The Influence of Rewards and Job Satisfaction on Employees in the Service Industry

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Key words

Abstract

The purpose of this study was to find out the relationship between employees' rewards, and the dimension of their job satisfaction in the service sector. We hypothesized that rewards play a significant role in employee satisfaction, resulting in increased customer satisfaction and loyalty. Thus the role of job satisfcation and rewards was explored with samples from workers in two large Ghanian private organizations. The implications of job satisfcation on customer satisfaction and loyalty towards organzations were also invetsigated.

A questionnaire was constructed, tested and administered to a total 110 subjects at two private organizations. Out of that 104 usable surveys were analyzed with microsoft excel to test the hypotheses of the study. Findings showed that rewards induced positive job satisfaction of employees. Additionally the findings also showed that job satisfaction of employees stimulated their loyalty to the organization. However, a very high level of employee dissatisfaction was recorded for employee pay and the amount work they do.

The study result highlights the role of employees' job satisfaction and the responsibilities of organizations in fostering good quality HRM practices in the service sectors, and offers an alternative pathway in employee satisfaction and performance. These results add to the evidence that HR practises influences business outcomes rather than the other way around.

Introduction

From both anecdotal and research-based accounts, worker's job satisfaction is a major concern for management in many modern organizations (Westover & Taylor 2010; Westover et al 2010). Thus over the past years, studies on job satisfaction have generated considerable interest among researchers globally. This has further led to a debate as to what variables actually impact employees' satisfaction with their job, which in turn leads to improved productivity in work organizations.

While many argue that each business entity whether small, medium or big has its own unique way of motivating its employees, job satisfaction of workers can be commonly grouped into five distinct model categories: need fulfillment, discrepancies, value attainment, equity, and dispositional/genetic components models (Kinicki & Kreitner 2007). These are explained as: need fulfillment is based on the satisfaction determined by the extent to which a job, with its specified characteristics and duties, allows an individual worker to meet his/her personal needs. Second, the discrepancy model explains that satisfaction is a result of met, or sometimes unmet, expectations. Third, the value attainment models are based on the belief that satisfaction comes from the perception that one's job fulfills an individual's work values. Fourth, the equity models assert that satisfaction is based on the perception of how fairly an individual is treated at work. This is largely based on how one's own work outcomes, relative to his/her inputs and efforts, compare to the input/output of others in the work place, and lastly; the dispositional/genetic components models suggest that individual employee differences are just as important for determining job satisfaction and success as workplace related factors (Kinicki & Kreitner, 2007).

Job satisfaction is one of the most important and significant variables in organizational behavior and in work organizations. It is the general attitude of an employee to the job. The higher the job satisfaction, the more likely workers will hold a positive attitude toward their jobs (Wang & Feng 2003), and are more likely to be committed to the organization. Similarly, workers with higher level of job satisfaction would display a decreased propensity to search for a job and decreased propensity to leave the organization (Wright & Bonett 2007). In the same way, employees who perceive their needs as unmet grow in general dissatisfaction and become increasingly attracted to competing places of employment (Tziner 2006), and often result in voluntary termination and organizational turnover (Mathieu & Zajac 1990).

As a result, job satisfaction has been described as a complicated and multi-faceted construct (Lagace et al., 1993). This is because individuals differ in the way they perceive satisfaction. Hence, Taber and Alliger (1995), for example, emphasized that to understand overall job attitudes, researchers must examine the principal tasks and activities in which employees engage. Nevertheless, the most accepted and common facets of job satisfaction are the satisfactions with pay, promotion opportunities, coworkers, supervision, and the work itself (Smith et al 1969). These five job facets typically account for a substantial amount of the variance in overall job satisfaction (Kinicki et al 2002).

Thus, since turnover appears to be a major issue for many organizations, and indeed a problem of considerable importance because of the costs associated with hiring and training new personnel; rewards, particularly intrinsic rewards, such as interesting job and job autonomy, are found to be the major drivers of job satisfaction for most countries (Westover & Taylor 2010).

Beyond the findings of these studies, there are still gaps with regard to knowledge of the specific effects of the influence of rewards on job satisfaction in the workplace, and the ways in which supervisors or managers can effectively manage employee satisfaction. This study addresses both of these issues by examining the outcomes of employee satisfaction and rewards on work behavior. Accordingly, the purpose of this study is to investigate whether the relationship between perceptions of job satisfaction and increased customer satisfaction and loyalty are influenced by higher rewards and employee satisfaction. The main contribution of our study is to extend the HR literature on employee job satisfaction and ascertain new ideas from employees in the service sector on some of the contemporary variables that stimulate employee satisfaction. Extant literature suggest that correlates of job satisfaction including passion, talent use by employer, value congruence, fair pay, education, age, and gender (Westover et al.2010) are important in work organizations. This study goes beyond the underlying components of job satisfaction to unearth new insights of job satisfaction variables from employees in the service industry.

Literature

It has been widely argued in management, total quality management, operational sciences and service literatures that improving job satisfaction and loyalty leads to higher productivity and profits (Silvestro 2002). In particular the human resource management and organizational behavior theories suggest that the appropriate use of people enhances organizational effectiveness (Arthur 1994; Heskett, et al 1997; Tsui, et al 1997). The past decades has seen the emergence of several studies which endeavor to lend empirical support to these relationships. Although most of the studies provide evidence of links between service quality, customer satisfaction, loyalty and financial performance (Rust, et al. 1995; Zeithaml, et al. 1996), not many studies have looked at the predictors of job satisfaction from a subjective perspective (Borzaga & Tortia 2006). This study aims to explore the predicting variance of loyalty and reward on job satisfaction of employees working in private sector.

Job satisfaction has been a topic of wide interest to both academic and practitioners for past four decades. In fact it has been one of the most frequently studied variables in organizational behavior research and human resource theory and practices (Spector 1997). The traditional model of job satisfaction focuses on all the feelings that an individual has about his/her job. However what makes a job satisfying

or dissatisfying is not limited to the nature of the job but it also depends upon the individual's, perceptions, attitudes and expectations towards the job itself (Hong Lu, et al. 2005).

The work of Maslow (Maslow 1954) has played a crucial role in developing and shaping many concepts in organizational behavior including job satisfaction. Based on Maslow's theory, some researchers have approached job satisfaction from a need fulfillment perspective (Kuhlen 1963; Worf 1970). However during the last two decades, this approach has become less popular as more researchers are emphasizing on the cognitive process rather than the underlying needs. Therefore in contrast to the traditional view, job satisfaction was defined as all the feelings that an individual has about his/her job (Gruneberg 1976). This view was primarily based on cognitive processes which over the years have resulted in the attitudinal perspective and has now taken centre stage in the study of job satisfaction (Spector 1997).

Another school of thought was developed based on the two factor theory of job satisfaction (Herzberg 1959) and suggested that both satisfaction and dissatisfaction are two separate constructs. Intrinsic factors named 'motivators' (i.e. factors which were inherent to the nature and experience of the job) were found to be 'satisfiers' and included: recognition, achievement, the work nature, level of responsibility. On the other hand extrinsic factors named 'hygiene factors' were found to be job dissatisfiers and included: company rules, regulations, policies, hierarchy, supervision, salary, workplace environment and interpersonal relations. Herzberg and Mausner's Motivation – hygiene theory has been a key influencer in the study of the nature of job satisfaction and has been predominant in the development of measures for assessing job satisfaction.

Thus job satisfaction has been defined and measured as a global construct and as a concept with multi dimensions or 'facets' (Price 1997). This study adopts a global approach over a faceted approach, conceptualizing job satisfaction as a degree of positive emotions towards a work role (Locke 1976; Kallerberg 1977). Given that employees satisfaction with their jobs, have been found to be related to number of organizational outcomes, such as increased customer satisfaction (Ryan, et al. 1996), lower turnover rates (Mobley 1977), increased response rate (Ryan, et al. 1996) and higher performance at work place (Launderweerd & Boumans 1988), it is not surprising that the concept of job satisfaction has attracted much attention. Researchers have attempted to identify the various constituents of job satisfaction, measure the relative importance of each constituent and examine what effect these components have on worker's productivity (Hong Lu, et al. 2005). A range of findings derived from quantitative and qualitative studies have been reported in the literature on sources of job satisfaction among employees. However most of these studies have been conducted within healthcare particularly, nursing with few focusing on financial services (Timonthy, et al. 2001).

Researchers have also argued that rewards offered by organizations may have a powerful impact on employees' attitudes towards their jobs and the company for which they work (Lincoln & Kallerberg 1990). Based on Herzberg & Mausner's two factor theory, these rewards are either intrinsic or extrinsic thus impacting the level of satisfaction employees experience with their jobs (Hong Lu, et al. 2005). Hence in this context, it is vital to distinguish between intrinsic and extrinsic rewards. Intrinsic rewards are inherent to job or they exist within the job itself such as variety, challenge and autonomy. Extrinsic rewards on the other hand include pay and fringe benefits, promotion or advancement opportunities within organizations, social aspect and workplace conditions. Further research has suggested that while intrinsic rewards will probably be more salient for job involvement (Driscoll & Randall 1999), satisfaction with extrinsic rewards will lead to continuance commitment with organization resulting in increased customer satisfaction and loyalty (O'Reilly, et al. 1991).

Thus we hypothesize that:
Hypothesis 1: There is a significant and directly proportional relationship between rewards and job satisfaction among employees in the service sector.

The case of direct link between employee satisfaction with improved customer satisfaction and loyalty is particularly strong in service management literature (Silvestro 2002). History in the service sector has attributed numerous business turnaround to nurturing happy and productive frontline workers, as evident by Marriot famous quotation of 1970s 'you can't make happy guests with unhappy employees'(Hostage 1975). Further research in different corporations such as Sears (Rucci, et al. 1998) and various financial institutes (Ryan, et al. 1996), demonstrates how focusing on employee satisfaction develops loyalty and resulted in higher levels of customers satisfaction and financial performance. Recent studies in service literature have focused on several ways in which employees which can directly impact upon customer perceptions of service which has led to a general acceptance of "satisfaction mirror" in which employee satisfaction is 'reflected" in terms of customer satisfaction, which in turn generates higher customer satisfaction and increased loyalty (Heskett, et al. 1997).

This assertion led to our second hypothesis as;

Hypothesis 2: There is a significant and directly proportional relationship between satisfied employees and increased customer satisfaction and loyalty.

The past decade has seen the emergence of several studies which endeavor to lend empirical support to these relationships. However most of them are focused on providing evidence of link between service quality, customer satisfaction, loyalty and financial performance rather than exploring the effects of employee satisfaction on the rest of the chain. This study not only goes to correlate job satisfaction to rewards but also moves a step further by exploring new insights of job satisfaction variables from employees in the service industry.

Research Methodology
Sample and procedure of data collection
We conducted our study in the service sector of Ghana. We first sampled two medium to large scale organizations which provide services to the population of Ghana. The two organizations were purposively chosen for the study. However, we have christened the two organizations as Org1 and Org 2 for the sake of this research. We then randomly selected 120 employees from these two organizations. A self-administered questionnaire was given to each participant to complete, with a specified time period of one week. A total of 110 filled questionnaires were delivered to us after the one week period. After excluding the questionnaires that had missing data and outliers, a total of 104 useable questionnaires were finally obtained for the research, yielding a overall response rate of 86.7 percent.

Instrument and scale Measurement of Variables
A questionnaire comprising 26 questions relating to participants' biographical information, and Job satisfaction variables was developed. The biographical section (gender, age, managerial level, and position at work) were collected using a nominal scale with pre-coded options. The job satisfaction variables included 18 items which were measured using a mixture of four and five-point scales rating instrument, and also measured using closed and open-ended answers. The open-ended questions were meant to enable employees offer their own lines of opinions on aspects of job satisfaction, and also to offset any common method bias since the questionnaire was left with them to complete.

To measure the relevance of job satisfaction to employees, 8 items were measured using a five point scale with 1= Very Dissatisfied to 5= Very satisfied. The impact of rewards on employee satisfaction was measured with four point scale from 1=Very likely to 4= Not likely, while the impact of employee satisfaction on customer satisfaction and loyalty was measured with five item scale from 1=Strongly agree to 5=Strongly Disagree. All other questions were measured with a simple 'yes and no answer', 'give reasons for this', or 'mention some of the factors you think constitute job satisfaction'

The survey instrument was pre-tested with ten people before we sent them to the field. This was to get a feedback to refine the content and the structure of the survey questionnaire, and also enhance the internal validity of the instrument.

Data Analysis

    The data collected for this study were coded and analyzed using Microsoft Excel. Descriptive and Chi-square analysis were used to interpret the data by providing percentages and numeric values of times each value was obtained. The use of the chi-square (X^2) was to test the hypotheses (H1 and H2) by determining the strength of the relationship between the variables with a .05% significant level. The premise for the validity and consistency of the analysis is the calculation of the P-value. The p-value is the probability that a sample drawn from a population is tested given that the assumptions proposed by the study are true.

Results of Analysis

Gender and level of education of participants

    Out of the 104 respondents 53 of them representing 50.96% were males, while 51 representing 49.03% were females. On education front, 61(58.65%) were holders of university first degree, 22 (21.15%) had ordinary diploma degrees, 9 (8.65%) had professional certificates, 4(3.85%) had Higher National Diploma (HND) certificates, and 2(1.92) had post-graduate degrees.

Length of work

    Analysis of results showed that 93.27% of the total respondents have worked in their organizations from 1-5 years, while only 6.73% of respondents worked between 5 – 10 years. Hence majority of participants have worked in the respective organizations for less than 6 years.

Category and rank of participants

    Participants for the study were made up of the various levels of staff, and were sampled from different departments of the two organizations. Management staff comprised of 2.8%, with senior staff at 21.15%, junior staff at 66.35%, contract workers at 4.81%, and those on probation 2.88%.

Hypothesis testing

Table 1: Observed Frequency of Higher Rewards will induce Higher Job Satisfaction

Responses	Org 1	Org 2	Total
Very likely	36	42	**78**
Likely	5	13	**18**
Fairly likely	3	2	**5**
Not likely	2	1	**3**
Total	**46**	**58**	**104**

Table 2: Expected Frequency and Computed Chi-Square (X^2) of Rewards and Job Satisfaction

Observed Frequency (O)	Expected Frequency (E)	O-E	(O-E)²	(O-E)²/E
36	34.50	1.5	2.250	0.065
5	7.96	-2.96	8.762	1.101
3	2.21	0.79	0.624	0.282
2	1.33	0.67	0.449	0.338
42	43.50	-1.5	2.250	0.052
13	10.04	2.96	8.762	0.873
2	2.79	-0.79	0.624	0.224
1	1.67	-0.67	0.449	0.269

$\sum X^2$ **=** **3.204**

Hypothesis H1

Tables 1 and 2 above present the observed and expected frequencies with the computed Chi-square statistics for the measures of each of the organisations studied. To test the first hypothesis-H1, the chi-square statistic is calculated using the model:

$X^2 = \sum \dfrac{(O-E)^2}{}$

E

Where X²= chi-square

∑= Summation

O= Observed frequency, i.e. from Table 1 below

E= Expected frequency, i.e. (row total x column total)

grand total

H1: There is a significant relationship between higher rewards and higher job satisfaction of employees.
We use Chi-Square (x^2) as test statistics at significance level of .05% (i.e. α = .05), and the degree of freedom (df = 3), Computed Chi-square (X^2) =3.204 and Chi- Square (X^2) critical =7.815

Decision: The decision is that, we accept the hypothesis (H1) at 5% level of significance since Chi-square (X^2) computed (3.2) is less than Chi-square (X^2) critical (7.82).
Therefore, the hypothesis (H1) of the study which indicates that there is a significant relationship between higher rewards and higher job satisfaction of employees is accepted.

Hypothesis H2

We use the same model as in H1 to test H2 thus Table 4 and 5 below present the observed and expected frequencies with computed chi-square respectively for hypothesis 2.

Table 3: Observed Frequency satisfied employees will increase customer satisfaction & loyalty

Responses	Org 1	Org 2	Total
Strongly disagree	3	3	**6**
Disagree	1	2	**3**
Neither	0	0	**0**
Agree	9	13	**22**
Strongly agree	33	40	**73**
Total	**46**	**58**	**104**

Table 4: Expected Frequency and Computed Chi-Square (X^2) of satisfaction & loyalty

Observed Frequency (O)	Expected Frequency (E)	O-E	(O-E)²	(O-E)²/E
3	2.65	0.35	0.1225	0.046
1	1.33	-.0.33	0.1089	0.082
9	9.73	-.0.73	0.5329	0.055
33	32.29	0.71	0.5041	0.016
3	3.35	-0.35	0.1225	0.037
2	1.67	0.33	0.1089	0.065
13	12.27	0.73	0.5329	0.043
40	40.71	-0.71	0.5041	0.012

∑X² = 0.356

H2: There is a significant relationship between satisfied employees and increased customer satisfaction and loyalty.

We use Chi-Square (x^2) as test statistics at significance level of .05% (i.e. α = .05), and the degree of freedom (df = 3), Computed Chi-square (X^2) =0.356 and Chi- Square (X^2) critical =7.815
Decision: The decision is that, we accept the hypothesis (H2) at 5% level of significance since Chi-square (X^2) computed (0.36) is less than Chi-square (X^2) critical (7.82).
Therefore, the hypothesis (H2) of the study which states that, there is a significant relationship between satisfied employees and increase in customer satisfaction and loyalty is accepted.

Factors that contribute to Job satisfaction

Respondents were asked to catalog their opinions on some of the factors that influence job satisfaction. From the results, it was revealed that 52 respondents, representing 50% were of the view that recognition and motivation of employees contributes to job satisfaction, while 48 of them signifying 46.2% claimed that rewards for good job done is a factor that leads to job satisfaction. Also, 45 respondents representing 43.26% stated that promotion and increase in salaries contributes to job satisfaction. Similarly, 44 of the respondents representing 42.30% revealed that good remuneration and allowances leads to job satisfaction. Forty (40) of the respondents, signifying 38.46% stated that good working conditions for employees are factors that lead to job satisfaction, while 35 of the respondents, representing 33.65% stated that when there is job security there is job satisfaction. 31 respondents representing 29.80% said good working relationship between supervisors and subordinates contributes to job satisfaction. It was also revealed that 30 of the respondents, representing 28.84% were of the view that availability of working equipments at all times could lead to job satisfaction. The study further showed that 28 (26.92%) of the respondents stated that availability of effective human resource (HR) structures contributes to job satisfaction, while 15 of the respondents representing 14.42% indicated that efficient dissemination of information from management to subordinates leads to job satisfaction. Results also showed 13 respondents representing 12.5% were of the view that achieving challenging goals leads to job satisfaction.

The Effect of Job satisfaction on Job performance

Respondents were also asked to state in their own words some of the effects job satisfaction of employees would have on job performance. Majority of respondents (94) representing 90.3% indicated that job satisfaction would lead to increase in job performance which would result in increased organizations' profits margin. Similarly, 61 of the respondents representing 58.6% stated that job satisfaction will encourage workers' enthusiasm to work even at odd times, 56 respondents representing 53.84% were of the view that work will be done more accurately and conveniently when there is job satisfaction. Also, 28 (26.92%) of the respondents indicated that job satisfaction ensures good customer service, while 21 of them denoting 20.19% stated that employee's punctuality at work comes about when there is job satisfaction. In addition, 16 respondents representing 15.38% stated that job satisfaction brings about innovation (i.e. new ideas into the job). While 11 of the respondents representing 10.57% were of the view that when employees are satisfied with their job they feel part of the company.

Rewards as an Inducement to Job Satisfaction

Respondents were asked to indicate if higher rewards can induce employee's job satisfaction. As a result, 99 out of 104 respondents, representing 95.19% stated that higher rewards will induce employee's job satisfaction, while 5 of the respondents signifying 4.81% stated that rewards cannot induce employee's job satisfaction.

Respondents were further asked to state the kinds of rewards they think will induce job satisfaction. Results revealed the following: 77 respondents indicated 'allowances and increases in salaries', 63 respondents, stated 'incentive package like accommodation', 45 respondents stated 'promotion of workers', 43 of the respondents indicated 'employee training', and 30 respondents stated 'continuous appraisal'.

Recognition for Work done

Respondent were asked to indicate the level of satisfaction in terms of the recognition they get from management in their various work organizations. Analysis of results showed that out of the total 104 respondents, 37 of them representing 35.58% were dissatisfied with recognition they get for the work they do, while 26 respondents, signifying 25% could not determine their level of satisfaction with regards to the recognition they get for work done. On the other hand 25 of the respondents denoting 24.03% were satisfied with the recognition they received for the work they do. It also showed that 10 respondents signifying 9.62% were very dissatisfied with the recognition they get for the work they do, while 6 of the respondents, representing 5.77% were very satisfied with the recognition given them for the work they do.

The finding is an indication that majority of the respondents were not happy about the recognition they get from the work they do.

How my pay compares with similar job in other companies

In trying to determine the level of satisfaction of respondents in comparing their pay with others in similar jobs from other companies, it was revealed that out of the total of 104 respondents, 40 of them representing 38.46% were dissatisfied with the pay they received as compared to others in similar jobs in other companies. The study further showed that 28 of the respondents indicating 26.92% could not determine their level of satisfaction in comparing their pay with others in similar jobs: On the other hand 25 of the respondents denoting 24.03% were very dissatisfied with their pay as compared to others in similar jobs in other companies. Seven (7) of the respondents indicating 6.73% were satisfied with their pay as compared to others elsewhere in similar jobs, while only 3 of the respondents representing 2.88% were very satisfied with their pay in comparing it to others. The findings showed that majority of the respondents were not happy with their pay as compared with others in similar jobs in other companies.

The way my Boss handles employees

Respondents were asked to state how they feel about the relationship between their bosses and employees. In response, 35 of them, representing 33.65% were not able to indicate how they felt about the way their bosses handle employees, while 31 of them denoting 29.81% were satisfied with the way their bosses handle employees. The study showed that 18 of the respondents, signifying 17.31% were dissatisfied with the way their bosses handle employees, while 10 respondents each denoting 9.62% respectively claimed they were very satisfied and very dissatisfied about the way their bosses handle employees. It is clear from the finding that majority of the respondents felt that there was good relationship between their bosses and the other employees.

The personal relationship between my Boss and I

Respondents were asked to indicate the level of relationship between them and their bosses in relation to work. Results showed that 49 respondents representing 47.12% were satisfied with their relationship between them and their bosses, while 29 of the respondents denoting 27.88% remain neutral on the personal relationship between them and their bosses. On the other hand, 16 respondents, representing 15.38% were very satisfied with the relationship between them and their bosses. The study further revealed that 5 respondents each denoting 4.81% stated very dissatisfied and dissatisfied respectively in terms of their personal relationship between them and their bosses.

Current aspirations of employee Job Satisfaction

Respondents were asked to indicate their current aspirations of job satisfaction. In response to the question, 63 respondents representing 60.57% said managers should provide fair opportunities for all categories of staff, 40 respondents denoting 38.46% stated that management must show concern for their employees through regular meetings, 34 respondents representing 38.46% said managers should provide good working environment for employees, 29 respondents representing 27.88% said managers should organize training and seminars to increase or sharpen the skills of employees, 28 (26.92%) of respondents indicated that regular salary increases by managers would increase the level of job satisfaction of their employees.

Discussions and Conclusion

The results of the study suggest that higher rewards and satisfied employees in work organizations play a major role both in the promotion of employee job satisfaction and consequently higher productivity in organizations. From the results, majority of respondents 90.3% stated that job satisfaction would lead to increase in job performance which would intend increase organizations' profits margin. Similarly, 58.6% of respondents stated that job satisfaction will encourage workers' enthusiasm to work even at odd times, and 53.84% of respondents were of the view that work will be done more accurately and conveniently when there is job satisfaction. All these assertions demonstrate the power of employee job satisfaction in

work organizations if managers pay attention to the variables that trigger worker satisfaction. These findings support Wang and Feng (2003)'s claim that the higher the job satisfaction, the more likely workers will hold a positive attitude toward their jobs, and are more likely to be committed to the organization.

In particular, this study affirms the efforts of prior workplace research on the importance of rewards and work relations to job satisfaction (Lincoln & Kallerberg 1990; O'Reilly, et al. 1991). Rewards and work relations are found to have a positive and significant impact on job satisfaction. This is confirmed by the occurrence of significant association between rewards and job satisfaction on one hand, and a significant association between satisfied employees and increased customer satisfaction and loyalty on the other hand depicted in the acceptance of our hypotheses H1 and H2. The strength of the relationship between the variables is demonstrated by the positive chi-square values of fit.

Therefore, the major findings of this work are that; first, there is a significant relationship between higher rewards and higher job satisfaction of employees, and second, there is a significant relationship between satisfied employees and increased customer satisfaction and loyalty. Findings of the study also showed that majority of the respondents were not happy with their pay as compared with others in similar jobs in other companies. More importantly, findings indicated that majority of the respondents were not happy about the recognition they get from the work they do.

Thus, this study adds to our knowledge on job satisfaction and management practices in several ways. In the first place, employees' perceptions are built on reactions of organizational policies and practices towards employee input. Thus, the higher the rewards perceived by workers, the greater the satisfaction of workers to organizational policies and practices leading to greater productivity as a result of employee performance. Likewise, perceived satisfaction of employees will lead to better performance and better management of customer care and loyalty. Secondly, we gain knowledge from this study with regards to current aspirations of employee job satisfaction as respondents suggested the following: managers should provide fair opportunities for all categories of staff, management must show concern for their employees through regular meetings, managers should provide good working environment for employees, managers should organize training and seminars to increase or sharpen the skills of employees, and that regular salary increases by managers would increase the level of job satisfaction of their employees.

Giving this new insight, management must pay attention to these cues, assumptions, and response patterns in order not to sway the perception of employees in a negative direction (Abugre 2011) which ultimately affect organizational output.

Research Limitations and direction for future research

The findings of this study are subject to some caveats. Our first limitation relates to the use of two organizations, the sample size and the context. We believe that an important subject like job satisfaction particularly in a rarely studied context could have involved more organizations and participants in order to get a better generalization of the study. Second, the measurement of the construct could be more rigorous with the infusion of pre-existing scale items. Nevertheless, as an exploratory study with a specific focus on how rewards and employee satisfaction moderate job satisfaction in the service industry, developing a scale with open-ended questions to garner new ideas from employees was the better option. The study findings are relevant to medium to large scale organizations in the service industries globally.

Therefore, findings of this study are expected to provide a theoretical and practical representation of job satisfaction literature in HRM. Based on this, future studies could explore several areas of research that can make more valuable contributions to Job satisfaction and employee rewards systems in different sectors including manufacturing, finance, and the public sectors.

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