Factors Influencing Employees' Job Satisfaction- The Case of Coffee Export Companies in Dak Lak Province

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Abstract The study aims to determine factors affecting the job satisfaction of employees in different coffee export companies in Dak Lak Province. The data was collected from 200 employees who are working for several coffee export companies in Dak Lak Province by using pre-designed questionnaires. The proposed model includes 6 components based on the researchers' scales of both Vietnamese and foreigners. It also is adjusted to be suitable for the actual situation of these coffee export companies in Dak Lak Province. The attained result has shown that there are 6 determinants causing the employees' job satisfaction: Co-workers, Training and Advancement, Income, Working conditions, The nature of work, Leadership. In which, Co-workers, Training and Advancement are the most important factors significantly affecting the job satisfaction of employees. The study also introduces several policies, which is the suggestion for the coffee export companies' managers in Dak Lak Province with the purpose of improving the performance of human resource management to gain the employees' job satisfaction.

Keywords Employees, job satisfaction, coffee export, human resource management

Introduction

Employees are one of the key factors for the enterprises and they are considered as an important contributor to the enterprises' success. Many domestic and foreign studies suggest that it is necessary to bring job satisfaction for employees. If the employees find satisfaction in working, they will be more motivated, and hence also on high performance and long-term commitment with their job. Vice versa, if they feel unsatisfied at work, this will lead to low labor productivity, which indirectly affects both physical and mental health. As a result, they will probably change their workplace and quit their job more frequently.

In Dak Lak Province, there are currently 11 enterprises participating in the sector of export coffee. They include 7 local ones, 3 FDI and 1 branch enterprise of Ho Chi Minh City. The quantity of exported coffee mainly focuses on a few enterprises such as: Dak Lak September 2nd Import – Export Company Limited, Dakman Vietnam Limited, Branch of Intimex Group Joint Stock Company in Buon Ma Thuot, and Nedcoffee Vietnam Company Limited.

In the past few years, the coffee export enterprises attention in Dak Lak Province has always focused on training, improving professional qualifications, and encouraging skilled workers working for their company. However, the influence of COVID-19 pandemic, it leads to the reduction of coffee export output. As a consequence, this partly affects the efficiency of business production as well as the management and administration of these coffee export enterprises. Thus, it is required these enterprises should put a realistic plan which is more suitable and effective into the action of human resource management. This will help the enterprises not only maintain but also attract a qualified workforce that has the complete dedication to work, leading to the contribution to improve these enterprises' competitive advantages as the current conditions.

To sum up, this study determines which factors affect the level of the employees' job satisfaction with the aim at introducing several policies that the employees are motivated to work harder.

Literature Reviews and Research Methodology
Literature Reviews
The Job Satisfaction
The level of employees' satisfaction is one of the criteria to judge the success of many enterprises. There are various definitions of job satisfaction. According to Locke and E.A. [5], job satisfaction is the state of pleasant emotion experienced from a result of job appraisal that a person achieved or facilitated to have values of work. It means that job satisfaction is measured by the personal feelings of whom doing this job. If there are positive feelings about the job, it will probably be their job satisfaction level running high. By contrast, if their feelings come into negatively, they will have problems with their current job altogether with the feeling of frustration. According to Spector and P.E. [10], job satisfaction is simply that how people feel like about their jobs and their aspects, while Price and J.L. [8] believe that job satisfaction is the positive emotional orientation of employees to the enterprise. Ellickson *et al*. [7] argue that job satisfaction is generally defined as the level of real passion for the job that the employees devote to do. It is the attitude based on the employee's feelings (positive or negative) toward their job or working environment. Clearly, the higher the working environment meets employee's demands, values, and personalities, the higher is the level of their job satisfaction. According to Luddy and L. [6], job satisfaction is caused for the influence of factors carrying personal characteristics of employees or the employer's impacts on the employees' feeling of job aspects. According to Kreitner *et al.* [4], job satisfaction mainly reflects the degree of enjoying doing the job of employees. Robbins *et al.* [9] described job satisfaction as a positive or negative emotion associated with a job. An individual felt very satisfied with the work, which leads to a positive emotion, whereas the employee failed to satisfy, it will leave that person with a negative feeling about the job. According to Dao Trung Kien *et al.* [2], job satisfaction is seemed satisfying with specific aspects or overall one about the job.

As a consequence, there are many different definitions of job satisfaction. This study supposes that the employee's satisfaction is their feelings when the work is able to satisfy their demands and desires. If these requirements related to the needs are fulfilled, a sense of satisfaction of the employees will increase and vice versa.

Research Model
Models to evaluate job satisfaction are also developed by authors quite early. Factors affecting job satisfaction can be divided into two main areas. They include personal determinants and organizational factors. Smith *et al.* [11] of Cornell University have constructed the Job Discriptive Index (JDI) and it is widely accepted in terms of theory and practice. The JDI model is seen as including clear concepts, providing fundamentalist and reliable definitions. For measuring job satisfaction, the JDI model should also be taken into consideration as a well-chosen tool. There are five factors considered by this JDI model for the measurement including (1) The nature of suitable work, (2) Training and Advancement opportunities, (3) Income, (4) Leadership, (5) Co-workers. In Vietnam, the research by Tran Kim Dung [1] shows the seven factors affecting job satisfaction of employees conducted in Ho Chi Minh City. They are the nature of work, training and advancement, wages, leadership, colleagues, welfare and work conditions.

Based on the JDI model created by Smith *et al.* [11], the model of Tran Kim Dung [1] and the qualitative research findings, the model researching the factors impacting job satisfaction of employees at the coffee export companies in Dak Lak Province is proposed regarding to: i) The nature of work, ii) Working condition, iii) Income, iv) Leadership, v) Co-workers, v) Training and Advancement. The proposed research model is shown in Figure 1.
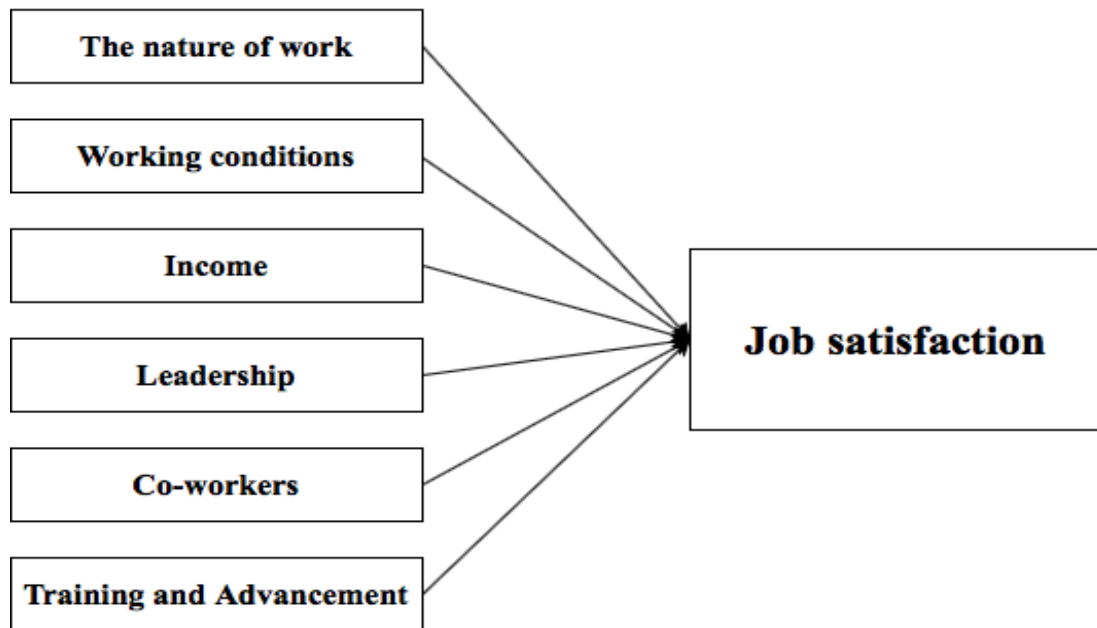
Figure 1: The proposed research model

The hypotheses are predicted to test the influence of factors on employee satisfaction, including:

H_1: The nature of work influences the job satisfaction of employees at coffee export companies in Dak Lak Province positively.

H_2: Working conditions have a positive impact on the employee's job satisfaction at coffee export companies in Dak Lak Province.

H3: Salary affects the employee's job satisfaction positively at coffee export companies in Dak Lak Province.

H4: Leadership has a positive influence on the employee's job satisfaction at coffee export companies in Dak Lak Province.

H5: Co-workers produces a positive effect on the employee's job satisfaction at coffee export companies in Dak Lak Province.

H_6: Training and advancement make a positive impact on the employee's job satisfaction at coffee export companies in Dak Lak Province.

The research model and hypotheses will be tested through regression analysis. The regression equation is shown as: $Y = b + a_1X_1 + a_2X_2 + a_3X_3 + a_4X_4 + a_5X_5 + a_6X_6$

In which: Y represents the job satisfaction of employees (JobS); X_1, X_2, X_3, X_4, X_5, X_6 are the variables describing the nature of work (NW); working conditions (WkC), Income (Inc), leadership (L), co-workers (CoW), training and advancement (TaA) respectively in the regression.

Research Methodology

Sampling

This study selected the sample according to the minimum rule, ensuring the reliability of the data. According to Hair *et al*. [3], the minimum sample size should be 100. Hoang Trong and Chu Nguyen Mong Ngoc [12] argue that the sample size requires 4 or 5 the size of observed variables. According to this rule, the study has 24 observations that need to be analysed, so the minimum sample size of this study is 24 x 5 = 125. To ensure reliability, the author selected a sample size for the study including 200 employees by the method of convenience non-probability sampling.

Analysis Method

This study follows 2 major steps: preliminary research by using qualitative method and further research by quantitative method. The preliminary research includes group discussion and test-interview techniques with the purpose of adjusting and supplementing to the scale. Further research is conducted by a quantitative method

which used the technique of data collection through asking employees who work for the coffee export companies in Dak Lak Province to complete the pre-designed questionnaires. The data collected will be performed using the SPSS statistical software. The scale after being evaluated by the reliability assessment method based on Cronbach's alpha coefficient, exploratory factor analysis EFA, multiple regression analysis is used to test the model.

Research Findings

The Scale's Reliability Evaluation

Before analysing factors, it is necessary to judge the suitability of the data for factor analysis. According to many researchers, a scale with Cronbach's Alpha coefficient from 0.6 to above is usable. The results of testing the scale's reliability in this study showed that there are 7 scales ensuring the statistical reliability, shown in the following table:

Table 1: The results of testing the scales by Cronbach's Alpha

N_0	Scale	Cronbach's Alpha
1	Current job	0.693
2	Working conditions	0.667
3	Salary and Income	0.817
4	Leadership	0.706
5	Co-workers	0.682
6	Training and Advancement	0.765
7	Job satisfaction	0.736

The Exploratory Factor Analysis (EFA)

With 24 observed independent variables included in the EFA by the method of "Principal Component" extracting factors and the orthogonal rotation "Varimax", there are 23 variables left after 2 rotation times. Barlett's test results gave a sig. of < 0.005 and KMO coefficient of 0.696 > 0.5 met the requirements. The eigenvalues is 1.599 > 1, the total variance extracted is 59% > 50%, hence it explains 59% of the variation of the data. This shows that the observed independent variables have a significant correlation between running the EFA. There are 6 groups of factors extracted.

Table 2: The EFA's results

Factors	Factor loadings					
	1	2	3	4	5	6
Inc2	0.846					
Inc4	0.794					
Inc1	0.790					
Inc3	0.767					
TaA1		0.787				
TaA2		0.763				
TaA3		0.748				
TaA4		0.723				
L2			0.768			
L3			0.720			
L4			0.698			
L1			0.661			
NW1				0.780		
NW2				0.748		
NW3				0.679		
NW4				0.643		
CoW2					0.743	
CoW3					0.713	
CoW1					0.692	
CoW4					0.671	
WkC1						0.822
WkC3						0.742
WkC2						0.738

The Correlation Analysis between Variables' Results in the Research Model

The linear correlation between the dependent variable (Y) and each independent variable (X_1, X_2, X_3, X_4, X_5, X_6) through the correlation matrix with the Pearson correlation coefficient test value. The analysis results show that the job satisfaction of employees (Y) is linearly correlated with 6 independent variables, including: X_1 (The nature of work), X_2 (Working conditions), X_3 (Income), X_4 (Leadership), X_5 (Co-workers), X_6 (Training and Advancement) because they all have Sig. < 0.05.

Linear Regression Analysis Results

From the results of multivariable regression, the linear regression equation measuring the level of job satisfaction of employees (Y) at coffee export companies in Dak Lak Province is determined as follows:

JobS = 0.203 NW + 0.059 WkC + 0.293 Inc + 0.053 L + 0.193 CoW + 0.359 TaA

Table 3: The regression analysis output

Regession		Non-standardized coefficients		Standardized coefficients	t Stat	Sig	Multicollinearity	
		B	Standard Error	Beta			Acceptability	VIF Coefficient
1	Intercept	-0.374	0.309		-1.211	0.227		
	X_1	0.217	0.062	0.203	3.525	0.001	0.699	1.431
	X_2	0.060	0.050	0.059	1.214	0.226	0.972	1.029
	X_3	0.284	0.059	0.293	4.832	0.000	0.632	1.582
	X_4	0.053	0.055	0.053	0.971	0.333	0.787	1.270
	X_5	0.205	0.052	0.193	3.926	0.000	0.963	1.039
	X_6	0.362	0.061	0.359	5.938	0.000	0.635	1.576
Adjusted R^2: 0.562								
Sig of ANOVA: 0.000								
F Statistic (ANOVA): 41.385								
Durbin – Watson Coefficient: 2.211								

The output of ANOVA variance analysis showed that the F statistic was 41.385 with sig = 0.000 which proves the regression model is suitable for the data. The coefficient of Durbin-Watson is 2.211 < 2.5, displaying that there is no correlation between the variables in the model. The VIF coefficients of all variables are < 10, indicating that there is no multicollinearity phenomenon. The adjusted R^2 coefficient is 0.562, demonstrating that 56.2% of the variation of the dependent variable is explained by the independent variables. All the regression coefficients have a positive sign (+), indicating that the independent variables have a positive relationship with job satisfaction. In the six hypotheses originally proposed, all of them were accepted. They are arranged in order of the influence's degree from high to low as follows: 1) co-workers, 2) training and advancement, 3) income, 4) working conditions, 5) the nature of work and 6) leadership.

The findings represent that the employees must always communicate and cooperate with co-workers during the working process in order to successfully complete their job in the enterprise. Hence they have an appreciation of the co-worker factor. In addition, the employees have a need for self-expression, so they tend to appreciate training and advancement factors. To maintain a standard of living for themselves and their families, the employees always pay much attention to the income factor. The higher the income, the more sufficient and the happier the employee's living standard will be. Moreover, the employees are also interested in the working condition factor related to the safety of workplace and the equipment item for work. Being able to do the employees dream job to the best of their abilities, it also affects job satisfaction. Finally, the employees always expect to be treated with respect to the achievement in their leadership's role to entirely devote themselves to do the job.

Management Implications

In terms of Co-workers

The Co-workers factor has the greatest influence on the job satisfaction of employees at coffee export enterprises in Dak Lak Province. In order to achieve this success, the coffee export companies in Dak Lak Province aim to encourage teamwork. Among employees are willing to help and cooperate with each other to work effectively, avoid stress in their relationships, create a friendly working environment and strengthen their close relationships among employees. Moreover, it is necessary for these companies to stimulate leisure activities (such as: sports, arts, etc.) to foster mutual understanding between employees. In addition, they are required to create the company culture based on a prevailing set of cultural values which bring benefits for the company, the community and the society. This is because these values, it will closely connect the employees with the company, help motivate the employees' spirit, heighten positive feelings while working.

In terms of Training and Advancement

The factor of Training and Advancement is the second one affecting on the employees' job satisfaction. The coffee export companies in Dak Lak Province should encourage their employees entering higher education to broaden the skill level while the employees should be given training derived from real desires and growth trends of each job. The companies also need to provide opportunities for qualified individuals to be made a show of their strengths, be devoted to the company and be promoted at work. It is essential for the coffee export companies to establish a fair and attractive strategy for the advancement for the employees to make great efforts on working. In which these companies should set proper standards which are suitable for the tasks, the situations and the trend of advancement in future. Simultaneously, this strategy should be announced publicly to the employees in order to encourage their work effectively according to the strategy's standards. In addition, the process of offering advancement is necessarily needed to be apparent as well as emotional restriction to guarantee fairness. Moreover, there are other strategies that need to be considered to demonstrate the best of employees' abilities, such as the policy development on the employees' skills and qualifications, long-term strategy on the employees' recruitment which ensures the right working position fit for the employees.

In terms of Income

The third factor impacting the employees' job satisfaction is income. The coffee export companies in Dak Lak Province should not only follow a policy on payment based on the employees' working performance but also define clear standards in salary structure, as well as job evaluations. There is a requirement for these companies to work out various effective solutions which have brought well-deserved rewards for the employees' efforts. They also need to regularly review their regulations of allowance and compensation payments to provide the employees sufficient incomes policy which ensures fairness and proving an attraction for showing the employees' enthusiasm at work. These amounts of payments must be allocated effectively for those employees who are really deserved and fully recognized by their manager and co-workers.

In terms of Working conditions

Working condition is the fourth factor that showed the effect on job satisfaction of the employees. The coffee export companies in Dak Lak Province should arrange reasonable working hours for each department. In order to improve working conditions for the coffee export companies that have certain peculiarities about the production process, they need to set up a large factory, ensure the featured safety of working, and limit poisonous substances affecting the workers' health such as noise and dust reduction in the manufacture, lighting arrangement which reaches the quality standards, etc.

In terms of the nature of work

The nature of work is an additional factor that ranks fifth among those influencing the employees' job satisfaction. The coffee export companies in Dak Lak Province should seriously consider the greater suitability of individuals for the work and the challenges facing in the employees' job because of the peculiarities about processing and exporting coffee, the differences between work situations. If the employees have an interesting

job which is perfectly suitable to their experiences as well as personalities, they will find tremendous satisfaction from doing that job; otherwise, they will be unable or fail to satisfy.

In terms of Leadership

This is the last factor affecting the job satisfaction of employees at the coffee export companies in Dak Lak Province. To improve the satisfaction of employees, the role of leaders is very important. The support and encouragement of leaders for their junior employees and workers will definitely make all members of staff in the companies feel deep respect and admiration for the way they treat, which leads the employees got a sense of satisfaction about their tasks. Thus, the coffee export companies should draw up feasible plans and make carefully elect candidates to the leadership team members who have professional competence and the capacity of human management. There is a need for these companies to usually run the job-related training courses for the leaders, especially the Team Leaders/Department Heads.

Conclusion and Research's Limitations

The study applies qualitative and quantitative research methods to analyze the job satisfaction of employees at coffee exporting companies in Dak Lak Province. The results show that there are six determinants which ranked from high to low according to the influence level as follows: 1) Co-workers, 2) Training and Advancement, 3) Income, 4) Working conditions, 5) The nature of work and 6) Leadership. Based on these research findings, the author has proposed some possible solutions to the management of the coffee export companies in Dak Lak Province in order to improve the employees' job satisfaction level. There are some limitations in this study as follows: (1) This study only has practical value for the coffee export companies in Dak Lak Province. (2) The study was carried out by the convenient sampling method; thus, it is not completely objective and making a broad generalisation about the influence factors on job satisfaction. (3) The study has not examined other factors affecting the employees' satisfaction such as: the enterprise culture, the empowerment, evaluating employees' performance and, their personalities, a base of support from their family and other issues which can be open to suggestions for further studies.

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