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## **A Study on Employee Satisfaction towards Private Sector Organisations in Zambia**

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### **ABSTRACT**

The private sector has seen tremendous growth and development in the recent decades, much in the 21<sup>st</sup> century in which technology has been the greatest driving force. As technology has massively replaced most Job positions, through automation, initially done manually by humans. Human resource has still remained a key asset for organizational growth and development. Human resources generate the ideas for organizational growth, asset and capital growth, profit maximization and organizational performance in general. For this reason, Human resource will continue to remain the center of every organization's development and growth. It is therefore very important to study how this very important asset of every organization must be managed to ensure continuous and consistent execution of organizational tasks to achieve organizational objectives, mission and vision. The private sector plays a great role in supplementing governments' efforts of improving standards of living through Job creation and for this reason the private sector in many countries is the largest source of employment and a means to spur economic growth. Government only creates a conducive environment for the private sector to thrive. This project is focused on studying private sector employee satisfaction and how this influences organizational performance, growth and development.

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### **1. INTRODUCTION**

The purpose of the study is to establish a brief glimpse of the relationship between employee satisfaction and employee retention which is very important for every prospective implementer of the ideas brought out therein. Much of the focus has been placed on the Zambian environment and many scenarios considered herein are all based on Zambian working environments.

Employees are the backbone of any organization, they are the most important resource in the attainment of organizational goals. There can be no success without human resource to utilize other resources to produce goods and services (Matindo et al., 2015). With the advent of globalization and competition in the global economy, organizations in Zambia need to anticipate technological innovations and compete at an international level.

It has been observed that employee retention is not determined by one factor but a cluster of issues (Fitz-enz, 1990). Focusing on a cluster of issues would have proved difficult given the time frame of this study, hence the adaptation of a Causal Model to provide a frame work of factors to be studied. The Causal Model proposes four models of job satisfaction and organizational commitment which are seen to influence the intent to stay. Its applicability to the academic sector will be studied to gain understanding of the factors that have an influence on employee retention.

The study was conducted in Lusaka, the capital city of Zambia. The study was particularly inclined to the education sector in determining employee satisfaction. Interestingly, the education sector has in the past few years attracted a lot of career interests from the youths as employment levels in the country were starting to dwindle, many youths found the education sector to be an easier entry point for employment. As this fact remains undisputed, many private academic entities have mushroomed over the past few years, from basic education to tertiary education. Supplemented by government efforts to promote education, the private schools and institutions of higher learning have established themselves with minimal challenges.

#### **1.2 SIGNIFICANCE OF THE STUDY**

Job satisfaction is a very important element of every organization's achievement of objectives, mission and vision. A working environment in which employees are satisfied is likely to achieve the organization's overall objectives i.e. when employees are happy they work with all their energies centered on meeting the organization's targets. This study therefore brings out issues that may help private sector organizations to reconsider their human resource policies that may have elements which leave employees unsatisfied thereby compromising all motives of achieving organizational objectives and digs out questions which when critically evaluated blossom into answers that improve human resource management practices. When wholly exploited the ideas brought forth from this study can help private sector organizations maximize their potential through human resource.

#### **1.3 STATEMENT OF RESEARCH**

There is a lot of research on relationship between human resource and organizational performance but little has been done to explore reasons why employees are dissatisfied with organizational conditions that critically affect employee performance. Many organizations have ignorantly assumed that

only salary structure is the main condition that will either keep an employee satisfied or dissatisfied in that organization and this has led to many companies that have adopted this ideology to be left in a compromised state as staff retention becomes a problem for them. Successful organizations need to do more than just hire the right people but retain the right people for the job. Failure to retain employees results in the loss of knowledge, experience, customer relations and technical skills which are taken to another organization. The right people for the job don't only go for the job because of money but because of many other factors that this study reveals.

#### 1.4 OBJECTIVES

1. To identify whether education plays an important role in Private Sector Organizations.
2. To determine the level of job satisfaction by Private Sector employees.
3. To examine the relationship between employee job satisfaction and organizational performance
4. To identify the major factors influencing employee retention in the transport and logistics industry;
5. To develop a framework based on the Causal Model for assessing employee retention in the education sector.
6. Based on the model in (5), recommend possible solutions that will improve employee retention in the education sector.

#### 1.5 HYPOTHESIS OF THE STUDY

1. Satisfied employees tend to perform more efficiently at work place as compared to dissatisfied employees.
2. Type of occupation affects the satisfaction level of employees.

#### 1.6 LIMITATION

The empirical results reported herein should be considered in the light of some limitations. These limitations could, however, be addressed in future research. Firstly, the study focused on employee satisfaction towards private sector organizations, this therefore limited all forms of data comparisons to the private sector which compromises the effectiveness of research results, as this study wishes to evaluate how private sector organizational performance is directly linked with employee satisfaction a comparison with public sector or government institutions was therefore not appropriate for this study as public sector does not have similar business objectives as private sector.

#### 1.7 SCOPE OF STUDY

The study focused on the education sector in Zambia given both time and financial constraints, however this study could be carried out in a wider view while paying attention to enable the generalization of the research findings to the rest of the education sector.

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## 2. LITERATURE REVIEW

**2.1** A Study of Job Satisfaction and Its Effect on the Performance of Employees Working in Private Sector Organizations - Peshawar, Pakistan, by **Wasaf Inayat and Muhammad Jahanzeb Khan**. The study concluded that, satisfied employees were better in performance as compared to dissatisfied employees, thus contributing significant role in the uplifting of their organizations.

**2.2** A Study on Employees Motivation and Organizational Performance” **Leena Jeneffa (2018)** Motivated employees are loyal to their organization and find value and social status in their work. Motivated employees influence their work performance and the whole organization performance and business productivity.

**2.3** A Study of Job Satisfaction of the Employees of Private Sector Banks, April 2013, by **Deepti Sinha, Research Scholar Tandon Open University, Allahabad and Dr. Somesh Kumar Shukla, Professor, Department of Commerce, Lucknow University**. Management must create an environment of job security among employees. Indians work with emotions, so any legal job contract will not motivate them. Instead, there should be a psychological or emotional bond between employees and the organization.

**2.4** The Impact of Employee Job Satisfaction Toward Organizational Performance: A study of Private Sector Employees in Kuching, East Malaysia. **Md Murad Miah**, Faculty of Economics & Business, University of Malaysia. Employees who are in higher levels tend to be more satisfied from intrinsic job satisfaction while, employees who are working in lower position tend to be more satisfied with extrinsic job satisfaction. At the same time, those employees who are working in competitive industries they are more satisfied with their job compared to those employees working in less competitive industries.

**2.5** A study on Employee Job Satisfaction with special reference to Krishnagiri District Co-operative Spinning Mills Ltd, August 2013, by **S. RAJA and V. Vijay Anand**. Employees under every organization are more or less satisfied with the job. The organization should consider on the salary, relationship of employees and supervisors, grievance handling and give more opportunity for the new employees.

**2.6** A Study of Employee Satisfaction and its Effects Toward Loyalty in Hotel Industry, March, 2002, by **Chan Soo Yin, Chan Yee Fen, Koo Yun, Loh Poh and Wong Wein Jack**. Organizations need to focus more on career development, compensation and rewards, job security and workplace environment to improve their employees' loyalty towards the hotel industry.

**2.7** A study on Job Satisfaction of Employees in BPCL – Kochi Refinery Limited, Ambalamugal”, by **Mrs Anju K J & Mr.Sona George**, Grievance handling system, promotion policy, job rotation, participation in decision making has to be improved. It helped management, both to get a better handle on why employees are lagging and to plan better solutions to problems and to assess training needs. Further, employees are satisfied with the medical facilities, pension packages, club facilities and canteen facilities.

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### **3.RESEARCH METHODOLOGY**

#### **3.1 Conceptual Framework**

Conceptual framework was picked as a research methodology tool in this research. Through this framework, a representation of the relationship I expected to see between my variables, characteristics and properties that were being studied through this research were established. Through a conceptual framework, I was able to describe, from my own perspective, how the research problem would be explored. The relationship of the main concepts of this study was thus described with the aid of a conceptual framework i.e., Job Satisfaction, Organizational Commitment and Work Structures was developed.

#### **3.2 Sample Size**

The sample size of the study was determined using a random selection of 100 participants from three private institutions particularly Universities and Colleges (University of Lusaka, Zambia Centre for Accountancy Studies and Cavendish University) . The size of this sample influenced two statistical properties;

1. The precision of my estimates and
2. The power of my study to draw conclusions.

The sample size of 100 was broken down into 95 questionnaires for ordinary employees while the remaining 5 questionnaires were for key respondents representing the employers in the education sector.

#### **3.3 Data Collection Procedures**

100 semi structured questionnaires were distributed but only 85 could be retrieved given the available time and willingness of the participants. 5 key respondents in management were purposefully sampled and interviewed. A total of 85 respondents participated successfully in the study and this was upon establishing contact with the respondents who agreed to participate in the study and the nature of the study was explained.

#### **3.4 Sources of Data**

Both primary and secondary sources of information were used in this study of retention. A semi-structured questionnaire was developed consisting of 5 main variables, namely individual characteristics, work structure, job satisfaction, organizational commitment and intention to stay. Individual characteristics questions sought to establish the demographic profile of the respondents while the other variables employed questions on a Likert scale with responses such as strongly agree, neutral, disagree and strongly disagree. The other set of questions were on the satisfaction to dissatisfaction scale providing for responses in one of the following categories; highly dissatisfied, dissatisfied, neutral, satisfied and highly satisfied. The question of what recommendations the respondents had, was open ended. Semi-structured interviews were also another source of data, a set of pre-determined questions was used but additional probing and open questions were asked throughout the interviews. This approach prevented the interview from becoming too rigid and enabled the researcher to thoroughly explore the participants' responses.

The rationale for using semi-structured interviews and semi-structured questionnaires in the study was firstly, to have an opportunity to gather data on what was being done by the employer to retain employees and the challenges they were facing and secondly, to gather data from the employees' perspective, so the gaps between the two, if any could be bridged resulting in appropriate recommendations.

The secondary data was sourced mainly from online sources such as databases or internet findings. Journal articles of relevant studies were used and sourced from google scholar.

#### **3.5 Sampling Methods**

Purposive sampling was used in this study. 4 academic institutions fit this criterion in Lusaka, 4 of which were approached and only 3 were willing to participate in the study hence the use of Convenience Sampling. All the existing departments in all 3 organizations were included in the sample selection but the respondents who received the questionnaire were those available during the researchers visit to the institutions because majority of employees in these Institutions were busy delivering their academic services. Random Sampling of employees from all the departments in each institution was done to ensure the participants represented all sections in each of the 3 academic institutions. One key informant from each of the 3 institutions of higher learning was interviewed.

### 3.6 Data Analysis

Data analysis particularly, Quantitative data, collected from the semi-structured questionnaires was analyzed using the following tools and approaches:

1. Statistical package for Social Sciences (SPSS), this tool was particularly used to create frequency tables, simple descriptions, cross tabulations and Mann Whitney tests for hypothesis testing.
2. Spreadsheets using WPS, was used particularly to create tables and graphs from the information generated in SPSS.
3. To determine which factors influenced retention, Correlation analysis was done.
4. Interviews and open-ended question responses were analyzed by repeatedly reading the questionnaires and handwritten notes and key ideas or statements highlighted.
5. Content analysis was used to classify the information into categories responding to the research questions on what the major factors of employee retention were and recommendations made for improving these factors.

## 4. ANALYSIS

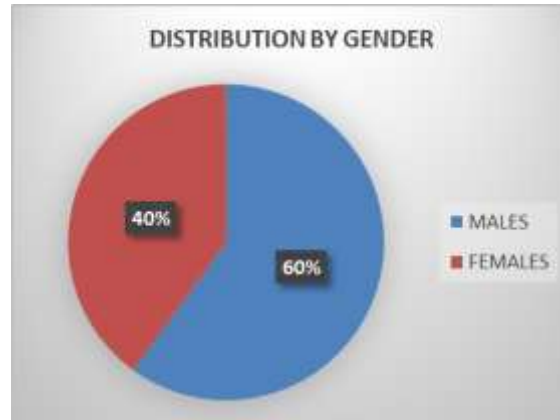
The data collected was analyzed using the data analysis tools described in the methodology and the results presented using figures and tables.

### 4.1.1 Gender Distribution, age group and Level of education

Figure 1 shows the gender distribution of the respondents, 60% are males and 40% are females, it can be concluded that the education sector in the study is a sparsely distributed sector among males and females. Figure 2 shows the age group distribution; 1 of the age group were between 20- 24 years, 5 were in the age group between 25 - 29 years, 20 were between 30- 34 years, 25 were between 35 - 39 years, 15 were between 40- 44, 12 were between 45 - 49 years, 7 were between 50 - 54 years and 0 were between 60 - 64 years of age.

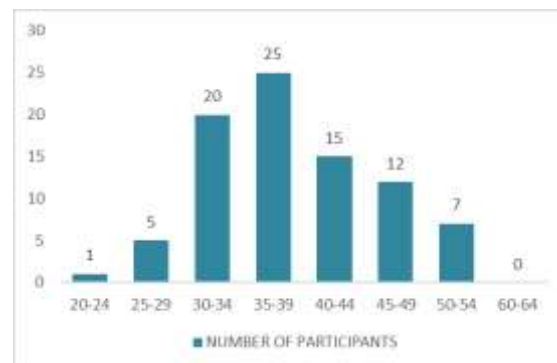
Figure 3 and Figure 4 illustrate the findings of the level of education and length of service of the respondents. Majority of the respondents had master's degree represented by 50 of the sample, 25 had undergraduate bachelor's degree, 10 had PhDs. In terms of length of service, the majority of respondents had served between 1 and 5 years in the transport and logistics industry.

**Figure 1**



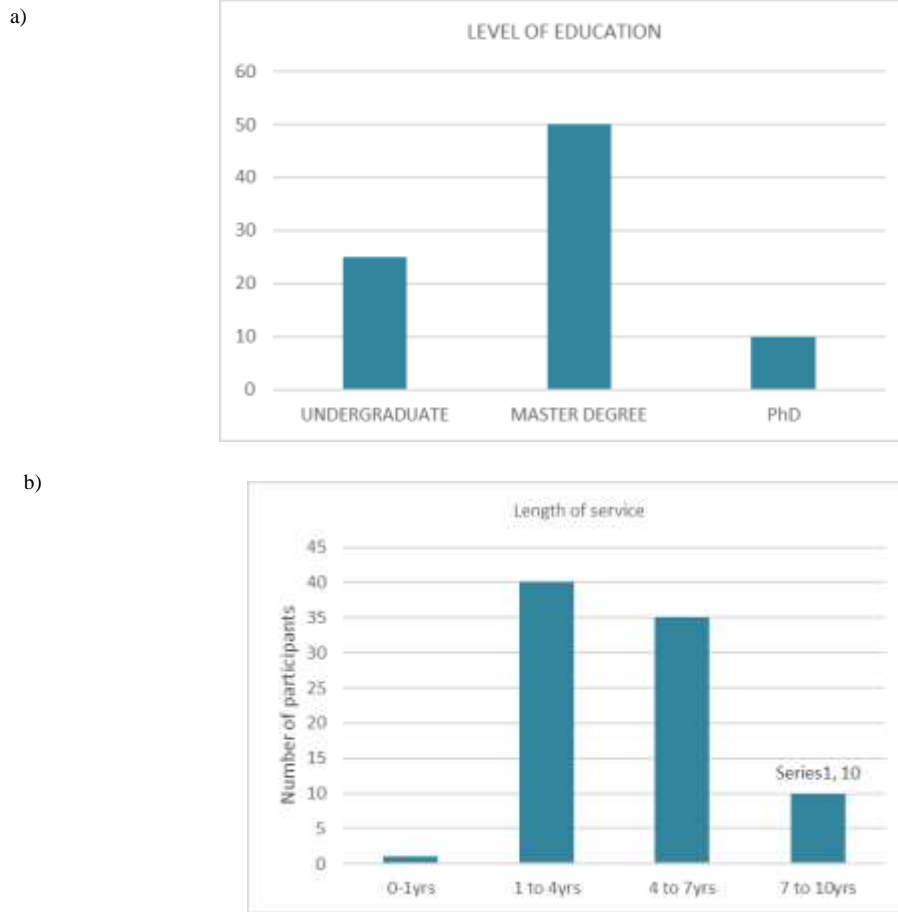
*Simple distribution by gender source: Author 2022*

**Figure 2**



*Distribution by age group, source: Author 2022*

**Figure 3**



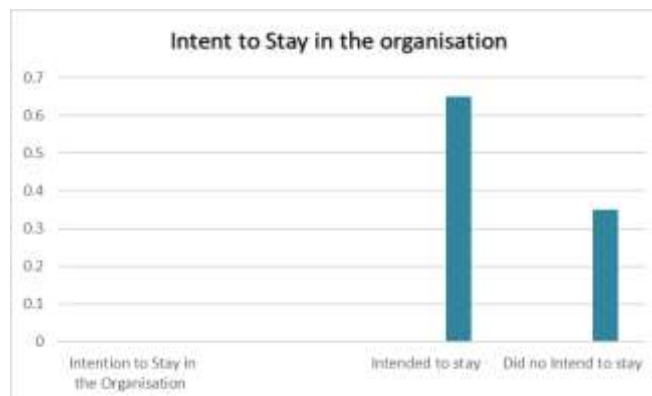
(a) distribution by Education level; (b) distribution by length of service source: Author, 2022

**4.1.2 Intent to Stay**

Figure 4 illustrates the findings in response to respondents’ intention to stay in the organization, 65% intended to stay in the organization while 35% indicated they did not intend to stay in the organization.

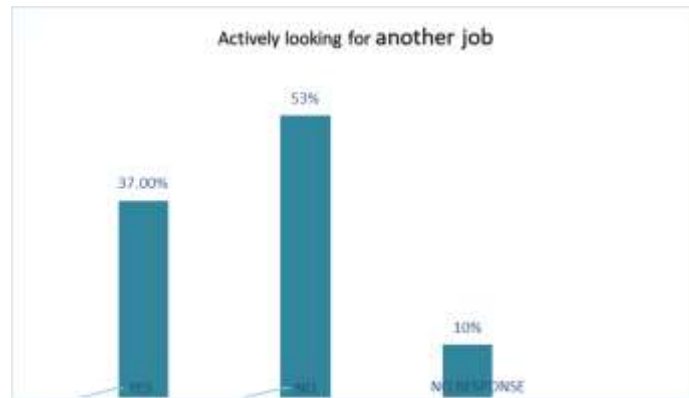
Figure 5 illustrates the response from the respondents when asked if they were looking for another job, 53% indicated No, 37% indicated Yes and a final 10% did not respond.

**Figure 4**



Intent to stay in organization Source: Author 2022

**Figure 5**



*Respondents actively searching for another job Source: Author 2022*

**Table 1**

ORGANIZATIONAL COMMITMENT AND EMPLOYEE RETENTION		
	YES	NO
STRONGLY DISAGREE	1	2
DISAGREE	5	4
NEUTRAL	10	5
AGREE	45	13
TOTAL	61	24

*Cross tabulation of Organizational commitment and employee retention*

**Table 2**

JOB SATISFACTION AND EMPLOYEE RETENTION		
	YES	NO
HIGHLY DISATISFIED	2	2
DISATISFIED	8	6
NEUTRAL	10	10
AGREE	32	15
TOTAL	52	33

*Cross tabulation of job satisfaction and employee retention*

**4.2 FINDINGS**

After analysis of the collected data, the study has shown a number of factors that influence job retention and the findings from the analyzed data show employee satisfaction in the private sector particularly the education sector is moderate. The summarized analysis below drawn from the analysis and findings section of this study justifies the conclusion of moderate employee satisfaction.

- 4.2.1 The respondent’s response to ‘intention to stay in the organization’, 65% intended to stay in the academic institution while 35% indicated ‘no’ when asked if they intended to stay in the. After further analysis, it was discovered that another contributing factor to the high percentage of intending to stay was the difficulty in finding another job as many responded this way in the supplementary question of why they intended to stay.
- 4.2.2 When asked if participants were searching for another Job, a 50% plus indicated No, over 37% indicated yes and the remainder did not respond.
- 4.2.3 Even if the remainder that did not respond were to be added to the over 35% of those searching for jobs, it would still leave the remaining portion on a lower side of the balance, therefore from this we can comfortably justify that there is moderate employee satisfaction in the education sector.

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## 5. RECOMMENDATIONS AND CONCLUSION

### 5.1 RECOMMENDATIONS

The majority of employee respondents show great intent to stay with the academic institution under which they are currently employed, at least 37% shown in figure 5 were searching for employment elsewhere. This figure recorded is quite significant and calls for employer improvements that should be focused on the areas identified as having a significant influence on employee retention if these employers are to reduce this high percentage of respondents who are searching for employment.

It's worthwhile to note that, in as much as the majority participants in this research showed intention to stay, due to dynamic changes in needs of a person, intent to stay at a certain stage is not a guarantee of intent to stay at a later stage, thus the need for employers to be proactive in selecting approaches when tackling matters of employee retention. Employee retention is directly linked to employee satisfaction, an employee can only stay in an academic institution when they are satisfied. Participants in this research made suggestions that called for the implementation of strategies which fell under at least one of the following items:

- Job guarantee/ security of employment
- Revised and improved rules and regulations in institutions of high learning
- Continuous professional development
- Highly competitive conditions of service

The items that appeared most frequently were security of employment implemented through long term contractual conditions.

The findings in this research suggest that institutions in the academic sector that wish to improve the level of employee retention and satisfaction and gain competitive advantage in terms of attracting more professional and experienced academic personnel hence, need to lay out and roll out strategies with an inclination towards work place structures in many aspects that it takes.

Need to improve organizational commitment in order for these institutions to have employees stay in the institution and or for them to enjoy greater levels of employee retention.

Institutions could consider taking strategies in the form of yearly salary reviews and should be performance based and conduct regular labour market surveys to check if the institution's benefits to its employees are competitive in the academic sector.

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## 6. CONCLUSION

Through this research and the findings therein, it is clear that the academic sector has a great potential to attract more employees and have them work in an institution, particularly institutions of higher learning. I.e., If these institutions apply strategies such as employee security, employee benefits and long-term contracts that come with annual salary reviews based on performance of staff and overall performance of the institution.

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