

# STUDY OF EMPLOYEE JOB SATISFACTION AND ITS IMPACT ON EMPLOYEE PERFORMANCE IN TEXTILE INDUSTRY

Harleen Kaur

*Assistant Professor, Shri Chimanbhai Institute of Management and Research, Gujarat, India.  
Email: harleenkaur15790@gmail.com*

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**Abstract:** *The textile industry in India covers a wide gamut of activities ranging from production of raw material like cotton, jute, silk and wool to providing high value added products such as fabric and garments to customers. The aim of the study is to identify the relationship between the performance of employees and job satisfaction. The sample of the study is comprised of 148 employees working in the textile industry in Ahmedabad. The data collected for this research is collected through a questionnaire method by the employees of the textile industry-specific to Ahmedabad. Data was statistically analysed by ANOVA. The findings of the study indicate that senior management supports employees in the organisation and develops employees' career hence employees are satisfied with their jobs. Employees agree that a fair policy is used to measure their performance and they are fairly compensated according to their performance. Moreover it was also found that gaining new skills helps the employees to develop their overall career.*

**Keywords:** *Job Satisfaction, Employee Performance, Textile Industry*

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## INTRODUCTION

In India, the textile industry ranks second only to agriculture. Textile is one of India's oldest industries, contributing approximately 14% of manufacturing value addition, accounting for approximately one-third of our gross export earnings, and employing millions of people. The textile industry holds a special place in our region. One of the earliest industries in India, it accounts for 14% of total industrial production, nearly 30% of the total, and is the second largest business genius after agriculture.

With the most cotton land under cultivation, India is the world's third-largest cotton producer. Average wage rates in India are 50–60% lower than in developed countries, enabling India to maximize global outsourcing trends in employment industry sectors such as garments and home textiles.

The textile industry in India is one of the strongest in the country. In 2000/01, the textile and garment industries amounted to approximately 4% of GDP, 14% of industrial output, 18% of industrial employment and 27% of export earnings (Hashim). In a global context, India's textile industry is also significant, ranking second to China in the production of cotton yarn and fabric and fifth in the production of synthetic fiber.

In contrast to other major textile-producing countries, India's textile sector is based on small, non-integrated spinning, weaving, cloth finishing and apparel enterprises, many of which use out-dated technology. Some, mostly larger, businesses work in the "structured" sector, which also needs them to follow numerous government labour and tax regulations. However, a lot of firms operate in the small-scale "unorganized" sector, where regulations are less stringent and more easily prevented.

The textile industry in India covers a wide gamut of activities ranging from the production of raw materials like cotton, jute, silk and wool to providing high-value-added products such as fabrics and garments to consumers. The industry uses a wide variety of fibres ranging from natural fibers like cotton, jute, silk and wool to man-made fibres like polyester, viscose, acrylic and multiple blends of such fibres and filament yarn.

India has several advantages in the textile mills, including a big supply of raw materials and labour. It is the world's second-largest cotton trader. Has the most cotton acreage, roughly nine million hectares, and is the world's third-largest producer of cotton fibre. It ranks fourth in the production of staple fibres and fourth in this production of polyester yarn. So because the textile industry is labour-intensive, India has an advantage. India is the world's third largest cotton

producer, with the most cotton cultivation territory. Because once compared to other countries, it has an advantage in low-cost cotton sourcing.

## LITERATURE REVIEW

Khan, Dongping, and Ghauri (2014) says that for the Effectiveness of the organisation, an employee's good performance is very essential. There should be more ways to find appropriate job design, job commitment, and motivation to increase the attitude of employees and leaders. Tanveer, Shaukat, Alvi and Munir (2011) says that the most important variables in an organisation like recruitment and selection, performance appraisal and training affect the performance of the employees. For better performance of employees, all three variables should have a positive impact on the employee. And the performance of employees and job satisfaction are directly related to each other. If the performance of the employee is good it contributes to their job satisfaction.

Kong, Jiang, Chan and Zhou (2017) says that there are so many organisational characteristics related to the job satisfaction of employees. Two major points, the emotional stability of the employees and the career support provided to them play very important roles in determining job satisfaction. A vibrant and happy culture should be promoted by the managers for the emotional stability of employees. Trust between managers and employees should be maintained to relieve the stress of the employees. Hassan and Mahmood (2016) says that a sense of commitment is seen in employees if they are satisfied with the job they are doing. To keep the employees committed to the organisation, compensation is the key to it. Also, formal and informal training helps the employee to solve problems effectively and improves their knowledge. A positive relationship is also found between job satisfaction and employee performance.

Culibrk, Deli, Mitrovic and Culibrk (2018) states that in today's competitive market, employees are the most valuable asset for the company and are the key factors of competitiveness they hold among different companies. A strong connection is found between commitment towards organisational goals and employee satisfaction towards work. It also states that the employees working in the manufacturing unit are more precisely dedicated to the company. The study also talks about how the longer-associated employees care less about the company and have less satisfaction with their jobs. Alromaihi, Alshomaly and George, (2017) says that a reality is captured between two variables – employee job satisfaction and employee performance. The employees of the companies are the key

success factors for the organisation and the organisation tries continuously to achieve employee job satisfaction so that a positive result of employee performance can be obtained. Job performance also plays a vital role in determining the individual employee growth to achieve the organisational goals.

García, Gonzales-Miranda, Gallo and Roman-Calderon (2018) says that a positive force is found between employee involvement and job satisfaction. They also talk about the importance of including employees in major decisions as they will have a sense of familiarity with the company and will work to achieve the organisational goals collectively. Millennial workers always have a sense of how can they use their knowledge to help the company in various ways. Including them in various decisions shows the highest impact on their work.

Kumar and Bama (2018) says that HR practices such as training & and employee involvement play a positive role in increasing workers' overall performance, and implementation of more HR practices and reward and reputation programs to prompt high overall performance which will lead to high employee satisfaction and if they are rewarded correctly, they work with zeal and enthusiasm. Soomro, Breitenacker and Shah (2018) talks about work-life balance and how it is related to employee satisfaction and performance. Work-life balance plays a vital role in an employee's mental health. It also states that work-life conflict also has a positive impact on young workers. Job satisfaction also states that how much time an employee can be positively invested in the organisation and how much time the employee can work towards achieving the organisational goals.

Berliana, Siregar and Gustian (2018) says that the job of employees is continuously affected by job satisfaction, remuneration and compensation. The responsibility of handling work also improves with the improvement in job satisfaction of the employees. Here job satisfaction is directly linked with the performance of the employees. The employees have job satisfaction less supervision is needed, and they handle their responsibilities well. Agarwal and Lenka (2018) says that organisations can enhance the productivity of employees through the help of E-HRM. Even the smaller firms are making appropriate use of E-HRM, they have automated roll pay systems and attendance systems, and e-recruitment can be easily done. E-learning also improves the worker's knowledge and helps them to grow.

Mouna, Samma Faiz and Madeeha (2018) says that to maintain the dedication of workers and organisational commitment; firms might use HPWS for motivation along with whirl in employees. Workers' habits can be formed to

organisation efficiency, and goals, as well as a positive point of view, which can be established when human resources approaches are used in the package or match form of HPWS. Ahlawat and Renu (2018) says that the growth in real wage rates of employees indicates an increase in the overall purchasing power of employees in the textile industry. The growth rate of employment in textile is positively correlated to the real wage rate in industry, only wages are considered as a factor for workers' productivity, and other factors like motivation and attitude should also be considered.

Stamolamprosa, Korfiatis, Chalvatzis and Buhalis (2019) says that job satisfaction plays a crucial role in retaining skilled employees in a company. If the employees are not satisfied with the job they will start finding new employment opportunities which will increase the employee turnover rate. In this competitive market, to retain skilled employee's timely compensation benefits should be provided to them. Qing, Asif, Hussain and Jameel (2019) says that employee performance is linked with ethical leadership. If proper training and guidance are provided to employees, it will have a great impact on the performance of the employees. With the right guidance, they have also had a good career development. If the employee is comfortable with the work culture, superior, and subordinates they tend to have high-performance ability. Mental health plays a vital role in the life of an employee, if psychological empowerment is given to them, it benefits them in personal development.

Eliyana, Ma'arif and Muzakki (2019) says that with the help of a transformational leadership style, the performance of employees can be improved. The employee-employer relationship should be maintained for a positive response from employees. If commitment towards organisation and job satisfaction comes together, the employees show their best performances. If the satisfaction level is high their commitment towards the company becomes very strong. Wena, Huang and Hou (2019) says that the managers of the company should understand the importance of the emotional intelligence of the employees, as the emotional quotient of employees plays an important role in their productivity and job satisfaction. Training should be provided to employees for their personal career development and a high quality of service can be provided by them. If the employees are satisfied with their job, they can have long-term emotional stability.

Miraa, Choong and Thim (2019) says that a great role is played by human resource practices to help companies achieve their objectives. A positive impact of employee satisfaction has been found on employee performance. To achieve employee satisfaction, their needs have to be considered so the employees can work effectively. Gunapalan and Ekanayake (2019) says that organisations

need to get the participation of employees in organisational decision-making. They need to find reasons for employee turnover and make strategic decisions in reducing employee turnover. It is recommended to identify the deficiencies in the performance of employees to train them and make them more productive employees.

Taheri, Miah and Kamaruzzaman (2020) talks about two conditions of working, one is social condition and the other one is a physical condition, they both have their different importance. It also says that the work environment plays a major role in employee satisfaction, if good facilities are given to the employees, they will work positively towards the organisation's goal.

Muqaddim and Hosain (2021) says that to support the development regarding the operations within the organisations, proper E-HRM practices should be adopted and executed as such practices offer a clear representation of operational efficiency and can be concurrently used with other computerised applications to boost performance. Sharma et al. (2021) says that managers understand the need for innovation but it's quite difficult for the managers to implement it. Innovation is required to develop more sustainable products which cause less damage to the nature. It is also seen that innovation is directly linked with employee satisfaction, if the employees are not satisfied with their jobs, it will adversely affect their performance. So timely compensation should be provided so that employees' performance will improve which will lead to innovations.

Chalani, Kavirathne and Navodika (2021) says that as the textile industry is labour intensive the training provided is beneficial and more new techniques can be found to train the workers to achieve the utmost productivity. Eiman, Baig and Umair (2021) says that organisations need to retain their employees based on their skills, knowledge and competencies to meet emerging trends and the development of HR practices is to be done by managers to motivate the employees. Ahad, Busch, Blount and Picoto (2021) says that Empowerment can improve development effectiveness and impact at the individual level. Empowered employees can protect workers' rights and increase productivity. The empowerment of RMG workers also empowers the RMG worker community in society, against poor policies creating inequalities.

## **Problem Statement of Study**

What is the impact of employee satisfaction on employee performance? Is it positive? What factors affect employee performance in the textile industry?

## OBJECTIVES OF STUDY

- To study the relationship between performance of employees and employee satisfaction.
- To identify the impact of job satisfaction on employee performance.
- To study the difference in the level of employee satisfaction across various demographic variables.

## HYPOTHESIS

- H0 – There is no significant impact of employee satisfaction on employee performance.  
H1 – There is a significant impact of employee satisfaction on employee performance.
- H0 – There is no significant difference between performance and age.  
H1 – There is a significant difference between performance and age.
- H0 – There is no significant difference between job satisfaction and age.  
H1 – There is a significant difference between job satisfaction and age.
- H0 – There is no significant difference between job satisfaction and years of experience.  
H1 – There is a significant difference between job satisfaction and years of experience.
- H0 – There is no significant difference between performance and years of experience.  
H1 – There is a significant difference between performance and years of experience.

## RESEARCH METHODOLOGY

### Research Design

- *Descriptive Design*

Descriptive research is a study designed to depict the participants accurately. More simply put, descriptive research is all about describing people who take part in the study.

There are three ways a researcher can go about doing a descriptive research project, and they are:

- Observational, defined as a method of viewing and recording the participants.

- Case study, defined as an in-depth study of an individual or group of individuals.
- Survey, defined as a brief interview or discussion with an individual about a specific topic.

### Sources of Data

- *Primary Data:* Questionnaire
- *Secondary Data:* Journals, Magazines, Websites

### Data Collection Method

*Survey:* Surveys are a method of gathering information from individuals. Surveys have a variety of purposes and can be conducted in many ways. Surveys may be conducted to gather information through a printed questionnaire, over the telephone, by mail, in person, by diskette or on the web. This information is collected through the use of standardised procedures so that every participant is asked the same questions in the same way. It involves asking people for information in some structured format. Depending on what is being analysed, the participants being surveyed may be representing themselves, their employer, or some organisation to which they belong.

### Population

All the employees of the textile industry of Ahmedabad.

### Sampling Method

Sampling methods are classified as either *probability or non-probability*. In probability samples, each member of the population has a known non-zero probability of being selected. Probability methods include random sampling, systematic sampling and stratified sampling. In non-probability sampling, members are selected from the population in some non-random manner. In non-probability sampling, the degree to which the sample differs from the population remains unknown.

Convenience sampling is used in exploratory research where the researcher is interested in getting an inexpensive approximation of the truth. As the name implies, the sample is selected because they are convenient. This nonprobability method is often used during preliminary research efforts to get a gross estimate of the results, without incurring the cost or time required to select a random sample.

### Sampling Frame

Employees working in all the departments of textile companies in Ahmedabad.

Sampling Size: 148

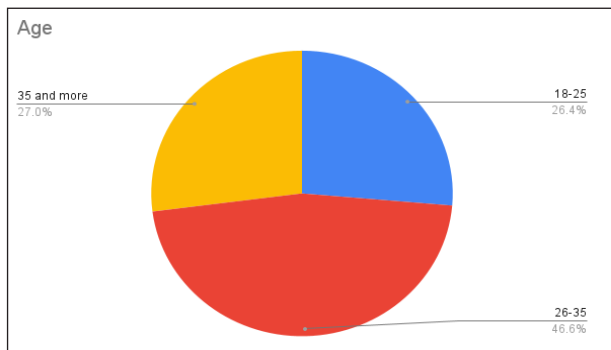
### DATA COLLECTION INSTRUMENT

Five-point likert scale with almost closed questions is used here.

*Likert Scale:* It is the most widely used approach to scaling responses in survey research.

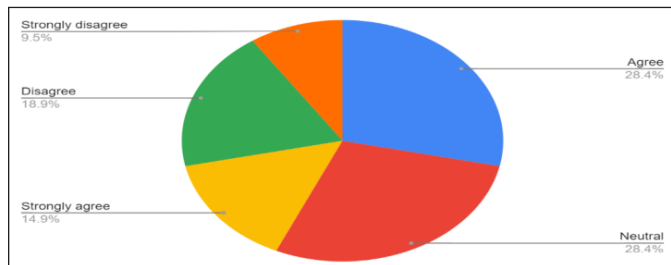
### Data Analysis and Interpretation

#### 1. Age



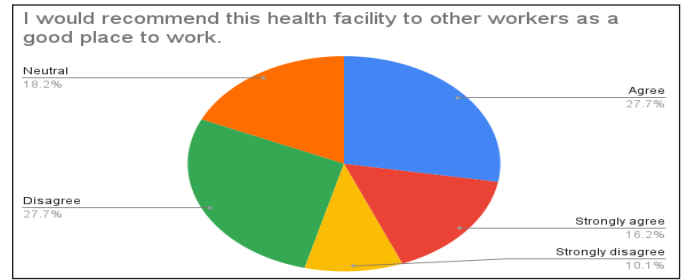
Here the majority of employees fall under the age group of 26-35 that is 46% and 26.4% of employees fall under the age group of 18-25. 27% of employees fall under the age group of 35 and higher.

#### 2. The management of this organization is supportive of me.



Overall, 43% of the employees think that the management supports their decision and provides enough resources to implement the decision. Their opinion is considered before making business decisions. And 28% of employees think that management does not support them.

#### 3. I would recommend this health facility to other workers as a good place to work.



27% of employees agree that they recommend the health facilities in the factories to other workers as a good place to work and 27% of employees disagree that there should be more health facilities available in the factory.

### Regression between Employee Satisfaction and Performance

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.163 <sup>a</sup>	.027	.020	1.087

a. Predictors: (Constant), I have learned many new job skills in this position.

- *Interpretation* – The R squared = 0.27 depicts that the model explains there is a 27% significant impact of employee satisfaction on the performance of the employees. So H1 hypothesis is accepted.
- ANOVA between performance and age.

### ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	.664	1	.664	.514	.474 <sup>b</sup>
	Residual	188.579	146	1.292		
	Total	189.243	147			

- a. Dependent Variable: I have learned many new job skills in this position.
- b. Predictors: (Constant), Age.

- *Interpretation* - Here the significance level is higher than 0.05, so the Ho hypothesis is accepted. There is no significant difference between the performance of employees and the age of employees.
- ANOVA between employee satisfaction and age.

## ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.244	1	.244	.201	.654 <sup>b</sup>
	Residual	177.026	146	1.213		
	Total	177.270	147			

a. Dependent Variable: I feel encouraged by my supervisor to offer suggestions and improvements.

b. Predictors: (Constant), Age.

- *Interpretation* - Here the significance level is higher than 0.05, so the H0 hypothesis is accepted. There is no significant difference between the job satisfaction of employees and the age of employees.
- ANOVA between Employee Satisfaction and Years of Experience.

## ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.390	1	.390	.322	.571 <sup>b</sup>
	Residual	176.880	146	1.212		
	Total	177.270	147			

a. Dependent Variable: I feel encouraged by my supervisor to offer suggestions and improvements.

b. Predictors: (Constant), Years of working.

- *Interpretation* - Here the significance level is higher than 0.05, so the H0 hypothesis is accepted. There is no significant difference between the job satisfaction of employees and the years of experience of employees.
- ANOVA between performance and years of experience

## ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.213	1	1.213	.942	.333 <sup>b</sup>
	Residual	188.030	146	1.288		
	Total	189.243	147			

a. Dependent Variable: I have learned many new job skills in this position.

b. Predictors: (Constant), years of working.

- *Interpretation* - Here the significance level is higher than 0.05, so the H0 hypothesis is accepted. There is

no significant difference between the performance of employees and years of experience of employees.

## FINDINGS

- The employees agree that if senior managers are supportive of them, they can work positively and they can achieve job satisfaction, the environment they are working in helps them to develop their career with the help of superior's support.
- About 45% of employees agree that they go along with their co-workers. Co-workers play an important role in employee satisfaction as if the people you work around are friendly and helpful, the work become much easier. It also promotes social groups and informal relationships which are important for the human mind.
- Job satisfaction goes hand in hand with the performance of the employees. If the employee is satisfied with the job they are doing then improvement can be seen in their performance.
- As textile companies are focusing more on green culture, they want managers to come up with innovative ideas so less harm can be done to nature. If the employees are satisfied with the work they can work more effectively.
- Employees agree that a fair policy is used to measure their performance and they are fairly compensated. Somewhat of the textile industry is unorganised, mostly behaviour evaluating methods and job review methods are used in the companies.

## LIMITATIONS OF THE STUDY

- The sample size we have selected is 148 employees. The textile industry is too large, and the sample size might be too small to justify the overall employee satisfaction and performance of the whole industry. If the sample size is too small, it will be difficult to find significant relationships from the data, as statistical tests normally require a larger sample size to ensure a representative distribution of the population and to be considered representative of groups of people to whom results will be generalised or transferred.
- There was a lack of reliable data about the industry and data that would lay down a relationship between employee satisfaction and performance relation to the textile industry. A lack of data or reliable data will limit the scope of the analysis, and the size of the sample, or it can be a significant obstacle in finding a trend and a meaningful relationship.

- There were very few research studies and literature reviews that would confirm a relation between employee satisfaction and performance about the textile industry. Citing prior research studies forms the basis of literature review and helps lay a foundation for understanding the research problem you are investigating.

## CONCLUSION

Our entire data revolves around the answers given by the people from which majority of respondents fall under the age group of 26–35. The majority of the respondents have experience of 6–10 years. About 43% of employees agree that if senior managers are supportive of them, they can work positively and they can achieve job satisfaction, the environment they are working in helps them to develop their career with the help of their superior's support.

Gaining new skills helps the employees to develop their overall career. From the respondents, 40% of employees agree that they have learned new skills in the company. Nearly 45% of employees agree that they go along with their co-workers. More than 50% of the employees agree that for job satisfaction support from managers, company and co-workers is important. Promotions motivate the employee to work harder, and fair chances of promotion are deserved by all the employees. Around 49% of employees agree that companies have fair chances for promotions. Overall, 37% of employees' state that accurate job description is provided to them. It makes their job easier. The amount of work given to the employees is also reasonable which they can finish on time providing timely and accurate results.

From regression analysis, it can be found that a 27% impact of employee satisfaction on employee performance is found out. In ANNOVA, between employee performance and age, H<sub>0</sub> is accepted because the age of employees does not have any significant difference in employee performance. In the ANNOVA test between employee satisfaction and years of experience, H<sub>0</sub> is accepted because no significant difference can be found between employee satisfaction and the years that the employees have experience.

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