

**Hygiene Factors:** Fringe benefits, Interpersonal, Job Security, Pay. 

**Equity theory** also extensively important theory in human resource management that is developed by Adams in 1963, this theory suggests for a fair balance between employees input (Best performance, Ability, Skills level, Hard Work) and output (Salary, Benefits, Recognition) which increase employee satisfaction and motivation. Employees evaluate this ratio with the ratio of their colleagues in another workplace, the equitable ratio of employees with their colleagues in other workplace leads employee’s satisfaction from their job while inequity leads dissatisfaction of employees. 

VI. CONCEPTUAL FRAMEWORK

Employee satisfaction is one of the extensively important factors for organizations that create great impacts on various aspects of the organization. The following conceptual research model is developed as shown in figure. It illustrates the variables that have an extensive role in improving employee satisfaction which are good working conditions, training and development, salary and wage, fair reward policy, management relationship, and promotion opportunities. It also depicts the theory of employee satisfaction that including Maslow’s Hierarchy of Needs Theory, Herzberg’s Two – Factor Theory and Equity Theory and the instruments for measuring job satisfaction such as Job Descriptive Index (JDI), Job Satisfaction Survey and Minnesota (JSS) Satisfaction Question. The conceptual framework indicates that how we can improve employee satisfaction and how it will lead employee performance as well as organizational performance.

VII. ANALYZING OF TESTS

**Correlation Test**

<table>
<thead>
<tr>
<th></th>
<th>Working Condition</th>
<th>Training and Development</th>
<th>Management Relation</th>
<th>Salary and wages</th>
<th>Reward</th>
<th>Promotion Opportunities</th>
<th>Employee Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Condition</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.867**</td>
<td>.481**</td>
<td>.737**</td>
<td>.625**</td>
<td>.639**</td>
</tr>
</tbody>
</table>
### Pearson Correlation and Significance

<table>
<thead>
<tr>
<th>Variable</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training and Development</td>
<td><strong>.867</strong></td>
<td>.000</td>
<td>100</td>
</tr>
<tr>
<td>Management relation</td>
<td><strong>.481</strong></td>
<td>.000</td>
<td>100</td>
</tr>
<tr>
<td>Salary and Wages</td>
<td><strong>.737</strong></td>
<td>.000</td>
<td>100</td>
</tr>
<tr>
<td>Reward</td>
<td><strong>.625</strong></td>
<td>.000</td>
<td>100</td>
</tr>
<tr>
<td>Promotion Opportunities</td>
<td><strong>.639</strong></td>
<td>.000</td>
<td>100</td>
</tr>
<tr>
<td>Employsatisfaction</td>
<td><strong>.798</strong></td>
<td>.000</td>
<td>100</td>
</tr>
</tbody>
</table>

**Based on the Correlation Test table, Employee satisfaction have the high degree of correlation with Training and Development, it means there is strong positive relation between training and employee satisfaction whereby the value of correlation is (r=.810,p<.05), working condition also have the high degree of correlation with employee satisfaction (r=.798,p<.05), management relation, salary or wage and Reward have moderate degree of correlation with employee satisfaction because the r value is between (r=0.75 -0.5,p<0.5) and promotion opportunities have low degree of correlation with employee satisfaction (r=.467,p<.05). In the table it shows that every variable are significant because P value are not more than 0.05.**

### Multiple Regression

In multiple regression test, few independent variables (Reward, management relationship, Working Condition, Promotion Opportunities, salary and Wages, Training and development) and one dependent variable (employee satisfaction) tested to protect linear relationship among them.

### Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>.867</strong></td>
<td>.752</td>
<td>0.736</td>
<td>33700</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Reward, management relationship, Working Condition, Promotion Opportunities, salary and Wages, Training and development
ANOVA*

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>32.086</td>
<td>6</td>
<td>5.348</td>
<td>47.089</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>10.562</td>
<td>93</td>
<td>.114</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>42.648</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee satisfaction  
b. Predictors: (Constant), Reward, management relationship, Working Condition, Promotion Opportunities, salary and Wages, Training and development

The ANOVA table stated there are independent variables that have significant linear relationship with employee satisfaction. To express the exact variables, the next table will be explained.

Coefficients*

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>.057</td>
<td>.159</td>
<td>.360</td>
<td>.720</td>
</tr>
<tr>
<td>Working Condition</td>
<td>.563</td>
<td>.123</td>
<td>.494</td>
<td>4.561</td>
</tr>
<tr>
<td>Training and development</td>
<td>.465</td>
<td>.164</td>
<td>.437</td>
<td>2.844</td>
</tr>
<tr>
<td>Management relationship</td>
<td>.363</td>
<td>.075</td>
<td>.203</td>
<td>2.162</td>
</tr>
<tr>
<td>Salary and Wages</td>
<td>.325</td>
<td>.162</td>
<td>.291</td>
<td>1.999</td>
</tr>
<tr>
<td>Promotion Opportunities</td>
<td>.260</td>
<td>.120</td>
<td>.139</td>
<td>2.165</td>
</tr>
<tr>
<td>Reward</td>
<td>.399</td>
<td>.143</td>
<td>.324</td>
<td>2.796</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee satisfaction

According to the table above, all P values are not more than .05. This expressed that all independent variables have significant positive linear relationship with employee satisfaction. The B value is the portion of the variable within the overall relationship. According to the above table, working condition has most noteworthy portion that is .563. So it is the strong independent variable. In the other hand, promotion opportunities are the weakest independent variable with the portion of 0.260.

VIII. DISCUSSION OF MAJOR FINDINGS OF THE STUDY

Based on the data analyzing gathered by questionnaire, following observations are made:

1: Training and development is the most important factor that has a great impact on employee satisfaction. According to the data analysis and interpretation, there is a strong positive relationship between training and development and employee satisfaction.

2: Working condition also has an extensively important role in improving employee satisfaction. According to the data analysis, there is a significant strong positive relationship between the working condition and employee satisfaction.

3: In third grade, a management relationship with the employee is one of the important variables that have clear impacts on employee satisfaction. If we see data analysis there is a high degree correlation between management relationship and employee satisfaction. The R value is .558 which expressed a high degree correlation and the P value less than .05 which stated a significant relationship between management relation and employee satisfaction.

4: A large number of employees have selected the strongly agree option about the relationship between salary or wage and employee satisfaction. It means there is a strong positive relationship between salaries and employee satisfaction. According to the data analysis, the R value is at a high level and the P value is less than .05. So there is a significant strong positive relationship between salary or wage and employee satisfaction.

5: There is a noteworthy relationship between employee satisfaction and reward. In general, there is a strong positive relationship between reward and employee satisfaction with the R value of .617. This value supported by P value which is less than .05 (P=0.000). Consequently, the relationship between reward and employee satisfaction is significant and also there is a significant relationship between promotion opportunities and employee satisfaction with the R value of .467. This value encourages by P value which is less than .05.
It means the relationship between promotion opportunities and employee satisfaction is significant.

6: High employee satisfaction can contribute to various aspects of the organization that affect directly organizational performance. According to the data analysis, high employee satisfaction leads to employee motivation, employee creativity, low turnover ratio, employee loyalty, and employee engagement. These factors directly lead to organizational performance. On the other hand, Low employee satisfaction can contribute to multiple organizational problems and has been associated with increased levels of turnover and absenteeism, which ultimately cost the organization in terms of low performance and decreased productivity.

7: A large number of the employees of private organizations are confirmed, that there is a strong positive relationship between employee satisfaction and employee creativity. It means, if any organization wants to improve organizational performance, they must have creative employees, but, creative employees are those, that they are satisfied with their working environment.

8: According to the data analysis, after employee creativity, employee satisfaction has a sequent strong positive relationship with job security, low turnover ratio, and employee motivation.

IX. CONCLUSION

Workers are one of the most important assets of any business. Your employees possess knowledge, talents, skills, and abilities that are vital to organizational operations. Having a satisfied and happy workforce strengthens the organization or company by lowering employee turnover, increasing employee productivity, increasing customer satisfaction and promoting loyalty. Furthermore, happy employees who leave the organization and company are more likely to help in transferring their experience and abilities to others, because they consider both the organization’s wellbeing, as well as, the co-workers being left behind.

Employee satisfaction is the buzzword used by the business people for the success of the organization in the modern-day due to rise of a heavy fight in every product line. It becomes very stressful for the firm to keep the consumer for a long time. Satisfaction is an important matter for both workers/consumers and corporations. Satisfaction is an individual concept and hence difficult to manage. It depends on various variables and differs from body to body and product to product.

Everyone from directors, retention agents to HRM wants to get a handle on employee commitment and happiness – how committed is the workforce to the organization and if workers are contented with the way of jobs for assessing their possibility to stay with the company. One of the main characteristics of Human Resource Management is the judgment of worker happiness. Firms must make assured that worker happiness is high among the workers, which is a precondition for improving productivity, responsiveness, and quality and consumer service.

Profit and growth are excited straight by consumer commitment. Customer assurance is a straightforward outcome of customer happiness. Customer happiness is heavily affected by customer perceptions of the value of services they obtain. Value is produced by happy, loyal and productive workers.

The company should attempt its most useful to judge why workers leave or what kindles their dissatisfaction. Examine the root causes – where does the problem lie? Is it earnings or benefits? Does it have something to do with job quality or workplace support? Or is lack of appreciation or growth to blame. The onus is on the management to keep employees engaged and happy to persuade them to stay. In fact, this is critical to organizational success.

Factors of Employee Satisfaction, Keeping employees satisfied and engaged has become more complex as many employees are no longer motivated by just good pay and great benefits. While these are key factors, employees are also becoming more interested in a good work/life balance which includes.

SUGGESTIONS

A Healthy Environment:

A healthy work condition contributes to fair employee workspace and resources and encourages real work group dynamics.

Rewards and Recognition:

Rewarding or recognizing an employee’s contribution to the work environment can be as simple as telling the employee directly that they are doing a good job. A more formal way to recognize an employee’s contribution is by completing a Notification of Directing Work Performance which is supported by the Personnel Commission and placed in the employee’s personnel record.

Career Growth:

Growth means the job should improve the skills and ability of the worker, one of the most essential purposes of workers that they work with any business is getting new information or experiences during the work life.

Promotion Opportunities:

Career promotion represents the moving an employee from one position to another higher position, the result of promotion may be higher salary, less supervision, and more freedom, the chance of promotion highly affect employee satisfaction if there is no opportunities career promotion for employees it leads dissatisfaction and employees may leave the organization.

Management Relation:

Management relation, or employee relation extensively important to improve employee satisfaction.
It means administrators must frequently meet with workers to find the difficulties that workers faced in the working environment and shared organizational goals clearly with employees. Additionally, administrators must allow workers to become a part of decision making.

REFERENCES