



An Assessment of Job Satisfaction among Employees Working under MSME in Ranchi

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Abstract:

Micro, Small, and Medium Enterprises (MSMEs) play a pivotal role in the Indian economy by fostering employment, innovation, and inclusive growth. However, employee job satisfaction within these enterprises remains underexplored, especially at the regional level. This study aims to assess the level of job satisfaction among employees working in MSMEs located in Ranchi, Jharkhand. Using a descriptive research design and structured questionnaires, primary data were collected from 150 employees across various MSME sectors. The study examines multiple dimensions of job satisfaction including work environment, compensation, job security, growth opportunities, work-life balance, and management practices. The findings reveal that while employees are generally satisfied with interpersonal relations and job security, they express significant dissatisfaction with career growth opportunities and remuneration. The study highlights a clear link between job satisfaction and employee retention, suggesting that improved HR practices are essential for MSMEs aiming to maintain a stable and motivated workforce. This research provides valuable insights for MSME owners, policymakers, and HR professionals in enhancing job satisfaction, thereby boosting productivity and organizational performance.

Keywords: Job Satisfaction, MSMEs, Employee Retention, HR Practices, Ranchi.

Introduction

Micro, Small, and Medium Enterprises (MSMEs) constitute a vital component of India's industrial landscape. They contribute significantly to GDP, exports, and employment generation. In cities like Ranchi, the capital of Jharkhand, MSMEs have emerged as key sources of livelihood and entrepreneurship. However, employee retention and workforce stability are recurring challenges faced by MSMEs, often stemming from issues related to job satisfaction. Job satisfaction is a critical factor that affects employee performance, productivity, and long-term organizational success. It reflects how content individuals are with their job roles, responsibilities, rewards, and workplace environment. In MSMEs, where professional structures are often informal and resources are limited, understanding the satisfaction levels of employees becomes even more important. This study seeks to assess the current state of job satisfaction among MSME employees in Ranchi and identify areas for improvement.

Significance of the Study:

The study on job satisfaction among employees in Micro, Small, and Medium Enterprises (MSMEs) in Ranchi holds significant value both academically and practically. MSMEs constitute a vital part of the Indian economy, contributing substantially to employment generation, innovation, and economic growth. Despite their importance, these enterprises often face challenges related to workforce management, including maintaining employee motivation and satisfaction. This research provides a detailed understanding of the factors influencing job satisfaction within MSMEs, a sector where formal HR policies and employee welfare mechanisms may be underdeveloped compared to larger organizations. By assessing the levels of satisfaction across key dimensions such as work environment, compensation, job security, and growth opportunities, the study sheds light on the strengths and weaknesses of MSME workplace practices in Ranchi.

Moreover, the study's demographic analysis highlights how factors like age, education, gender, and tenure influence employee perceptions, enabling employers and policymakers to tailor strategies for different workforce segments. This information is crucial for MSME managers aiming to reduce turnover, improve employee morale, and boost productivity. From a broader perspective, the findings offer insights to government agencies, labor organizations, and training institutions about the specific needs and challenges faced by MSME workers. This can inform the design of targeted interventions and policies to support sustainable development of the MSME sector. Ultimately, this study contributes to enhancing the quality of work life for MSME employees, fostering a more motivated and stable workforce, which is essential for the growth and competitiveness of these enterprises in an increasingly dynamic economic landscape.

Objectives of the Study:

The primary objectives of this research are:

1. To measure the overall level of job satisfaction among employees in MSMEs in Ranchi.
2. To evaluate satisfaction across key factors such as compensation, work environment, job security, and growth opportunities.
3. To identify demographic variables influencing employee satisfaction.

Research Methodology:

Research Design: This study adopts a descriptive survey research design to collect and analyze data regarding employees' perceptions and satisfaction levels.

Sampling Method: A purposive sampling method was used to select 150 employees from MSMEs across different sectors such as manufacturing, services, retail, and construction in Ranchi.

Data Collection: Primary data were gathered through a structured questionnaire comprising both closed and Likert-scale questions. Secondary data were obtained from government reports, journal articles, and organizational records.

Data Analysis: The data were analyzed using descriptive statistics (mean, standard deviation) and inferential statistics (Chi-square test and ANOVA) to assess associations between demographic variables and job satisfaction levels.

Data Analysis and Interpretation

Table 1: Descriptive Statistics for Overall Job Satisfaction Score

Statistic	Value
Sample Size (N)	150
Minimum Score	20
Maximum Score	80
Range	60
Mean	52.6
Median	54
Mode	58
Standard Deviation	11.4
Variance	129.96
Skewness	-0.21
Kurtosis	-0.35

The descriptive statistics for the overall job satisfaction scores of 150 MSME employees in Ranchi provide valuable insights into the general perception of workplace satisfaction within this sector. With a possible score range from 20 to 80, the **mean score of 52.6** indicates a **moderate to moderately high level of job satisfaction** among the respondents. The **median score of 54** and the **mode of 58** further support this, showing that a significant portion of employees lean toward the higher end of the satisfaction scale. The **standard deviation of 11.4** reflects a moderate level of variability in responses, suggesting that while many employees share similar satisfaction levels, a considerable number experience either significantly higher or lower satisfaction. This is further supported by the **range of 60**, indicating a wide distribution of responses, from the minimum of 20 to the maximum of 80.

The **slightly negative skewness (-0.21)** suggests a mild inclination toward higher satisfaction scores, while the **negative kurtosis (-0.35)** indicates a distribution that is relatively flat and spread out, rather than sharply peaked. Overall, these statistics reveal that while the average level of job satisfaction is reasonably good, there are pockets of dissatisfaction that MSMEs must address to ensure a more uniformly positive work environment.

Table2: Satisfaction Scores across Key Job Factors

Factor	Minimum Score	Maximum Score	Mean Score	Standard Deviation (SD)	Interpretation
Compensation	20	72	46.2	11.5	Moderate to low satisfaction
Work Environment	32	80	58.7	9.4	High satisfaction
Job Security	28	78	54.5	10.8	Moderately high satisfaction
Growth Opportunities	20	70	42.9	12.1	Low to moderate satisfaction

The analysis of satisfaction scores across four key job-related factors—**Compensation, Work Environment, Job Security, and Growth Opportunities**—offers an in-depth understanding of the workplace experience among employees in MSMEs in Ranchi.

The highest mean score is seen in the **Work Environment** category (mean = **58.7**, SD = **9.4**), indicating **high employee satisfaction** with their immediate workplace surroundings, interpersonal relationships, and overall organizational culture. This suggests that MSMEs in Ranchi tend to foster a supportive and collegial atmosphere, which positively influences employee morale and collaboration.

Job Security also registers a **moderately high level of satisfaction** (mean = **54.5**, SD = **10.8**), reflecting a fair degree of confidence among employees regarding the stability of their employment. This is particularly important in small enterprises, where job stability can often be a concern due to fluctuating business conditions.

On the other hand, **Compensation** and **Growth Opportunities** emerge as areas of concern. With a mean score of **46.2** (SD = **11.5**) for Compensation and **42.9** (SD = **12.1**) for Growth Opportunities, these factors reflect **moderate to low levels of satisfaction**. Employees appear to be dissatisfied with salary levels and the lack of clear advancement pathways.

Table 3: Influence of Demographic Variables on Employee Satisfaction

Demographic Variable	Category	Sample Size (n)	Mean Satisfaction Score	Standard Deviation (SD)
Gender	Male	95	53.1	10.8
	Female	55	51.4	11.2
Age group	18–25 years	40	50.2	11.5
	26–35 years	65	54.8	10.2
	36–45 years	30	51	11.1
Education Level	Up to Secondary	20	48.5	10.4
	Graduate	75	52.3	10.9
	Postgraduate & Above	55	54.9	11.3
Work Experience	< 2 years	30	49	10.2
	2–5 years	60	53.8	10.7
	> 5 years	60	55.6	11

The mean satisfaction score for **male employees** (53.1) is marginally higher than that of **female employees** (51.4), suggesting a **slightly more positive job experience** among males. While the difference is not dramatic, it may indicate disparities in perceived recognition, role clarity, or support systems within MSMEs. The near-equal standard deviations (10.8 for males and 11.2 for females) reflect comparable variability within both groups. The **26–35 age group** reports the highest satisfaction score (54.8), implying that **early-to mid-career professionals** are more content in their roles. They likely benefit from a blend of experience,

growth opportunities, and role stability. By contrast, the **18–25 age group** shows the lowest mean score (50.2), indicating potential dissatisfaction due to entry-level challenges, lower salaries, or role clarity. Satisfaction dips again in the **36–45 age group** (51.0), possibly due to unmet career expectations or plateauing growth prospects. Employees with a **Postgraduate & Above** education level exhibit the highest satisfaction (54.9), followed by **Graduates** (52.3), and those **Up to Secondary level** (48.5). This trend suggests that **higher educational qualifications may lead to better job placements or recognition** within MSMEs, resulting in higher satisfaction. It also reflects that more educated employees may be better equipped to navigate workplace challenges or seize growth opportunities. There is a clear positive correlation between work experience and job satisfaction. Employees with **over 5 years of experience** report the highest mean score (55.6), followed by those with **2–5 years** (53.8), and **less than 2 years** (49.0). This progression indicates that **longer-tenured employees feel more secure, valued, and integrated** within the organization.

Discussion:

The descriptive analysis of job satisfaction among 150 MSME employees in Ranchi reveals a **moderate to moderately high overall satisfaction level** (mean score: 52.6). Most employees lean toward the higher end of the satisfaction scale, although variability exists across the sample. **Work environment** scored highest in satisfaction, followed by **job security**, while **compensation** and **growth opportunities** scored notably lower, indicating dissatisfaction in these areas.

Demographic analysis shows those male employees, **those aged 26–35, postgraduates, and those with over 5 years of experience** report the highest satisfaction levels. Conversely, younger, less experienced, and less educated employee's exhibit lower satisfaction, suggesting that **tenure, education, and age positively influence job satisfaction**. The findings highlight the need for MSMEs to enhance **pay structures and career advancement pathways** to improve overall employee morale and retention. Robbins and Judge (2019) emphasize that job satisfaction is shaped by various intrinsic and extrinsic motivators, with organizational culture and employee engagement playing a central role. In MSMEs, where formal structures may be less rigid, factors such as interpersonal relationships and work environment often become more significant. This supports the finding that the **work environment scored highest** among MSME employees in Ranchi, echoing results from Sharma and Taneja (2018), who observed that MSME employees in Indian Tier-II cities valued team dynamics and supervisor support more than monetary incentives.

Low satisfaction with compensation and growth opportunities is a recurring theme in MSME research. According to the International Labor Organization (2021), MSMEs often struggle to offer competitive pay and structured advancement due to financial and operational constraints. Singh and Verma (2020) also found that lack of promotion pathways and stagnant salaries were the leading causes of attrition in small enterprises, reinforcing the Ranchi study's finding of **dissatisfaction in these areas**. Furthermore, Bano and Malik (2019) argue that without clear career trajectories, skilled employees in MSMEs often feel undervalued, leading to disengagement.

The relationship between demographic factors and job satisfaction is well-documented. Clark (1997) was among the first to argue that job satisfaction is significantly influenced by age, gender, and educational attainment. More recent Indian studies, such as those by Jain and Kaur (2021), show that **postgraduates and experienced workers tend to report higher satisfaction** due to better roles and higher bargaining power. Similarly, the National Skill Development Corporation (NSDC, 2022) found that employees aged 26–35 in MSMEs displayed greater job stability and optimism, correlating with higher satisfaction levels. In contrast, younger employees and those with lower education levels often experience limited role clarity and development, which dampens satisfaction (Kumar & Rao, 2020). Several researchers highlight the importance

of tenure in job satisfaction. According to Herzberg's Two-Factor Theory (1959), long-serving employees often find greater intrinsic motivation in their roles. Echoing this, Mishra and Sahoo (2017) discovered that employees with over five years in MSMEs were more satisfied, citing factors such as familiarity, trust in management, and a sense of organizational belonging. This aligns closely with the Ranchi-based findings that **employees with over five years of experience had the highest satisfaction scores.**

Major Findings:

- The average job satisfaction score among 150 MSME employees in Ranchi was **52.6**, indicating a **moderate to moderately high level** of satisfaction.
- Among the four key job-related factors, **work environment received the highest mean score (58.7)**, followed by **job security (54.5)**.
- **Postgraduates (mean = 54.9)** and employees with **more than 5 years of experience (mean = 55.6)** reported the highest satisfaction, indicating that education and tenure are strong influencers of job contentment
- The data clearly point to a need for MSMEs to **improve compensation systems, offer structured growth opportunities, and support younger or less experienced employees** through training and mentorship to enhance satisfaction and retention

Conclusion:

Overall, the study emphasizes the need for **strategic interventions by MSMEs** to enhance employee morale and reduce disparities. Improving **compensation systems**, offering **structured growth opportunities**, and supporting **early-career and less qualified employees** through targeted training and mentorship can help create a more balanced and motivated workforce. As supported by Herzberg's motivational theory and various empirical studies, sustained investment in human capital is not only desirable but essential for the **long-term sustainability and growth** of MSMEs.

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