

# Impact of Organization Restructure in Employee Satisfaction: Evidence from Ethiopia Governmental Organizations

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*Abstract- This paper examines the impact of restructuring an organization on employees' satisfaction. Organizations take initiatives for organizational restructure because of internal or external factors to increase the performance of an organization and stay in the competitive market. Beyond other resources of an organization, employees should be considered as an important factor that plays a key role for the overall achievement of organization goals. Satisfied employees have a power to make the organization competent and take competitive advantage. An issue related to the influence of restructuring on employee satisfaction has been studied by various researchers. In their studies they found out conclusion, there is an association between organizational restructuring and employee satisfaction. 383 respondents who are working in governmental organizations in Ethiopia from four regional states were participated in the study. The objective of the study is investigating whether organizational restructuring has an impact on employee satisfaction in Ethiopia governmental organizations. Six factors are extracted from twenty one variables as a factor that intervened in the relationship between restructuring and employee satisfaction. Additional researches are needed to get more insight into the impact of restructure on the overall performance of an organization. The study practices quantitative research approach and the data were collected using the questionnaire research instrument and analysed by factor analysis and correlation especially spearman's rank types of correlation. The 21 items categorized into 6 components or factors using factor analysis, namely*

*employee empowerment, employee job satisfaction, employee participation, employee motivation, employee work environment these five factors measures employee satisfaction and computed with organizational restructuring, The result of the study shows, there is positive and moderated relationship between empowerment, employee work satisfaction, employee participation, employee motivation, employee work environment and employee satisfaction. Organizational restructuring and employees' satisfaction has strong and positive relationships, and statistical significant (0.01), the spearman's rank correlation  $r_s = 0.46$ ,  $n=383$ ,  $p$ -value = 0.000. So, it can be concluded that organizational restructuring have a significant impact on employee satisfaction in governmental organizations in Ethiopia.*

*Indexed Terms: Employee Motivation, Employee satisfaction, Empowerment, Job Satisfaction, Organizational Restructure, and Work Environment*

## I. INTRODUCTION

With the emerging of new and latest technologies organizations are now becoming very competitive in the market. Organizational structure needed when an organization plan to shift from its existing state to some new desired state. Organizations are forced to carrying out some advanced methods to provide customers with a better quality of products or services and to sustain in the market the business environment requires organizations to undergo changes. The changes occurring in today's world inevitably require leaders and employees to

understand and response on the factors that influence the organizational performance. Restructuring is undertaken to react to an increasingly vibrant business environment by an organization on a consistent manner due to a desire to adopt new or globally integrated ways of working, to be more flexible and integrated form of organization. According to Lal et al., (2013) restructuring helps to simplifying firms' performance by reshuffling cost, improving wellbeing of employees, increasing revenues and productivity, enhancing operations efficiency and increasing shareholders' wealth.

Either by internal or external factors organization implements the restructuring program, as changing organizational behaviour requires changing the belief system of employee; the organization should take in consideration the employees of the organization in communication, decision making and role clarification that changes through a restructuring process aspects. The level of employee feeling regarding the shared information to them during the implementation stages of organizational restructuring is significantly affects the outcome of the change process (McKay et al., 2013). To achieve successful results and have a very productive workforce depends on employee's satisfaction.

When employees become satisfied, they will be creative, and dictated by supporting their organizations to be successful in the competition coming from the environment. Organization aware of this fact starts to evaluate and monitor employee satisfaction in the organization and assess factors that influence employee's satisfaction.

Emotional reaction of employee on their position at work considered as employee satisfaction. The performance of an organization depends on employees' satisfaction. Communications, possibilities for carrier, relations with leaders, relations with associations, work experience and current occupation, reputation and salary, working environment, variety of works, right, personalities, success, mutual help, partnership, job security, admirations and acknowledgments, bureaucracy and norms in an organization can be considered as some factors have a role in employees satisfaction (Landy and Conte, 2007).

Employee satisfaction can be assessed through observing employee feeling and opinion in the organization.

The study conducted by Chipunza and Berry (2010) shows job insecurity has directly relationship with shortages of motivation among employees. Hence, to enhance institutional cohesiveness and effectiveness employees should be motivated (Gilley, 2009).

Studies have focused on perspective like organizational restructuring with employee welfare (De Jong, T. et al., 2016); Satisfaction with job features (Spagnoli, P., et al. 2012).organizational learning habits with work satisfaction (Lin, C.-Y. & Huang, C.-K. 2021).the effective organisation causes to develop job satisfaction and the association between pleasure and efficiency(Schneider, et al., 2003). Weakened employee satisfaction on their job is a common result of organizational restructuring (De Jong. et al., 2016). Employee satisfaction has an effect on organisational commitment, loyalty and low turnover intention (Yousef, 2017). Thus, research attention has not been given to assess impact of organizational restructuring on employees' satisfaction especially in Ethiopia governmental organizations.

Therefore, the research add values to filling the gap in literature and contributing to existing knowledge on organizational restructuring and employees' satisfaction in Ethiopia governmental organizations from the different perspective and the study seeks to evaluate the effects of restructuring organization on employees' satisfaction in governmental organizations of Ethiopia. The study considers the following research questions:

RQ1: What are the factors influencing employees' satisfaction in organizational restructuring?

RQ2: What are the impacts of restructuring on employees' satisfaction in organizational restructuring?

## II. REVIEW OF LITERATURES

### • ORGANIZATIONAL RESTRUCTURE

Organizational restructuring is a process that organizations properly split, clustered, and coordinate

their jobs and tasks (Avdelidou-Fischer, 2015). Syam, et al & Zainal, et al., (2018) consider organizational restructuring as organizational strategy rearrangements to succeed the organization objectives, vision and mission.

According to Norley et al., (2012), restructuring an organization is a critical strategy to be competitive in the business world; organizational restructuring could be rearranging organizational ownership, operational structure, and legal framework to incur more profit and sustain and attain organizational goals and objectives. Organizations may use mergers, internal reorganizations, job cutting or delocalization for restructuring (Euro found, 2017).

Organizations implement organizational restructure to achieve better performance (Hao et al., 2012); in search of new opportunities, to improve poor performance, to be competent in the market (Bowman & Singh, 2013); to provide better service and enhance customers empowerment (Anders & Cassidy, 2014); to be competent in the market (Akib, et al., 2019).

- Employee satisfaction

According to Mappamiring et al., (2020) employee should be managed properly to balance the demands and needs of employees, competences of the organization, and the significance of employee for the advancement of the organization.

Employee satisfaction is a valuable human capital asset. Organizations should give attention to their employees regarding what employees need and expect; what types of talents, capabilities and skills employee have; and how will they implement it in the organization, based on these assumptions organization can deploy their employees in the right position to have productive and satisfied employees (Newstrom, 2014). The survival and growth of an organization is only determined by the strength its capital, it is also determined by the level of employee satisfaction (Firman et al., 2020). Akob et al., (2020) depicted the success of organizational performance is depends on employee satisfaction. The strong bond relationship of satisfaction developed between employee and the allow employee to suffer during risks and uncertainties (Ding. W et al., 2021).

Employees of an organization require being satisfied to successfully continue with the process of restructuring. Employee satisfaction increases employee loyalty, effectiveness, motivation and committed for the better performance of organization (Edmans, 2012). Mohammed and Eleswed (2013) if employees are satisfied employees, they will be more creative, flexible, innovative, committed, and loyal.

- Work Environment

Giving poor consideration to the organization work environment causes for poor performance of the organization. Chandrasekar, K. (2011) describes that employee performance increased if proper focus is given to the work area according to employee request. The physical situation of work environment and social condition are the critical things to be considered in the organization work environment (Skalli, A., et al., 2008). Employees wage rate, working period flexibility, participation level in decision making contributes for better working environment (Lane, K., et al., 2010).

Buhai, S., et al., (2008) study indicates that organization performance depends on the working environment. Similarly, the study by Singh et al., (2010) suggests, work environment contributes to improve employee emotional profit, health, and satisfaction. According to (IIDA, 2018; and BIFMA, 2018) investigation, there is strong and positive relationship between work environment and satisfaction of employee. Leder et al. (2016) describes employee satisfaction will be affected by equipment, size, privacy, environmental controls and hygiene of the work environment.

- Employee motivation

Motivation has a significant role in encouraging or discouraging employees (Purwanto, et al., 2020). Motivation has a power which allows employee to perform based on a specific stated aim (Indahingwati et al., 2019). According to Marinak and Gambrell (2008) motivation is an emotional process which affords aims and direction to employee behaviour or as an internal motive to attain employee satisfaction depends on the organizational internal processes and external forces.

As per Hyun, et al., (2019) motivation is a multidimensional issue which associated with age of employee, work experience year, performance of

work, appreciation, employee potential development, perception towards salary, work environment, rules and regulations, relationships with co-workers and supervisors. Similarly Hasibuan, (2006) stated that motivation consist five basic principles, namely principle of communication, participation, recognition, delegated authority, and reciprocity. Motivation improves employee commitment and organizational performance (Joseph, 2015 and Burns and Alexander, 2020).

Motivated employees feels as autonomy and free and are doesn't need external motivational factors to perform their regular jobs (Demircioglu& Chen, 2019). Motivation by means of encouragement helps the organization to effectively use the working spirit of employees, to work hard and perform their abilities (Aamodt, 2012).

Studies conducted by Arasli et al. (2014) shows that there is a significant positive relationship between motivation and satisfaction. Arshadia (2010); Azin&Reihane, 2013; & Imam, et al., (2015) confirmed that employee motivation significantly affect job performance.

- Employee empowerment

Organizations should encourage employees by developing chances to develop employee abilities and competences to attain organizational goals. Empowerment is a means to shift supremacy or power to employees from organizational leaders based on responsibility and accountability (Wadhwa&Verghese, 2015). Saifullah et al, (2015) consider empowerment as a strategy organization uses to develop capability and responsibilities of employee. Elnaga& Imran, (2014) urges that employee empowerment has a significant role in improving employee level of care, team spirit, confidence, innovation, entrepreneurship, and self-determining behaviours, it can be developed by allowing employees to make decisions by themselves in the organization. Meyerson&Dewettinck (2012) consider as employee motivational tool, targets to enhance organizational performance.

During empowerment power will be shared to employees and organizations use empowerment to improve the motivation level of employee, allow employees to take correct decision, and to use

employees talents and understanding to respond to changing circumstances (Khan et al., 2014).

Empowerment improves employee motivation and enhance both employee and organization performance (Mougbo 2013; & Jackson et al. 2014). Similarly Ali and Ahmad (2009) stated empowerment enhances employee satisfaction and commitment. According to Jacqueline (2014), organizations that want to achieve stated goals should give emphasis to empower employee and employee work satisfaction. Due to this, employee will get a chance to improve and exercise their competency and knowledge.

Studies show, there is an association between empowerment and employee satisfaction (Chang et al., 2010; & Wadhwa&Verghese, 2015).

- Job Satisfaction

Job satisfaction is a real or emotionally response of employee to various terms of job. Job satisfaction is an attitude of employee reflecting their feeling on the reward comes following employee performance, by the employee himself, his superiors, co-workers, and the work environment.

According to Handoko (2014) considers job satisfaction as employee emotional response to their job either it makes them happy or not. Employee satisfaction on job is a collection that links between the roles of reward for work association (Brown, 2014), so engagement antecedent comes from feeling satisfied at work. Job satisfaction is a positive feeling of employee on job as a result of evaluation of its characteristics (Robbins and Judge, 2015). Chawla et al., (2017) stated employee preference for work is depends on whether the job inspires them or not.

Satisfaction on the job, on salary, on co- work, on sale, on conditions of employment are indicators of employee job satisfaction (Wibowo, 2014).

- Employee participation

Wilkinson & Redman (2010) define employee participation as an organization leaders sanction systems that allows employees to exercise significant influence over the processes and outcomes of organisational decision-making. Employee

participation is one of a means of involving employees in decision-making process in the organization (Busck et al., 2010). According to Dietz et al., (2010) employees can participate either directly by participating themselves directly, or indirectly by representing an elected representative. The involvement of employee in decision-making enhances employee motivation and creates positivity in terms of self-efficacy and invention (Ali and Ahmad 2009).

**OBJECTIVES**

- To identify factors that affect employee satisfaction during organizational restructuring.
- To examine the relationship of organizational restructure on employees satisfaction.

**HYPOTHESIS DEVELOPED FOR THE STUDY:**

- H<sub>0</sub>: There is no association/relationship between employees’ satisfaction and employee empowerment in the organizational restructuring process.
- H<sub>0</sub>: There is no association between employee work environment and employees’ satisfaction in the organizational restructuring process.
- H<sub>0</sub>: There is no association between motivation and employees satisfaction in the organizational restructuring process.
- H<sub>0</sub>: There is no association between employee participation and employees satisfaction in the organizational restructuring process.
- H<sub>0</sub>: There is no relationship between job/work satisfaction of employees and employees’ satisfaction in the organizational restructuring process.
- H<sub>0</sub>: Organizational restructure has no impact on employees’ satisfaction.

**III. RESEARCH METHODOLOGY**

Aim of this study is to fulfil gaps by identifying the influential factors of employee satisfaction during organizational restructuring and assess the impact of restructuring on employees’ satisfaction in governmental organizations in Ethiopia. Quantitative, qualitative and the mix of quantitative and qualitative research approaches are common types of approach for a research and explanatory research design is critically important in describing and explaining

research reports the status of events and issues the way they are (Creswell, 2014). The study uses explanatory research design to address and answer the stated research question. When the objectives of studies is to identify the association between variables, generally quantitative research approach is used (Kumar 2005).

• **Sampling technique**

The size of the sample is determined by Cochran’s formula, by considering, p=50% (maximum variability) at 95% (Z=1.96) level of confidence certainty (α=0.05) and 5% error of margin or level of desired precision (e=0.05). Size of the sample is formulated as:  $n = \frac{z^2 * p * (1 - p)}{e^2} n$ , represent the proposed sample size; z, the z value found from z table at a given level of confidence certainty; p, the proportion of estimated attributes presented from the population, e=desired level of precision 5%.

$$n! = n = \frac{1.96^2 * 0.5 * (1 - 0.5)}{0.05^2} = 385$$

Ethiopia governmental organizations from city administration of Addis Ababa, SNNPR, Afar and Gambella regional states that implement organizational restructuring at least two times are considered as a sampling frame for the study. The number of employees found in the organizations implementing organizational restructure at least two times in SNNPR, Addis Ababa, Afar and Gambella regional states were 2916, 3263, 2213 and 1213 respectively which makes the total of 9605. Based on these data the correction formula for the final sample size estimation can be calculated as follow:

$$n = \frac{n!}{1 + (n! - 1) / N}$$

, where, n=reduced sample size, n! = initial sample size calculated as per larger population, N=population size

$$n = \frac{385}{1 + (385 - 1) / 9605} = 370$$

As the data’s are gathered from distinct geographical locations and different governmental organizations, the researcher uses multistage cluster sampling method and forced to trainee data collectors for the better data collection to cover the sample population according to the schedules. With the data collectors

tried to reach to agreement on the way how to collect the data and issues related with ethics to be conducted. Before starting data collection the governmental organizations found in the regions were screened and then governmental organizations that implement organizational restructure at least two times are identified and finally organizations were allotted to the data collectors randomly.

The sample consists of 383 respondents. 37(9.7%) were volunteer to mention names whereas 346(90.3%) are not interested to write their name. The study included 221 (57.7%) men, 162(42.3%) women respondents. Most respondents were 222(58%) in 31 - 43 age group, married 258 (67.4%), 233(60.9%) have more than 10 years' work experience, 237(61.9%) in lower level work position and 353(92.2%) in higher educational level.

After assuring the KMO value, the collected data were analysed by using factor analysis and spearman's rank correlation.

- Limitations
- Samples used for the study is focused only on governmental organizations implementing organizational structure at least two times.
- The study covers only the impact of organizational restructure and employee satisfaction.
- The test for the study is limited on factor analysis and the hypotheses were tested using spearman's rank correlation.

IV. ANALYSIS RESULTS AND DISCUSSION

Statistical results  
 The table indicated that the data were collected from 383 respondents and the mean value of each items describes the levels of influences from the stated variables, based on this variable Empar1, ORRs1, ORRs7 and ORRs5 with the mean value 2.89, 2.75, 2.69 and 2.54 respectively critically affects employees satisfaction in the organizational restructuring process, whereas variables Emot3, Emp4 and Emot1 with the mean value 2.14, 2.15 and 2.18 respectively affects employees satisfaction in the organizational restructuring process at low value.

Table 1: Descriptive of Statistics

	The Mean Value	The Standard Deviation	N	Missing
Empar1	2.89	1.157	383	0
ORRs1	2.75	.951	383	0
ORRs7	2.69	1.228	383	0
ORRs5	2.54	1.030	383	0
Wenv1	2.43	.987	383	0
ORRs4	2.38	.935	383	0
Emp1	2.37	.958	383	0
Wenv5	2.34	1.046	383	0
Josat4	2.34	.929	383	0
Wenv3	2.32	1.139	383	0
Emp6	2.30	.883	383	0
Empar4	2.28	.899	383	0
Wenv4	2.26	1.048	383	0
Empar5	2.23	.915	383	0
Josat3	2.23	1.010	383	0
Empar3	2.22	1.001	383	0
Emot4	2.22	.935	383	0
Josat1	2.22	.941	383	0
Emot1	2.18	.899	383	0
Emp4	2.15	.992	383	0
Emot3	2.14	.867	383	0

Table 2 determines two key points: the first one is, either the study is suitable to use factor analysis or not depends on the Kaiser-Meyer-Olkin (KMO) values that measures number of sample responses are adequacy or not, if KMO value > 0.5 it is possible to use factor analysis, mostly over 300 sample respondents is preferred to use analysis. The second point in the table is the Bartlett's Test of Sphericity (BTS), which shows the relationships of the variables and also concludes whether the proposed hypothesis is accepted or rejected, if the value is < 0.05, reject the H<sub>0</sub> or the null hypothesis will be and accept the H<sub>1</sub> or alternative hypothesis. So, respondents participated in the study were 383, the score of KMO was 0.812, and BTS was 0.000; the result shows, it is possible to use factor analysis for the study; and based on the value of BTS accept the alternative hypothesis and reject the null hypothesis.

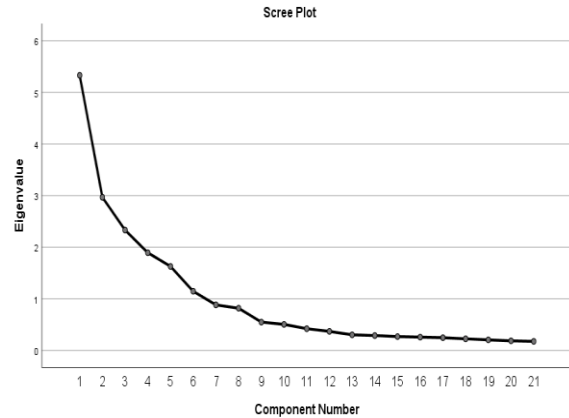
Table 2: KMO and BTS

Kaiser-Meyer-Olkin,		.812
Test for Bartlett's of sphericity/BTS	Approx. Chi-Square	4339.488
	Degree of freedom	210
	Sig.	.000

Appendix 2 explains the quantity of factors extracted depends on their eigenvalues. Variables having an eigenvalues > 1 selected as an identified factors. Based on this, six components, the 1<sup>st</sup> components, the 2<sup>nd</sup> components, the 3<sup>rd</sup> components, the 4<sup>th</sup> components, the 5<sup>th</sup> components and the 6<sup>th</sup> components with the initial eigenvalues 5.331, 2.967, 2.332, 1.893, 1.628 and 1.147 respectively have an eigenvalues > 1. So, the indicated 21 variables with 383 observations represent six factors. In addition to this, the 1<sup>st</sup> factor accounts 25.385%, the 2<sup>nd</sup> factor accounts 14.129%, the 3<sup>rd</sup> factor accounts 11.103%, the 4<sup>th</sup> factor accounts 9.016%, the 5<sup>th</sup> 7.753% factor accounts and the 6<sup>th</sup> factor accounts 5.461% variance are indicated in the extract sum of square loading, therefore the 21 variables are represents by 6 factors. Appendix 3 shows the reduced number factors and the variables categorized into each factor according to the loading values. Interpretation of analysis would be easier due to Rotation of Component Matrix. From the table below, based on the minimum required value of loading > 0.4; Wenv5, Wenv3, Wenv4 and Wenv1 loaded in one component; Empar5, Empar3, Empar4 and Empar1 in one component; Emot3, Emot4 and Emot1 in one component; Emp6, Emp4 and Emp4 in one component; ORRs5, ORRs4, ORRs7 and ORRs1 in one component and Josat3, Josat4 and Josat1 in one component.

The graph in the scree plot of indicates the eigenvalues of the factors. It determines the numbers of factors remain. A point that the curve begin flatten indicates the point of interest. As it is shown in the graph the curve begin to be flat in factors 6 and factors 7. An eigenvalue < 1 is shown only on six factors, so the study considers only six factors.

Table 3: Scree Plot



• Hypothesis test results

Spearman’s rank correlation between employee job satisfaction, employee motivation, employee participation, employee work environment, employee empowerment and employee satisfaction: Based on this, there was positive, moderated and significance correlations between employee job satisfaction, employee motivation, employee participation, employee work environment, employee empowerment and employee satisfaction, ( $r_s = 0.459$ ,  $n = 383$ ,  $p = .000$ ), ( $r_s = 0.457$ ,  $n = 383$ ,  $p = .000$ ), ( $r_s = 0.26$ ,  $n = 383$ ,  $p = .000$ ), ( $r_s = 0.38$ ,  $n = 383$ ,  $p = .000$ ), and ( $r_s = 0.385$ ,  $n = 383$ ,  $p = .000$ ) respectively, the result is attached on the appendix 1.

Table 4

Spearman’s Rank-Order Correlation between Employee Satisfaction and Organizational restructuring:

Spearman’s correlation is computed to examine the associations between satisfaction of employee, and organizational restructuring. Based on this, there was positive, moderated and significance correlations between Employee Satisfaction and Organizational restructuring, [ $r_s = 0.284$ ,  $n = 383$ ,  $p = .000$ ]. Therefore, as organizational restructuring implement properly, employee satisfaction increased. So, based on the p-values the null hypothesis was rejected that stated the no correlation between organizational restructuring and employee satisfaction.

Correlations			Employee Satisfaction	Organizational restructuring
Spearman's rho	Employee satisfaction	Correlation Coefficient	1.000	.284**
		Sig. (2-tailed)	.	.000
		N	383	383
	Organizational restructuring	Correlation Coefficient	.284**	1.000
		Sig. (2-tailed)	.000	.
		N	383	383
**. Correlation is significant at the 0.01 level (2-tailed).				

V. FINDINGS AND SUGGESTIONS

Satisfaction of employee in the organizational restructuring process is measured in terms of employee participation, job satisfaction, work environment, motivation or recognition and empowerment, depends on the results on these factors employee satisfaction also computed with organizational restructuring.

The hypothetic result suggests that there are relationships among employees' satisfaction and stated determinant factors: employee empowerment; employee work environment; employee motivation, employee participation, and employees job satisfaction in the organizational restructuring process; this indicates there is a strong relationship between organizational restructuring and employee satisfaction. Studies conducted by Hamsinah (2021), to assess the effects of organizational restructuring on employees performance, proven that both motivation and satisfaction have an impact on employee performance. Findings like as employee motivated, empowered, participated, satisfied on their job and work environment, employee satisfaction increased, correspondingly, the proper implementation of

organizational restructuring increases employee satisfaction in governmental organizations found in Ethiopia are observed in the study. According to these findings, organizations should have given emphasis to motivate, empower, participates employee, to be satisfied on their job and create conducive work environment for their employee, as these factors have a role for employee satisfaction in the organizational restructuring process.

CONCLUSION

The study on impact of organization restructure in employee satisfaction covers only governmental organizations found in Ethiopia. The result of the study indicates that factors determine employee satisfaction played a key role for employee satisfaction, and parallel to this it is impacted by organizational restructure.

While employees of an organization, especially in governmental organizations like a country Ethiopia motivated, participated, empowered, create conducive work environment they will have job satisfaction and it enhances the overall employees satisfaction in the organizational restructure and they will be motivated to support changes in their organization.

The study is limited to assess the impact of employee satisfaction on organizational restructuring only in governmental organizations implementing organizational restructure at least two times. To retain the employee satisfaction in an organization implementing organizational restructure, the organization have a responsibility to motivated, participated, empowered, create conducive work environment for the employees properly and asses the levels of employee job satisfaction periodically and closely communicate with the employee. Further researches could be give more focuses on the influential factors of employee satisfaction after and before organizational restructuring. It is recommended to assess the determinant factors for organizational restructuring in Ethiopia governmental organizations.



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APPENDIXES

Appendix 1: Summarised Spearman’s Rank-Order Correlation

			Correlations						
			Organizational restructuring	Employee Satisfaction	Empowerment	Work Environment	Employee Participation	Employee Motivation	Job Satisfaction
Spearman's rho	Organizational restructuring	Correlation Coefficient	1.000	.284**	.202**	.348**	.240**	.172**	.363**
		Sig. (2-tailed)	.	.000	.000	.000	.000	.001	.000
		N	383	383	383	383	383	383	383

	Employee Satisfaction	Correlation Coefficient	.284**	1.000	.385**	.380**	.260**	.457**	.459**
		Sig. (2-tailed)	.000	.	.000	.000	.000	.000	.000
		N	383	383	383	383	383	383	383
	Empowerment	Correlation Coefficient	.202**	.385**	1.000	.229**	.049	.045	.135**
		Sig. (2-tailed)	.000	.000	.	.000	.335	.380	.008
		N	383	383	383	383	383	383	383
	Work Environment	Correlation Coefficient	.348**	.380**	.229**	1.000	.075	.094	.234**
		Sig. (2-tailed)	.000	.000	.000	.	.140	.067	.000
		N	383	383	383	383	383	383	383
	Employee Participation	Correlation Coefficient	.240**	.260**	.049	.075	1.000	.088	-.006
		Sig. (2-tailed)	.000	.000	.335	.140	.	.084	.903
		N	383	383	383	383	383	383	383
	Employee Motivation	Correlation Coefficient	.172**	.457**	.045	.094	.088	1.000	.230**
		Sig. (2-tailed)	.001	.000	.380	.067	.084	.	.000
		N	383	383	383	383	383	383	383
	Job Satisfaction	Correlation Coefficient	.363**	.459**	.135**	.234**	-.006	.230**	1.000
		Sig. (2-tailed)	.000	.000	.008	.000	.903	.000	.
		N	383	383	383	383	383	383	383

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

Appendix 2: Total Variance Explained

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.331	25.385	25.385	5.331	25.385	25.385	3.106	14.789	14.789
2	2.967	14.129	39.513	2.967	14.129	39.513	3.040	14.479	29.267
3	2.332	11.103	50.617	2.332	11.103	50.617	2.437	11.603	40.870
4	1.893	9.016	59.633	1.893	9.016	59.633	2.292	10.914	51.784
5	1.628	7.753	67.386	1.628	7.753	67.386	2.266	10.792	62.577
6	1.147	5.461	72.846	1.147	5.461	72.846	2.157	10.270	72.846
7	.883	4.204	77.051						
8	.818	3.895	80.945						

9	.549	2.616	83.562						
10	.504	2.402	85.963						
11	.421	2.005	87.968						
12	.369	1.758	89.726						
13	.303	1.442	91.167						
14	.289	1.375	92.542						
15	.268	1.278	93.820						
16	.258	1.228	95.048						
17	.247	1.175	96.223						
18	.225	1.074	97.297						
19	.205	.977	98.274						
20	.187	.889	99.163						
21	.176	.837	100.000						

Extraction Method: Principal Component Analysis.

Appendix 3: Rotated Component Matrix<sup>a</sup>

	Rotated Component Matrix <sup>a</sup>					
	Component					
	1	2	3	4	5	6
Wenv5	.890					
Wenv3	.883					
Wenv4	.877					
Wenv1	.754					
Empar5		.913				
Empar3		.900				
Empar4		.875				
Empar1		.714				
Emot3			.898			
Emot4			.885			
Emot1			.830			
Emp6				.918		
Emp4				.916		
Emp1				.728		
ORRs5					.799	
ORRs4					.793	
ORRs7					.448	
ORRs1						
Josat3						.880
Josat4						.879
Josat1						.632

Extraction Method: Principal Component Analysis.  
 Rotation Method: Varimax with Kaiser Normalization.  
 a. Rotation converged in 6 iterations.

Appendix 4: model build

