

EFFECTS OF HR PRACTICES ON JOB SATISFACTION OF PROJECT TEAMS AT AUTOMOBILE SECTOR IN KARACHI



Tanzilul Refquet?
M. Arshad

By

NAVEED ARSHAD

REG NO. 40241

A thesis presented to the Management Sciences Department of Bahria University
Karachi Campus (BUKC), in partial fulfillment of the requirements
of the MS (PM) degree

FALL, 2016

Bahria University Karachi Campus

Acknowledgement

I am highly thankful to Almighty Allah for enabling me to carry out this research. I am greatly obliged to my advisor and mentor Dr. Rafique Ahmed Khan, who is very committed towards his job of grooming his students. Without his supervision and out of the way help and support, it was almost impossible for me to complete this research. He has been a constant source of motivation and encouragement for me during research work. The intricate nature of research work became easy for me due to his friendly disposition and amicable personality.

I am also thankful to Dr. Bashir, Sir Amir Manzoor, Sir Mumtaz Khan and other staff members for sparing their precious time and providing guidance related to my research work. I am grateful to Dr. MustaghisurRehman, whose lectures gave me new insights and created an urge to enter the field of research.

I would like to thank all respondents of automobile sector and friends who participated and helped in the research work. I would like to thank all the literature sources that made my research easy and add value to it.

NaveedArshad

RegNo: 40241

Abstract

Automotive industry is one of the major industries of Pakistan which are positively influencing the economic development and growth of this country. The assessment of different HR factors, responsible to affect the supervisor and managerial level project teams' job satisfaction was the objective of this research. This paper aims to study relationships in between job satisfaction and selected human resource management practices i.e. Recruitment & Selection, Training & Development, Salary & Benefits, Recognition & Reward, Performance Appraisals, Career Growth Opportunities, Work Environment and Work-Life Balance. For determining views of supervisors/ manager level project team members of three leading-automobile companies at Karachi, data was collected from 151 supervisors/ project managers which had been directly involved in project related activities. Data was analyzed by applying regression and correlation through SPSS version 20. The result revealed that selected HRM practices were in positive correlated with job satisfaction. It was also found that working environment, career growth opportunities, performance appraisal, work life balance and recognition & rewards have strong correlation with job satisfaction. The other variables were found to have comparatively low relationship with dependent variable. The outcome of regression showed that work environment, career growth opportunities, recognition & rewards and salary & benefits are the variables which have significant impact on dependent variable. The reasons for such results may be the complex nature of project environment in which study was conducted. The results of the research will be helpful for the automobile sector for enhancing the level of job satisfaction of its project teams. Higher management of automobile sector may utilize the findings of the research to improve HR practices which will in turn enhance the success ratio of projects. HR department and higher management of this sector may use this research to motivate project managers and supervisor and to create a sense of ownership and loyalty amongst them. The research also provides the literature for future researches.

Key words: Job satisfaction, recruitment & selection, training & development, performance appraisals, career growth opportunities, salary & benefits, recognition & rewards, work life balance, working environment.

Table of Contents

<u>Title / Topic</u>	<u>Page No</u>
Declaration of Authentication	i
Acknowledgement.....	ii
Dedication.....	ii
Abstract.....	iv
Table of Contents.....	v
List of tables.....	viii
List of figures.....	ix
List of Abbreviations.....	x
Chapter 1–Introduction	1
1.1 Background and Significance of Study	1
1.2 Problem Statement.....	2
1.3 Research Questions.....	2
1.4 Research Objectives.....	3
1.5 Scope of Research.....	3
1.6 Limitations	4
1.7 Organization of Thesis.....	4
Chapter 2 - Literature Review	5
2.1 Job Satisfaction.....	5
2.2 Motivation Theories.....	6
2.2.1 Hierarchy of Needs Theory.....	7
2.2.2 Two Factor Theory.....	7
2.2.3 Acquired Needs Theory.....	8
2.2.4 ERG Theory	8
2.2.5 Goal-setting Theory.....	9
2.2.6 Expectancy Theory.....	10
2.2.7 Affect theory.....	10
2.2.8 Dispositional approach	11
2.2.9 Equity theory	11
2.2.10 Discrepancy theory.....	12

2.3	Job satisfaction Models.....	12
2.4	HR practices.....	13
2.4.1	Recruitment & Selection	14
2.4.2	Training & Development.....	16
2.4.3	Salary and Benefits.....	17
2.4.4	Recognition and Reward	18
2.4.5	Performance Appraisals.....	20
2.4.6	Career Growth Opportunities	22
2.4.7	Work Life Balance.....	23
2.4.8	Working Environment	26
2.5	Variables of Study	28
2.5.1	Dependent Variable	28
2.5.2	Independent Variables	28
2.6	Theoretical Framework.....	29
2.7	Research Hypotheses	29
Chapter 3 -Research Methodology		31
3.1	Type of Research	31
3.2	Target Population.....	31
3.3	Sample Size.....	31
3.4	Sampling Technique	31
3.5	Research Instrument	32
3.6	Data Treatment.....	32
Chapter 4 -Analysis		33
4.1	Test of Reliability – Cronbach’s Alpha	33
4.2	Respondents Demographics.....	33
4.3	Respondents Outcome of Independent Variables.....	35
4.4	Output of Linear Regression Analysis.....	38
4.5	Correlation Analysis	41
Chapter 5 - Discussion.....		44
Chapter 6 -Conclusion, Recommendations and Suggestions		48
6.1	Conclusion	48
6.2	Recommendations.....	48

6.3	Suggestions for Further Research	50
	References:	51
	Research Survey Questionnaire	62
4.1	Reliability Statistics	33
4.2	Gender-wise Distribution of Respondents	33
4.3	Organization	34
4.4	Age Group	34
4.5	Education	34
4.6	Respondents' Opinions about Recruitment & Selection	35
4.7	Respondents' Opinions about Training and Development	35
4.8	Respondents' Opinions about Performance Appraisal	35
4.9	Respondents' Opinions about Salary and Benefits	36
4.10	Respondents' Opinions about Recognition and Rewards	36
4.11	Respondents' Opinions about career growth opportunities	37
4.12	Respondents' Opinions about Working Environment	37
4.13	Respondents' Opinions about Work Life Balance	38
4.14	Model Summary	38
4.15	Adjusted R-Square	39
4.16	Coefficient Correlation	39
4.17	Partial Correlation	42