

# The empirical Research of The employee`s Job Satisfaction of Cashmere Company in Mongolia

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**Abstract:** The employee job satisfaction is the key factor that influences the long-term development of enterprise. In this paper, a questionnaire survey was conducted among 185 employees from KHANBOGD cashmere company and SOR cashmere company in Mongolia, Ulan Bator. The paper found: (1) job satisfaction of cashmere enterprises is generally not high, and the difference is relatively large; (2) the staff salary, work environment, superior management elements such as the relatively low degree of satisfaction, and for the promotion of the relationship between colleagues and opportunity satisfaction is relatively high; (3) in 5 dimensions, influence the salary of the employee job satisfaction of cashmere enterprises is the largest, followed by the work environment, leadership and management, the relationship between colleagues, influence is promoted; (4) positive age seniority and job satisfaction relationship of employee, age or length of service, job satisfaction is higher, but there was no significant effect of gender on job satisfaction. The results of this study for the leadership of cashmere enterprises in Mongolia is to fully understand the attitude of the staff, effectively motivate employees, improve employee satisfaction, improve the enterprise management plays an important role, for providing reference value to enhance employee satisfaction and China similar cashmere enterprises.

**Keywords :** Job Satisfaction, Influential Factors, Questionnaire Survey, Data Analysis;

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Date of Submission: 27-08-2017

Date of acceptance: 16-09-2017

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## I. Introduction

In the past few decades, job satisfaction has been the focus of academic and practical attention<sup>①</sup>. Job satisfaction refers to the employee's perception of the work environment, as well as physical and psychological satisfaction, and is generally defined as employee's feelings or attitudes towards work<sup>②</sup>. Research shows that higher employee job satisfaction promotes organizational psychological ownership of employees<sup>③</sup>, Lower employee turnover rate<sup>④</sup>, Enhance employee performance<sup>⑤</sup>,<sup>⑥</sup>and other aspects of the positive impact. Therefore, how to improve employee job satisfaction, stimulate the enthusiasm of the staff, improve their job performance, reduce staff turnover rate, make it better service for the development of enterprises, has become the focus of the current study of job satisfaction. The global cashmere industry has gone through 150 years of development history, Mongolia's cashmere enterprises due to the natural geographical location excellent also have hundreds of years of history, at present, Mongolia has become the country's oldest traditional cashmere industry<sup>⑦</sup>. After decades of development, the competitiveness of Mongolia's cashmere industry has been continuously improved in the international market, and the export earnings have been increasing year by year. Cashmere production accounts for about 21% of the total cashmere output in the world. Cashmere industry belongs to the labor-intensive industry, and the huge labor force provides a strong impetus for the development of cashmere enterprises. However, in the actual process, due to various factors, cashmere enterprises employees job satisfaction is low, which seriously affected the development of cashmere enterprises in Mongolia. As the largest producer of cashmere in China, cashmere production accounts for more than 70% of the total output of the world, and its enterprises are also facing the problem of low job satisfaction and high turnover rate. Therefore, how to improve job satisfaction of cashmere enterprise employees is the urgent task of cashmere enterprise managers.

The practical needs and based on research, this paper based on Mongolia's two cashmere enterprises, the basic factors and its influence on job satisfaction of cashmere enterprises, to enhance the job satisfaction of cashmere enterprises provide scientific basis and guidance.

## II. Research method

### 2.1 Research samples and procedures

This study used questionnaires to obtain research data, and gave anonymous electronic questionnaires to employees of 2 typical cashmere enterprises in Mongolia, namely KHANBOGD and SOR respectively. In this study, a total amount of 230 employees were given questionnaires. After a large amount of missing values and questions were repeated in the same number of times, a total of 185 valid questionnaires (effective rate of

80.43%) were obtained. In the valid samples, accounted for 53% of men, women accounted for 47%; at the age of 20 and 20 years of age accounted for 7%, 21-29 years old accounted for 50%, 30-39 years old accounted for 17%, 40-49 years old accounted for 20%, 50 years and 50 years of age accounted for 6%; in 2 years and 2 years of age accounted for 6%, accounting for 3-5 80%, more than 5 years accounted for 14%.

**2.2 Variable measurement**

Throughout the domestic and foreign research on employee job satisfaction scale, which has two main lines: single overall evaluation method (Single Global Rating) and summation score (Summation Score) <sup>⑧</sup>. In particular, the single overall assessment approach is to examine employee job satisfaction as a whole. For example, "in every way, I am satisfied with what I do. The key elements of job evaluation method is the sum of job satisfaction is divided into multiple dimensions of job satisfaction, that is the result of comprehensive factors such as satisfaction, Minnesota scale (MSQ) and job description scale (JDI). In this paper, the two soft evaluation methods are firstly evaluated by the overall satisfaction of employees, and then by using the total score of work elements to evaluate the satisfaction of each factor. At the same time, because the job description scale (JDI) with only 5 key dimensions of job satisfaction questionnaire were summarized, the project number is less, easy to use, with the goal of enterprise features, this study used by Smith (1969) psychologist design, other scholars to further examine the reasonable job description index scale (JDI, Job Descriptive Index) as the measurement scale of this paper <sup>⑨</sup>. According to the research situation, the JDI scale includes 22 items, divided into 5 dimensions, respectively: (1) pay satisfaction, pay satisfaction of employees through the investigation, can help enterprises develop new personnel salary standard starting point, find internal wage unreasonable position, the solution of peer companies pay time, level, scope, understand the local wage level and compared with the enterprise, understand the Wage Dynamics and development trends; (2) the relationship between the colleague satisfaction, to create a good and harmonious working atmosphere for the staff; (3) the work environment satisfaction, investigation on employee satisfaction with working environment, enterprises need from the staff in the work interpersonal relationship, team cooperation, office environment, living environment, work pressure and other aspects; (4) promotion satisfaction, can help the enterprise to Occupation development channel set reasonable; (5) leadership and management satisfaction, around the management atmosphere, management plan, management responsibility, management style and management efficiency, can be based on this to create a good relationship for the staff members of the leadership. In addition to the basic information, all questions in the scale were scored by the Likert 5point scale, from "1- completely disagreed to 5- fully agreed".

**III. Research findings and analysis**

**3.1 Reliability and validity test**

1. Reliability test. The dimensions and internal consistency coefficient of total scale showed that the consistency coefficient of each dimension were higher than 0.70, the coefficient of internal consistency of total questionnaire is 0.93, 0.6 is greater than the critical value, therefore, the reliability of the questionnaire is basically consistent with the psychometric requirements.

**Table 1** scale internal consistency coefficient of each dimension and total quantity table

Dimension	Salary	Coworker relationship	Work environment	Promotion	Leadership and management	population
Cronbach's Alpha	0.83	0.79	0.81	0.82	0.89	0.93

2. Validity test. The dimensions of the research design from the theoretical conception and practice of strict investigation, the items taken from the literature and the target enterprise obtains the material, basically reflects the actual situation of enterprise employees, basically can guarantee the test content validity. In addition, by confirmatory factor analysis scale discriminant validity, according to the Vandenberg recommendations, this study adopted the main observation indexes including DF, RMSEA, CFI x 2/, TLI 4 indicators, and determines the index and standards proposed :  $\chi^2/df$  is larger than 10, which means that the model is not ideal. Less than 5 indicates that the model is acceptable. When less than 3, the model is better; CFI and TLI should be greater than 0.9, and closer to 1, the model is better; RMSA is between 0 and 1, the critical value is 0.08, and the closer to 0, the better. From this, it is not difficult to find: The results of CFA showed that the scales were various indexes ( $\chi^2/df = 4.96$ 、RMSEA=0.07、CFI=0.91、TLI=0.90) they were all acceptable levels, indicating the validity of the scale.

**3.2 General status of employee job satisfaction**

Table 2 job satisfaction and overall satisfaction of employees in different dimensions. According to the Likert 5point scale rule, the total center value of each dimension or scale is 3, which can be seen from table 2: (1) in

the overall satisfaction, the average satisfaction degree of cashmere enterprise employees is 4.02, which belongs to a satisfactory level, but the overall satisfaction standard is 0.83. This shows that there is a big difference between employees' job satisfaction; (2) on each dimension of satisfaction, the internal order of each satisfaction degree is: Promotion opportunity satisfaction (M=4.18) , Colleague relationship satisfaction (M=4.08) , Peer relationship satisfaction, leadership and management satisfaction (M=3.31) , Salary satisfaction (M=3.30) , Job satisfaction (M=3.10) , from this we can see the employee`s salary, work environment, higher level of leadership, management and other factors satisfaction is relatively low, and the relationship between colleagues, promotion opportunities and other satisfaction are relatively high.

**Table 2** table of mean, standard deviation and correlation coefficient of each dimension

	Mean value	Standard deviation	1	2	3	4	5
1. Coworker relationship	4.08	0.46					
2. Promotion	4.18	0.44	0.11				
3. work environment	3.10	0.53	-0.02	-0.01			
4. Leadership management	3.31	0.39	-0.01	0.05	0.48**		
5. Salary	3.30	0.72	0.07	-0.04	0.43**	0.77**	
6. population	4.02	0.83	0.24**	0.75**	0.71**	0.84**	0.79**

**3.3 The importance of dimension satisfaction is to overall satisfaction of employees**

Table 2 shows that there are significant correlations between the 5 elements of job satisfaction and overall job satisfaction ( $p < 0.01$ ) , However, there is a big difference in the correlation coefficient, which shows that the dimensions of job satisfaction have different effects on overall job satisfaction. To further determine the impact of various factors on the total contribution rate, based on the total score of job satisfaction single overall evaluation method as the dependent variable, the influences of each factor score variables to carry out multiple regression analysis, the results are shown in table 3. This shows that the effect of each dimension of employee job satisfaction on job satisfaction of employees are significant, the variance explained rate was 59.4%, among them, the salary of employee job satisfaction of cashmere enterprises the greatest impact, followed by the work environment, leadership and management, colleague relationship, influence is promoted. This study finds that salary is most important to employee satisfaction, and Zhang Shiju (2007) and other scholars research conclusions coincide<sup>①</sup>. At the same time, according to Maslow's hierarchy of needs, the needs of employees can be divided into physiological needs, safety needs (Physiological needs) (Safety needs), love and belonging (Love and belonging) (Esteem), respect and self-realization (Self-actualization) five, followed by a lower level to a higher level arrangement, i.e. if the individual at the same time, the lack of food safety, love and respect, usually the demand for food is the most intense, the other is the need is not so important<sup>②</sup>. In 5 dimensions of job satisfaction, salary is physiological needs range, without compensation, employees cannot guarantee the normal life, work environment is the security needs, the relationship between colleagues, leadership and management to respect and social needs, the promotion is the self-realization needs. Because cashmere industry is a labor-intensive industry, its knowledge of employees is not high, so most of the employees are not educated, similar to those in Chinese enterprises. For the group, salary is the basic need of life, therefore, it is not difficult to understand that the salary depends on the staff's job satisfaction, and promotion, could be seen as employee self-realization needs, the need to wait until the other conditions are met, the staff was the pursuit of self-realization, therefore, in the promotion of cashmere enterprises staff satisfaction influence the weakest.

**Table 3** results of multiple regression analysis

Dimensions of satisfaction	Standardized regression coefficient	Saliency
Coworker relationship	0.129	0.001
Promotion	0.055	0.053
work environment	0.293	0.000
Leadership management	0.160	0.000
Salary	0.306	0.000
R	0.771	
R square	0.594	
F-measure	212.384	
Significance level, P	0.000	

### **3.4 Characteristics of job satisfaction in demographic variables**

Independent sample T test and correlation analysis were used to investigate demographic characteristics of employee satisfaction. The results show that employee satisfaction: ①There was no significant difference in sex (M male=3.55, M female=3.54,  $p=0.83$ ) ; ②There were significant differences in age ( $r=0.25$ ,  $p=0.001$ ) , the higher the age, the higher the job satisfaction of employees. The reason is that, as the age of employees becomes higher and higher, their mentality tends to be smooth, so their demands are not very high, rather than the young people; ③There were significant differences in seniority ( $r=0.75$ ,  $p=0.000$ ) , the longer the staff work, the higher the job satisfaction. This may be due to two reasons: One side, service implies an identity of employees, business organizations in general, length of service and staff to enterprise's identity is more strong, otherwise the employees will have the turnover behavior, that is not yet employees may mostly higher employee satisfaction; other side, with the increasing length of employees, employees have a certain understanding of corporate culture, and has produced certain path dependence, namely organizational psychological ownership is higher, therefore, the job satisfaction of employees' subjective feeling itself belongs to the category of employee psychological ownership of the organization is high, the job satisfaction is usually higher<sup>③</sup>.

## **IV. Suggestions on improving job satisfaction of cashmere enterprise employees**

In this paper, 2 cashmere enterprises Mongolia's 185 employees as the research object, using correlation analysis, independent samples T test, multiple regression analysis and correlation analysis, analyzes the factors of cashmere enterprises employee job satisfaction and its influence.

Due to overcapacity, irrational structure of enterprise, independent innovation ability, weak labor cost is not high, the domestic and foreign market competition and other unfavorable factors of the long-term accumulation of power in Mongolia cashmere enterprises are gradually losing development. The empirical results show that: (1) job satisfaction of cashmere enterprises is generally not high, and the difference is relatively large; (2) the staff salary, work environment, superior management elements such as the relatively low degree of satisfaction, and for the promotion of the relationship between colleagues and opportunity satisfaction is relatively high; (3) in 5 dimensions the salary of employee job satisfaction, cashmere enterprises the greatest impact, followed by the work environment, leadership and management, the relationship between colleagues, influence is promoted; (4) positive age seniority and job satisfaction relationship of employee, age or length of service, job satisfaction is higher, while gender for employee satisfaction no significant effect.

### *1. Establishing fair and reasonable remuneration, bonus and welfare mechanisms*

The results show that salary is the primary factor that restricts the improvement of employee's job satisfaction. Generally, salary is composed of basic salary, performance salary, bonus and welfare, allowance and so on. Therefore, enterprise managers can start from the composition of enterprise compensation to enhance employee satisfaction with compensation. First of all, the basic salary mainly to guarantee the basic rights of employees, managers should adjust the basic wage of cashmere enterprises according to the development of enterprises increase; secondly, in the performance pay, to set up the labor value and the value of their own salary accounting system, according to the working performance of different employees during the accounting period assessment of compensation the average is to break the current accounting system, the formation of short, medium and long term incentive effect on employee welfare enterprises; finally, project design should embody the humanistic characteristics of welfare projects, really focus on staff basic living guarantee and improve the quality of life; at the same time according to the different needs of different staff characteristics, design different welfare the project, reflect the personalized features of the welfare project.

### *2. Create a good working environment*

The results show that, in addition to salary, work environment is the second factor affecting employee job satisfaction. No doubt, security needs are low level demands of employees as individuals. If the security needs cannot be met, job satisfaction will be reduced. Work environment as a kind of security requirement, the present staff in the choice of work for the working environment and safety and work more attention, even if the salary is high, but the poor working environment and work in vulnerable work on employees' physical and mental will have a significant negative impact, so as to reduce the level of job satisfaction, employee satisfaction index will cause the lower job performance and turnover intention, higher work family conflict intensifies, it is useless for employees and enterprises. A good working environment is conducive to improving job satisfaction, mobilizing enthusiasm in all aspects, and thus exploring potential human resources. Therefore, the cashmere enterprise managers can establish a benign and independent environment, including the environment of knowledge exchange and sharing, the environment of motivation and competition, and the fair environment.

3. *Adjust the management style of the new generation employees*

This study finds that younger employees have lower job satisfaction, so managing new generation employees and retaining good people are the key to improving their overall job satisfaction. Scholars believe that the new generation employees self-centered, with higher realization of self-value orientation, work orientation and dignity right consciousness, hope to have autonomy in the work and decision-making, requires the organization to give more guidance, feedback and trust. Therefore, the organization, especially the organization managers, should adjust the management methods of young employees, and the management mode should be changed from monitoring, supervision and command to monitoring, guidance and support. At the same time, the organization's management should also pay attention to employee group psychology, for the new generation of employees to improve occupation support and psychological support, so as to build a two-way communication platform, fundamentally stimulate the new generation of the staff's working enthusiasm and creativity.

4. *Strengthen staff training and provide opportunities for further study and further education*

Training is refers to the enterprise through a variety of ways so that employees have needed to complete the work of knowledge and skills and change their working attitude, to improve employees in job performance, and ultimately enhance the overall performance of the enterprise a plan and continuous activity. The purpose of allocation is to enhance the knowledge and skills of employees in order to improve the overall performance of enterprises. From the business point of view, leaders pay little attention to staff training, a lot of successful experience shows that the workers have self-learning, self-renewing and self-perfection and self-transcendence, will have a strong impetus to the development of enterprises. With the increasing knowledge and the progress of technology, the construction of learning enterprises has become the inevitable choice for the development of modern enterprises. For example: regularly organize staff to carry out knowledge and skills test, by learning to help test, to test and promote science, enhance the enthusiasm of the staff training, and lectures organized professional ability and strength for staff training, and constantly improve the level of knowledge and skills. To improve staff satisfaction with the work environment and the sense of belonging to the enterprise. Therefore, in order to promote the company and employees need to hold a variety of active atmosphere, (for example: to enhance the safety and health of month, month, month selected outstanding staff movement, love, month) can help to improve their work satisfaction and strengthen staff training.

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Solongo Ganbold. "The empirical Research of The employee`s Job Satisfaction of Cashmere Company in Mongolia." *IOSR Journal of Business and Management (IOSR-JBM)*, vol. 19, no. 9, 2017, pp. 72-76.