

# Relationship Between Employees' Competencies and Job Satisfaction: British and Lithuanian Employees

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Entrepreneurs, public companies seek to maintain employees longer within the company and one of the concerns for them what actions should be taken that an employee would be satisfied. One raised hypothesis is that appropriate competencies have a positive impact on job satisfaction. The paper seeks to identify the relationship between employee competencies and job satisfaction. In order to achieve this aim, first of all, elements of job satisfaction were examined in two-target groups—British and Lithuanian employees. Later on main competencies of these two groups were determined and, finally, connections between general, separate competencies and job satisfaction were identified. Minnesota Job satisfaction and General Competencies questionnaires were used in this research. The research revealed that Lithuanian employees' are exclusively effected by the physical working environment and British by organization's policy and commitment; an opportunity to do work that gives a benefit and self-control; attention, wage and respect towards others. Researchers may look for new factors that influence job satisfaction in the British and Lithuanian group of employees.

*Keywords:* competencies, employee, job satisfaction

## Introduction

Employees spend a third of their life at work (Eurofound, 2010). Therefore, it is important that a work would provide a pleasure and a satisfaction. Locke (1976) reported that a job satisfaction is a pleasant emotional state caused by the evaluation of work. The researchers Rain, Lane, and Steiner (1991) and Silinskas and Zukauskienė (2004) also found that job satisfaction has a positive correlation with life satisfaction. Other investigators (Skalli, Theodossiou, & Vasileiou, 2007) discovered a link between the job satisfaction and other factors such as safety, working hours, etc. For example, the International Business Machines Corporation, an information technology company, annually conducts survey finding how employees feel at work and if they are satisfied with work. Employee satisfaction is one of the factors of business efficiency. High employee satisfaction index reduces staff turnover in the organization and maintains company's good microclimate and reputation (Spector, 1997).

Job satisfaction is a relevant topic for employees, employers, and researchers who try to determine their research variables influencing job satisfaction. Employee satisfaction is very important as it affects many factors within organization. Job satisfaction is influenced by numerous factors. E.g., American organization "Conference Board" each year evaluates American employees' job satisfaction levels. Over one decade, it has

decreased by 16.1% (Baker, 2004).

Researchers studied relationship between job satisfaction and job competences in the past. Investigators reveal contradictory results. Some researchers found that a higher level of university education is associated with higher job satisfaction (Ross & Van Willigen, 1997). However, other scientists found that over-qualification has a negative impact on job satisfaction (Johnson & Johnson, 2000).

We can make assumption that not only higher university education provides greater job satisfaction, but also the general employee's competencies which are acquired at the university. One of the authors attributes cognitive abilities (e.g., systematic thinking) or emotional abilities (e.g., self-control) to the competencies and skills (Boyatzis, 2008).

Today many companies agree that competence, others name it key competences, are important for the competitiveness of enterprises. Prahalad and Hamel (1990) in the journal *Harvard Business Review* wrote about the skills and strategies based on competencies, and their importance. Prahalad (1993) later in his article gave an example about music technology company "Sony", which core competency is to create miniature products. This topic had become so topical that after a decade businessmen started to organize international conferences, establish international organization based on competency strategies (Drejer, 2000).

It is becoming important that actions of employees were competent in the world of competitive businesses. Over the past few decades, scientists have investigated what competencies are needed for the business to be able to compete in their business niche. Competency-based system combines the organization and personal goals. Then it is clear to employees how they should do the job. Competence model should be used to improve the skills of workers and their improvement (Seema, 2009).

Therefore, the discovery of the key competencies are the most associated with job satisfaction, employers are able to pay attention to the specific competencies of the future employees or promote (support) existing staff to develop these competencies, as they have affect on job satisfaction or dissatisfaction, unhappiness at work. According to Brain (2002) consequences of such work are painful: the poor quality of work, absenteeism, and employee turnover.

### **Conception of Competences**

Competence is one of the latest concepts in the last two decades describing the competitiveness of the company, i.e., why some companies perform better than others with the same functional characteristics of the company (Drejer, 2000). One of the first scientists started to raise the question of competitiveness was E. Penrose, who 55 years ago in 1959 published the article "The Theory of the Growth of the Firm" where she expressed the idea that the company is a set of resources (Pitelis, 2009). Of course, in the beginning the researcher emphasized more economic resources. Later on scientists and businesses had discovered that not only economic resources affect the company's competitiveness.

Drejer (2000) argues that the notion of competence has evolved and should be reevaluated by each scientist, who researched concepts of this field. Now the concept is interpreted through the prism of the strategic management and reflect the insights of previous researchers. This term includes a "resource based view of the company", "critical capabilities", "management of technology", and other areas of research.

Concepts "competence" or "competency" ("competence" is used in relation to the functional area and the "competency" is used more speaking about behavior, but there are no well-established concepts in use) are used in the 1990s literature of the management strategy, where the emphasis was placed on "core competence" as a

key organizational resource that can be used to gain a competitive advantage (Delamare Le Deist & Winterton, 2005).

Shermon (2004) argues that competence is a human characteristic, which allows him to perform work duties or better manage the situation. These characteristics are a set of attributes consisting of knowledge, skills, traits, social roles, I-picture and motives. Characteristics of behaviour occur in a particular form, which allows identifying and measuring the competence.

Meanwhile, another scientist Hogg (2008) argues that the professionals of human resources made a distinction between the concepts of competence and competency in 1980s and these terms are used interchangeably. These terms emphasize that competence is a style of behaviour which every employees needs to acquire in order to achieve more in a company, furthermore competence is related to the minimum standards, which is shown by results of activity performance.

Another scholar Ellstrom (1997) presents the idea that the term "qualification" is another interpretation of competence, which are disclosed through these elements: tasks; employees.

Boyatzis (2008) reports that studies in the last 30 years reveal that leaders, managers, and high-level professionals and even ordinary employees from waitresses to banking help desk professionals must have these groups of skills: threshold abilities, and competencies that are needed for professional do implement the work outstandingly. 3 threshold of competencies are: expertise and experience; knowledge (procedural, functional and meta knowledge); basic cognitive competencies (memory, deductive reasoning). 3 sets of competencies that distinguished excellent employees: cognitive competencies (systems thinking, patterns recognition); emotional intelligence competencies (self-management, self-awareness: emotional self-awareness, etc.); intelligence competencies (relationship management, empathy, teamwork).

In conclusion, the terms competence, qualification and competency concepts are used as synonyms, although three decades ago, scientists disagreed on their commonality. These concepts are difficult to separate strictly as they are highly related. Definitely the competence depends on employee's skills, which he has, it is visible in the employee's behavior, and vice versa behavior shows what skills an employee has. There is also the distinction of excellence that set mid-level workers and professional staff.

### **Problem of the Research**

After reviewing the scientific theories, studies on staff competencies and job satisfaction, it was found out that this topic had been studied since the middle of 20th century. In the beginning of 2009, the survey on job satisfaction was carried out in the United States where 5,000 respondents were questioned. It was found that job satisfaction decreased by 16.1% over the decade. A similar survey carried out in 2013, where the same number of respondents were questioned, revealed that only 47.7% of Americans are satisfied with their jobs (*The Conference Board*, 2014). A natural question arises for both employees and employers and researchers interested in this topic, what are the causes of job satisfaction. Of course, the researchers tried to look for links within elements such as the individual characteristics of the individual worker, competence or motivation. Furthermore, job satisfaction is closely related to other factors, such as working atmosphere, the image of the organization, efficiency, and lower staff turnover, less absenteeism. According to Mathis, Jackson, and Valentine (2014), who distinguished factors influencing job satisfaction, we can say that job satisfaction and employee competence are essential elements of work that it would be successfully carried out in the organization. The discovery of the employees' competencies which are correlated with job satisfaction, would

help the employer to draw attention to key competences and to encourage employee to develop them, since they are mutual benefits. It will help to increase employee's job satisfaction, which has impact on organization's performance, efficiency, profit, positive image. These consequences are the aim of employer.

### **Aim of the Research**

Therefore, the aim of this research was to analyze and to integrate the empirical literature on job satisfaction and competencies in order to:

- (1) Determine correlation between job satisfaction and general competences of two employees groups—British and Lithuanians;
- (2) Determine correlation between separate elements of job satisfaction and general competence;
- (3) Determine correlation between external, internal, and general job satisfaction.

### **Methodology of the Research**

This study included two groups of nationalities: British and Lithuanian employees. 67 employees took part in this research: 33 British and 34 Lithuanian working in business, government and non-governmental sectors. The researchers used convenient sampling. 25 British respondents had links with Lithuania, i.e., worked in Lithuania and 8 British respondents lived in Britain and had never visited Lithuania. All Lithuanian nationality respondents lived and worked in Lithuania. There were 18 women and 15 men of British nationality, 14 men and 20 women of Lithuanian nationality. Respondents were selected by convenience sampling. Respondents' education ranged from secondary to higher. There were slightly more Lithuanian employees with higher education (college, university)—88%, and the British—73%. There were the same number of Lithuanian and British respondents who studied and did not complete higher education (college, university)—12%. And only 15% British who did not hold diploma of secondary education. The respondents worked in business, governmental and non-governmental organisations. British employees who was working in business organizations were 45% and Lithuanians 35%. British employees working in governmental institutions were 48% and 32% Lithuanian. There were more Lithuanians working in non-governmental organizations 32% and 3% British. Respondents' work experience range from 1 to 35 years. The research took place from 31 March to 18 April, 2011. Two groups of employees: British and Lithuanians were interviewed. Invitations to answer the survey questions were send out personally by e-mail or through Facebook.

Two questionnaires were used for researching employees' job satisfaction and competences:

**(1) Shorter form of Minnesota Satisfaction Questionnaire (1977).** This questionnaire was suggested by Minnesota University experts Weiss, Dawis, England, Lofquist in 1967. The original questionnaire consists of 100 statements which make 20 subscales, however in this study was used a shortened questionnaire of 20 statements, which gives a clearly formulated list of work factors. This questionnaire consists of 2 subscales—internal and external job satisfaction. This research measures general, external, and internal job satisfaction.

The coefficient of Cronbach's alpha of both questionnaire—English and Lithuanian—are similar. English questionnaire is 0.865 and the Lithuanian -0.877.

**(2) Competency questionnaire consists of 19 competencies.** The questionnaire was constructed on a basis of Galanou (2011), Balduck (2010), Ferrer (2009), the British Institute for Learning and Education (2007), Boyatzis (2008) competencies' studies and UK's Foreign Affairs Foreign & Commonwealth Office (2010),

pharmaceutical company's Sanofi Aventis (2009) assessments of key competencies. Some of the competencies in the above listed studies are being repeated (e.g., teamwork, seeking goals), therefore the final questionnaire includes only non-repeating competencies. The list consists of general professional competencies (e.g., seeking goal) and recently competencies highlighted by other researchers as Boyatzis (2008) non-traditional competencies—cognitive competence (e.g., systematic thinking) or emotional competence (e.g., self-control). The questionnaire is based on Likert scale, i.e., each competency is assessed in 5-point scale.

Coefficients of Cronbach's alpha of both questionnaires (in English and Lithuanian languages) are similar. The English questionnaire is 0.847 and the Lithuanian -0.863.

## Results of the Research

### General, External, Internal Job Satisfaction

The research showed that there were no significant differences of general, external and internal job satisfaction between British and Lithuanian employees. Participants were asked to assess job satisfaction in 5 points Likert scale (Table 1).

Table 1

#### *General, External, Internal Job Satisfaction*

	General job satisfaction, mean		Internal job satisfaction, mean		External job satisfaction, mean	
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>
British employees	3.68	0.54	3.82	0.57	3.42	0.61
Lithuanian employees	3.62	0.54	3.75	0.49	3.37	0.74

### Correlation of General, External and Internal Job Satisfactions

The strongest correlation is between internal job satisfaction and general job satisfaction among the British Employees, and among Lithuanian employees the strongest correlation is between external job satisfaction and general job satisfaction (Table 2).

Table 2

#### *Correlation of General, External and Internal Job Satisfactions*

	Internal job satisfaction correlates with the external job satisfaction ( <i>r</i> )	External job satisfaction with the general job satisfaction ( <i>r</i> )	Internal job satisfaction with the general job satisfaction ( <i>r</i> )
British employees	0.68	0.86	0.96
Lithuanian employees	0.70	0.94	0.90

*Note.* Level of statistical significance  $p > 0.01$ .

**General competencies. Relationship between general competencies and job satisfaction (external, internal).** The research showed that there were no significant differences between British and Lithuanian employees who evaluated their own general competencies themselves and correlation between general competencies and job (external and internal) satisfaction. External job satisfaction in the group of Lithuanians positively correlates with general competencies. The relationship is positive but very weak (Table 3).

### Relationship Among Separate Job Satisfaction and General Competencies Elements

This research revealed that Lithuanian employees' are exclusively effected by the physical working environment and British by company's policy and commitment; a chance to do work that gives a benefit and self-control; attention, wage and respect ( $*p < 0.05$ ;  $**p < 0.01$ ) (Table 4).

Table 3

*General Competencies. Relationship Between General Competencies and General, External, Internal Job Satisfaction*

	Evaluation of the general competencies		Relationship between evaluation of general competencies and job satisfaction ( <i>r</i> )	Relationship between evaluation of general competencies and internal job satisfaction ( <i>r</i> )	Relationship between evaluation of general competencies and external job satisfaction ( <i>r</i> )
	<i>M</i>	<i>SD</i>			
British employees	4.0	0.38	0.35	0.42	0.22
Lithuanian employees	3.8	0.33	0.20	0.24	0.12

Note. Level of statistical significance  $p < 0.05$ .

Table 4

*Relationship Among Separate Job Satisfaction and General Competencies Elements. Lithuanian and British Employees*

		Lithuanian employees					
		Communi-cation	Fairness	Self-learning & Education	Commit-ment	Self-control	Respect
Physical working environment	<i>r</i>	0.44**	0.42*	0.42*	-	-	-
	<i>N</i>	34	34	34	-	-	-
British employees							
Company's policy and behaviour with employees	<i>r</i>	-	-	-	0.58**	-	-
A chance to do a work that gives a benefit and joy for others.	<i>r</i>	-	-	-	-	0.47*	-
Attention and wage for perfectly implemented tasks	<i>r</i>	-	-	-	-	-	0.45*
	<i>N</i>	33	33	33	33	33	33

Note. Level of statistical significance \* $p < 0.05$ ; \*\* $p < 0.01$ .

### Relationship Between General Competencies Elements and Separate Elements of Job Satisfaction

General competencies of Lithuanians has a correlation with two job satisfaction variables: the opportunity to carry out tasks that are consistent with employee's beliefs ( $r = 0.39$ ,  $p < 0.05$ ) and physical work environment ( $r = 0.43$ ,  $p < 0.05$ ). The relationship between these variables is positive, significant, but the overall the link is not strong. Based on this correlation we can argue that increasing assessment of general competencies, increases a possibility to carry out tasks that are consistent with employee's beliefs, and satisfaction with the physical working environment.

Meanwhile, general competencies of British employees have the links with four variables of job satisfaction—an opportunity to carry out tasks that are consistent with the employee's beliefs ( $r = 0.37$ ;  $p < 0.05$ ), an opportunity to be busy all the time ( $r = 0.40$ ,  $p < 0.05$ ), an opportunity to manage the work of others ( $r = 0.36$ ;  $p < 0.05$ ); company's policy and the treatment of employees ( $r = 0.35$ ;  $p < 0.05$ ). The relationship between these variables is positive, significant, but the overall assessment of the link is not very strong. Thus, the increase in the general competency assessment increases the opportunity to carry out tasks that are consistent with the employee's beliefs; to be busy all the time; to manage the work of others; increase satisfaction with company's policies and treatment of employees (Table 5).

Table 5

*The Relationship Between the Separate Job Satisfaction Variables and General Competencies. Lithuanian, British Employees*

		Lithuanian employees	
		Learning and self-development	
Job satisfaction	<i>r</i>	0.36	
	<i>N</i>	34	
		British employees	
		Self-control	Commitment
Job satisfaction	<i>r</i>	0.40	0.44
	<i>N</i>	33	33

Note. Level of statistical significance  $p < 0.05$ .

Table 6

*The Relationship Between the Separate Variables of General Competencies and Job Satisfaction. Lithuanian, British Employees*

		Lithuanian employees			
General competencies	<i>r</i>	An opportunity to carry out tasks that are consistent with the employee's beliefs	Physical working environment		
	<i>N</i>	0.39	0.43		
		34	34		
		British employees			
General competencies	<i>r</i>	An opportunity to carry out tasks that are consistent with the employee's beliefs	An opportunity to be busy all the time	An opportunity to manage the work of others	Company's policy and the treatment of employees
	<i>N</i>	0.37	0.40	0.36	0.35
		33	33	33	33

Note. Level of statistical significance  $p < 0.05$ .

### The Relationship Between the Separate Variables of General Competencies and Job Satisfaction

Job satisfaction of Lithuanian employees correlates with only one variable of the general competencies—learning and self-development ( $r = 0.36$ ) when the statistical significance level  $p < 0.05$ . The relationship between these variables is positive, significant, but the overall assessment of the link is not strong. Based on this correlation can be said that the increase of learning and self-development competence, increases job satisfaction.

Job satisfaction of British employees correlates with two variables of general competencies—self control ( $r = 0.40$ ) and commitment ( $r = 0.44$ ), when the statistical significance level of  $p < 0.05$ . The relationship between these variables is positive, significant, but the overall assessment is moderately strong connection. Based on these correlations we can argue that with the increase of self-control and commitment, job satisfaction increases too (Table 6).

### Conclusions

This research revealed that there are no significant differences of general; internal, and external job satisfaction, general competencies ratings of British and Lithuanian employees.

The relationship between general, internal, and external job satisfaction and general competencies revealed as well that there are no significant differences in these two groups of employees.

We can conclude that general competencies have a little effect on job satisfaction among Lithuanians and an employer should look for other factors that could affect the general job satisfaction.

Correlation between job satisfaction and competence variables is different of these 2 groups of interviewees. The figures showed that Lithuanian employees' are exclusively effected by the physical working environment and British by company's policy and commitment; a chance to do work that gives a benefit and self-control; attention, wage and respect towards others.

General competencies of Lithuanians correlate with two job satisfaction variables: the opportunity to carry out tasks that are consistent with employee's beliefs and physical work environment. General competencies of British employees have the links with four variables of job satisfaction—an opportunity to carry out tasks that are consistent with the employee's beliefs, an opportunity to be busy all the time, an opportunity to manage the work of others; company's policy and the treatment of employees. Job satisfaction of Lithuanian employees correlates with only one variable of the general competencies—learning and self-development, meanwhile job satisfaction of British employees correlates with two variables of general competencies—self control and commitment.

### Recommendation

Therefore, we would suggest employer employing a British national, a bigger attention should be paid to the internal elements of job satisfaction, for example, the company's treatment of employees and recruiting Lithuanian— to draw attention to the external element of job satisfaction, e.g., salary.

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