

2011 2nd International Conference on Construction and Project Management
IPEDR vol.15 (2011) © (2011) IACSIT Press, Singapore

Evaluation of Job Satisfaction and Performance of Employees in Small and Medium Sized Construction Firms in Nigeria

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Abstract. Employees of small and medium sized construction firms, job satisfaction and job performance are key issues when studying the human behaviors and attitudes. The Nigerian Construction Industry is faced with challenges of employee performance which is affecting the organization's productivity, quality of work, duration of projects and finally on firm's profits. This paper aims to perform job analysis of personnel in the Nigerian construction industry, identify the level of job satisfaction of employees in small and medium sized firms, and examine the level of job performance of personnel, to investigate the relationship between job satisfaction and job performance of employee. Data was collected from employees in Nigerian small and medium sized construction firms through questionnaire to access the perception towards the level of satisfaction and performance. The questionnaire is a modified version of the Job Satisfaction Index questionnaire (JSI) and Performance Rating Index questionnaire (PRI). The mean score analysis identified ranking for the factors significant to job satisfaction and performance, which found that satisfaction with co-workers ranked highest with a mean score of 3.62 while satisfaction with pay ranked the lowest with a mean score of 2.56. The Job performance ranking found that personnel appearance ranked highest with a mean score of 3.70 while satisfaction with propensity to leave the company ranked the lowest with a mean score of 2.46. The paper also found that there is positive relationship between overall job satisfaction and job performance in small and medium sized firms. Several variables on Job management showed significant differences.

Keywords: Small and medium sized construction firms, Job satisfaction, Job performance, Construction, Nigeria.

1. Introduction

Small and medium sized firms (SMFs) have been a source of economic development through its vast creation of employment, wealth creation and innovation by introducing competitive strategies which set them apart from other firms [1]. These include their ability to re-engineer products and service delivery to meet clients' demand by putting in place innovative techniques or development of new strategies. Yang and Yu [2] recognized that the employment opportunities they create improve the livelihood of a large percentage of citizens of any nation. The importance of SMFs is often being overlooked by commentators [3], whereas most economies drive towards industrial development is dependent on the development of small and medium sized firms considering its large numbers and structure which under adequate conditions gives them the flexibility and ability to stand adverse economic situations. SMFs are also considered by many to be an integral part of any healthy economy considering the role they play in the creation of jobs and the fostering of innovation. Nevertheless, their importance as a provider of employment is evident and, for this reason alone, SMFs are necessarily of interest to those concerned with employment relations and considered to be critical to organizational [4] and performance improvement in order for them to gain competitive advantage [5]. Armstrong [6] defines job performance management as "a means of achieving improved individual outputs". That means job performance is the ability to perform effectively in an employee's job requirement that he has and understand a complete and up to date job description for his or her position, and understand

the job performance requirements that he is expected to meet. The purpose of this study is to perform job analysis of personnel in the Nigerian construction industries, identify the level of job satisfaction of employees in small and medium sized firms, examines the level of job performance of personnel and to investigate the relationship between these variables. This research also provides new data and empirical evidence on how employee job satisfaction affects their performance in the construction industries particularly in the small and medium sized firms sector. The remainder of the paper proceeds as follows; the next section sets out the literature on job satisfaction and management. The research method of the study, the problem statement and characteristics of the sample reported are then set out. After that the results and discussion are presented. A summary and conclusion are in the final section.

2. Job Satisfaction

Job analysis is one of the most important issues in terms of establishing and improving organizations. The organizations today are more depending on their human resources, thus organizations that fail to have the right people in the right place at the right time are at risk. The useful tool to match the personnel with job is a job analysis. Job analysis has been defined by [7] as “the process by which jobs are divided to determine what tasks, duties and responsibilities they included, their relationship to other jobs, the conditions under which work is performed and the personal capabilities required for satisfactory performance”. [7] Defined the job description as “a written statement explaining why a job exists, what the job holder actually does how he does it and under which conditions the job is performed”. There are no standard format for writing job description because it depends on management preference and how the job description will be used . Locke reported that job satisfaction is a “pleasurable or positive emotional state resulting from an appraisal of one's job or job experiences” [8]. Job satisfaction is valuable to be studied for many reasons: (a) promoting employee satisfaction has inherent humanitarian value [9]. (b) A high level of satisfaction is suggested to be related to high level of productivity (c) increased life satisfaction [10]. Any of these outcomes is desirable in organizations, and as such shows the importance of studying and understanding job satisfaction.

3. Problem Statement

The Nigerian Construction Industry is faced with challenges in human performance which is affecting on the organization’s productivity, quality of work, duration of projects and finally on firm’s profits. Due to the global competition, organizations tend to retain talented or good personnel. Job security and loyalty to the organization is challenged by external market pressure and changing social norms. What are the factors that drive these talented or good personnel to give in their best? Personnel must be committed to their organization. They must be willing and able to give greater effort to help their organization to succeed. They must be prepared to go beyond what is expected of them to deliver outstanding work. Good personnel feel inspired by their work and care about the future of their organization being successful. The ‘carrot and the stick’ leadership do not work presently and managers must find new ways to motivate the personnel.

4. Research Methodology

The research was carried out through literature review of job management, 150 questionnaires were sent out and 80 questionnaires were returned, which is a return rate of 53.3%. The questionnaire was tailored into four parts; part one was to access the demography of the respondents, part two was to access the job satisfaction, part three to access the job performance issues and part four to examine the state of job management. Mean score analysis was adopted to rank the various factors significant to job satisfaction and performance while correlation was used to examine the significant relationship between the job management variables.

5. Findings and Discussion

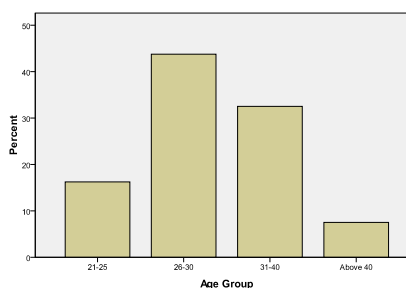
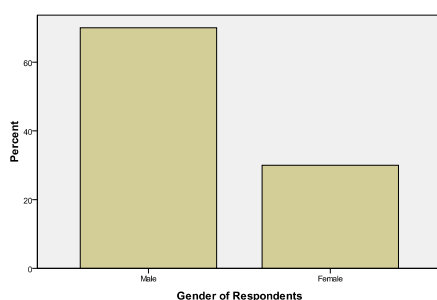


Figure 1. Gender and Age distribution of respondents

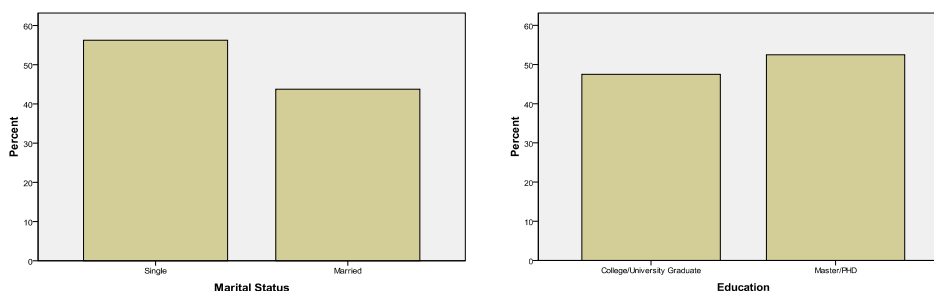


Figure 2. Marital and Educational distribution of respondents

Figure 1 shows the gender distribution of Male (70%) and Female (30%) while age distribution of the respondents was 21-25 (16.3), 26-30 (43.8%), 31-40 (32.5) and above 40 (7.5). Figure 2 shows the marital distribution of Singles (56.3%) and Married (43.8%) while Education distribution was College/University Graduate (47.5%) and Master/PHD (52.5%).

Table 1. Mean score ranking of factor significant to job satisfaction

	Mean	SD	Rank
Satisfaction with co-workers	3.62	0.905	1
Satisfaction with working hours	3.51	0.871	2
Satisfaction with for advancement	3.46	1.078	3
Satisfaction with supervisors	3.36	0.984	4
Satisfaction with working conditions	3.24	1.046	5
Satisfaction with benefits	3.23	1.283	6
Overall satisfaction	2.95	1.386	7
Satisfaction with job security	2.90	1.074	8
Satisfaction with pay	2.56	1.251	9

Table 1 shows the mean score ranking for factors significant to job satisfaction from the responses of the respondents. Satisfaction with co-workers ranked highest with a mean score of 3.62 while satisfaction with pay ranked the lowest with a mean score of 2.56.

Table 2. Mean score ranking of factors significant to job performance

	Mean	SD	Rank
Personal appearance	3.70	0.848	1
Skills in planning	3.69	0.963	2
Accepting responsibility for own behavior	3.68	0.792	3
Observance of rules and regulations	3.46	0.913	4
Quality of work	3.43	1.178	5
Willingness to perform duties	3.41	0.910	6
Amount of work performed	3.41	1.133	7
Making a high impression	3.34	0.826	8
Observance of rest and lunch periods	3.26	1.122	9
Completion of work on schedule	3.12	1.023	10
Acceptability of completed work	3.08	1.077	11
Dependability	3.05	0.870	12
Ability to organize and schedule workloads	3.04	0.818	13
Technical competence	2.93	1.123	14
Effort applied	2.91	1.058	15
Attendance and promptness	2.89	1.158	16
Overall effectiveness	2.69	1.132	17
Adaptability	2.60	1.098	18
Propensity to leave	2.46	0.826	19

Table 3. Correlation between overall job satisfaction and overall job performance

	Overall effectiveness
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Overall satisfaction	Correlation Coefficient	0.347**
	Sig. (2-tailed)	0.002
**. Correlation is significant at the 0.01 level (2-tailed).		
a. Listwise N = 80		

Table 2 shows the mean score ranking for factors significant to job performance from the responses of the respondents. Personal appearance ranked highest with a mean score of 3.70 while satisfaction with Propensity to leave the lowest with a mean score of 2.46. Table 3 shows that there is positive relationship between overall job satisfaction and job performance in small and medium sized firms.

Table 3. Inter-correlation, Means, and Standard Deviation for Job management

		1	2	3	4	5	6	7	8	<i>M</i>	<i>SD</i>
Experience Period	Correlation Coefficient	--	-0.05	0.01	0.08	0.05	0.41**	0.16	0.13	5.24	2.23
	Sig. (2-tailed)	--	0.66	0.91	0.47	0.66	0.00	0.16	0.27		
Do you provide standard job description to your employees before engage to the job	Correlation Coefficient	--	--	0.38**	0.19	0.21	0.29**	1.07	-0.40**	3.33	1.09
	Sig. (2-tailed)	--	--	0.00	0.10	0.07	0.01	0.52	0.00		
Do the employees follow the job description if you have it	Correlation Coefficient	--	--	--	0.50**	0.53**	0.19	0.04	-0.43**	3.14	0.84
	Sig. (2-tailed)	--	--	--	0.00	0.00	0.08	0.71	0.00		
Do you conduct evaluation for your employees	Correlation Coefficient	--	--	--	--	0.54**	0.27*	0.03	-0.11	3.16	0.82
	Sig. (2-tailed)	--	--	--	--	0.00	0.02	0.79	0.34		
Do you approve these performance evaluations	Correlation Coefficient	--	--	--	--	--	0.13	0.16	-0.34**	2.93	0.84
	Sig. (2-tailed)	--	--	--	--	--	0.25	0.17	0.00		
What is the nature of the direct supervisory responsibility your job has	Correlation Coefficient	--	--	--	--	--	--	0.22*	-0.10	0.85	1.09
	Sig. (2-tailed)	--	--	--	--	--	--	0.05	0.40		
How many reports do you handle daily	Correlation Coefficient	--	--	--	--	--	--	--	-0.02	2.43	0.52
	Sig. (2-tailed)	--	--	--	--	--	--	--	0.83		
Does your job description match your expected and the duties you are holding	Correlation Coefficient	--	--	--	--	--	--	--	--	1.61	0.49
	Sig. (2-tailed)	--	--	--	--	--	--	--	--		

Table 3. Shows the Intercorrelation, Means, and Standard Deviation for Job management there was no significant difference between Experience Period and what is the nature of the direct supervisory responsibility has on your job (0.00). Similarly, Do you provide standard job description to your employees before engage to the job and Do the employees follow the job description if you have it (0.00); and What is the nature of the direct supervisory responsibility has on your job (0.01) and Does your job description match your expected and the duties you are holding (0.00). Do the employees follow the job description if you have it and do you conduct evaluation for your employees (0.00); do you approve these performance evaluations (0.00) and Does your job description match you expected and the duties you are holding (0.00). Do you conduct evaluation for your employees and Do you approve these performance evaluations (0.00) and what is the nature of the direct supervisory responsibility your job has (0.02). Do you approve these performance evaluations and does your job description match your expected and the duties you are holding (0.00). And finally, what is the nature of the direct supervisory responsibility your job has and How many reports do you handle daily (0.05).

6. Conclusion and Recommendation

From the literature survey, results, and analysis of findings of this research as it affects workers of construction companies in Nigeria, we realised that employees are not happy with the general level of remuneration in the construction industry, meaning that the pay package in the industry is very low. As a result of this, the sector is supposed to experience a kind of labour turnover, where construction workers in the SME sector will seek for better paying employment in other sectors. But the findings happened to be contrary to this that is the reluctance to change job by employees despite that they are not satisfied with present status. With this development there may be a lack of willingness to put in their best in their job thereby reducing the level of productivity in the industry as a whole. However, since there is a correlation between job satisfaction and performance, management should endeavour to find out what can be done to improve on the remuneration package in the small and medium sized construction industry in order to retain

the best hands in the industry and obtain the best service from them, thereby offering the workers a considerable level of job satisfaction. In a similar study carried out on Sudanese construction firms by Bacham, et al [11] they recommended that top management of construction firms needs to provide fewer working hours in relation to remuneration and provide avenues to resolve issues relating to conduct of personnel so as to avoid eventual employee turnover. Further research should focus on public and private sector with a special emphasis on the large sized construction firms to confirm if the same condition exists. Also personnel managers, policy makers, professionals and the academic will find this study useful as it enriches literature on the management of the SME sector.

7. Acknowledgements

The authors will like to acknowledge the International Doctorial Fellowship (IDF) and the Research University Grant (Vote No. 01J68 and 01J74) initiated by Universiti Teknologi Malaysia (UTM) supported by the Ministry of Higher Education, Malaysia (MOHE) for funding this research.

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