



A study on employee's job satisfaction and productivity of Small and Medium Sized Enterprises (SMEs) in Sangamner Tehsil

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DOI - 10.5281/zenodo.20474452

Abstract:

Small and Medium Enterprises (SMEs) are vital contributors to the Indian economy, fostering employment, innovation, and domestic investment. In Sangamner Tehsil, SMEs play a crucial role in driving local development and economic growth. Job satisfaction within these SMEs is of paramount importance, as it significantly influences productivity.

This study explores the relationship between job satisfaction and productivity among SMEs in Sangamner Tehsil. Several factors, such as work processes, job security, job autonomy, working conditions, and compensation, are identified as key influencers of job satisfaction. The primary objectives of this study include analysing employee profiles within SMEs, identifying factors influencing job satisfaction, and examining the correlation between job satisfaction and productivity in Sangamner Tehsil. The study encompasses a diverse range of SMEs from various sectors, investigating the impact of job satisfaction on productivity as well as other business metrics like employee turnover, financial performance, and customer satisfaction. Ultimately, the goal is to identify strategies that enhance both job satisfaction and productivity, providing valuable insights for SMEs in Sangamner Tehsil and similar regions.

This research contributes to a deeper understanding of the critical role that job satisfaction plays in the productivity and overall success of SMEs in Sangamner Tehsil.

Keywords: Job satisfaction, Productivity, MSMEs, Economic Growth, Employment

Introduction:

Small and Medium Enterprises (SMEs) have long been an important part of the Indian economy, playing an increasingly important role in the country's economic growth. As small business owners, they are responsible for generating employment, promoting innovation, and encouraging domestic investments. As such, SMEs are fundamental to the development and sustained growth of the Sangamner Tehsil. As such, job satisfaction within SMEs in the Tehsil is critical and can have a significant impact on productivity. Job satisfaction is defined as the level of contentment workers experience when it

comes to their tasks, environment, and relationships at work. Positive job satisfaction among employees can lead to higher productivity, since workers are more engaged in their job. Employees who are motivated and satisfied with their job are more likely to produce more and better quality work while requiring fewer resources. Conversely, employees who are dissatisfied with their job demonstrate lower work productivity, leading to decreased efficiency and profitability. There are several factors that can influence job satisfaction in SMEs in Sangamner Tehsil. These include work processes, job security, job autonomy, working conditions, and

compensation. A well-designed work process is an important factor for employee satisfaction, as employees will be more likely to stay engaged if the tasks are organized and meaningful. Adequate job security is also essential, as it encourages SME employees to dedicate their time and energy into the job without fear of job loss. Job autonomy is beneficial in terms of allowing employees to take initiative and have more control over the work they do. Working conditions are also relevant, as a pleasant workspace and encouraging atmosphere can contribute to job satisfaction.

This study investigates the relationship between job satisfaction and the productivity of Small and Medium-Sized Enterprises (SMEs) in the Sangamner Tehsil. The objective of this study is to collect empirical evidence that either supports or refutes the hypotheses regarding the relationship between job satisfaction and productivity.

Review Of Important And Relevant Literature On The Study:

- 1) (Kulkarni, 2019) Stated in their study entitled “**Case Study On An Indian Sme: Nikash Cnc Engineers Pvt. Ltd.**” This study illustrates the actuality of a SME organization. Nikash CNC Engineers Pvt. Ltd. engages in the production of machined components. Nikash has worked for improvement with a commitment to holistic well-being. SMEs in this region confront a variety of challenges in managing their employees, including high employee attrition, a migrant workforce, economic constraints, political and geographical constraints, etc. With an emphasis on overall wellness, Nikash has engaged its employees through various initiatives such as Appreciation Cards, KRA & KPI indices, Suggestion schemes, Educational support, Healthy cuisine, Open communication, Knowledge sharing, Training, etc.
- 2) (Perengki Susanto, 2022) Stated in their study entitled “**Work-Life Balance, Job Satisfaction, And Job Performance Of Smes Employees: The Moderating Role Of Family-Supportive Supervisor Behaviors.**” This study examines the effect of work-life balance on the performance of employees in small and medium-sized enterprises (SMEs), as well as the moderating role of job satisfaction and the mediating role of family-supportive supervisor behaviours. The authors have created a conceptually mediated-moderated model of the relationship between work-life balance and job performance. Authors collected data from SMEs and tested the research hypothesis and model using SEM-PLS. The empirical findings indicate that work-life balance influences job satisfaction and performance positively. In addition, their empirical findings revealed that job satisfaction partially mediates the association between work-life balance and job performance. When FSSB interacts with work-life balance and job satisfaction, it moderates the relationship between work-life balance and job performance, as well as the relationship between job satisfaction and job performance. Consequently, our findings provide valuable and thrilling insights for future research and practice.
- 3) (Dr. C. Somahekher, 2021) Stated in their study entitled “**Structural And Contextual Determinants Of Job Satisfaction Among Industrial Workers.**” The purpose of this research was to experimentally explore and determine the elements that lead to worker satisfaction in the manufacturing sector within the underdeveloped area of Gulbarga, located in the state of Karnataka. The primary focus of the research was to examine the potential consequences of organizational structural

aspects, such as size, centralization, and formalization, on employee happiness. Additionally, the study aimed to investigate the influence of personal background variables on work satisfaction. Based on the results of the research, a significant majority of employees employed in the manufacturing industry express satisfaction with their employment. The findings suggest that smaller enterprises exhibit characteristics such as informality, cohesiveness, and integration, which contribute to a working environment that is more conducive and beneficial for employees. As a result, workers in these organizations have higher levels of job satisfaction. The study revealed that social background significantly impacts the degree of job satisfaction among younger individuals employed in the industrial sector. The study utilized chi-square and C tests to examine the association between the dependent and independent variables and the level of job satisfaction. The findings indicate a significant relationship between the level of job satisfaction among workers in the manufacturing sector and the organizational and personal background variables.

Objectives Of Research Paper:

Objectives of the study are as follows:

- 1) To study the employee profile of SMEs in Sangamner Tehsil.
- 2) To identify the factors that influence job satisfaction in SMEs in Sangamner Tehsil.
- 3) To study the relationship between job satisfaction and productivity of SMEs in Sangamner Tehsil.

Scope Of Study:

The scope of this study into the relationship between job satisfaction and

productivity in SMEs in Sangamner Tehsil is extensive. It will include a wide variety of SMEs operating in various sectors within the Tehsil, providing a comprehensive perspective on the subject. The investigation will get into a variety of aspects of job satisfaction, including compensation, work environment, organizational culture, and opportunities for growth, among others, as well as their respective effects on productivity levels. In addition, the study will investigate the impact of job satisfaction on other relevant business parameters, such as employee turnover, financial performance, and customer satisfaction. The ultimate objective is to identify strategies that can be implemented to increase job satisfaction and productivity. This study is significant not only for small and medium-sized enterprises (SMEs) in the Sangamner Tehsil, but also for other similar regions, as it provides valuable insights into employee satisfaction and its crucial role in achieving business success.

Research Methodology:

The aim of the study is to analyse the employee's job satisfaction and productivity of Small and Medium Sized Enterprises (SMEs) in Sangamner Tehsil.

Universe And Sample Size:

The whole Sangamner Tehsil is selected for present study. Hence Sangamner Tehsil is a universe for present research work. For the purpose of proposed research work, a random sampling method will be used.

There are 29 small and 07 medium sized enterprises in Tehsil. But for the convenience of research the researcher has selected 02 small and 01 medium sized enterprises as a sample for the study. i.e., Nagar, Parner, Shrirampur, Sangamner these enterprises are selected as a sample.

Samples:

Sr. No.	Areas	Tehsils	Total SMEs of Selected Tehsils		Selected SMEs	
			Small	Medium	Small	Medium
1	Rural	Sangamner	29	07	02	01
Total			29	07	02	01

Selected Respondent:

Sr. No.	Areas	Tehsils	Selected Employees		Selected HRP's of Selected Tehsils	Selected Managers of Selected Tehsils	Selected Industry Experts of Selected Tehsils
			Small	Medium			
1	Rural	Sangamner	5 * 02 = 10	5 * 01 = 05	1	1	1
Total			10	05	01	01	01

Data Analysis & Interpretation:

Data Interpretation Based on the Provided Questionnaire: This data interpretation section aims to analyse the responses to the provided questionnaire and draw conclusions related to job satisfaction and productivity within the Small and Medium Enterprises (SMEs) in Sangamner Tehsil.

1) Overall Job Satisfaction in SMEs: Respondents were asked, "Overall, how satisfied are you with your job in this SME?"

- A significant percentage of employees expressed moderate to high satisfaction with their jobs, suggesting that SMEs in Sangamner Tehsil maintain an acceptable level of overall job contentment.
- However, a minority of respondents indicated dissatisfaction, possibly linked to specific job roles, working conditions, or personal expectations. Further investigation is needed into specific departments or roles to better address this dissatisfaction.

2) Satisfaction with Working Conditions: Regarding satisfaction with working conditions (e.g., physical environment, tools, and resources):

- A majority of respondents were generally satisfied with the working conditions, indicating that most SMEs provide adequate environments for employees.
 - A notable percentage of respondents expressed some dissatisfaction, often citing outdated equipment, cramped spaces, or lack of essential resources as the primary concerns.
- 3) Satisfaction with Compensation:** The question, "How satisfied are you with your current compensation (salary, bonuses, etc.);" revealed mixed responses:
- While many employees were moderately satisfied with their pay, a significant proportion felt that their compensation did not match their job responsibilities or market standards.
 - This dissatisfaction with pay was especially prevalent among employees in smaller SMEs, where financial constraints may limit salary increases or bonuses
- 4) Satisfaction with Benefits:** Responses to "How satisfied are you with the benefits offered by your employer (e.g., health benefits, leave policies)?" highlighted:
- Many employees were satisfied with the leave policies and health benefits provided.

- However, there was a desire for more comprehensive benefits packages, such as better healthcare coverage and retirement plans, particularly among medium-sized SMEs where expectations for benefits tend to be higher.
- 5) Frequency of Feedback:** When asked, "How frequently do you receive feedback on your performance from your supervisor?":
- Employees appreciated regular feedback, with many respondents indicating they received feedback at least monthly.
 - A subset of respondents expressed dissatisfaction with the infrequent feedback they received, suggesting that improved communication and performance review processes could enhance job satisfaction.
- 6) Motivating Factors:** In response to the question, "What factors motivate you the most in your current job?":
- Many employees cited job security, opportunities for growth, and recognition as key motivators.
 - Some respondents also highlighted work-life balance and the organizational culture as critical motivational factors, emphasizing the importance of a supportive work environment.
- 7) Impact of Job Satisfaction on Productivity:** Most respondents agreed that their level of job satisfaction directly influenced their productivity. Employees who were satisfied with their jobs tended to exhibit higher productivity levels, while those dissatisfied reported lower efficiency and a lack of motivation
- 8) Resources and Tools:** To the question, "Do you feel that you have the necessary resources and tools to perform your job effectively?":
- Many employees felt adequately equipped to perform their tasks, especially in medium-sized SMEs where investment in tools and technology is often higher.
 - A minority of respondents expressed the need for better resources, particularly in smaller SMEs, where budget constraints may impact the availability of necessary tools.
- 9) Satisfaction with Organizational Management:** In response to "How satisfied are you with the overall management of your organization?":
- There was a mixed response, with some employees expressing satisfaction due to strong leadership and clear communication, while others felt that management could improve in areas like transparency and decision-making.
- 10) Opportunities for Professional Development and Training:** Responses to "Does your organization provide opportunities for professional development and training?" showed:
- Many respondents acknowledged the presence of professional development opportunities, especially in medium-sized SMEs.
 - In smaller enterprises, however, there was a perceived lack of training and development programs, which could limit career advancement and job satisfaction.
- 11) Support for Work-Life Balance:** Lastly, responses to "How would you rate your organization's support for work-life balance?" indicated:
- Employees valued a good work-life balance, with many expressing satisfaction in this area. Policies such as flexible working hours and leave options were appreciated.
 - Nonetheless, some respondents felt that work-life balance could be improved, particularly in SMEs with higher workloads or understaffed departments.
- Limitation Of Study:**
- 1) The study period is only limited to 2021 to 2026.

- 2) Only selected SMEs will study present work by using sampling methods.
- 3) Only the relationship between job satisfaction and its impact on productivity will be studied under present study.
- 4) Other financial performance will not be deeply studied.

Conclusions:

From this data interpretation, it is evident that job satisfaction plays a critical role in the productivity of SMEs in Sangamner Tehsil. While most employees express a moderate level of satisfaction, there are areas for improvement, particularly in compensation, feedback frequency, and resource availability. Medium-sized enterprises generally perform better in terms of benefits and development opportunities, but smaller SMEs face challenges due to financial limitations.

To enhance job satisfaction and, consequently, productivity, SMEs should consider the following strategies:

- 1) **Improve Compensation Packages:** SMEs should regularly review their compensation structures to ensure they are competitive and reflective of employees' roles and contributions.
- 2) **Enhance Work Environment:** Ensuring up-to-date tools and resources can boost employee satisfaction and productivity.
- 3) **Provide Regular Feedback:** Establishing a consistent performance review process can help employees feel valued and aligned with organizational goals.
- 4) **Expand Professional Development Opportunities:** Offering training and growth opportunities can motivate employees and improve job satisfaction.
- 5) **Promote Work-Life Balance:** SMEs should continue to implement and expand policies that support work-life balance, such as flexible work hours.

These initiatives can create a more satisfied workforce, leading to higher productivity and business success in the long term.

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