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## **1. Introduction**

Wage simply means a fixed regular payment from your work or services and it normally pay by daily, weekly, monthly or yearly. Wages have correlation between job satisfaction and job engagement. According to Ruiz-Palomino & Saez-Martinez (2013), moreover, the stronger or weaker of job engagement can be caused by pay satisfaction and by the level of observation (high or low) of supervisor ethical leadership (SEL) in the work context. The concept of job satisfaction is to think about the issues or problems of work in an organization or industry (Kalleberg, 1977). If the employees get low wages or the wages are not balance with their work (less pay, more work) or are not similar to what the law has been set, the employees will not happy with their current work and will not engage with their work. So, when the employees have the higher engagement, it means they satisfy with their salary. Therefore the results will be inefficiencies and ineffectiveness. Similarly to the previous point, when labors have been paid satisfaction, the results of job engagement will be in positive (increase employees' job engagement) and reduce job withdrawal (Jung & Yoon, 2015).

Employees want to get pay satisfaction compensation with what they have done. However, organizations want to minimum costs with several strategies like paying low wages. In fact, between 1961 and 2007, in Canada, the growth in real wages was 0.06 per cent below than the growth in labor productivity, which is 1.67 per cent per year and 1.73 per cent per year (Sharpe et al., 2008).

In such a scenario, it makes this study to figure out what was happening for the employees who got low paid (not similar to the wage paid standard) and this research will fill those missing points by using a methodology with the evidence.

This research proposal is structured as follow. This Introduction have been written above then followed by the Problem Statement, Research Objectives / Questions, Justification of the Research project, Expected Research Outcome, Conceptual

Framework and Research Hypothesis, Literature Review, Methodology, Organization of the Study, Project Budget, Finding and Sample of Questionnaires.

## **2. Problem Statement**

People go to work for earning money to survive them and also help their family so salary is an importance key role to help them complete these missing point. Hence, they satisfy with their job when they get pay satisfaction. Getting pay satisfaction, it is the positive link of job satisfaction (external and internal) (Ruiz-Palomino & Saez-Martinez, 2013). According to Schreurs et al. (2015), the more productive can be occurred when employees are happy with their salary. However, wage can also have negative effect to the level of job engagement while the level of job satisfaction decreases and drop the productivity of job as well.

On the other hand, in the United Kingdom, surprisingly, wages have no correlation with job satisfaction (Diaz-Serrano & Vieira, 2005). Which it means that the British's employees are happy with their job even though their salary is low. In this case, they might get some compensation from the company like getting a commission. Furthermore, compensation can sometimes get more than the salary that the employees' earn. So, in the United Kingdom, the workers are looking at what the company gives to them rather than their salary. Therefore, compensation has positive correlation with job satisfaction.

Besides, those two points above, the work place environment might impact to job satisfaction as well whether decrease or increase. So, it is an interested topic need to analyze and to understand or to know whether wages have negative or positive correlation with job satisfaction or not. Moreover, this study will fill the missing gap and also to let the employers think about their productivity caused by wages.

**3. Research Objectives / Questions**

This research aims to explore the impacts of wages on job satisfaction. The following objectives can help to meet the aim. The two objectives are:

- To investigate the impacts of wages on job satisfaction though length of tenure;
- To investigate these impacts of wages influence on employee engagement in organization.

Moreover, this research also aims to answer the following questions:

- How do wages influence on the level of job satisfaction?
- What happen when employees do not get pay satisfaction?
- Do employees happy to work?

These questions play an important role to answer the significant aim of this research project.

#### 4. **Justification of the Research Project**

Judge et al. (2010) did a research about the relationship between pay and work satisfaction and the result was shown that there have positive correlation to each other. In other words, when employees or workers get high pay or get pay satisfaction, they are happy to work for the company or organization. Therefore, wages can effect to work productive in either big or small business by the positive or negative relationship between pay satisfaction and level of job satisfaction. This project will try to help managers to understand how important of paying to the employees by extensive literature review and by getting comments from survey and questionnaire.

This proposal will provide some benefits as the following:

- ***It will assist managers to understand what the employees' needs in order to increase the level of work satisfaction***, increasing the productivity of work and increase the company's reputation as well because when the employees are happy with their work, they will work from their bottom of their heart.
- ***To increase the company's profit***. As the workers get pay satisfaction, they will serve the customers with all their best because as the results have been shown that wages have positive correlation with level of job satisfaction.
- ***Managers can use this method to keep the good or skill staffs***. It is easy to hire people to work in the company but it is not easy to find the good or skill people to work for you. Hence, giving pay satisfy is a good strategies to keep them in your company.

**5. Expected Research Outcome**

The result of this project proposal will give a deep study of the factor that affect to the level of job satisfaction because of wages which will significantly impact on instinct and extinct which are the feeling of the employees and the activities of the employees within the company. The way that employees act within the company shows about the level of services and reputation of the company whether is good or bad. So, once again, level of reputation of the company is influenced by the feeling and activities of the employees (job satisfaction) and job satisfaction is influenced by wages. All the research questions and objectives can be answered by conducting the survey and collections to analysis to get the outcome. These research results will be a significant academic work for those who want to revise their current employees' wages and job satisfaction. Furthermore, these outcomes will be a benefit for those who want to run a new business in order to spend the amount of wages reasonably and motivate its workers work hard.



**6. Conceptual Framework and Research Hypotheses**

People are care about the average of pay that they get among the group is more important than individual pay in terms of job satisfaction (Montero & Vasquez, 2014). Moreover, Block et al. (2013) found that family employees are more satisfied when they get a similar wage to the other than regular employees. So, pay satisfied is very important to make workers happy and increase the level of job satisfaction, and also increase the productivity because it depends on the level of job satisfaction (Montero & Vasquez, 2014).

On the other hand, the real wage of the employees is not influenced to job satisfaction whether they want to stay or not (Grund & Schmitt, 2013). It is because of the size of the firm that the employees are currently working with compare with the firm that they want to move in. In this case, employees' wage does not have a power on job satisfaction.

Beside the previous points, the negotiation is also a element to make satisfaction either salary and duration of working. Australian's labours are more likely to join the union in order to solve or protect their rights in workplace. Furthermore, union can bargain the wage including compensation with the employers. Hence, the result had been shown that union's members have high level of satisfaction than non-union's members (Borjas, 2014). Nonetheless, in term of money, both side (union's member and employer) lose money by paying some compensation to the union for member and employer pay more to employee. So, in order to spend less money on employer's side, it is better to have directly negotiation with the employees by trying to look at what they want because each employees have their own needs like treat them politely, raise the salary or giving them a chance to show their abilities or skills.

Job satisfaction influences to job engagement like the amount of involving of the workers within the organization. It effects to the productivity of the work and also effect to the organization's reputation as well as the profit. Either small or big

business run for earning profit so if wage is the main reason that influences to nearly all factor in the company including internal and external, employers should more consider about it in order to save good workers and prevent lose profit.

Based on the research objectives and the problem statement, there is two hypothesis in the Research Hypothesis that can be tested which are:

- **H(1): *Null Hypothesis*:** Wages do not have impact on Job Satisfaction.
- **H(2): *Alternate Hypothesis*:** Wages have impact on Job Satisfaction and it is what this report will proof.

## 7. Literature Review

It is a depth study and analysis of the similar study or project with difference authors. In other words, it compares the others' result with this project's results; and the relevant information is available in Google Scholar, journal articles from database.

## 8. Methodology

The following methodologies will help achieve the aim of the project regarding to improving effectively analysis such as:

- **Data capture:** Numerous of information will be collected by using questionnaires that is easy to collect and spend less time. About the questionnaire for measuring job satisfaction, this research will be followed the Minnesota Satisfaction Questionnaire. Similarly, Ma et al. (2016) used the Minnesota Satisfaction Questionnaire to measure job satisfaction as well.

Additionally to the point above, this project will prepare ten questionnaires and give to ten students (who are currently work in Australia) to complete these questionnaires during the break time in the class at Central Queensland University (CQU) in Sydney. While the respondents are completing the survey, they can be asked any questions related to the questions in the questionnaires. Five questions among ten questions are measured about the wages and the work satisfaction by using the scale number (*where 1 is "very dissatisfied" to 5 is "very satisfied"*)

- **Data analysis methods:** In data analysis has two methods for using to analyze the data, which are qualitative and quantitative. Qualitative analysis will make a survey about non-measurable data such as feeling at work place whereas Quantitative analysis is more likely to use of numbers, figure, chart, pie chart or table.

***The techniques of using qualitative data analysis:*** The process of qualitative data analysis can be happened after collection the data. Sekaran & Bougie (2013, p. 337) pointed out that in qualitative data analysis has several steps to process it which are data reduction, data display and data coding. Similarly to Neale's research about a systematic technique for analysing qualitative data used the same process like coding (Neale, 2016). Furthermore, in this project will analysis the data by using an appropriate software.

***The techniques of using quantitative data analysis:*** it will describe about the number as statistics which includes standard deviation, mean and median. Moreover, it will test about the hypothesis (type 1 and type 2 error); type 1 error is the probability of the rejection the null hypothesis when it is true and, in contrast, type 2 error is the probability of accepting the null hypothesis (Sekaran & Bougie 2013, p. 303). On the other hand, in order to get the accurate outcome, the raw data will be taken away, like tick in the box, in order to improve the results' quality.

This research project is thinking of using quantitative data method in order to spend less money, save time, easy to collect the data; and it can provide an accurate or strongly information to identify the problem statement.

**9. Organisation of the Study**

The organisation of this project is as the following:

- **Chapter 1:** The outline of the Research Proposal.
- **Chapter 2:** Explain or giving the real evident likes the case study of the relationship between wages and job satisfaction.
- **Chapter 3:** The detail of literature review, methodology, data collection strategy (survey) and data analysis.
- **Chapter 4:** Statement of the finding and critical.
- **Chapter 5:** Summary and discussing the essential outcomes.

**10. Project Budget**

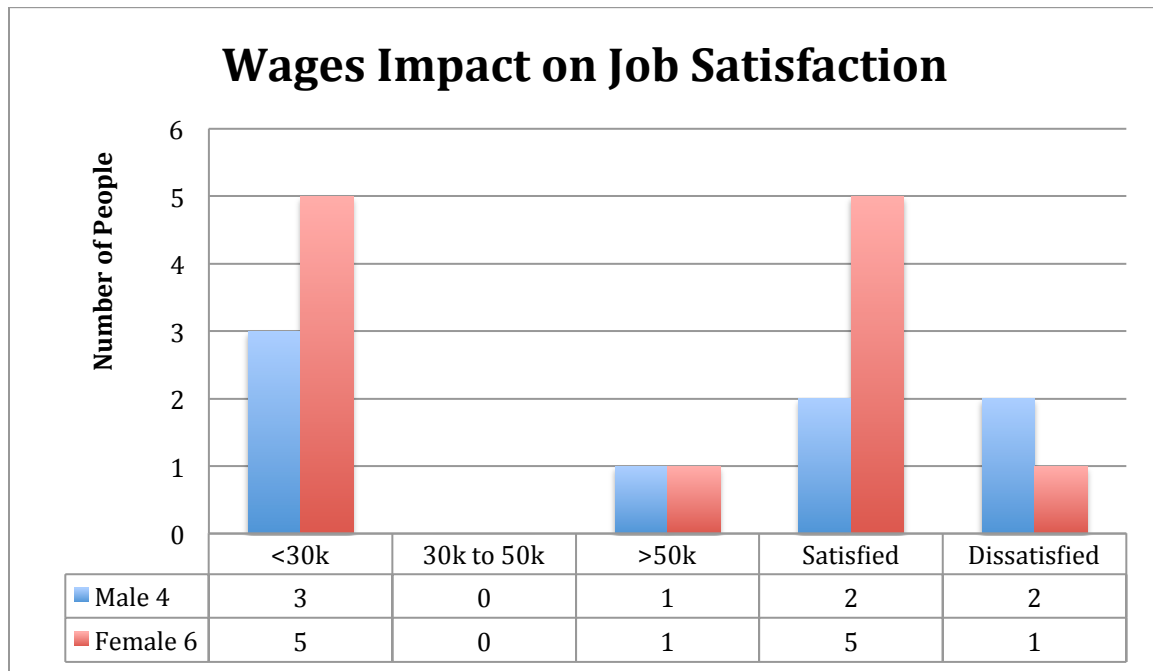
<b>Purpose</b>	<b>Amount in AUD</b>
Literature Review	\$300
Data Collection	\$300
Data Analysis	\$200
<b>Total Amount</b>	<b>\$800</b>

The amount of money that needs to be spent in this project will be around \$800 AUD in order to complete this project.

The budget have been divided into three steps as the following:

- \$300 will be spent on **Literature Review** as in this step needs to use of journal articles, textbook and online resources from the internet; and some of these sources can be found in CQU library but some of them need to be purchased.
- \$300 will be spend on **Data Collection** because it spends on printing of the survey questionnaires, travelling and giving them some gift after they complete the survey as they spend their valuable time on this survey.
- \$200 will be spend on **Data Analysis** regarding to making tables/charts and present the dada.

## 11. Finding



This chart is just a normal outcome that presents about the amount of salary and the job satisfaction. This project will analysis in deep about the hypothesis whether it has weak or strong correlation between each other; and it will use the appropriate software to analysis the data such as Nvivo or SPSS. Furthermore, the next further research is to find out whether wages have positive or negative correlation with job satisfaction by looking at H1 (null hypothesis) and H2 (Alternate Hypothesis) in order to proof this research.

**12. Sample of Questionnaires**

**Wages Impact on Job Satisfaction**

*Please tick (✓) in the column for your answer*

1. Gender: ☐ Male ☐ Female

2. How much is your current salary?

☐ < 30k per year ☐ 30k to 50k per year ☐ > 50k per year

*Please tick (✓) in the column for your answer as following: number 1 is very dissatisfied and number 5 is very satisfied*

3. The amount of pay for the work you do.

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

4. Is your wage suitable for the current economic condition?

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

5. The way the company treats its employees.

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

6. The chance to make use of my abilities and skills.

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

7. How my pay compares with that of other workers.

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

8. Does the salary increase when you *expect* it to increase?

☐ Yes ☐ No

9. Are there other monetary benefits (*compensation*) you receive over and above the salary?

☐ Yes ☐ No

10. Overall, are you satisfied with your current salary?

☐ Yes ☐ No



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