

# BUSINESS REVIEW

## DRIVERS OF EMPLOYEE JOB SATISFACTION DURING PANDEMIC IN MANUFACTURING INDUSTRIES

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#### **ABSTRACT**

**Purpose:** The study focuses on employee job satisfaction and its implications in Malaysia's manufacturing sector. It highlights the significance of job satisfaction for organizational success, especially in challenging economic conditions.

**Theoretical reference:** Social Exchange Theory (SET) is employed for the study, emphasizing that employees reciprocate positive organizational behaviors with loyalty and commitment. SET underscores the importance of trust-based relationships and psychological commitment to the job.

**Method:** The study explores three key factors—compensation and rewards, training, and work-life balance—in relation to employee job satisfaction. It employs hypotheses to test the relationships between these factors and job satisfaction. Quantitative and cross-sectional approach have been implemented whereby the research tools were derived from numerous previous studies. Questionnaires were distributed online conveniently to enable the respondent to provide their feedback anytime, anywhere. It was a non-probability sampling where questionnaires were distributed to respondents in the Manufacturing Industry.

**Results and Conclusion:** The study anticipates that compensation and reward, training, and work-life balance are significantly related to employee job satisfaction in Malaysia's manufacturing sector. These factors impact employee performance, productivity, and retention. The investigation of this study discovered that the three hypotheses offered have a significant relationship with employee job satisfaction in Malaysia's manufacturing industry. ). The results show that compensation and reward ( $\beta = 0.680$ , t = 15.2212, p < 0.001), training ( $\beta = 0.114$ , t = 2.502, p = 0.013), and work-life balance ( $\beta = 0.158$ , t = 4.106, p < 0.001) have significant positive relationship with employee job satisfaction in the manufacturing industry of Malaysia. Therefore, H1, H2 and H3 are all accepted. The current study has supported prior studies and explained the roles played by compensation and reward, training and work-life balance in employee job satisfaction in the manufacturing industry of Malaysia with the Social Exchange Theory.

**Implications of research:** The findings contribute to academia by addressing a literature gap regarding job satisfaction and its influencing components. It offers insights for organizations in the manufacturing industry to enhance employee job satisfaction, leading to improved performance and profitability.

**Originality/Value:** While many studies focus on job satisfaction, this research uniquely explores its facets within Malaysia's manufacturing sector. It examines the influence of compensation, training, and work-life balance, addressing a research gap

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in this context. The study offers valuable insights for management in understanding employee expectations and fostering a more satisfied and committed workforce.
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### GERADORES DE SATISFAÇÃO NO TRABALHO DOS FUNCIONÁRIOS DURANTE A PANDEMIA EM INDÚSTRIAS DE MANUFATURA

#### **RESUMO**

**Finalidade:** O estudo se concentra na satisfação do trabalho dos funcionários e suas implicações no setor manufatureiro da Malásia. Ele destaca a importância da satisfação no trabalho para o sucesso organizacional, especialmente em condições econômicas desafiadoras.

**Referência teórica:** A Teoria do Intercâmbio Social (SET) é empregada para o estudo, enfatizando que os funcionários retribuem comportamentos organizacionais positivos com lealdade e compromisso. A SET ressalta a importância de relacionamentos baseados em confiança e compromisso psicológico com o trabalho.

**Método:** O estudo explora três fatores-chave — remuneração e recompensas, treinamento e equilíbrio entre vida pessoal e profissional — em relação à satisfação no trabalho dos funcionários. Emprega hipóteses para testar as relações entre esses fatores e a satisfação no trabalho. Abordagem quantitativa e transversal tem sido implementada pelo qual as ferramentas de pesquisa foram derivadas de inúmeros estudos anteriores. Os questionários foram distribuídos on-line convenientemente para permitir que o entrevistado forneça seu feedback a qualquer momento, em qualquer lugar. Tratou-se de uma amostragem não probabilística, na qual foram distribuídos questionários aos inquiridos da indústria transformadora.

Resultados e Conclusão: O estudo antecipa que a remuneração e recompensa, a capacitação e o equilíbrio entre vida profissional e familiar estão significativamente relacionados à satisfação do trabalho dos funcionários no setor de manufatura da Malásia. Esses fatores afetam o desempenho, a produtividade e a retenção dos funcionários. A investigação deste estudo descobriu que as três hipóteses oferecidas têm uma relação significativa com a satisfação do trabalho dos funcionários na indústria de fabricação da Malásia. ). Os resultados mostram que a remuneração e a recompensa ( $\beta = 0,680$ , t = 15,2212, p < 0,001), o treinamento ( $\beta = 0,114$ , t = 2,502, p = 0,013) e o equilíbrio entre vida profissional e vida pessoal ( $\beta = 0,158$ , t = 4,106, p < 0,001) têm relação positiva significativa com a satisfação no trabalho dos funcionários na indústria de fabricação da Malásia. Portanto, H1, H2 e H3 são todos aceitos.O estudo atual tem apoiado estudos anteriores e explicou os papéis desempenhados pela remuneração e recompensa, formação e equilíbrio entre vida profissional e vida pessoal na satisfação dos funcionários na indústria de manufatura da Malásia com a Teoria do Intercâmbio Social.

**Implicações da pesquisa:** As descobertas contribuem para a academia ao abordar uma lacuna na literatura em relação à satisfação no trabalho e seus componentes influenciadores. Ele oferece percepções para organizações na indústria de manufatura para aumentar a satisfação do trabalho dos funcionários, levando a um melhor desempenho e lucratividade.

**Originalidade/Valor:** Embora muitos estudos se concentrem na satisfação no trabalho, esta pesquisa explora exclusivamente suas facetas dentro do setor manufatureiro da Malásia. Examina a influência da compensação, da formação e do equilíbrio entre a vida profissional e a vida privada, abordando uma lacuna de investigação neste contexto. O estudo oferece informações valiosas para a gerência em compreender as expectativas dos funcionários e promover uma força de trabalho mais satisfeita e comprometida.

Palavras-chave: Satisfação do Trabalho do Funcionário, Indústria de Fabricação, Malásia.

### FACTORES DETERMINANTES DE LA SATISFACCIÓN LABORAL DE LOS EMPLEADOS DURANTE LA PANDEMIA EN LAS INDUSTRIAS MANUFACTURERAS

#### RESUMEN

**Propósito:** El estudio se centra en la satisfacción laboral de los empleados y sus implicaciones en el sector manufacturero de Malasia. Destaca la importancia de la satisfacción laboral para el éxito organizacional, especialmente en condiciones económicas difíciles.

**Referencia teórica:** Para el estudio se emplea la Teoría de Intercambio Social (SET), enfatizando que los empleados reciprocan comportamientos organizacionales positivos con lealtad y compromiso. SET subraya la importancia de las relaciones basadas en la confianza y el compromiso psicológico con el trabajo.

**Método:** El estudio explora tres factores clave (compensación y recompensas, capacitación y equilibrio entre la vida laboral y personal) en relación con la satisfacción laboral de los empleados. Se emplean hipótesis para probar las relaciones entre estos factores y la satisfacción laboral. Se ha implementado un enfoque cuantitativo y transversal, donde las herramientas de investigación se derivaron de numerosos estudios previos. Los cuestionarios

se distribuyeron en línea convenientemente para permitir que el encuestado proporcionara sus comentarios en cualquier momento y en cualquier lugar. Se trató de un muestreo no probabilístico donde se distribuyeron cuestionarios a los encuestados en la Industria Manufacturera.

Resultados y Conclusión: El estudio anticipa que la compensación y recompensa, la capacitación y el equilibrio entre la vida laboral y personal están significativamente relacionados con la satisfacción laboral de los empleados en el sector manufacturero de Malasia. Estos factores afectan el rendimiento, la productividad y la retención de los empleados. La investigación de este estudio descubrió que las tres hipótesis ofrecidas tienen una relación significativa con la satisfacción laboral de los empleados en la industria manufacturera de Malasia. ). Los resultados muestran que la remuneración y la recompensa ( $\beta$  = 0,680, t = 15,2212, p < 0,001), la capacitación ( $\beta$  = 0,114, t = 2,502, p = 0,013) y el equilibrio vida-trabajo ( $\beta$  = 0,158, t = 4,106, p < 0,001) tienen una relación positiva significativa con la satisfacción laboral de los empleados en la industria manufacturera de Malasia. Por lo tanto, H1, H2 y H3 son todos aceptados. El estudio actual ha apoyado estudios anteriores y explicado los papeles desempeñados por la compensación y la recompensa, la capacitación y el equilibrio entre la vida laboral y personal en la satisfacción laboral de los empleados en la industria manufacturera de Malasia con la Teoría del Intercambio Social.

Implicaciones de la investigación: Los hallazgos contribuyen a la academia al abordar una brecha bibliográfica respecto a la satisfacción laboral y sus componentes influyentes. Ofrece información a las organizaciones de la industria manufacturera para mejorar la satisfacción laboral de los empleados, lo que conduce a un mejor rendimiento y rentabilidad.

**Originalidad/Valor:** Aunque muchos estudios se centran en la satisfacción laboral, esta investigación explora de manera única sus facetas dentro del sector manufacturero de Malasia. Examina la influencia de la compensación, la capacitación y el equilibrio entre la vida laboral y personal, abordando una brecha de investigación en este contexto. El estudio ofrece información valiosa para la administración en la comprensión de las expectativas de los empleados y el fomento de una fuerza de trabajo más satisfecha y comprometida.

Palabras clave: Satisfacción Laboral de los Empleados, Industria Manufacturera, Malasia.

#### INTRODUCTION

Employee job satisfaction is an employee's positive or negative feelings about their work (Kanapathipillai & Azam, 2020). Employee job satisfaction indirectly reflects the employees' attitude and productivity, which is crucial to achieving the organizational goals (Ristovska & Eftimoy, 2019). When employees are more satisfied with their job, there are more positive outcomes in the organizations, with less turnover, less absenteeism, and good behaviour of ethics and morality (Rodjam, Thanasrisuebwong, Suphuan et al., 2020). Although delighted employees may not always perform better, there is a strong and positive link between job satisfaction and job performance (Bezdrob & Sunje, 2021). By ensuring that employee happiness is at an acceptable level, it is believed that employee work capabilities and performance would rise in tandem, raising the company's level of performance and profitability (Ong, Chong, Tan et al., 2020).

The issue of employee job satisfaction is of paramount managerial importance in a period of constant and severe "battle for talents," which is naturally intrinsic to knowledge-intensive sectors (Bezdrob & Sunje, 2021). Malaysia's manufacturing sector in 2020 accounted for 22.9% of the GDP and experienced a -2.6% decline compared to 3.8% in 2019 (Department of Statistics Malaysia, 2020). Its annual growth rate has been dropping for the past three years

(Ministry of International Trade and Industry, 2020). This is due to the COVID-19 epidemic impacting the entire world, including Malaysia (Department of Statistics Malaysia, 2020). So, the manufacturing business must be concerned with employee job satisfaction for having productive and committed personnel who can help boost the industry's performance and profitability. Based on the Jobstreet Covid-19 Report (2020) survey, almost 68% of employed people were satisfied with their occupations to pre COVID-19 and a significant reduction to 42% in job satisfaction during the pandemic. Low job satisfaction will result in a higher rate of employee turnover (Khaira & Shariff, 2021). Even though they were able to keep their employment under COVID-19, many still employed are dissatisfied with their positions (Jobstreet Covid-19 Report, 2020). This study contributed to academia by reviewing and comprehending the employee job satisfaction in conjunction with the factors that have a relationship with this study (compensation and reward, training and work-life balance), as previous research did not focus on these independent variables. As a result, this study added to the body of knowledge by addressing the literature gap, and the outcomes of this study provide academicians with essential knowledge or references for future research. In addition to that the study presents ideas to assist the manufacturing industry's management level in taking suitable decisions based on the findings to increase their job satisfaction. The findings can assist organizations in developing an effective strategy by providing the employee with more possibilities to be promoted to a higher level, more skills and more flexible time, achieving organizations' goals.

Most researches focus on the topic of employee job satisfaction and the influencing components of employee job satisfaction in various industries, such as the pharmaceutical industry in Thailand (Songkhla et. al., 2020) and IT industry in Bosnia and Herzegovina (Bedzrob and Sunje, 2021). Furthermore, though many studies on job satisfaction have been conducted, the majority of them have become obsolete as the workforce has shifted from baby boomers to millennials (Muthuveloo et. al., 2018). There have been a few research (Muthuveloo et. al., 2018; Tan et. al., 2018) on the employee job satisfaction of particular generations, but there have been few studies on manufacturing industry of Malaysia, so there are still certain gaps in the research on employee job satisfaction has to be study by the researcher in this context. Besides, there are some researchers (Kanapathipillai and Azam, 2020; Said et. al., 2020; Sija, 2021) focus more on automotive industry, financial services industry, hotel industry, telecommunication industry in Malaysia. Unfortunately, there is still lack of research focusing on employee job satisfaction particularly in Malaysia's manufacturing industry. Due to the

limited research studies on employee job satisfaction in Malaysia's manufacturing industry, observation on this study is required to identify the academic gap. With this observation, management in the manufacturing industry of Malaysia could profit by collecting the information needed to understand employee expectations.

#### LITERATURE REVIEW

#### **Underlying Theory**

Social exchange theory (SET) was introduced by Blau (1964) which individuals who regard their interactions with their organizations to be beneficial reciprocate good behaviours in return. The operationalizing of this social exchange connection has been adopted and examined in the workplace to study the interactions and ideas of perceived leader-member (Memon, Ghani and Khalid, 2020). SET has proven beneficial in explaining why employees show loyalty to their employers (Ahmed et al., 2018). Social exchange theory emphasizes that employee evaluations of the quality of their interchange connections with their organizations are connected to their well-being and dedication to the organization (Adriano and Callaghan, 2020). Cropanzano, Anthony and Daniels (2020) trust that organizations can adopt this to ensure employees have a healthy working environment, enable them to work more effectively, improve their loyalty with the organization and significantly affect organizational performance. According to social exchange, strong relationships between employees and their organizations strive and support their peers in their organizations (Songkhla et al., 2020). The social exchange theory is vital for management as it establishes a bond between employees and the company based on trust rather than legal duties, resulting in a psychological commitment to the job (Abdullahi, Raman and Solarin, 2021). Personal and corporate interests are closely linked, and employees can perceive an employee-centred and highly involved employee relations climate, which will help improve the quality of social exchange between employees and the organization. (Chen, Ding and Li, 2021). The essential tenet of social exchange theory is that parties actively offer benefits in exchanges, eliciting a reciprocal commitment from the other side to reciprocate by offering some benefit in return (Mapuranga, Maziriri, Rukuni et al., 2021

#### **Compensation and Rewards and Job Satisfaction**

It can be said that the employee's input-income ratio, as well as those of the referents, can be used to measure job satisfaction as the appraisal based on an employee's contribution and remuneration may impact their work satisfaction (Zhuang and Pan, 2022). Employees

rewarded for their efforts with organizational reward and compensation are more likely to excel and productive, resulting in employees staying in organizations for a more extended period (Rodjam et al., 2020). Furthermore, compensation and reward have long been acknowledged for their significance in recruiting employees, and nowadays, it is becoming more and more crucial in this challenging economic environment (Arokiasamy & Park, 2018). Upgrade frameworks are required in compensation and benefits strategies to motivate, keep and recruit employees, resulting in employee retention and satisfaction (Khudhair et al., 2020).

Hence, we hypothesize that:

Hypothesis 1 (H1): There is a significant relationship between compensation and reward with employee job satisfaction in the manufacturing industry of Malaysia.

#### **Training and Job Satisfaction**

Employee who is satisfied with their training will be able to increase their services and performance while working for the firm, allowing them to deliver the most outstanding service in the workplace and improve the quality of the company's business (Prilyana & Aseanty, 2020). According to the human capital theory, employees' functional flexibility is increased through investing in their training and professional development (Izabela & Agata, 2021). Employee training provides a comprehensive view of job tasks aiming to identify areas and techniques that need to be improved to achieve the required performance without the need for management improvement, as well as the latest updated working style and technology and adequate knowledge of the changing culture within the organization for the new and existing employee (Alvi et al., 2020) as. On the other hand, Kanapathipillai & Azam (2020) express that employees' time is squandered on training, and employees must adjust and strain themselves with the new jobs they are given after the training.

Hypothesis 2 (H2): There is a significant relationship between training and job satisfaction in the manufacturing industry of Malaysia.

#### **Worklife Balance and Job Satisfaction**

Nowadays, with various types of jobs for individuals and dramatical changes in the organizational environment, work-life balance has become the primary concern in determining an organization's level of employee job satisfaction (Attar, Cagliyan & Kareem, 2020). Employees who have experienced work-life balance perform better in job performance, can take on additional tasks, and participate fully in the workforce (Hussein, Hassan,

Najeemdeen et al., 2018). Aisyah et al. (2021) view the impact of work-life balance on organizational commitment highlights the critical role of work-life balance in mobilizing organizational commitment, lending credibility to the concept. Work-life policies in enterprises also assist organizations in retaining or keeping valuable workers. Employees who are more satisfied with their jobs are more likely to show dedication to them, allowing them to accomplish their obligations more efficiently and successfully (Ong et al., 2019). Hasan et al. (2021) mentioned that work-life balance is similar to work-family balance, which emphasizes pleasure, happiness, fulfilment, and efficient functioning at work and home with the least amount of role conflict; hence work-family conflict has to be avoided from the work and family constraint. Therefore, maintaining a work-life balance or successfully resolving conflict between employee work and non-work-life, including family life, is essential to the reciprocal connection between an individual and an organization (Adriano & Callaghan, 2020). So, we hypothesize that:

Hypothesis 3 (H3): There is a significant relationship between work-life balance and job satisfaction in the manufacturing industry of Malaysia.

Figure 1 illustrates the conceptual framework adopted in this study.

Figure 1. Conceptual framework.

Independent Variables (IVs)

Compensation and reward

Training

Employee Job Satisfaction

Work-life balance

Source: Authors own work

#### **MATERIALS AND METHODS**

This research approaches by using quantitative method to collect data from respondents in short duration, demonstrate the connection with one another and it is kept anonymous to avoid the occurring of bias (Cooper and Schindler, 2018). The study's purpose was to analyze individual perspectives for having better comprehend on the relationship between defined

independent variables- compensation and reward, training and work-life balance towards employee job satisfaction- dependent variable. The sample size was 400, therefore the first 40 samples was pilot tested according to the pilot study principle to determine the viability of a proposed method. It is crucial to ensure KMO Bartlett's sphericity Test has achieve the level of more than 0.6, the result can be acceptable for the judgement (Cooper and Schindler, 2018). If the findings are less than 0.6, indicates the sample size is not adequate and insufficient for data validation and should expand the data. Factor loading should have a value > 0.6 (Bougie and Sekaran, 2019). Cronbach's alpha was utilized in this study to analyze the questionnaire's reliability and consistency using SPSS. According to Bougie and Sekaran (2019), when the Cronbach Alpha is 0.6 until 0.7, the pilot test is fair reliable. Multiple regression analysis was used to determine how well the study model fits into the study's framework, as it relates to the independent variable and the dependent variable's dimensions (Cooper and Schindler, 2018). In this research, the statistical software SPSS was used to conduct the data analyzes. Multiple Linear Regression and Analysis of Variance (ANOVA) wase performed to assess the hypotheses of this study. Multiple regression analysis is used to determine how well the study model fits into the study's framework, A minimum of 250 surveys must be collected to show a significant statistically significant in order to establish the size of the population sample for the direction to have a validity using SPSS (Hair et al., 2018). Due to the limited time available during the research, the self-administered questionnaire was created in Google format. Data collected by the mean of questionnaires through social media platforms such as WhatsApp and WeChat as convenience sampling methods are used in this study.

#### **RESULT**

A total of 275 questionnaires were distributed, and we received 264 responses, equivalent to 91.63% of the response rate. This sample size is adequate to represent the population, according to Hair et al., 2018. The data were analysed using Statistical Package for Social Science (SPSS) version 28. Table 2 concluded the demographic section by covering Gender, Age and Working Experience. The majority of respondents are 85 respondents with an age range from 30-39 (33.7%), followed by 75 respondents with an age range from 20-29 (29.8%), 52 respondents with an age range from 40-49 (20.6%). For the age range 50 years and above, there are 28 respondents (11.1%) and 12 respondents (4.8%) below 20 years. The majority of respondents are 85 respondents with an age range from 30-39 (33.7%), followed by 75 respondents with an age range from 20-29 (29.8%), 52 respondents with an age range from

40-49 (20.6%). For age 50 years and above, there are 28 respondents (11.1%) and 12 respondents (4.8%) with age range below 20 years. 72 respondents (28.6%) out of 264 have working experience for 7-9 years, which is the majority of this study. It is followed by 61 respondents (24.2%) have worked in the organization for 10-12 years, while 57 respondents (22.6%) have been working for 4-6 years and 38 respondents (15.1%) had been working for more than 12 years. The minority is 24 respondents (9.5%) who work for 3 years or below.

Table 1: Demographic Profile of Respondents

Demographic	Categories	Frequency, n=252	Percentage (%)
Gender	Male	119	47.2
	Female	133	52.8
Age	Below 20 years	12	4.80
	20-29	75	29.8
	30-39	85	33.7
	40-49	52	20.6
	50 years and above		11.1
Working experience	3 years and below	24	9.50
	4-6 years	57	22.6
7-9 years		72	28.6
10-12 years		61	24.2
	more than 12 years	38	15.1

Source: Authors own work

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	<b>Std Error of the Estimate</b>
1	.847a	.178	.715	.57051

Source: Authors own work

R-square is deemed to have an excellent model fit if it is more than 0.5, which indicates that the model has a 50% good variation to predict the influence on the phenomenon under study. (Hair et al., 2019). Table 2 displays a multiple regression with an R square value of 0.718, indicating compensation and reward, work-life balance and training account for 71.8% can be explained by the independent variable, and the remaining 28.2% can be explained by other factors having a relationship with employee job satisfaction in the manufacturing industry of Malaysia are not examined in this study (Bougie and Sekaran, 2019).

As demonstrated in Table 2, the adjusted R square of 0.715 shows that the regression model has a good degree of goodness of fit. This also illustrates that the three independent variables used in this study accurately characterized 71.5% of the variance in employee job satisfaction and other factors that may have a relationship with the remaining percentage (Shrestha, 2020). The difference between R-square and adjusted R-square is 0.003, suggesting that if the model were generated from the population rather than a sample, it would explain

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around 0.3% less variation in the result.

Bougie and Sekaran (2019) stated that the rule of thumb for the beta coefficient is that a value near to 1 signifies the independent variable will have a higher influence on the dependent variable, while a value of 0 illustrates that the dependent variable will have no significant influence in the research. The unstandardized beta coefficient quantifies the number of changes in the dependent variable once the independent variable by one unit is adjusted and maintains the other explanatory factors constant simultaneously (Saunders et al., 2019). Beta coefficients are significant at the 0.05 level when the p-value < 0.05, a standard rule in research (Bougie and Sekaran, 2019). Table 3 reveals that the three independent variables – compensation and reward (p=<0.001), training (p=0.013) and work-life balance (p=<0.001) are significant with p-values less than 0.05 and were assumed to be predictors for employee job satisfaction. Based on the Beta Coefficient, compensation and reward have the highest standardized beta coefficients value of 0.68 has been generally the strongest predictor of employee job satisfaction, subsequently by work-life balance with a beta coefficient value of 0.114 and compensation and reward at the value of 0.158.

Based on findings on Table 3, the following equation can be formulated as:

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y = 1.809 + 0.68_{x1} + 0.114_{x2} + 0.158_{x3}
```

Where:

 $y = Employee \ Job \ Satisfaction \ in \ manufacturing \ industry \ of \ Malaysia$ 

 $x_1$  = Compensation and reward

 $_{X2} = Training$ 

X3 = Work-life balance

According to Saunders et al. (2019), the beta coefficient determines how much one predictor variable influences the outcome variable. This means that a 0.68 increase in Employee Job Satisfaction will rise by every 1 unit increase in compensation and reward. When the training increases by 1 unit, it will increase the influence on Employee Job Satisfaction by 0.114 units. For every one unit in work-life balance increase, a 0.158 unit increase in Employee Job Satisfaction is predicted.

Table 3: Coefficients

MODEL		UNSTANDARDIZED B	COEFFICIENTS STD.ERROR	STANDARDISED COEFFICIENTS BETA	T	SIG.
1	(Constant)	1.809	.094		19.166	<.001
	Compensation and rewards	.789	.052	.680	15.212	<.001
	Training	.151	.060	.114	2.502	.013
	Work-life balance	.144	.035	.158	4.106	<.001

Source: Authors own work

Table 3 reveals among three independent variables, compensation and reward has the highest standardized beta coefficients value of 0.68 has been generally the strongest predictor having relationship with employee job satisfaction, subsequently by work-life balance with  $\beta$  = 0.114 and training at  $\beta$  = of 0.158. The equation can be formulated as: y = 1.809 + 0.68<sub>x1</sub> + 0.114<sub>x2</sub> + 0.158<sub>x3</sub>

The table shows the 3 independent variables are acceptable as it fit the rule of thumb where the VIF value < 10 and tolerance value are all >1. This signifies the data does not have any multicollinearity issues that might bias the conclusions and the findings are statistically valid (Hair et al., 2019). The results show that compensation and reward ( $\beta$  = 0.680, t = 15.2212, p < 0.001), training ( $\beta$  = 0.114, t = 2.502, p =0.013), and work-life balance ( $\beta$  = 0.158, t = 4.106, p < 0.001) have significant positive relationship with employee job satisfaction in the manufacturing industry of Malaysia. Therefore, H1, H2 and H3 are all accepted.

Based on the analysis in the Table 3, we can conclude the following hypotheses which is listed in the table 4.

Table 4: Summary of Hypotheses Testing

Item	Hypothesis	Significant (P<0.05)	Accepted/ Rejected	
H1	There is a significant relationship between compensation and reward with employee job satisfaction in the manufacturing industry of Malaysia.	< 0.001	Accepted	
H2	There is a significant relationship between training with employee			
	job satisfaction in the manufacturing industry of Malaysia.	0.013	Accepted	
Н3	There is a significant relationship between work-life balance with employee job satisfaction in the manufacturing industry of Malaysia.	< 0.001	Accepted	

Source: Authors own work

Table 5 shows the overall multiple regression model has significant influence with the result as 0.718 of R-squared value, 0.715 of adjusted R-square value, F (3, 260) = 220.738 and p-value of 0.000 (p<0.05). It indicates significant correlation between the independent variables and the dependent variable, and the entire regression is significant, which shows the model for

this research is good fit and suitable.

Table 5: Regression ANOVA

MODEL		SUM OF SQUARE	DF	MEAN SQUARE	F	SIG.
1	Regression	215.536	3	71.845	220.738	<.001 <sup>b</sup>
	Residual	84.624	260	.325		
	Total	300.160	263			

Source: Authors own work

#### **DISCUSSION AND IMPLICATIONS**

Employee job satisfaction has become a vital source of competitive advantage in this revolution as human capital, which signifies that employee plays a critical aspect in obtaining high performance by a firm (Aisyah et al., 2021). Firms must evaluate employee job satisfaction's distinctive and valued culture to sustain this competitive advantage (Muthuveloo et al., 2018).

## H1: There is a significant relationship between compensation and reward with employee job satisfaction in the manufacturing industry of Malaysia.

Based on the research findings, the beta coefficient value is 0.680 and the p-value is less than 0.05, clearly indicate that there was a significant positive relationship between compensation and reward with employee job satisfaction in manufacturing industry of Malaysia. This can be explained with a fair compensation and reward provided by the firm, employee will be more satisfy with their job (Sija, 2021). We can conclude the hypotheses 1 is accepted. Compensation and reward are significant aspects in motivating individuals at work since they assist them improve their performance and productivity (Ong et. al., 2020). Employees who are compensated and rewarded for their successes are more likely to thrive and be productive, and correspondingly they are more likely to stay with firms for a longer period of time (Rodjam et. al., 2020). Improvement frameworks are necessary in compensation and benefits initiatives, leading in employee satisfaction and retention (Khudhair et. al., 2020).

## H2: There is a significant relationship between training with employee job satisfaction in the manufacturing industry of Malaysia.

Based on the regression result, there was a significant positive relationship between training and employee job satisfaction as the beta coefficient for training is 0.114 with <0.05 of p-value. As presented in Chapter 2 of the literature, training is critical in every organization as employees who receive training from a company by enhancing their job satisfaction, boosting their performance, and having a positive impact on the company (Prilyana and Aseanty, 2020). So, hypotheses 2 is accepted. It is believed job satisfaction among employee would increase as

training helps employees establish good attitudes about their professions, unlearn negative attitudes, and gain confidence at work (Kanapathipillai and Azam, 2020). Therefore, the importance of training in the manufacturing industry should be emphasized, as this plays a significant role in ensuring employee job satisfaction in an organization and influence employees to remain longer at the company (Agayez, 2020).

## H3: There is a significant relationship between work-life balance with employee job satisfaction in the manufacturing industry of Malaysia.

The hypotheses test results shows that work-life balance's beta coefficient is 0.158 and the p-value is <0.001 which is p<0.05 and it is clearly to establish a significant positive relationship between work-life balance and employee job satisfaction in the manufacturing industry of Malaysia. Literature review for this study illustrated work-life balance has emerged as the most important factor in determining employee job satisfaction in a company (Attar et. al., 2020). Therefore, it can summarize as hypotheses 3 is accepted. Work-life balance is directly link to employee job satisfaction as employees today desire for a better fit for a good balance between work and family to avoid both constraints occur (Hasan et. al., 2021). There is a survey by Hossain et al. (2018), 90% of respondents chose occupations with a flexible schedule over those with a fixed schedule to balance in their professional and social lives. So, work-life balance as a significant influence on employee job satisfaction has to be concern for having physical and mental well-being employee (Bataineh, 2019).

#### RECOMMENDATION

It has been found that compensation and reward have the most significant influence, followed by work-life balance and training. There are a few recommendations that firms may implement to improve employee job satisfaction among personnel. As compensation and reward have the most significant relationship with employee job satisfaction in the Malaysian manufacturing industry, organizations should offer a competitive compensation and benefits package to employees following their contributions and aspirations, making it easier to elicit a more profound sense of job satisfaction (Zhuang and Pan, 2022). Organizations can provide compensation and reward programs that incorporate appraisals and training and development as a combined package to promote the loyalty of high-performing workers (Mabaso and Dlamini, 2018). Work-life balance has substantial interactions with employee job satisfaction. There are several techniques such as providing accurate workload, implementing flexible

working hours, scheduling flexible working arrangements, offering educational opportunities, authorization to take vacations/leave, chances for wellness and so on to help employees balance their personal and professional lives (Kamalaveni, Ramesh, and Vetrivel, 2019). Besides that, the company can come out with the policy by providing reduced working hours with the next day or time off to compensate for the additional hours that employee was put in for after-hours work to complete a task or else encourage employees to take vacation time or offer to telecommute or promote flexible schedules (Sridhar and Venugopal, 2018). Another recommendation will be that employees' working hours are compressed to 10 hours per day, allowing them to reserve one day for a vacation (Tamunomiebi and Bassey, 2020). The work-life balance would be better for both companies and employees as it is attractive to employees to enjoy the flexibility and be more efficient during their working hours. Employee training should be implemented as it aids in improving an employee's knowledge and competence to carry out their responsibilities, and trained workers work better than untrained ones (Ullah et al., 2020).

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