The Impact of Job Satisfaction and Knowledge Sharing on Employee Performance

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Abstract

The aim of this particular study was to analyse the impact of job satisfaction and knowledge sharing on employee performance. Quantitative research approach was used to collect data and to analyse the extent to which knowledge sharing and job satisfaction influence employee productivity in the oil and gas industry. The close ended questionnaire was administered to employees of oil sector. Response rate of 63% was achieved in survey. It was concluded that job satisfaction in oil and gas industry is highly correlated with management support and technology use. However, it is least correlated with autonomy and rewards. Employees were less likely to get additional chances of promotions for knowledge sharing with others.

Keywords: Job satisfaction, knowledge sharing, employee performance

1. Introduction

The increasing competition, improving technology and rising globalisation has paved a way for driving knowledge based economy. The frequent changes in internal and external environment result in huge pool of knowledge. Moreover, organisations also move above the learning curve while facing these transformations. Additionally, it has also become challenging for organisations to maintain huge pool of knowledge within organisational boundaries, and also to make it available in outside organisational boundaries in the form of appropriate reports. These changes in external business environment have compelled organisations to make a shift towards knowledge management practices. Therefore, managers are required to develop an effective system for knowledge management that can influence employees in positive way to accomplish their jobs successfully.

The aim of this paper is to evaluate the extent to which job satisfaction influences knowledge sharing practices, and also to scrutinise how does job satisfaction and knowledge sharing practices affect employee performance and productivity.

2. Literature review

2.1 Job satisfaction

The literature on job satisfaction has been extended over a timeframe of more than 75 year, as the earliest definition was provided by Hoppock (1935). Since then, plethora of definitions was proposed by several researchers to identify multiple aspects of job satisfaction. This concept has remained the subject of study by multiple researchers in different fields such as human resource management, business, and psychology. This concept refers to positive emotional state resulting from appraisal of an employee’s job or work (Locke, 1976 cited in Suliman and Al-Hosani, 2014). More specifically, Locke (1976) explained that pleasurable state of mind and emotional status that arises due to appraisal from managers or good job done is job satisfaction. In another detailed definition, job satisfaction has been explained as a concept that includes all characteristics of job and work environment that is rewarding, satisfying and fulfilling for employees (Boles et al., 2009). Simply, job satisfaction is the difference between what an employee expects from job and what he/she actually gets from job. When an employee’s expectations from job are less or equal to what job actually delivers in return, employee is satisfied. On the contrary, job dissatisfaction results when individual’s expectations are higher from what the job actually delivers to him/her.

The expectations from job are subjective in nature because they vary from individual to individual due to multiple factors. A number of surveys have been conducted by previous researchers to assess and measure job satisfaction. For instance, Hackman and Oldham (1974) identified several factors that measure job satisfaction. These factors included promotions, pay, and attitude of co-workers and supervisors. Contrary to this, Weiss et al. (1967) developed a comprehensive scale called Minnesota Satisfaction Questionnaire (MSQ) for measuring job satisfaction. This scale measures job satisfaction around 20 aspects including activity level, ability utilization, authority, good working relations with colleagues, independence or autonomy at work, moral values, recognition from supervisors, promotion, and workload (Weiss et al., 1967).

Literature says that job satisfaction influences employee turnover and productivity in organisations. These two aspects are very critical for an organisation to compete successfully. The importance of job satisfaction can be assessed by the research in which Granny et al., (1992) revealed that more than five thousand studies had been conducted on this specific field, till then. Specifically, researchers and practitioners belief that satisfied employees are more productive and active for the organisation as compared to dissatisfied ones (Sarker et al, 2003), and this belief has motivated researchers to investigate this concept further.
This suggests that job satisfaction results from positive emotional response retrieved by employees through professional judgement, management support and work environment. It is very important concept for human resource managers to satisfy employees and gain high performance. Prior studies have noted that lack or absence of job satisfaction can result in reducing employee commitment that may influence employees to leave the organisation (Trivellas et al., 2015). On the other hand, others have suggested positive association between job satisfaction, high productivity and morale (Khuong and Tien, 2013).

2.2 Knowledge sharing and management
There are two aspects of knowledge management i.e. explicit and implicit (Nonaka, 1991 cited in Chumg, Cooke, Fry & Hung (2015). The explicit component refers to documented piece of knowledge whereas implicit describes subjective component. The explicit knowledge can be found in different documents such as procedures, policy documents, and laws and regulations of the organisation. On the other hand, implicit knowledge is the intangible form that can be traced into organisational values, beliefs and norms. Both forms of knowledge are critical for leading an organisation towards competitive advantage. Knowledge management has been defined as the process, by which organisations gather valuable information, assist employees to understand this knowledge, apply knowledge for achieving routine tasks and distribute this knowledge across different departments and members of the organisation (Awad and Awad, 2007). In the same line of thought, Becerra-Fernandez & Sabherwal (2014) have defined knowledge management as the process of collecting, organisation, processing, sharing and storing knowledge for future use.

King (2007) has also revealed that sharing or dissemination of knowledge is one of the important components of knowledge management. It determines the extent to which employees are willing to share their ideas and valuable knowledge with managers and co-workers for accomplishing their tasks and getting better output. Alternatively, it also represents the process used by employees for circulating or exchanging information within different departments and members of the organisation (Becerra-Fernandez and Sabherwal, 2014). Knowledge management is the process by which organisations gather, develop, share and use knowledge in an effective way for achieving specific objectives (Awad, & Awad, 2007). It is basically a multidisciplinary process including different tools and approaches. In maintaining effective knowledge management system, the human factor is important to be considered as it also depends on intentions of employees to share knowledge with others. Previous studies have proposed that without contribution of employees, organisations cannot maintain effective knowledge management system (Trivellas et al., 2015). Hence, understanding role and contribution of employees in knowledge management systems is critical area to be researched. Prior studies have revealed that knowledge sharing stems from personal beliefs, perceptions and structure of the organisation that reflects employee behaviours to share knowledge with others (e.g. King and Marks, 2008). Organisation structure reflects the extent to which cooperation, teamwork and shared values are followed in the organisation. Although some studies have noted the role of organisational culture and structure in knowledge sharing, they lack to find its impact on job satisfaction.

For decades, the concept of knowledge management has been discussed by researchers and scholars in management literature (e.g. Bock et al., 2005; Lee & Ahn, 2006; Chumg et al., 2015). For instance, the knowledge based perspective suggests that knowledge propels values of organisation and also leads it towards competitive advantage (e.g. Kearns and Sabherwal, 2006; Liao et al., 2007; Kraaijenbrink, Spender, and Groen, 2010). The core knowledge is retained within employees in terms of their skills and learning; hence, knowledge sharing depends on employee behaviours and attitudes (Teh and Sun, 2012). This implies that if employees are not willing to share knowledge with others, they are less likely to become active component in knowledge sharing process. This is tacit form of knowledge that can be traced in employee beliefs and behaviours. Prior studies have also noted that tacit knowledge that is in non-verbal form depends on employee behaviours to be shared across the organization (Bock et al., 2005; and Suppiah and Sandhu, 2011). The tacit knowledge is communicated through human behaviours and actions that can make knowledge sharing a hard process. This implies that organisations need to develop an effective system and infrastructure for knowledge sharing. Although management literature has discussed role of information technology and systems in developing knowledge management process (Albino, Garavelli, & Gorgoglione, 2004), there has been rare evidence regarding relationship between knowledge sharing and job satisfaction.

Through different definitions of knowledge sharing and management, it is clear that it is a process by which organisational knowledge passes from one employee to other, from one group to other, and thus circulates within organisation. Ismail and Yusof (2009) have emphasised the importance of knowledge management for organisations. They revealed that in contemporary business era, organisations are less likely to survive and compete in market if they do not have effective knowledge management and sharing practices. Moreover, they have also endorsed that knowledge sharing is important for to boost individual competitiveness, reduce cost, enhance intellectual capital of organisation and alter organisational competitiveness (Ismail and Yusof, 2009).
2.3 Job satisfaction and knowledge sharing

Knowledge sharing and job satisfaction are critical elements for employees to play active role in attaining organisational objectives. Employees seek information to accomplish their tasks and also to remain responsive to multiple routine needs. It is reported that they more engaged and motivated to accomplish organisational objectives when they are satisfied with job (Bontis, Richards, & Serenko, 2011). This implies that job satisfaction and knowledge sharing may have connection. Therefore, job satisfaction and knowledge sharing have been discussed together in literature (Jacobs & Roodt, 2007).

Several researchers have theorised the relationship between job satisfaction and knowledge management in previous literature. Teh & Sun (2012), for instance, have suggested that job satisfaction and knowledge sharing are positively related with each other. Unlike this, Bektas et al. (2008) did not find any significant relationship between knowledge sharing and job satisfaction. Similar results were found by Oshagbemi (2000) who revealed that association between job satisfaction and knowledge sharing is not clear in literature. A recent study by Michailova & Minbaeva (2012) suggested that knowledge sharing behaviours are not influenced by organisational values, rather the extent to which employees are internalized in the organisation.

Previous studies have revealed that knowledge management impacts processes, people, organisational performance and products (e.g. Becerra-Fernandez and Sabherwal, 2014). For instance, De Vries, van den Hooff and de Riddler (2006) have supported that job satisfaction is associated with willingness and enthusiasm to share knowledge. Others have also proved positive relationship between job satisfaction and knowledge sharing (Becerra-Fernandez and Sabherwal, 2014). However, prior studies have not provided adequate evidence of how knowledge sharing practices impact people through job satisfaction, extrinsic motivation and knowledge sharing intentions (Hsu, 2008).

Literature on relationship between job satisfaction and knowledge sharing is not adequately developed. Most of studies have picked job satisfaction to find its association with performance outcomes. For instance, Murray (1999) has investigated the relationship between job satisfaction, turnover, absenteeism and performance. Oshagbemi (2000) has also argued that relationship between knowledge management and job satisfaction has not been discussed appropriately in literature. Liao et al. (2004) have examined association between knowledge sharing and job satisfaction within Taiwanese firms. They found that working relations between subordinates and supervisors play critical role for knowledge sharing behaviour in organizations. They have also noted that technological sources play important role in successful knowledge sharing practices. Contrary to this, Bektas et al. (2008) have noted that no relationship exists between job satisfaction and knowledge sharing. On the other hand, Michailova and Minbaeva (2012) suggested that knowledge sharing is not influenced by organisational values. Overall, it implies that relationship between job satisfaction and knowledge sharing practices is somehow vague and needs to be explored further.

3. Methodology

3.1 Research design

The research design depends on research problem to be adopted for carrying a study. Specifically, research design guides researchers to get appropriate evidence in order to address research problem in the right way, logically and explicitly (Kumar, 2010). The case study refers to in-depth investigation of a particular situation rather than aiming to have statistical analysis (Bernard, 2011). The current study’s research problem revolves around investigation of role of job satisfaction in achieving high performance and productivity in perspective of oil and gas industry. For this purpose, case study research design was chosen. This research design helped in implementing theoretical models of job satisfaction and knowledge management in context of oil and gas industry. Although case study design is less likely to generalize results of research to large population (Bernard, 2011), it is appropriate at academic level to investigate a research issue conveniently.

Broadly, research approach can be divided into two categories i.e. qualitative and quantitative. The qualitative research methods are based on interpretative explanation of research problem in order to get in-depth understanding. These methods are based on perceptions, observations, words and feelings that give abstract view of research problem rather than in factual numbers. Some qualitative methods include focus groups, experiments, and open ended questionnaires (Walliman and Walliman, 2011). These methods provide rich data about real life experience and situations for understanding human behaviour in broad context. However, these methods are criticised because of lack of generalizability and heavy reliance on subjective interoperation of research problem; hence, these methods are not used in the current study. The current study was not aimed at analysing employee behaviours and attitudes in abstract form; hence, qualitative methods are not applied.

The quantitative methods were applied for analysing relationship between knowledge sharing and job satisfaction. The quantitative research methods are used when purpose is to get statistical or numerical evidence of research problem (Babbie, 2010). These methods entail provision of numerical data from research participants for evaluating relationship between theory and real life. The essence of applying quantitative methods is their objective conception of social reality. In the current study, quantitative methods have assisted in
getting numerical data to test perform statistical test. Additionally, these methods have also helped in determining the extent to which knowledge sharing and job satisfaction relate with each other.

3.2 Population and sampling
The current study is based on evaluation of relationship between job satisfaction and knowledge sharing within Mellitah Oil Company (MOC). Therefore, the target population of this study was workforce of MOC. This population was very large and could not be included in this study. For this purpose, sample was selected from this population to conduct survey. Saunders et al (2012) have defined sample as the representative component of the target population, and sampling is the process of choosing sample subjects. There are two main methods of sampling i.e. probability and non-probability sampling techniques (Saunders et al., 2012). The probability sampling provides opportunity to all members of the population to be selected in the sample whereas non-probability sampling does not provide equal opportunity to all members to be selected in the sample (Creswell, 2009). In the current study, convenience sampling has been applied for selecting sample subjects from workforce of MOC. This sampling technique allowed researcher to select only those participants who were easily available to fill questionnaire. This technique is easy and time convenient to select sample subjects from a large population.

3.3 Data collection
The current study used survey approach to gather relevant data. Survey is a convenient, easy and flexible tool for collecting primary data directly from participants of a study (Kumar, 2010). In this regard, the close ended questionnaire was developed to collect data from employees of oil and gas industry about knowledge sharing practices, productivity and job satisfaction. A close ended questionnaire is the one that allows participants to choose best option from set of predetermined answers (Kumar, 2010).

For the current study, Likert scale was used to provide relevant options against questions. This scale has ranged from ‘strongly agree’ to ‘strongly disagree’. The questionnaire has two main parts. First part included questions regarding participants’ personal information such as gender, age, and employment duration. The second part is subdivided into two main sections i.e. job satisfaction and knowledge sharing. In this part, participants were asked to provide their opinions on the basis of given scale.

3.4 Data analysis
Data analysis is very important phase of a study that directly influences the research outcomes. After collecting data from employees of MOC, it was tabulated on MS Excel. The next step was to summarise this data by performing calculations such as percentages. This summarised data is easy to discuss and drive meaningful results about research purpose. The next step was to draw graphs on data. With graphs and percentages, important meaning has been retrieved to discuss the research objectives. Moreover, results are also discussed in the light of literature findings. Besides this, statistical tests such as correlation and regression were also applied on the data to find relationship between knowledge sharing and job satisfaction in MOC.

4. Results and discussion
The aim of this research was to assess impact of knowledge sharing and job satisfaction on employee performance while analysing the factors influencing job satisfaction within MOC. From survey of 100 employees of MOC, response rate of 63% was achieved. In this chapter, data has been appropriately tabulated and presented for deriving meaningful interpretation. Furthermore, statistical analysis has been conducted to retrieve relationship between variables. In-depth discussions are made in context of literature findings in order to find their similarities and contradictions with results of this study.

4.1 Demographics analysis
Only 19% of respondents were females whereas 81% were males who responded in survey. As sample was selected without preference to any gender, the distribution of gender in sample was fair and it reflects overall trend in oil and gas industry where males represent higher percentage of workforce.

The age distribution of sample revealed that most of respondents were from 36-45 years of age (41.3%). 12.7% respondents were up to 25 years of age whereas 25.4% were between 26-35 years. 12.7% were between 45-55 years whereas the rest of respondents were above 55 years of age. This implied that most of respondents might be in their mid-career position in terms of their age.

It was found that 17.5% respondents were serving MOC for less than one year. These might be the one in their entry career level. 34.9% were serving MOC for 1-3 years and same percentage was working for company for 4-6 years. The rest of respondents were serving MOC for above 6 years. As MOC was found in 2008, the work experience of respondents is not very high.
4.2 Correlation analysis

Job satisfaction and knowledge sharing may have substantial impact on performance of employees. In order to determine association among these variables, correlation analysis has been conducted. The results of correlation among job satisfaction, employee performance and knowledge sharing are summarised Table 1.

<table>
<thead>
<tr>
<th></th>
<th>Job Satisfaction</th>
<th>Knowledge sharing</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pearson Correlation</strong></td>
<td>1</td>
<td>0.668**</td>
<td>0.712**</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>63</td>
<td>63</td>
<td>63</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (2-tailed)**

It was found that job satisfaction and knowledge sharing are significantly correlated (0.668) with each other. This implies that higher the job satisfaction, higher will be employees’ intentions and willingness to share knowledge with others. The management of MOC can get valuable insights from these findings to expand the scope and effectiveness of knowledge sharing. Although MOC has allocated adequate resources to drive job satisfaction, it must focus on providing sufficient autonomy and attractive incentives to employees enabling them to work effectively and get satisfied. The results of this study are aligned with previous findings that have proved positive association between job satisfaction and knowledge sharing behaviour (e.g. Bontis et al., 2011).

The correlation between job satisfaction and employee performance is higher with value of 0.712. This suggests that higher the job satisfaction, higher will be employee performance in MOC. It is important to note that MOC has provided adequate resources in terms of technology and management support for retrieving job satisfaction. However, employees were not very satisfied with autonomy and rewards. Regardless of comparatively weaker employee performance, the relationship between job satisfaction and employee performance is strong. When employees are satisfied, they become motivated to perform better for achieving organizational goals. Prior studies have also explored positive association between job satisfaction and employee performance (e.g. Khan et al., 2011; Trivellas et al., 2015).

The association between job satisfaction and knowledge sharing is highly correlated with value of 0.934. These findings suggest that higher is the knowledge sharing; higher will be employee performance in MOC. When employees are encouraged to share knowledge with others, they get more opportunities to develop new ideas, explore information and contribute effectively in attaining organisation’s objectives. This is also evident by this study’s findings that employee seek to share knowledge with others aiming to make significant improvement in their performance. Previous studies have also explored positive association between knowledge sharing and employee performance (e.g. Trivellas et al., 2015).

4.3 Regression analysis

To explore association between knowledge sharing, job satisfaction and employee performance, regression analysis has been performed in Table 2 to Table 4:

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.942*</td>
<td>.887</td>
<td>.883</td>
<td>1.43294</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Knowledge Sharing, Job Satisfaction
Table 3: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>967.658</td>
<td>2</td>
<td>483.829</td>
<td>235.633</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>123.199</td>
<td>60</td>
<td>2.053</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>1090.857</td>
<td>62</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Knowledge Sharing, Job Satisfaction
b. Dependent Variable: Performance

Table 4: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(Constant)</td>
<td>-.1.849</td>
<td>.581</td>
<td>-3.183</td>
</tr>
<tr>
<td></td>
<td>Job Satisfaction</td>
<td>.164</td>
<td>.060</td>
<td>.159</td>
</tr>
<tr>
<td></td>
<td>Know Sharing</td>
<td>.457</td>
<td>.032</td>
<td>.828</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance

It is clear from regression analysis that overall model is significant describing positive association between knowledge sharing, job satisfaction and employee performance. This model implies that employee performance is collectively dependent on job satisfaction and knowledge sharing practices in MOC. When employees are provided adequate rewards, resources, management support and incentives along with knowledge sharing opportunities and resources, they are more likely to make positive improvement in performance. These results are similar to previous studies that reveal that employee performance enhances through job satisfaction and effective knowledge sharing (e.g. Bektas et al., 2008).

5. Conclusions

Within global scenario, technological and economical competition has influenced organisations to adopt effective knowledge management practices as key strategy to tackle with competition and evolving environment for improving competence and also for meeting organizational challenges in business. Overall this study concludes that employees in MOC are satisfied with their job and make positive contribution in their performance.

This study concluded that knowledge sharing is critical for achieving competitive advantage in a dynamic industry. Through effective knowledge sharing tools and practices, knowledge can be effectively managed and exchanged within and outside the organisation. It has been concluded that MOC provides adequate resources and opportunities to employees for sharing knowledge. As employees are not provided adequate incentives and rewards, they are less likely to inform others about what they have in terms of new ideas and suggestions for improvement. The results also conclude that employees were less likely to get additional chances of promotions for knowledge sharing with others. Furthermore, it is also deduced that employees of MOC were not clarified about objectives of knowledge sharing. In the absence of incentive and lack of clarity, knowledge sharing cannot be effective to attain its objectives. Although employees in MOC share knowledge with others, they are not appropriately guided by managers to adopt effective practices for knowledge sharing. As MOC has been operating in a dynamic environment where oil production and distribution is subjected to multiple geographical, political, and economical factors, it needs develop an effective culture of knowledge sharing where employees are encouraged to share their ideas and learning with others.

It has been concluded that knowledge sharing is highly correlated with job satisfaction (correlation of 0.668). It has been concluded that satisfied employees in MOC are more likely to share knowledge with others with aim of extending knowledge base in order to attain organisational goals. Prior studies have also proved positive link between job satisfaction and knowledge sharing (e.g. Jacobs and Roodt, 2007). Correlation and regression analysis revealed significant influence of knowledge sharing and job satisfaction on employee productivity. Although this study did not show considerable improvement in employee performance, the association of knowledge sharing and job satisfaction with employee performance is strong. It has been concluded that employee performance in oil and gas companies enhance employee performance significantly by deploying adequate resources for knowledge sharing and job satisfaction.
References


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