

FACTORS AFFECTING EMPLOYEE JOB SATISFACTION OF PHARMACEUTICAL SECTOR IN INDIA

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Abstract

The pharmaceutical sector plays an important role in directing the economic development of a country. This study tries to evaluate job satisfaction of employees in different pharmaceutical companies of Bhagwanpur industrial area. It focuses on the relative importance of job satisfaction factors and their impacts on the overall job satisfaction of employees. On the basis of findings, it can be concluded that the managers must be careful towards the working condition of employees, which includes working environment & working hours of the employees. Also important, is to have a fair treatment with employees so that they all feel motivated & unbiased in the manager's behavior. The overall job satisfaction of the employees in pharmaceutical sector is at the positive level. The nature of business operation, the work culture and the level of job satisfaction have undergone sea change for the pharmaceutical companies. This research paper highlights some of these problems and presents a picture of level of job satisfaction among employees of pharmaceutical companies.

Keywords: Job Satisfaction, Pharmaceutical

Introduction

Job satisfaction describes how content an individual is with his or her job. It is a relatively recent term since in previous centuries the jobs available to a particular person were often predetermined by the occupation of that person's parent. Spector (1997) refers to job satisfaction in terms of how people feel about their jobs and different aspects of their jobs. Ellickson and

Logsdon (2002) support this view by defining job satisfaction as the extent to which employees like their work. Schermerhorn (1993) defines job satisfaction as an affective or emotional response towards various aspects of an employee's work. Reilly (1991) defines job satisfaction as the feeling that a worker has about his job or a general attitude towards work or a job and it is influenced by the perception of one's job. Wanous and Lawler (1972) refers job satisfaction is the sum of job facet satisfaction across all facets of a job.

There are a variety of factors that can influence a person's level of job satisfaction. Job satisfaction has always been in debate by researchers and practitioners. It has gained much importance due to its significance for achievement of overall organizational goals. Rapid changes in the business world have made human resource the most vital asset for organizations. Now productive and efficient employees are need of time. Employee productivity and effectiveness is outcome and result of their level of satisfaction with the job and organization as a whole. Some of these factors include the level of pay and benefits, the perceived fairness of the promotion system within a company, the quality of the working conditions, leadership and social relationships, the job itself (the variety of tasks involved, the interest and challenge the job generates, and the clarity of the job description/requirements). The happier people are within their job, the more satisfied they are said to be. Job satisfaction is not the same as motivation, although it is clearly linked. Job design aims to enhance job satisfaction and performance methods include job rotation, job enlargement and job enrichment. Other influences on satisfaction include the management style and culture, employee involvement, empowerment and autonomous workgroups. Job satisfaction is a very important attribute which is frequently measured by organizations. The most common way of measurement is the use of rating scales where employees report their reactions to their jobs. Questions relate to relate of pay, work responsibilities, variety of tasks, promotional opportunities the work itself and co-workers. Some questioners ask yes or no questions while others ask to rate satisfaction on 1 – 5 scale where 1 represents "not all satisfied" and 5 represents "extremely satisfied".

1.2 Objective of the study

The objectives of the study are as follows:

1. To identify the factors which influence the job satisfaction of employees
2. To understand the contribution of factors in overall satisfaction

1.4 Methodology

A descriptive research design with survey method is applied in the study. The researcher has used both the primary and the secondary data for the purpose of this study. Secondary data were collected from available books, publications, research studies, articles and websites.

A closed-ended interview-schedule was designed to collect primary data. 4 MSMEs in pharma industry of Bhagwanpur industrial area were selected for the study. The researcher visited each pharmaceutical to talk informally with pharmaceutical officials for collecting information regarding job satisfaction. The sample size for data collection was 120. After collecting all necessary data, data have been analyzed and tabulated descriptively. And, this tabulated information was used to measure perceived satisfaction and dissatisfaction level of the employees. To measure the satisfaction level a 5 point scale has been used which is denoted by 1=SD, 2=D, 3=N, 4=A, and 5=SA. Data was analyzed with the help of SPSS.

2. REVIEW OF LITERATURE

1. Parvin & Kabir (2011) highlighted problems of level of job satisfaction among employees of pharmaceutical companies. This research investigated on the significance of factors such as working conditions, pay and promotion, job security, fairness, relationship with co-workers and supervisors in affecting the job satisfaction. It also investigated the impact of work experience, age, and sex differences on the attitudes toward job satisfaction. The result showed that salary, efficiency in work, fringe supervision, and co-worker relation were the most important factors contributing to job satisfaction.

2. Tesdimir et al explored sales people working in the pharmaceutical industry & examined effects of the personality traits on job satisfaction with the help of a survey conducted from 450 sales persons from Turkish pharmaceutical companies. The results studied the effect of

demographic variables such as pharmaceutical experience, educational level, and age on the job satisfaction. Furthermore the effects of the personality traits were also observed.

3. Ahmad et al (2011) discussed the impact of various organizational factors on job satisfaction. This study was conducted in Pharmaceutical sector of Pakistan & middle level managers were the target population of the study where 256 questionnaires were distributed in 60 pharmaceutical companies located in major cities of four provinces of Pakistan.

4. Lalin et al (2013) explored the impact of providing employees and teammates with pro social bonuses & showed that pro social bonuses in the form of donations to charity lead to happier and more satisfied employees at an Australian bank. In another experiment they showed that pro social bonuses in the form of expenditures on teammates lead to better performance in both pharmaceutical sales teams in Belgium and sports teams in Canada. These results suggested that a minor adjustment to employee bonuses, shifting the focus from the self to others, can produce measurable benefits for employees and organizations.

5. Yaseen (2013) proposed that doctors' job satisfaction can be increased by providing good compensation system like valid pay, recognition, promotional opportunity and meaningful work. The found out various issues of compensation management for the doctors in civil hospitals and explored that compensation has direct effect on doctors' satisfaction level. Findings showed that pay, recognition, promotion opportunities, and meaningful work were factors of compensation management which directly affected on job satisfaction on doctors. But the main reason of doctors' dissatisfaction was not getting proper service structure and not finding their work meaningful.

6. Parvin & Kabir (2011) evaluated job satisfaction of employees in different pharmaceutical companies & focused on the relative importance of job satisfaction factors and their impact on the overall job satisfaction of employees. They salary, efficiency in work, fringe supervision, and co-worker relation were the most important factors contributing to job satisfaction.

7. Ndlovu¹ et al (2009) investigated the perceptions of Zimbabwean pharmacists of their overall job satisfaction and the factors associated with it by a survey of 120 licensed pharmacists working in community, and hospital pharmacies and industry in Zimbabwe They found no significant difference in job satisfaction by gender and marital status.

8. Mulky (2011) explored the impact of person-job fit and person-organization fit on the job satisfaction, organization commitment and turnover intentions of salespersons in India by a

survey of pharmaceutical salespersons & found that person-job fit had a strong positive relationship with job satisfaction and person-organization fit had a positive relationship with organization commitment.

9. Saari and Judge (2004) identified three major gaps between HR practice and the scientific research in the area of employee attitudes in which were (1) the causes of employee attitudes, (2) the results of positive or negative job satisfaction, and (3) how to measure and influence employee attitudes.

3. Pharmaceutical Industry in India

Introduction

India is now among the top five pharmaceutical emerging markets. The Indian pharma industry has been growing at a compounded annual growth rate (CAGR) of more than 15 per cent over the last five years and has significant growth opportunities.

The Indian pharmaceutical sector is expected to grow five-fold to reach Rs 5 lakh crore (US\$ 91.45 billion) by 2020, as per Dr A J V Prasad, Joint Secretary, Department of Pharmaceuticals (DoP). The industry, particularly, has been the front runner in a wide range of specialties involving complex drugs' manufacture, development, and technology. With the advantage of being a highly organized sector, the numbers of pharmaceutical companies are increasing their operations in India.

Sector Structure/ Market Size

The domestic pharmaceutical market is expected to register a strong double-digit growth of 13-14 per cent in 2013 on back of increasing sales of generic medicines, continued growth in chronic therapies and a greater penetration in rural markets.

The cumulative drugs and pharmaceuticals sector has attracted foreign direct investments (FDI) worth US\$ 10,308.75 million during April 2000 to February 2013, according to the latest data published by Department of Industrial Policy and Promotion (DIPP).

Growth

Drug sales to retailers in India registered a growth of 7.7 per cent in February 2013, according to a data compiled by market research firm AIOCD AWACS. This was probably due to a high base given the strong performance last year and higher substitution of branded drugs with their unbranded equivalents.

Among the listed companies, ZydusCadila topped the list, recording 25.3 per cent growth in February. Other companies that managed to grow faster than the industry include Sun Pharma (14.8 per cent), JB Chemicals (13.7 per cent), IPCA Labs (13 per cent), Lupin (11.6 per cent), Glenmark (10.3 per cent) and Cipla (9 per cent).

Exports

The Ministry of Commerce has targeted Indian pharma sector exports at US\$ 25 billion by 2014 at an annual growth rate of 25 per cent.

Last year, the industry registered exports of US\$ 13 billion at a growth rate of 30 per cent, as per Dr P V Appaji, Director-General, Pharmaceutical Exports Council of India (Pharmexcil). The Government has also planned a 'Pharma India' brand promotion action plan spanning over a three-year period to give an impetus to generic exports.

Investments

Some of the investments in the sector are:

- Orchid Chemicals and Pharmaceuticals has entered into a partnership with Europe-based Allegra Therapeutics to develop antibiotics to treat multi-drug resistant bacterial infections
- Ranbaxy Pharmaceuticals Inc has entered into an in-licensing agreement with Alembic Pharmaceuticals to exclusively market desvenlafaxine base extended release tablets in the US. The drug is used for treatment of major depressive disorder

Government Initiatives

FDI, up to 100 per cent, under the automatic route, would continue to be permitted for Greenfield investments in the Pharmaceuticals sector. 100 Per cent FDI is also permitted for

Brownfield investment (i.e. investments in existing companies), under the Government approval route.

According to the Union Budget 2013-14, investment allowance of 15 per cent on new plant and machinery has been allowed. The allowance is expected to increase investments in new projects while simultaneously providing tax benefit to the industry.

The Department of Pharmaceuticals has prepared a 'Pharma Vision 2020' document for making India one of the leading destinations for end-to-end drug discovery and innovation and for that purpose, the department provides requisite support by way of world class infrastructure, internationally competitive scientific manpower for pharma research and development (R&D), venture fund for research in the public and private domain and such other measures.

4. ANALYSIS AND INTERPRETATION

The data after collection is to be processed and analyzed in accordance with the outline and down for the purpose at the time of developing research plan. Technically speaking, processing implies editing, coding, classification and tabulation of collected data so that they are amenable to analysis. The term analysis refers to the computation of certain measures along with searching for pattern groups. Thus in the process of analysis, relationship or difference should be subjected to statistical tests of significance to determine with what validity data can be said to indicate any conclusions.

The analysis of data in a general way involves a number of closely related operations, which are performed with the purpose of summarizing the collected data and organizing them in such a manner that they answer the research questions. In this study the researcher followed above process carefully and it is presented in this chapter

4.1 Findings

This section will try to highlight and discuss the results and the findings based on the analysis done on the data collected from respondents. This research focuses on the factors affecting employee job satisfaction in selected pharmaceuticals company. The discussion then will try to accomplish all the objectives of the study. In this instance, for simplicity of analysis and findings, this part focuses on the levels of employee job satisfaction in Pharmaceuticals Company and discussion.

4.2 Reliability of the Scale

Reliability Statistics

Cronbach's Alpha	N of Items
.934	20

The scale that was used for the measurement of job satisfaction was taken from a study conducted by Parvin & Kabir on the job satisfaction in pharma sector in Bangladesh. Because the study was conducted in different setting, therefore it was necessary to check the reliability of the used scale. As the table shows that the value of Cronbach's alpha is .934, which is quite good in comparison to the required value that is .7. Therefore, it can be safely assumed that the scale used was reliable.

4.3 Regression analysis of Overall satisfaction

The variable overall satisfaction was regressed over 6 different independent variables which are as follows – working environment, pay & promotion, fairness, relationship with colleagues, job security & relationship with superiors. The table below gives the summary of the regression model. As can be seen from the table the model is able to explain the 55% variance in the dependent variable which seems to be fairly satisfactory.

Table - Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.742 ^a	.551	.495	.70391

The table below shows the significance level of the model which is .000 ($p < .05$), implies that the results are having good significance.

Table - ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	29.198	6	4.866	9.821	.000 ^b
Residual	23.783	48	.495		
Total	52.982	54			

The table below shows the coefficients & significance of different independent variables in the model. As we can see working condition has the largest coefficient (.659) and its contribution is also fairly significant ($p = .062$, which is slightly higher than .05). Other important variable that is contributing is fairness whose coefficient value is .558 & significance level is .015 ($p < .05$). The contributions of other variables are less significant.

Table - Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-.457	.345		-1.327	.191
wc	.659	.345	.411	1.910	.062
pp	.143	.228	.104	.628	.533
f	.558	.221	.398	2.525	.015

rc	-.081	.146	-.073	-.551	.584
js	-.255	.269	-.179	-.948	.348
rs	.162	.162	.135	1.004	.320

Conclusion

The job satisfaction is very important factor in the growth of any organization, particularly for MSMEs, reason being they have small number of employees & even the performance of single employee matters a lot. In this light the above study was conducted which gave some very important findings & implications to the managers. On the basis of findings, it can be concluded that the managers must be careful towards the working condition of employees, which includes working environment & working hours of the employees. Also important, is to have a fair treatment with employees so that they all feel motivated & unbiased in the manager's behavior.

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