

5-26-2012

# Empirical Study on Employee Job Satisfaction in Retail Industries

Wei-xing Xu

*School of Business Administration, Zhejiang Gongshang University, Hangzhou, 310018, China ; School of Business, Ningbo University, Ningbo, 315211, China, xingyuhe@163.com*

Xiao-bing Jiang

*School of Business, Ningbo University, Ningbo, 315211, China*

Bo-yu Lan

*School of Business, Ningbo University, Ningbo, 315211, China*

Follow this and additional works at: <http://aisel.aisnet.org/whiceb2011>

---

## Recommended Citation

Xu, Wei-xing; Jiang, Xiao-bing; and Lan, Bo-yu, "Empirical Study on Employee Job Satisfaction in Retail Industries" (2012). *Eleventh Wuhan International Conference on e-Business*. 14.  
<http://aisel.aisnet.org/whiceb2011/14>

This material is brought to you by the Wuhan International Conference on e-Business at AIS Electronic Library (AISeL). It has been accepted for inclusion in Eleventh Wuhan International Conference on e-Business by an authorized administrator of AIS Electronic Library (AISeL). For more information, please contact [elibrary@aisnet.org](mailto:elibrary@aisnet.org).

## Empirical Study on Employee Job Satisfaction in Retail Industries

*Wei-xing Xu*<sup>1,2\*</sup>, *Xiao-bing Jiang*<sup>2</sup>, *Bo-yu Lan*<sup>2</sup>

<sup>1</sup>School of Business Administration, Zhejiang Gongshang University, Hangzhou, 310018, China

<sup>2</sup> School of Business, Ningbo University, Ningbo, 315211, China

**Abstract:** Enterprises are constituted by a number of employees, Employee Satisfaction directly determine their level of enthusiasm, which affecting the basic conditions of human resources. In this area, the research about retail industries is weak. In view of this paper is to make my own explorations. So I explore the characteristics and features of investigation upon the research of Employee Satisfaction people did before. Then the evaluation criteria of Employee Satisfaction is determined. The evaluation criteria is determined quantitative by AHP, The article use the AHP and Fuzzy Comprehensive Assessment Model to find the way to assess the Employee Satisfaction effectively.

Keywords: Retail trade, Employee Satisfaction, Fuzzy Comprehensive Assessment Model

### 1. THESE ISSUES RAISED

Employee job satisfaction is the general attitude towards the work which he or she engages in. It is also the gap between gain from actual work and reception from expectations<sup>[1]</sup>, which is considered to be satisfying when beyond the expectations, basically satisfying when reached the expected, and not satisfying when lower than expected. The employees may hold a positive attitude towards the work when there is a high level of satisfaction with them, otherwise, a negative attitude may be held while the satisfaction at a low level<sup>[2]</sup>.

Currently, retail industry in China has formed a situation that many formats such as department stores, supermarkets, convenience stores, specialty stores, shopping center, discount stores, warehouse store shops and household center etc are in mutual development; At the same time, due to changes in consumption demand, commercial competition and life cycle of the business and so on, so many factors have taken a common influence on the development of China retail industries. As a result, some characteristics of it begin to arise, for instance, economic benefits drops, excessive competition, different formats competition in racing to occupy the same market segments and lead to obvious fault in consumer demand. Enhancing enterprise cohesiveness and competitiveness has become the core target of the current retail enterprises in China. And being the important human capital in the enterprise, staff is the foundation to realize this goal. Generally, at present, there have been big fluidity, low education degree and relatively low salary which exist in China's retail employees. So, how to improve staff job satisfaction, thus enhance the core competitiveness of enterprises has been an unavoidable important proposition in current retail business in China.

In this paper, we take retail employees as a research object, then empirically analyse the present situation in retail employee work satisfaction through sample investigation by using fuzzy comprehensive evaluation method. Based on it, relevant suggestions which hoped can help to improve retail staff satisfaction in China are put forward.

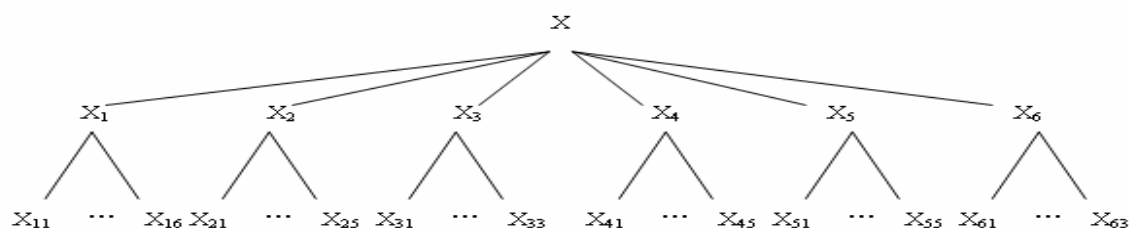
---

\* Corresponding author. Email: xingyuhe@163.com (Wei-xing XU)

This work was supported by Soft Science Project of Science and Technology Department of Zhejiang Province under Grant No.2010C35017

## 2. CONSTRUCTION OF ASSESSMENT INDEX SYSTEM IN RETAIL EMPLOYEE SATISFICATION

Using causal method combined with AHP, we make the analysis based on job analysis on retail employees, and extensively accessing to documentary study on employee job satisfaction<sup>[3]-[4]</sup>. Through inquiring group members constituted by front-line manager, floor managers, general managers, formal employees and temporary employees, we reach a conclusion that there are six aspects that have influenced on staff work satisfaction. The aspects are as follows: The whole enterprise, leadership, work environmental conditions, the job itself, work reward, work coordination. All these six points also can be decomposed into secondary factors which are more refined.



**Figure 2-1. Tree structure of influence factor index system on retail staff job satisfaction**

In this paper, X means influence factor index set on employee work satisfaction. And the special hierarchical chart of influence factor evaluation index on retail staff job satisfaction is showed in figure 2-1.

**Table 2-1. Influence factor evaluation index system on retail employee job satisfaction**

The Whole Enterprise X1	Corporate Value X11
	Corporate Image X12
	Engagement X13
	Enterprise Operation Mechanism X14
	Enterprise Management Condition X15
	Enterprise Strategy X16
Leadership X2	Command Ability X21
	Decision-making Ability X22
	Communication Skill X23
	Conflict-resolution Skill X24
	Authorization X25
Work Environmental Condition X3	Work Environment X31
	Working time X32
	Work Means X33
The Job Itself X4	Interestingness X41
	Challenge Degree X42
	Self-fulfilment X43
	Accountability-matching Degree X44
	Objective Setting X45
Work Reward X5	Wage X51
	Welfare X52
	Training X53
	Promotion X54
	Personal Delopment X55
Work Coordination X6	Work Cordination at Internal Department X61
	Work Coordination between Departments X62
	Work Coordination between Enterprises X63

### 3. EMPIRICAL ANALYSIS ON RETAIL EMPLOYEE WORK SATISFICATION

#### 3.1 Appraisal object

Retail employees are the object that we evaluate by random survey in this paper. In the survey, a questionnaire is sent out to 524 and valid responses 381 (72.7%). Among them, there are 34 managers (8.9%), 17 counter-leaders (5%), and the others are ordinary employees. The samples which are chosen from Zhejiang Province are distributed in department stores, large supermarkets, convenience stores, specialty stores, shopping centers, discount stores, storage stores, and home centers etc.

#### 3.2 Determination of assessment index weight on job satisfaction

According to the table 2-1, in order to make each weight of assessment index on job satisfaction better reflect the influence degree which individual index effects on the whole job satisfaction index, we organize groups members consisted of front-line managers, floor managers, general managers, formal employees, and temporary employees to score on each kind of influence factors. After those, we can get a judgment matrix.

The importance of each factor at the same level can be confirmed in accordance with statistical results from this survey questionnaire. and all the factors can be ranked in descending order (X5 'X4 'X2 'X3 'X6 'X1), (X14 'X13 'X12 'X11 'X15 'X16), (X24 'X23 'X21 'X22 'X25), (X32 'X31 'X33), (X44 'X41 'X45 'X42 'X43), (X51 'X52 'X54 'X53 'X55), (X61 'X62 'X63).

On the basis of the data from questionnaires, the maximum eigenvalue  $\max$  of index X, X1, X2, X3, X4, X5 and X6 are obtained as 6.5207, 5.3035, 3.51274, 5.2426, 3.0387 in turn, and the random consistency ratio C.R are 0.084, 0.0415, 0.0677, 0.0284, 0.0542, 0.0334 in turn. All of them have passed consistency test.

After data analysis, we can reach the assessment index weight on employee job satisfaction as what figure 3-1 shows:

**Table 3-1. Figure of assessment index weight on employee job satisfaction**

Index	Weight sets
X	A={0.0325, 0.0943, 0.0943, 0.2385, 0.5035, 0.0370}
X1	A1={0.0619, 0.1330, 0.2515, 0.4615, 0.0619, 0.0302}
X2	A2={0.1440, 0.0654, 0.2573, 0.4988, 0.0346, 0.0346}
X3	A3={0.2000, 0.6000, 0.2000}
X4	A4={0.2454, 0.1053, 0.0469, 0.4971, 0.1053}
X5	A5={0.5028, 0.2602, 0.0678, 0.1344, 0.0348}
X6	A6={0.6333, 0.2605, 0.1062}

#### 3.3 Setting up the standard of scoring employee job satisfaction

We find that staff consider that there is little difference among “very unsatisfactory”, “quite unsatisfactory”, “unsatisfactory” which is same with “quite satisfactory” and “very satisfactory” after inquiring part of staff investigated according to grading standard  $V = \{\text{very satisfactory, quite satisfactory, satisfactory, general, unsatisfactory, quite unsatisfactory, very unsatisfactory}\}$ . So in order to make statistics and calculations conveniently, “very unsatisfactory”, “quite unsatisfactory” and “unsatisfactory” are combined into “unsatisfactory”, “quite satisfactory” and “very satisfactory” into “satisfactory”, then we get  $V = \{\text{quite satisfactory, satisfactory, general, unsatisfactory}\}$ . The evaluation language set V is established:

V1(quite satisfactory) V2(satisfactory) V3(general) V4(unsatisfactory)

The prior standard on employee job satisfaction is setted as P: [100-90](excellent), (90-80)(good), (80-70)(fine), (70-60)(pass), (60-0)(fail).

#### 3.4 Fuzzy evaluation measurement and calculation on job satisfaction

Build matrix R, and conduct single factor evaluation on son factor layer. Based on those, fuzzy evaluation

matrix E of the first level index can be attained according to multiplication rules of fuzzy evaluation:

$$E = A_i * R_i = \begin{bmatrix} A_1 * R_1 \\ A_2 * R_2 \\ \dots \\ A_i * R_i \end{bmatrix} = \begin{bmatrix} 0.0426 & 0.0388 & 0.2991 & 0.6195 \\ 0.0263 & 0.0808 & 0.2748 & 0.6182 \\ 0.0306 & 0.0661 & 0.3202 & 0.5831 \\ 0.0136 & 0.0393 & 0.3911 & 0.5560 \\ 0.0000 & 0.0316 & 0.1657 & 0.8027 \\ 0.0009 & 0.0326 & 0.4261 & 0.5404 \end{bmatrix}$$

In matrix E,  $R_i$  is acted as fuzzy matrix of the secondary level index,  $A_i$  is index weight at level 2,  $i=1,2,3,4,5,6$ .

Calculate the variance of son index layer, and determine the weight of index layer:

$$A=[0.0325,0.0943,0.0943,0.2385,0.5035,0.0370]$$
 then

$$X=A*E=[0.01,0.0416,0.2583,0.6901]$$

$$X'=[0.01,0.0416,0.2583,0.6901]$$

Then the result of comprehensive evaluation is

$$Q=X'*P=[0.01, 0.0416, 0.2583, 0.6901]* \begin{bmatrix} 90 \\ 80 \\ 70 \\ 60 \end{bmatrix} = 63.7156$$

### 3.5 Feedback and correction on the results of staff work satisfaction evaluation

On the basis of the gap between expected results and actual evaluation results on retail employee job satisfaction, we feed the comprehensive scores of staff job satisfaction back to the staff, then reformulate the comment level standard of staff work satisfaction comprehensive scores by the team which is composed of representative managers, part of regular staff and temporary staff. The revised standard is shown as what in figure 3-1,

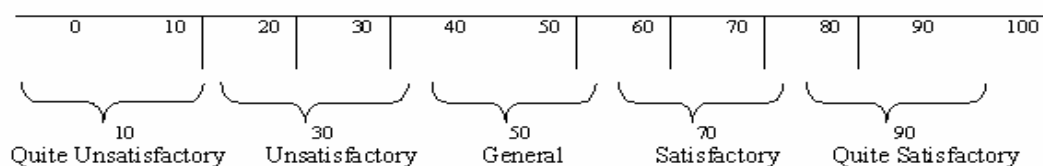


Figure 3-1. Comment level standard on employee work satisfaction comprehensive scores

Comment level standard on employee work satisfaction comprehensive scores:

$$P = \begin{bmatrix} 90 \\ 70 \\ 50 \\ 30 \\ 10 \end{bmatrix}$$

$$Q=X' * P = [0.01, 0.0416, 0.2583, 0.6901] * \begin{bmatrix} 90 \\ 70 \\ 50 \\ 30 \\ 10 \end{bmatrix} = 37.4311$$

## 4. CONCLUSION AND SUGGESTION

From the application of evaluation model and the feedback of evaluation results, it can be found that there is preferable consistency in intension and extension between evaluation index on employee job satisfaction and practical evaluation results. In addition, each index is measurable, thus it reflects basically the scientificness and operability of the employee job satisfaction assessment. The general conditions of retail employee job satisfaction assessment are as follows,

**Table 4-1. The general conditions of each factor's assessment**

	Quite satisfactory	satisfactory	General	Unsatisfactory
The Whole Enterprise	0.0426	0.0388	0.2991	0.6195
Leadership	0.0263	0.0808	0.2748	0.6182
Work Environmental Conditions	0.0306	0.0661	0.3202	0.5831
The Job Itself	0.0136	0.0393	0.3911	0.5560
Work Reward	0.0000	0.0316	0.1657	0.8027
Work Coordination	0.0009	0.0326	0.4261	0.5404

**Table 4-2 Statistical sequence form for each factor**

	Quite Satisfactory	Satisfactory	General	Unsatisfactory
The value is arranged from high to low	The Whole Enterprise	Leadership	Work Coordination	Work Reward
	Work Environmental Condition	Work Environmental Condition	The Job Itself	The Whole Enterprise
	Leadership	The Job Itself	Work Environmental Condition	Leadership
	The Job Itself	The Whole Enterprise	The Whole Enterprise	Work Environmental Condition
	Work Coordination	Work Coordination	Leadership	The Job Itself
	Work Reward	Work Reward	Work Reward	Work Coordination

We can discover from table 4-1 & table 4-2:

Evaluation on “The Whole Enterprise”. The number of persons who give “quite satisfactory” evaluation is only about 20(4.26%) ,while the number of those who give “unsatisfactory”evaluation is nearly 240(61.95%).So it is unsatisfactory at the whole condition of the enterprise.

Evaluation on “Leadership”.Quite satisfactory is ranked 3rd, satisfactory is ranked 1st,and unsatisfactory is also ranked 3rd,so staff job satisfaction in the part of integrated leadership is lower than general.

Evaluation on “Work Environmental Condition”.Quite satisfactory and satisfactory are both ranked 2nd,general is ranked 3rd while unsatisfactory is ranked 4th,therefore, the whole work environmental condition is satisfactory.

Evaluation on “The Job Itself”.The number of persons who make quite satisfactory, satisfactory,and unsatisfactory evaluations is small,then general is ranked 2nd,so the situation of the job itself is general.

Evaluation on “Work Reward”.Quite satisfactory, satisfactory and general are all in the last while unsatisfactory is ranked 1st,as a result,it is unsatisfactory in work reward.

Evaluation on “Work Coordination”.There are few persons who give quite satisfactory, satisfactory or unsatisfactory evaluations,but the general is ranked 1st,therefore,the situation of work coordination is general.

The comment level disposition from holistic marking on retail employee job satisfaction is as shown:

Quite Satisfied 0.01,Satisfied 0.0416,General 0.2583,Unsatisfied 0.6901

Obviously, on the whole, retail employee job satisfaction is general ,and only reaches 37.4311. It shows that the job satisfaction for most of staff is not high, and the majority of employees have unsatisfied feelings especially in “Work Reward” and “ The Whole Enterprise”, which proportion of dissatisfaction is relatively high.Job satisfaction from the work environmental condition is relatively good, but it still can't affect entirely employees job satisfaction. Managers have higher job satisfaction than ordinary employees,while regular employee work satisfaction is higher than temporary one. In welfare treatment , there is obvious difference between the temporary staff and the regular staff whom offered kinds of social security insurances such as endowment insurance, medical insurance ,employment injury insurance and so on.The formal employees actually have higher recessive status than temporary ones in the company.and they have more opportunities than temporary staff in promotion and personal development.

Based on the researched above, Suggestions for the present retail enterprises in China are as follows:

Firstly, reforming and improving the existing salary system in retail enterprises. The present salary system in retail enterprises can hardly meet the need of employees, the enterprises should redesign the salary system and set up a reasonable one according to the reality, make sure the compensation and benefits system is fair, so its competitiveness can be enhanced.

Secondly, set up a full set of professional training management system. From the results of the survey data, we can realize that the quality of retail staff is relatively low, and training is an important means for enterprises to get the human resource with high quality. Through demand analysis, we can determine the content of the training, and impel the training for retail staff to normalization, systematization and routinization. The training is regarded as a systematic engineering that used to make training activities meet the goals of the company and simultaneously let each link to achieve optimization in staff individuals, work and the company itself by adopting a systematic designing method.

Thirdly, strengthen the construction of enterprise culture. To construct enterprise culture, we should deal with management problems in the view of humanization. We must treat the need of staff as the starting point of constructing enterprise culture, and establish the enterprise culture which is beneficial to the long-term development of the enterprise. Only in this way can employees have stronger sense of belonging, and increase the organization cohesion, then create more value for the enterprise.

Fourthly, form an effective inner stimulative mechanism. As there are shortcomings in internal stimulation to employees, it is incentive factors which include the characteristics of work contents and the work itself that lead to staff job satisfaction. And the main incentive factor is staff attraction to the job. So it is particularly urgent for retail enterprises to design an effective internal incentive mechanism systematically, thus improve the employee satisfaction.

#### REFERENCES

- [1] Stephen p. Robbins, Timothy A. Judge (2010). *Organizational Behavior* (Thirteenth Edition). Beijing: Tsinghua University Press :106.
- [2] Ge Peibo, Gao Yuntian (2002). The approach to improve satisfaction on job. *Jinan: Shandong Economy*. 5:60-61 (in chinese).
- [3] Kurt Matzler, Birgit Renzl (2006). Assessing asymmetric effects in the formation of employee satisfaction. *Tourism Management*, 9:1-4.
- [4] Aaron Arndt, Todd J. Arnold, Timothy D. Landry. (2006) The effects of polychronic-orientation upon retail employee satisfaction and turnover. *Journal of Retailing*, 4:319-330.