Escalating the Employee Job Satisfaction through Internal Market Orientation: A Childcare Centre Perspective

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Abstract

The childcare sector has grown tremendously over the years in Malaysia due to the growing number of women joining the paid labour force. In spite of the growing demand for childcare services and their critical role in the development of children, childcare providers have faced a high job turnover rate among the employees and difficulty in retaining the employees for a long period. This happen because the employees are not satisfied with their job, which, in turn, contribute to a high job turnover. It is very important for children to have stability of care through satisfied employees at the childcare centres because it is understood that if the employees of childcare centres are dissatisfied, than it could have a negative impact on children under care as well as the childcares' quality. Thus, if childcare providers want to improve the quality of their childcare centres than the employees' quality must be nurtured first. To nurture this quality we have to first ensure their work and job satisfaction. One of the many factors that contribute to employee job satisfaction is through internal market orientation. Hence, this study will try to understand the employee job satisfaction through internal market orientation. Finally, the study presents some suggestions for further studies that can be conducted in the future.

Keywords: Internal market orientation; employee job satisfaction; childcare employee; childcare providers and childcare centre

■1.0 INTRODUCTION

Childcare sector has grown tremendously over the years in Malaysia due to a growing number of women who join the paid labor force.[1] In fact, the number of childcare centre in Malaysia is keep increasing and expected to increase in the future due to active campaign of the Malaysian government toward early childhood education resulted from the important role played by the formal early childhood education[2] as represented by Figure 1 below.

In spite of the growing demand for childcare services and their critical role in the development of children, childcare providers have lagged far behind compared to most other service firms in applying internal market orientation (IMO) to improve the quality of employees.[3] Basically, it was very important for the children to have a stability of cared through the satisfied employees.[4-5] The employees of childcare centre are determined as the most important keystone of care.[6] Consequently, if the employees of child care centre are unsatisfied, it could give a negative impact on the children under care.[7] For example, recently, in Malaysia, we have been faced with many problems within child care centre such as child abused, the death of children caused by hot water, milk chocked, fell from the cradles and so on.[8-10] A few opportunities for promotion and advancement have significantly contributed to the high job turnover rate among the employees in child care centre industry.[11]

The childcare industry in Malaysia also experiences a high job turnover rate among the employees and difficulty in retaining the employees for a long period.[12-14] The Director of the Department of Social Welfare Advocacy and Legitimacy argued that there are many factors that contribute to dissatisfied employees, which, in turn, lead to a high job turnover rate in the childcare industry in Malaysia, for instance, the low salary offered by the childcare centres compared to other service sectors, long service hours (6.30 am to 6.30 pm) and the temporary nature.[15] However, the actual statistical figures for the turnover rate were not available from the Department of Social Welfare Statistics due to the difficulties in gathering accurate data for the employees within the childcare centres in Malaysia. This paper aims to examine the influential role of the IMO on the job satisfaction level among the childcare employees in the Malaysian context.
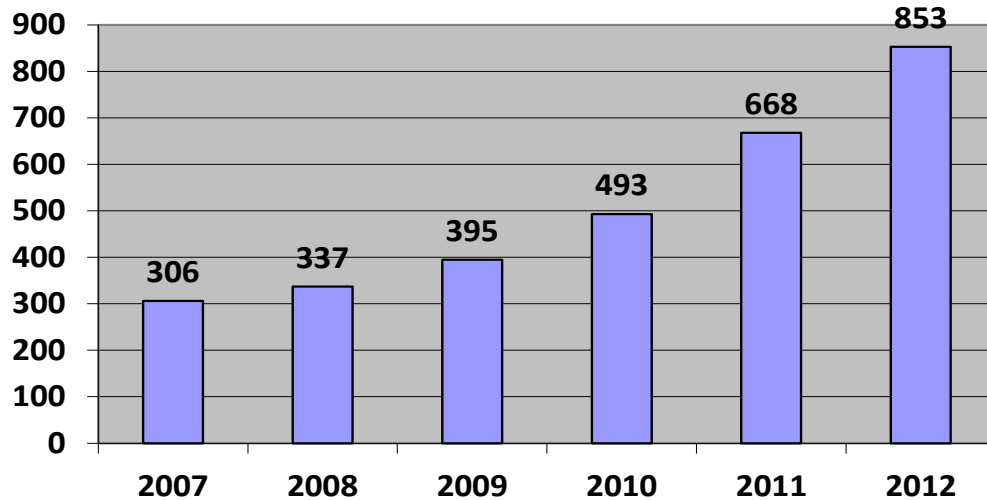
Figure 1 The number of registered and licensed and not registered and unlicensed childcare centres in Malaysia year 2012

■2.0 LITERATURE REVIEW

2.1 Employee Job Satisfaction

The concepts of employee job satisfaction (EJS) have been a focal point of study among the academicians and practitioners over the last two decades. EJS is a persistent attitude and that it needs constant management. In fact, EJS is regarded as a significant success factor for organizations.[16]   Hence, the concept of EJS is a multi-dimensional and inter disciplinary term, which has attracted the consideration of many researchers from around the world and from a variety of disciplines, namely, Total Quality Management (TQM), Human Resource Management (HRM), psychology, organisational behaviour (OB) and so on.[17]

EJS was also identified by Spector in 1997 as a level to which employees are comforted and delighted with the job. Spector developed a Job Satisfaction Survey (JSS) in 1985, which is an extra job satisfaction instrument, in order to meet the need for human services, public and nonprofit organisations. This happens because most of the existing instruments had been developed for other types of organisation (industrial areas) and a somewhat little can be found about the human service employees. Some items of the existing instruments might not be suitable for human services since those instruments had been developed for industrial areas. Therefore, JSS was developed to fill the need for an instrument for human services, public and nonprofit organisations. JSS contains nine dimensions such as communication, contingent rewards, co-workers, fringe's benefits, nature of work, operating procedures, pay, promotion and supervision.[18-20]

2.2 Internal Market Orientation

IMO was developed by market orientation and also internal marketing. IMO occurred from the notion that customer contact personnel were very important to service industries. Therefore, the motivated and satisfied front-line employees are crucial in order to satisfy the customers.[21] Basically, IMO was implemented by huge organisations. However, there were a few empirical researches for small sized organisations which provided the same results with huge organisations. IMO was the important notion for small sized organisations since they had less competitive advantages and less resource compared to huge organisations. Therefore, this notion was crucial for small organisations in order to make sure their growth and long term survival.[22]

IMO behaviors could be defined as a completion of the marketing notion which was concentrated on internal customers of the service organisation or best known as employees.[21] The dimensions of IMO were applied followed the original market orientation dimension introduced by Kohli and Jaworski in 1990. This construct compiled into three dimensions such as internal market intelligence generation, internal communication/intelligence dissemination and internal intelligence response/response to intelligence.[23]

2.3 IMO and EJS

Gounaris conducted a reseach in 29 four and five stars hotel in the islands of Rhodes, Greek. The study involved front line employees in various sections, for example, reception, restaurant and bar. The results showed that the IMO behaviors had a direct influenced and positive relationship with EJS. This relationship was important to show the significance of applying IMO behaviors in the organisation in order to increase EJS. It supplemented the organisation's market orientation and it attempted to satisfy customer's need through the satisfied employee's need first.[24]

IMO behaviors had a positive relationship with EJS. The research was conducted among 611 employees within Indian private sector banks.[25] In addition, there was a positive relationship between IMO behaviors and EJS.[21] In fact, several researchers had pointed out that market orientation had positive consequences for EJS.[26-30] Based on the previous arguments and other supporting ones, the following hypotheses are to be empirically tested:

H1: IMO positively impact the EJS within childcare centre.
H1a: Internal market intelligence generation (IMIG) positively impact the EJS within childcare centre.
H1b: Internal communication (IC) positively impact the EJS within childcare centre.

H1c: Response to intelligence (RTI) positively impact the EJS within childcare centre.
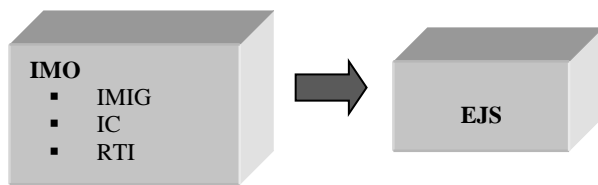

Figure 2 The theoretical framework

■3.0 RESEARCH METHODOLOGY

3.1 Sample and Data Collection

The data for this study will been collect from the full-time front-line employees within registered and licensed childcare centres in 12 states in Peninsular of Malaysia, namely, Kedah, Perlis, Penang, Perak, Selangor, Kuala Lumpur, Negeri Sembilan, Johore, Malacca, Kelantan, Terengganu and Pahang. 500 questionnaires were disseminated to full-time front-line employees within selected registered and licensed childcare centres in mentioned states. Of the 500 questionnaires circulated, a total of 360 questionnaires were returned and usable, representing a response rate of 72%. The study employed two techniques in selecting the sample.

The first technique is a disproportionate stratified random sampling technique, which is used to determine which childcare centres should be choose to distribute the questionnaires. The disproportionate stratified random sampling technique ensured that each sample that was extracted from the total population was well represented.[31] Therefore, the matter of fair representation was applied.[32] For instance, the current study distributed 500 questionnaires to the employees of registered and licensed childcare centres in determined districts from 12 States based on the disproportionate percentage. If the number of districts in each State is less and equal to five, therefore, the selected district is one. If the number of districts in each State is less and equal to ten, therefore, the selected district is two. If the number of districts in each State is more than 10, therefore, the selected district is three. In total, there were 19 districts selected in this study.

The second technique is a systematic sampling technique. This technique involves drawing every nth respondent in the sample frame starting with a randomly chosen respondent between 1 and n.[31] The researcher used to choose the respondents from the sample frame from each childcare centre that the researcher visited. The respondents will be selected through the odd numbers from the sample frame which is number 1, 3, 5, 7 and so forth.

Initially, the original version of the questionnaire was in English language. However, since the potential respondents of the study were front-line employees within childcare centre in Malaysia, therefore, the questionnaire was translated into Bahasa Malaysia. This was done accordingly to the suggestion of Brislin.[33] He stated that the questionnaire should be back to back translated in order to compute the reliability and validity of the questionnaire. Moreover, it was expected that it would be easier for the respondent to understand if the questionnaire was set in Bahasa Malaysia and this would encourage them to react to the survey.

It was important to make sure that the translation of the questionnaire was developed consequently in order to get the better feedback from the respondents.[34] For the purpose of the study, self-administered survey questionnaire will been distribute to the 500 employees in mentioned states.

3.2 Measurements of Variables

All of the items in the constructs of IMO behaviors in this study were measured by using a five points Likert Scale instead of seven points Likert Scale as used in the main source.[35] It was ranging from 1 = Strongly Disagree to 5 = Strongly Agree. The used of a rating scale of five points increased a probability because the respondents would precisely assess the ranking scales and would be minus likely to hustle through the items.[36] The researcher adapted the work of Spector to measure the EJS in the current study. He conceptualized EJS as an affective and emotional reaction to a certain portions of the work.[18] All of the items were measured by using a five points Likert Scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree.

■4.0 RESULTS

To test the hypotheses of the study, the multiple regression analysis was employed. The adequacy of the model was confirmed by checking the regression assumptions such as linearity, normality, homoscedasticity and error independence. The data showed that no issue of the multicollinearity observed in this study. The study employed the tolerance value and Variance Inflation Factor to observe the existence of multicollinearity among the variables of the study. Table 1 illustrates that the tolerance values of all the variables ranged between 0.650 and 0.949. In line with this, the values of Variance Inflation Factor for all the variables were found to range between 1.053 and 1.539. The results revealed that the tolerance values of all the variables of the current study were more than 0.1 and accordingly, the Variance Inflation Factor values were below the threshold value of 10 as proposed.[37]

Table 1 The multicollinearity test

Variables	Tolerance Value	Variance Inflation Factor
IMIG	0.673	1.485
IC	0.650	1.539
RTI	0.949	1.053

The normality assumption was inspected through the normal probability plots of the residuals as shown in Figure 3 below.

Normal P-P Plot of Regression Standardized Residual
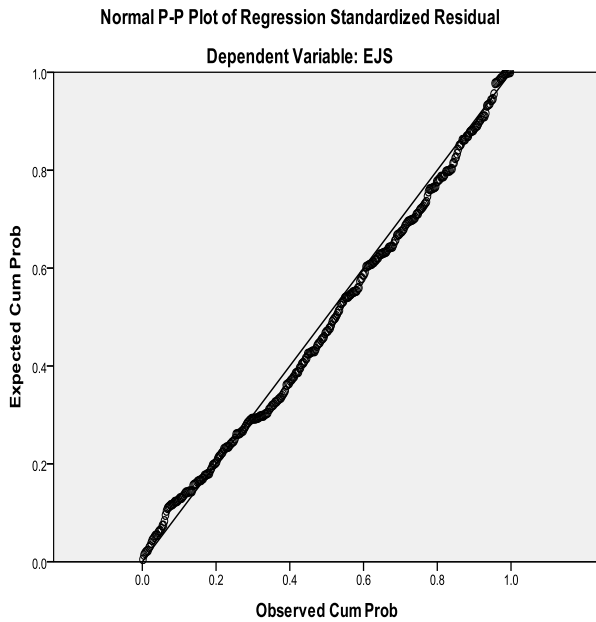
Dependent Variable: EJS

Figure 3 Testing normality using P-P Plot

The study scrutinised the linearity, homoscedasticity and the independence of the error terms by checking the scatterplot of the residuals as shown in Figure 4 below.
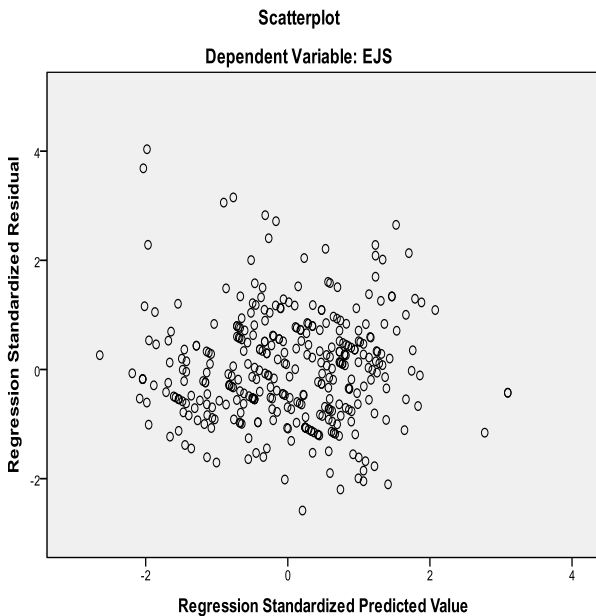
Scatterplot

Dependent Variable: EJS

Figure 4 Scatterplot of the residuals of EJS

As shown in Table 2, of the three dimensions of internal market orientation behaviour, response to intelligence had a significant and positive impact on employee job satisfaction at the 0.001 significant level (β=0.447, t=10.179, p<0.001). Internal communication had a significant and negative impact on employee job satisfaction at the 0.001 significant level (β= -0.341, t= -6.423, p<0.001). In other words, the findings revealed that only Hypothesis 1c is supported, since Hypothesis 1b

provides a negative value, which contradicts the hypothesis testing for the current study. Therefore, IC and the other dimension of IMO behaviour, which is IMIG are not significant in predicting job satisfaction level among the childcare employees. So, Hypotheses 1b and 1a are not supported.

Table 2 Regression result of IMIG, IC and RTI on EJS

Independent Variable	Dependent Variable EJS	
	Standardized Beta	T-Value
IMIG	0.092	1.768
IC	-0.341***	-6.423
RTI	0.447***	10.179
R Square		0.347
Adjusted R square		0.342
F value		63.124
Significance of F value		0.000
Durbin-Watson Statistics		1.837

***: p<0.001; **: p<0.01; *: p<0.05

◼ 5.0 DISCUSSION AND LIMITATIONS

The findings indicate that of all internal market orientation behaviour components, only response to intelligence contribute to employee job satisfaction. This show that in childcare setting if the managers of childcare centre response to generating information about the employees wants and needs regarding the benefits, developing individual reward systems, performance reviews, changing hours of work, providing training and flexible physical setting, in return, it will lead to the higher level of job satisfaction among their employees. This finding constant with the previous research on the relationship between response to intelligence and employee job satisfaction. Response to intelligence (training and authority) has a direct influence and positive relationship with employee job satisfaction. This relationship is essential to demonstrate the significance of the pertaining response to intelligence in the organisation in order to increase the employee job satisfaction.[38-39]

The findings of the study also reveal that internal market intelligence generation and internal communication do not have any impact on employee job satisfaction. In addition, the findings of the actual data of the study report that internal communication negatively affects the employee job satisfaction among childcare employees. These striking findings can be explained by the fact that the employees have a communication block and misunderstanding with the managers due to a different level between both parties. Therefore, these factors contribute to a lower level of employee job satisfaction. On the other hand, the generating information by managers about the employees' needs and wants especially the information relating

the employees's job descriptions, however, seem still inadequate.

This finding contradicts with the finding of the previous studies in the literature in related fields. Internal communication (co-workers and superior relationships) has a positive and significant relationship with employee job satisfaction.[40-41] This contradiction could be explained by the fact that apart from increasing the information generating and communicating the information about the employees' needs and wants especially the information relating the employees's job descriptions by providing a good scheme of salaries, bonuses, incentives, promotions and training, however, the employees still face a misunderstanding and communication block with their managers.

The researcher executed a survey questionnaire research design, which used cross-sectional data collection at a specific point of time in order to test the hypotheses. Therefore, the information gained only demonstrates the degree of association between variables. As a result, the causal relationships which were basically assumed based on the results attained cannot be accurately determined. Additionally, the findings of the study were based on the data collected from the childcare centres representatives at one point in time. Consequently, the study does not reflect the continuous changes in the psychological human aspects that could have taken place in the organizations due to the continuous experience. This is because the data were based on the cross-sectional approach and no follow up data were gathered.

Therefore, a case study approach might be a better potential choice in order to be able to examine the relationships among internal market orientation behaviour and employee job satisfaction level among the childcare employees. Also, a longitudinal research is highly recommended since it would help the researchers to validate the findings attained from the cross-sectional method regarding the change in human views, behaviour and attitudes. This is because a longitudinal approach could explain the complex relationships among internal market orientation behaviour and employee job satisfaction level over a long period of time.

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