

## CHAPTER ONE

### INTRODUCTION AND OVERVIEW OF THE STUDY

#### 1.1 INTRODUCTION

In today's fast-moving business environment, Egyptian textile organizations are facing many factors that threaten their performance and existence. Globalization, global financial crises, and international competition are factors that any organization must be able to handle effectively (Cascio, 1995; Hackett and Kline, 1998). One of the most important success factors of any organization is the employees themselves, who are seen as an organization's most crucial asset and its most valuable resource, since organizational goals can only be achieved through their efforts (Eskildsen and Dahlgardm, 2000). Therefore, the growth and existence of any organization mainly depend on the way the organization treats its employees, accordingly the great importance of the human factor creates a demand for ways to keep employees within the organization and to be able to motivate them. As according to Eskildsen and Dahlgard, *“without satisfied and motivated employees it is impossible to produce world-class products and impossible to achieve satisfied and loyal customers.”* (2000: 1082).

In the past decades, many efforts have been made by researchers and organizational psychologists to explore the relationship between job satisfaction, work attitudes and behaviors, and most of these efforts have revealed a significant relationship between employees' job satisfaction and these factors. According to the managerial literature, positive job satisfaction has been related to low turnover (Hulin, 1968; Porter and Steers, 1973; Gruneberg, 1979; Arnold and Feldman, 1982; Futrell and Parasuraman, 1984;

Hollenbeck and Newman, 1986; Carsten and Spector, 1987; Allen and Meyer, 1990; Tett and Meyer, 1993; McNeese-Smith, 1996; Blankertz and Robinson, 1997; Griffeth *et al.*, 2000; Tang, 2000), increasing productivity (Agho *et al.*, 1993; Kitchell *et al.*, 2001), higher employee morale (Porter *et al.*, 1973), affective well-being (Cropanzano *et al.*, 1993; Lu, 1999; Cropanzano and Wright, 2001), increasing organizational commitment (Porter *et al.*, 1974; Tett and Meyer, 1993) and creating a positive work environment (Lambert *et al.*, 2001). There is also some evidence to suggest a positive relationship between job satisfaction and performance, particularly among professionals and managers (Herzberg, 1966; Gruneberg, 1976; Petty *et al.*, 1984; Harter *et al.*, 2001; Judge *et al.*, 2001).

On the other hand, work dissatisfaction can negatively affect work behavior. For instance, dissatisfaction was found to increase the intent to turnover (Hulin, 1968; Waters and Roach, 1971; Porter and Steers, 1973; Newman, 1974; Gruneberg, 1979; Arnold and Feldman, 1982; Bluedorn, 1982; Michaels and Spector, 1982; Futrell and Parasuraman, 1984; Hollenbeck and Williams, 1986; Carsten and Spector, 1987; Agho *et al.*, 1993; Blankertz and Robinson, 1997; Spector, 1997), and increase tardiness and absenteeism (Hrebiniak and Roteman, 1973; Brooke *et al.*, 1989; McElroy *et al.*, 1995). The literature also illustrated that job dissatisfaction can have a devastating effect as it enhances inefficiency, strikes, violence, and sabotage (Spector, 1997; Analoui and Kakabadse, 2000).

Accordingly, job satisfaction with its all positive effects definitely forms an important element of human resource maintenance and, as a result, it deserves management's concern (Wood *et al.*, 1998). Therefore, one of the greatest challenges for any

management is to find out the factors that affect employee job satisfaction and use them to motivate the workforce. Consequently, employers and policy makers need to be aware of how to motivate and satisfy their workforce, especially managers who represent the most valuable human resource and which is critical to the organization's success. Hence, understanding the job satisfaction of managers and understanding what motivates them must be the primary concern of both management and policy makers.

## **1.2 STATEMENT OF THE RESEARCH PROBLEM**

To shed light upon the research problem, there are three different points that must be highlighted. These points are discussed below.

First, because human satisfaction and motivation are a complex phenomena, many managerial theories have been developed over the past decades to explore and explain them. Since the early 1920s, many serious attempts have been made by numerous researchers to help organizations to identify and understand how to motivate their employees and how to guarantee and increase their satisfaction. These attempts began with the Hawthorne Studies (1920) which argued that happy (satisfied) workers are often more productive workers (Carrell *et al.*, 1997). These were followed by many theories which had different approaches in describing the factors and the processes that were involved in shaping employee motivation and job satisfaction. However, one of the major problems with the current motivation and satisfaction theories and models is that most of these theories and the data used have been developed, evaluated, and tested in developed countries. Therefore, they are more suitable for the structures, values, and behavior of people of the developed countries, but its appropriateness for people of the developing countries is questionable; accordingly, their suitability for less developed

countries is largely indefinite (Smith and Bond, 1993). Therefore, with the difference in cultural background of Egyptian managers, it is apparently questionable whether the different motivation and satisfaction theories which were mainly developed and tested in developing countries could be practised in a developing country like Egypt with equal efficiency. Hence, it can be expected that motivation and satisfaction factors that are related to Egyptian managers may differ from those of managers in the developed countries.

Second, an extensive search of the relevant literature in the Egyptian management libraries revealed an inadequate amount of helpful research on the issue of job satisfaction and motivation in Egypt in general and in the textile industry in particular, and no research was found regarding job satisfaction and motivational needs of top managers.

Therefore, the question that is still without an answer is: what motivates top managers in the Egyptian textile industry? First and foremost, what influences the level of job satisfaction and work motivation of top managers and how individual characteristics (including gender, age, education, rank, experience, and tenure) may affect their levels of job satisfaction and their motivational needs. By answering these questions, a deeper understanding of the Egyptian managers' attitudes and behaviors can be gained which, in turn, could have a positive monetary effect on textile organizations.

Finally, from a practical point of view, in spite of the importance of the textile industry in Egypt as the third largest industrial sector after the oil and chemical sectors, and its contribution in solving the unemployment problem as it absorbs one third of the Egyptian labor force, the industry is suffering from low productivity due to high levels of turnover and absenteeism. Practically, it leads all Egyptian industries in employment turnover and absenteeism, which is having a negative effect on its profitability.<sup>1</sup> Furthermore, during its long history, the textile industry has suffered from many strikes, especially within the public sector companies. The biggest strike was in December 2006 when 27,000 workers at the ‘Misr Textile Company’ (the largest textile company in the world) went on strike to express their dissatisfaction with pay, non-payment of bonuses and the blackout of their company policies. The losses to the company due to this strike were estimated at 2.5 million Egyptian pounds.<sup>2</sup> These problems can be avoided by exploring and understanding what motivates managers and what factors can affect their job satisfaction. Therefore, this study is an attempt to fill the gaps and remedy the shortcomings in the managerial literature by improving our understanding of job satisfaction and work motivation of Egyptian textile managers and determining the impact of their personal, organizational, and the cultural factors on their job satisfaction and motivational needs.

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<sup>1</sup> An interview with the vice-president of the export and trading unit at the Egyptian Ministry of Trade and Industry (13/5/2008).

<sup>2</sup> An interview with the head of the production sector at Misr Textile Company (20/4/2008).

### **1.3 THE IMPORTANCE AND SIGNIFICANCE OF THE STUDY**

This study derives its importance from the following points: Firstly, managers play a vital role in the success of any organization as they are increasingly seen as a life-giving element in any organization (Blunt, 1986), and they represent the most valuable human resource which is considered as the key factor for an organization's success.

However, there appears to be a huge gap in the managerial research relating to the area of motivation and job satisfaction in Egypt, both in terms of what already exists and what is actually needed, especially at the managerial level in the textile industry. Therefore, this study adds to the limited field of research on job satisfaction within the Egyptian business context in general and textile industry in particular, and introduces new knowledge to the academic literature on what motivates and affects the job satisfaction of Egyptian managers. It is hoped it will reveal invaluable information which is needed to fill the gap on the critical factors that influence job motivation and levels of job satisfaction of Egyptian textile managers.

Secondly, this research is valuable because it has a practical and humanistic application as well, as it gives a better understanding of the Egyptian managers' satisfaction which will in turn lead to improve managers' organizational behavior and attitudes. Moreover, from a humanistic point of view, Lock (1976) argues that employees job satisfaction can affect their attitude toward life, family, and toward themselves. Additionally it may have an impact on their physical and mental health.

Thirdly, by understanding motivational and satisfaction issues of textile managers, an organization can develop effective strategies to deal with various behavior and motivational problems. Furthermore, the results of this study may also be of interest to other researchers, human resource departments, policy makers, and other research institutions that are interested in the behavior of Egyptian managers. It can also be used as a base and guideline for further researches in Egypt, as well as other Arabic and developing countries with similar backgrounds.

Finally, Egypt as a developing country has dedicated itself to expand its economy and to enhance its productivity. The textile industry is known as the backbone and the steering power for the Egyptian economy, and therefore any factor that might influence its performance should be investigated. Hence, this study reveals invaluable information required to motivate managers who are ultimately responsible for the success of this industry, which may enhance their work performance and effectiveness. This in turn will be beneficial to the Egyptian economy and its development plans.

#### **1.4 RESEARCH OBJECTIVES**

The main objective of this study is to explore the motivation and job satisfaction of the Egyptian senior and middle managers. The sub-objectives are to explore:

1. The present overall job satisfaction of senior and middle managers.
2. The perceived satisfaction of each of the selected organizational factors and the relevant organizational practices related to it.

3. The perceived importance of each motivational factor and relevant organizational practices related to it.
4. The similarities and differences of motivational needs and job satisfaction for both managerial levels.
5. The association between managers' demographics factors (including gender, age, managerial level, total years of experience, tenure in current position, education, and training) and both their job satisfaction and motivational needs.
6. The relationship between managers' job satisfaction and their job performance.
7. Developing a satisfaction model that can help in understanding the motivation and job satisfaction process of the Egyptian senior and middle managers, and which can be used to evaluate the procedures that are used to motivate managers in the Egyptian textile industry.

## **1.5 RESEARCH QUESTIONS**

The main intention of this research is to explore the satisfaction levels and motivation factors of senior and middle managers in the Egyptian textile industry. Therefore, the main research question is:

What motivates senior and middle managers in the Egyptian textile industry?

The sub-questions to be answered in order to meet the purpose of the thesis are:

1. What is the current job satisfaction level of senior and middle managers in the Egyptian textile industry?
  
2. Are there any measurable differences in job satisfaction levels among senior and middle managers?
  
3. What are the differences and similarities between the motivational needs of middle and senior managers?
  
4. What are the most important motivational factors that affect senior and middle managers in the Egyptian textile industry, and to what extent are these factors applicable to them?
  
5. Is there any relationship between managers' selected demographic factors and their overall job satisfaction?

This research question is subdivided further:

- a. Is there any relationship between managers' age, their overall job satisfaction and satisfaction with each of the selected organization factors?
  
- b. Is there any relationship between managers' gender, their overall job satisfaction and satisfaction with each of the selected organization factors?
  
- c. Is there any relationship between managers' rank, their overall job satisfaction and satisfaction with each of the selected organization factors?
  
- d. Is there any relationship between managers' education, their overall job satisfaction and satisfaction with each of the selected organization factors?

- e. Is there any relationship between managers' tenure (total years in their current managerial position), their overall job satisfaction and satisfaction with each of the selected organization factors?
  - f. Is there any relationship between managers' total years of experience, their overall job satisfaction and satisfaction with each of the selected organization factors?
  - g. Is there any relationship between managers' training, their overall job satisfaction and satisfaction with each of the selected organization factors?
6. Is there any relationship between managers' selected demographic factors and the importance of different motivational needs?

This research question is subdivided further:

- a. Is there any relationship between managers' age and the importance of different motivational needs?
- b. Is there any relationship between managers' gender and the importance of different motivational needs?
- c. Is there any relationship between managers' rank and the importance of different motivational needs?
- d. Is there any relationship between managers' education and the importance of different motivational needs?
- e. Is there any relationship between managers' tenure (total years in their current managerial position) and the importance of different motivational needs?
- f. Is there any relationship between managers' total years of experience and the importance of different motivational needs?

g. Is there any relationship between managers' training and the importance of different motivational needs?

7. Is there any significant relationship between managers' job satisfaction and their job performance?

## **1.6 RESEARCH METHODOLOGY**

According to Creswell (1994) and Remenyi *et al.* (1998), the topic of the research and the research questions are the main determinants when choosing the applied methodology. The main aim of this study is to explore factors that effectively influence motivation and job satisfaction of senior and middle managers in the textile industry. The study explores the relationship between organizational factors, personal characteristics, culture variables, and managers' motivation and job satisfaction. To identify the relationships between these different variables there is a need to ask 'what' questions which can help in achieving the research objectives that aim to identify the current level of managers' satisfaction, their motivation needs, and the effect of their personal characteristics. That calls for the use of the quantitative methods in order to answer these questions and achieve these objectives (McClintock *et al.*, 1979). On the other hand, according to the exploratory nature of this research, and as it is considered to be the first study in Egypt that explores motivation and satisfaction for senior and middle managers in the textile industry, there is a need to ask 'how' and 'why' questions which achieve the research objectives aiming to identify how different job factors can affect their satisfaction and motivation, and why managers feel content or discontent about the different organizational factors. This calls for the use of the qualitative methods to answer these questions and achieve these objectives (Horowitz,

2002). In sum, the topic, objectives, and questions of this research and the need to answer ‘what’, ‘how’, and ‘why’ questions calls for the use of methodological triangulation which has been adopted in the current study. Using both quantitative and qualitative approaches can provide a valuable contribution to the current study (Amaratunga *et al.*, 2002). The quantitative approach was represented by using a self-administrated questionnaire, while the qualitative approach was represented by using in-depth interviews and observations to generate the data that serve the exploratory nature of the study.

## **1.7 ETHICAL CONSIDERATIONS**

According to Saunders *et al.* (2000), research ethics is the appropriate academic behavior when conducting a research. The main concern of research ethics is doing what is morally accepted and avoiding what is morally unaccepted for all research parties. Meeting the research ethics can lead to a clear and better research. Moreover, it builds a mutually respectful relationship between the researcher and the respondents, and guarantees a win-win relationship in which respondents are happy to respond candidly (Miller and Brewen, 2003). Therefore, the researcher had taken into consideration the ethical issues from the early stages of his research project. The researcher put himself in the participants’ situation whenever possible and tried not to think of them as subjects, thus the researcher tried to do his best to meet the ethical issues in different research stages, from the beginning of the planning stage to the data collection stage, and finally with the data analysis and conclusion stage. The identities of the respondents were protected and all the information that had been gathered were kept confidential and were used solely for the purposes of the research. No other parties had the right to see it without the participants’ consent.

## 1.8 RESEARCH PROCESS

An overview of the research process is presented in Figure 1.1: below:

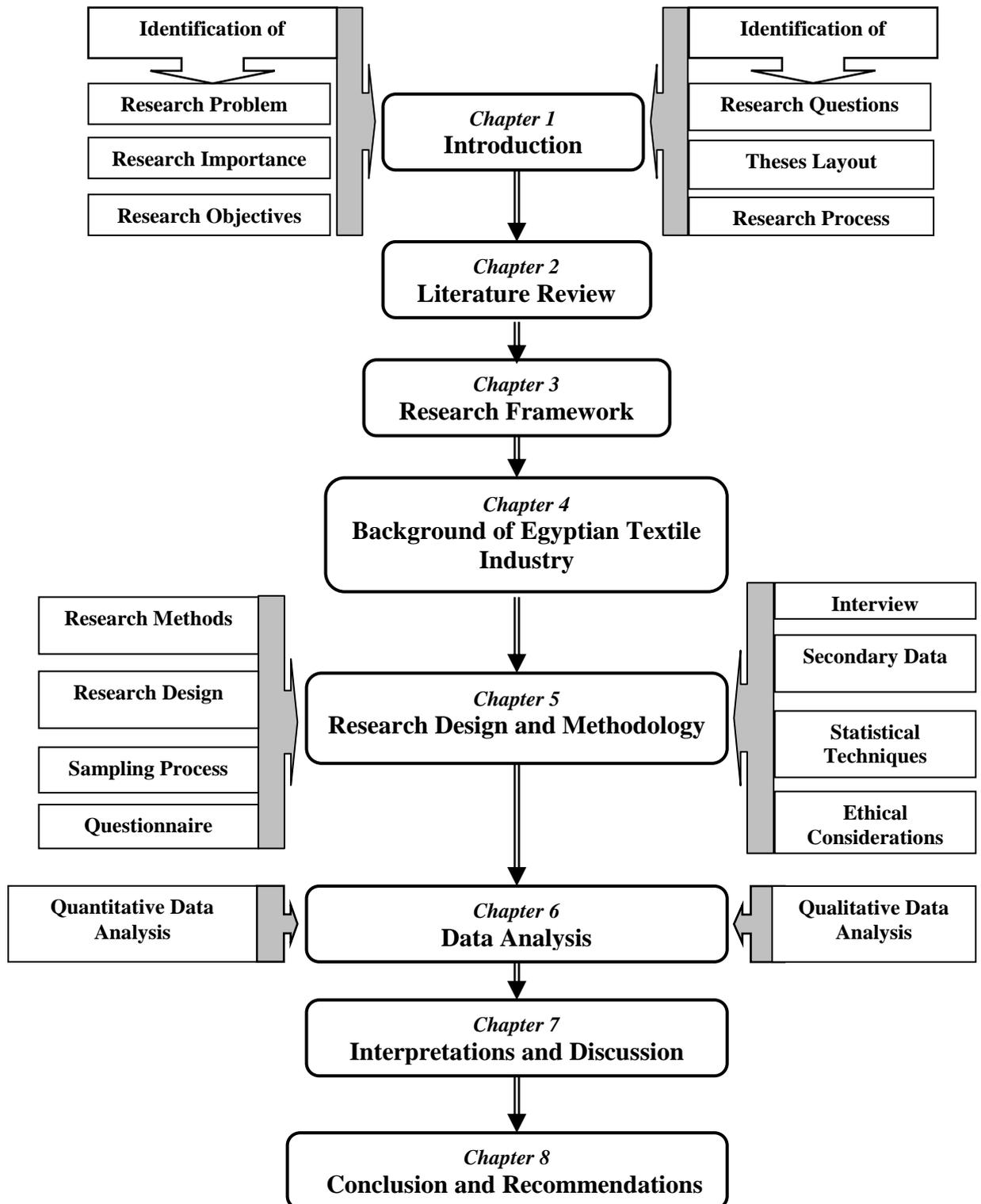


Figure 1.1: The Research Process

## **1.9 THESIS LAYOUT**

This thesis is divided into eight chapters. The following is a brief description of each chapter. Chapter 1 is an introductory chapter, it includes a brief introduction to the topic of work motivation and satisfaction, an outline of the research problem, the importance and contributions of the research, research objectives, research questions, research processes, methodology, ethics guiding the research process, and finally a research outline. Chapter 2 serves as a review of the managerial literature. It includes the general patterns of different management schools of thought, it also presents the major motivation theories including ‘Maslow’s Theory’, ‘Herzberg’s Two Factor Theory’, ‘ERG Theory’, ‘Equity Theory’, and ‘Expectancy Theory’. Moreover, it presents the effect of demographic variables as well as the relationship between job satisfaction and managers’ work attitudes and behavior. Finally, it gives an overview of the motivation according to the Islamic religion. Chapter 3 provides a framework of the current study based on the literature review in Chapter 2. This chapter presents the research variables, the research model, and the origins of the research questions under examination. Chapter 4 introduces the Egyptian textile industry to the reader by providing an overview of the textile industry including its structure, importance, competitive advantages, and different government policies that are related to it. Chapter 5 provides a detailed discussion of the research design and the adopted methodology. It also explains the sampling frame and methods, data collection procedures, data analysis methods, and the different ethical considerations within this research. Chapter 6 is concerned with analysis of both quantitative and qualitative data. It includes an analysis of managers’ demographic data, and a comprehensive analysis of other quantitative data regarding managers’ job satisfaction and their motivational needs. Moreover, it presents the qualitative data that has been derived from the interviews. Chapter 7 provides a

comprehensive interpretation and discussion of the study findings. Finally, Chapter 8 provides the conclusion of the main findings, limitations, recommendations for both policy makers and human resource departments, suggestions for future researches, and the contribution of the research.

## **1.10 CHAPTER SUMMARY**

This chapter presents the main structure of the current study. It began by outlining the research background and the importance of job satisfaction as an indicator of the quality of work context. The problem with most theories and models of job satisfaction is that they have been developed and tested in developed countries, and there is a lack of similar researches in developing countries, especially in Egypt. Therefore, it justifies the researcher's attempt to fill the gap in the managerial literature by exploring factors that affect job satisfaction and work motivation of Egyptian textile managers. Moreover, the study obtains its significance from the important role of managers themselves as a life-giving element for any organization, as their satisfaction is critical factor for the existence of the Egyptian textile industry. Accordingly, the main research objective was to explore motivation and job satisfaction of the Egyptian senior and middle managers. For achieving this objective and the other sub-objectives, a number of research questions were developed. The topic, objectives, and questions of this research were the main determinants when choosing the applied methodology, as there was a need to ask 'what', 'how' and 'why' questions which call for the adoption of methodological triangulation. Moreover, the ethical considerations were briefly discussed, followed by an outline of the research layout and process. In the next chapter, the researcher will review the literature relating to the current study.