

Determination of the Relationship between Manager's Efficiency and Employees' Satisfaction in Private Sector Organizations in Pakistan

Muhammad Osama Ahmed Makhdoomi

Research Scholar, Department of Public Administration, University of Karachi,
Karachi.

Dr. Syed Shahid Zaheer Zaidi

Assistant Professor, Department of Public Administration, University of Karachi,
Karachi.

Intizar Husain

Lecturer, Department of Teacher Education, University of Karachi, Karachi.

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Abstract

This paper reports quantitative research, to study and determine the relationship between Manager's efficiency and employees' job security satisfaction in private sector organizations in Pakistan. The research was framed in accordance to psycho-organizational perspective. Close-ended questionnaire based on five point Likert scale was used as main method for data collection to measure employees' experiences of enjoying the managers efficiency and their level of satisfaction with the organization. Only private sector organizations' employees were taken as population. Four organizations were selected as clusters randomly from the population as sample, then the respondents were selected by using simple random sampling technique. Sample size was 500 respondents for the study but the researcher selected 600 respondents to distribute the questionnaire as a careful strategy. When they took the 500 questionnaire back, they stopped the data collection and started the data analysis. Obtained data was analyzed quantitatively by employing SPSS 22. Pearson product-moment correlation coefficient(r) was used to measure and to determine the strength and direction of the relationship between the variables for making inferences. It is assumed that Contribution from satisfied employees is so high than unsatisfied employees. Employees' satisfaction is one of the prominent research studies that most companies are investing their time to identify various employees' satisfaction variables.

Keywords: Organizational Commitment, Managerial Efficiency, Employees' Satisfaction, Workplace Environment, Employees' Performance, Employees' Retention

INTRODUCTION

The undertaken study is a pragmatic effort to understand the phenomena of complex interaction of manager and employee in the good interest of an organization or to create a conducive work environment in the organization that play a motivating role and foster the employees' satisfaction. Employees' satisfaction is defined as all the feelings that an individual has about his/her job. It is an affective reaction to a job that results from the person's comparison of actual outcomes with those that are desired, anticipated, or deserved. Peretz and Fried (2012) pointed out that employees' satisfaction represents a complex assemblage of cognition, emotion and tendencies. Employees' performance can be stated as the way people perform their jobs.

Kosteas (2009) views the employees' satisfaction is the key ingredient that prompts acknowledgment, wage, advancement, and the achievement of different objectives that prompt sentiment fulfillment. Organizational efficiency and commitment are the sources to make employees feel loyalty to the organization (Currivan, 1999). Thus, organizational efficiency and commitment act as motivational indicators that influence individuals to act in ways that are consistent with the organization's interests (Yang & Chang, 2008).

Understanding how employee satisfaction is impacted by managerial efficiency that is vital for organizational success especially in private sector organizations in Pakistan that play a key role in the country's economy. Past research underscores how managerial practices, organizational culture, and leadership styles shape employee attitudes and productivity.

1. Managerial Practices & Job Satisfaction

Masood et al. (2014) examined private and public sector organizations in Bahawalpur, finding that working conditions, training and development, and empowerment significantly predict employee satisfaction; however, pay and promotion were less impactful. Similarly, Hanif et al. (2023) highlighted in private organizations for Environmental Management Accounting practices and Green Transformational Leadership on Corporate Environmental Performance in Karachi that interpersonal relationships and promotion opportunities are key satisfaction drivers.

2. Leadership Style & Organizational Outcomes

Raza and Yousufi (2023) explored transformational leadership in Karachi, showing that while it may not directly boost career satisfaction, it positively affects empowerment and commitment, which in turn elevate satisfaction. This supports evidence from banking sector studies emphasizing the importance of leadership in boosting employee morale and performance.

3. Managerial Trust Empower the Employees and Maximize their Engagement

Malik et al. (2017) in their research found that trustworthy managerial behavior enhances employee engagement, mediated by employees perceiving themselves as insiders. This determines the critical role of managerial behavior in creating a trusting environment that fosters employees' satisfaction and retention in the organization.

4. Efficiency-Satisfaction Link in Similar Contexts

Though not Pakistan-specific, Krishnan and Mary (2012) examined private-sector bank

managers in India and found a positive correlation between manager efficiency and employees' job satisfaction. This suggests that efficiency benefits both; the managers and their teams.

5. Efficiency-Satisfaction Link in Banking & Construction sector

In Pakistan's banking sector, Imran and Salim (2014) showed that job satisfaction factors such as supervision, fringe benefits, and contingent rewards significantly influence organizational performance. In other industries such as construction similarly, stronger job satisfaction has a significant relationship to better employee performance.

Given below research gaps are also observed while reviewing the related literature:

- Most of the researchers target the banking or education sectors while broader business contexts in private organizations across Pakistan get less attention; especially regarding the direct impact of managerial efficiency.
- Most of the researches were found manager-centric. Studies often focus on managers' satisfaction. Fewer researches examine the effect of manager efficiency on subordinates' satisfaction in Pakistani firms.

The research intends to examine the effect of efficiency rather than authority on employee satisfaction. This study is also an effort to fill the identified gaps.

Problem Statement

In developing countries like Pakistan, private-sector organizations need, employee satisfaction as a crucial factor influencing productivity, retention, and organizational success. Managerial efficiency is considered his or her ability to plan, lead, communicate, and make timely decisions. The managers' efficiency plays a vital role in shaping workplace culture. Despite significant investments in leadership development and human resource management strategies across industries, many private organizations continue to face challenges such as low employee morale, high turnover, and inconsistent performance. Researches often focus on broader leadership styles or general HR practices and overlook the specific contributions of managerial efficiency to employee satisfaction. this study intends to determine the relationship between manager's efficiency and employees' satisfaction in private sector organizations in Pakistan, aiming to provide evidence-based insights.

Research Objective

- To find the relationship between managers' efficiency and employees' job security satisfaction

Research Question

- Does managers' efficiency have a significant correlation with employees' job security satisfaction in private sector organizations in Pakistan?

Research Hypotheses

- H₁: There is a significant relationship between managers' efficiency and employees' job security satisfaction
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Significance of the Study

This study is significant because it explores the under-researched link between managers' efficiency and employees' job security satisfaction in private sector organizations in Pakistan. While global research has often addressed general employee satisfaction or leadership styles, few studies have specifically examined how managerial efficiency directly impacts employees' sense of job security within the Pakistani context. Understanding this relationship is crucial for improving organizational policies, human resource practices, and leadership development programs. The findings of this research will benefit multiple stakeholders:

- For organizational leaders and HR professionals, the results will provide actionable insights into how enhancing managerial efficiency can improve job security perceptions and reduce employee turnover.
- For policymakers and training institutions, the research will offer evidence to design more targeted leadership development initiatives aligned with employees' psychological and workplace needs.
- For academic researchers, this study will help fill a gap in existing literature, particularly in the South Asian and emerging economy contexts, and serve as a basis for future studies in organizational behavior and workforce management.

Delimitation of the Study

This research focuses on examining the relationship between managers' efficiency and employees' job security satisfaction within private sector organizations in Pakistan. The study is limited to private companies operating in key urban centers, such as Karachi, Lahore, and Islamabad, where a significant proportion of the country's private employment is concentrated. The research considers managers' efficiency in terms of their ability to plan, organize, lead, communicate, and make effective decisions, and assesses how these managerial competencies influence employees' perceptions of job stability and security.

The target population for this study includes mid-level and front-line employees working under supervisory or managerial staff in selected private firms across selected industries. Data was collected using a quantitative approach through close-ended questionnaires to ensure measurable insights into the correlation between the two key variables. Data obtained through valid research instruments were considered credible for the findings of the study, whatever data the researchers obtained through informal means were not considered credible for the findings. In the selected research design, the researchers remained objective to the findings so they owed less value for exploring the data than the research instruments used in the study. They are not allowed to select the sample with their own judgments instead they were abode to follow probability sampling techniques.

Research Methodology

The research is the part of a large scale of research. The research was conducted under the positivist paradigm. All process of the research was gone on objectively. The researchers' influences were absolutely avoided throughout the research. Quantitative approach was the adopted approach. survey was the adopted research design. numerical data was collected by using perception questionnaire based on 5point Likert scale.

Population

The Target population for this study includes mid-level and frontline employees working under supervisory or managerial staff in selected private firms; from the textile sector, Garments Sector and cement industries sector across Pakistan but Karachi was selected as an accessible population as Karachi is the representative of the whole Pakistan.

Sample of the Study

The researchers selected four private organizations operating in Karachi as the cluster. In second step, they selected 125 respondents from each cluster using a simple random or systematic random sampling technique for collecting the data. They are from textile sector, Garments Sectors and cement industries sector. Total sample size was 500 respondents

Research Instrument

The researcher used a closed-ended questionnaire based on 5-points Likert scale to collect employees' Perception in terms of their experience of enjoying the managers' efficiency and their satisfaction with their organization. The researchers used the split-half reliability measure to estimate the coefficient of reliability of the instrument. They obtained the Spearman-Brown coefficient of reliability of the scale .806 that determined the efficacy of the instrument for measuring the Employees' perceptions towards the managers' efficiency those they enjoyed in their department of organization. They Obtained coefficient of construct validity .829 using Cronbach's Alpha which determined that the items of the instrument were more than 83% homogeneous and measuring Employees' perceptions for their experiences and their influences on their feelings and emotions. They also asked the employees to rate their manager by giving any value from 1 to 5. He gave them a free will to choose the value and observed that what value do they choose to rate their managers' efficiency from 1-5

Analysis of Closed Ended Items

The researchers administered a close-ended questionnaire to collect the employees' perceptions of their experiences with their managers in the organization. They were also asked to assign a rank to their managers by their efficiency or performance in the organization. Descriptive statistics was used to convert the wordy data into numerical to make it measurable statistically then tested the correlational hypothesis to determine the strength and direction of the relationship of the hypothesized variables among the managers' efficiency and employees' job security satisfaction in private sector organizations in Pakistan was examined using Pearson's correlation coefficient was used to test the hypothesis.

Table Correlation of Mangers' Efficiency to Manage the Work and Employees' job security Satisfaction

		assignment of rate to managers' efficiency to manage the work	Employees' job security Satisfaction
assignment of rate to managers' efficiency to manage the work	Pearson Correlation	1	.834**
	Sig. (2-tailed)		.000
	N	500	500
Employees' job security Satisfaction	Pearson Correlation	.834**	1
	Sig. (2-tailed)	.000	
	N	500	500

** . Correlation is significant at the 0.01 level (2-tailed).

The analysis yielded a correlation coefficient (r) of **0.834**, that is statistically significant enough with the p -value < 0.01 . the coefficient determines the strong and positive relationship does exist among the variables that indicates that higher levels of perceived managerial efficiency are associated with higher levels of employees' job security satisfaction. According to Cohen (1988) in social science research, a correlation coefficient between 0.70 and 0.90 is considered strong. The acceptance of the alternative hypothesis (that there is a significant correlation between managers' efficiency and employees' job security satisfaction) is further supported by this high correlation coefficient. This result suggests that managerial efficiency is a key predictor of how secure employees feel in their positions within Pakistan's private sector organizations.

Research Findings & Discussion

The objective of this research was to determine whether a significant relationship exists between managers' efficiency and employees' job security satisfaction in private sector organizations in Pakistan. A correlational research design was employed, and data was collected from a sample of 500 employees working under the direct supervision of managers in different private sector organizations from the textile sector, Garments Sector and cement industries sector across Pakistan but Karachi was selected as an accessible population as Karachi is the representative of the whole Pakistan.

The acceptance of the alternative hypothesis that *there is a significant relationship between managers' efficiency and employees' job security satisfaction* has been accepted is by the obtained higher correlation coefficient. This result suggests that managerial efficiency is a key predictor of how secure employees feel in their positions within Pakistan's private sector

organizations.

The findings of this study provide concrete evidence that enhancing managerial efficiency would be an effective strategy for improving employees' job security satisfaction potentially leading them motivated for retention in the organization as well as organizational stability. The findings are consistent with previous literature emphasizing the importance of leadership and managerial behavior in influencing employee outcomes. Obtained positive correlation suggests that when employees view their managers as competent, communicative, and fair, they are more likely to feel confident in the longevity and stability of their employment. This aligns with the incentive theory and provides a sense of stability and belonging, which is a strong motivator for employees. When employees are respected and appraised for their work, they feel secure in their positions and they are more likely to be engaged, productive, and committed to their work.

In the context of Pakistan's private sector, where economic volatility and organizational restructuring are common, employees may perceive efficient managers as a source of stability. Effective managers not only guide performance but also foster a sense of organizational trust and predictability, which contributes to employees' belief that their jobs are secure. So the findings indicate the potential value of investing in managerial training and leadership development programs focused on practical skills such as transparent communication, equitable delegation, social intelligence and emotional intelligence. Such initiatives could indirectly be beneficial for the organization by strengthening the employees' job security satisfaction.

Conclusions

It is concluded that the research was carried out to examine strength and direction of correlation between managers' efficiency and employees' job security satisfaction within private sector organizations in Pakistan. correlational research design was used and quantitative approach was adopted to collect and analyze the data. A diverse sample of employees across various industries was selected using probability sampling technique. The study confirmed a statistically significantly strong positive relationship between the two variables.

The findings indicate that as employees perceive their managers to be more efficient, demonstrated through effective leadership, communication, decision-making, and organizational skills. they tend to report higher levels of satisfaction regarding their job security. This shows that the managerial efficiency plays a significant role not only in organizational performance but also in fostering congenial and secure workplace environment for employees.

The acceptance of the alternative hypothesis reinforces the idea that efficient managers contribute significantly to building employee confidence in their long-term employment prospects. This is especially relevant in Pakistan's competitive and often unpredictable private sector, where job stability remains a key concern for workers. The study also emphasizes the need for private organizations to prioritize the professional development of their managerial staff. By investing in training programs that enhance managerial efficiency, companies can improve both employee morale and retention by strengthening job security satisfaction. These insights offer valuable direction for human resource strategies and

organizational leadership practices aimed at creating more effective and stable workplaces in Pakistan's private sector organizations.

Recommendations

The research put forward the following recommendations for organizations to maximize their managers' efficiency in dealing with the employees effectively:

1. Private sector organizations should design and implement structured training programs that focus on enhancing managerial efficiencies and competencies. Efficient managers are considered more likely to create stable work environments that contribute to employees' sense of job security.
2. Private sector organizations should encourage managers to adopt transparent, approachable, and empathetic leadership styles that foster greater trust and reduce uncertainty among employees.
3. Human resource departments of private sector organizations should align performance appraisal and promotion systems with measurable indicators of managerial efficiency.
4. Private sector organizations should periodically assess employee job security satisfaction through surveys or feedback mechanisms. Data gathered would help in identifying gaps in managerial practices and provide direction for necessary improvements.
5. Private sector organizations should create internal mobility programs and succession planning strategies, led by capable and efficient managers, as employees feel secure when they see clear career development opportunities and organizational stability.

Future Research Suggestions

Future research should replicate this study across different industries and include additional variables such as organizational culture, employee engagement, and economic conditions to gain a more comprehensive understanding of factors influencing job security satisfaction. Furthermore, it is important to note that correlation does not imply causation. Future research should employ longitudinal or mixed-method approaches to examine the causal dynamics and incorporate additional organizational variables such as company size, industry type, and organizational culture.

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