

Job Satisfaction of Filipino Workers Working in a Multinational Company Based in the Philippines during the COVID-19 Pandemic Outbreak: A Structural Equation Modelling Approach

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Abstract—Filipinos have the opportunity to work with foreign companies without going abroad. Multinational companies have brought many career opportunities with international standards to Filipinos in the Philippines. This study aims to identify the level of satisfaction and the factors that affect job satisfaction of Filipinos working in a multinational company in the Philippines. The researchers have analyzed the collected data from 104 survey participants with Structural Equation Modeling using SmartPLS software. The relationship between that latent variable shows that Benefits and Recognition and personal well-being are the motivating factors of satisfaction. In contrast, the most crucial satisfaction factor is the Superior and management, while the least is responsibility. The overall satisfaction rate is suitable.

Keywords—job satisfaction, workers, multinational company, structural equation modeling

1. Introduction

In the Philippines, globalization has brought many job opportunities to all Filipino people [1]. Aside from working with local companies, Filipinos can have the experience to work and enjoy the benefits of multinational companies while staying in their home country.

Several multinational companies are based in the Philippines. A multinational company is defined as a business entity that operates in its country of origin and has a branch abroad [2]. Foreign companies are locating their business facilities in the Philippines because they offer high workforce competency, fast-growing BPO industry, booming economy, generous tax benefits, large multinationals are already in the Philippines [3].

Filipinos are thrilled to enter multinational companies because of their advantages and international career opportunities. The employees can be benefitted from the international policies and procedures, as well as the Philippine regulations. According to the Security and Exchange Commission, foreign firms for the foreign stock are 4,411, and foreign nonstock firms are 268 [4].

Based on the Job Happiness index from Jobstreet.com, Job satisfaction among Filipino workers fell in 2017 due to a lack of career development and training opportunities [5]. The dissatisfaction among the respondents is due to the lack of career development and training opportunities.

Several job satisfaction studies were conducted on Filipinos working in different countries, but none were focused on a multinational company situated in the Philippines. Having been employed in a multinational

company in the Philippines, the researchers aim to identify their level of satisfaction. Specifically, the researchers aim to determine the factors that affect their job satisfaction.

A person's satisfaction depends on individual perspectives, opinions, and emotions. Oxford dictionary defines Job Satisfaction as a feeling of fulfillment or enjoyment that a person derives from their job. Each person has different feelings and contentment and may change over a period of time depending on circumstances and situation.

Given the present environmental and economic condition brought by the Covid19 pandemic, the satisfaction criteria of employees might be affected. Multinational companies having their main office located in another country have their safety measure protocols to avoid spreading virus with employees.

This study can provide ideas to aspirants on how satisfied or dissatisfied employees work in a multinational company in the Philippines, along with factors that affect satisfaction. It can help the Filipinos looking for a job decide to enter a local company, foreign company, or work abroad.

2. Methodology

2.1. Data Collection

The researchers conducted the purposive sampling with an online survey using Google Forms. The data was distributed and collected from different social media platforms like Facebook messenger, Facebook groups, and WhatsApp. The survey was distributed to participants currently working in a multinational company based in the Philippines. A total of 104 survey responses were collected and analyzed in this study.

2.2. Participants

The geographic location of the headquarters of the companies they are currently working on is summarized in Table 1. The majority of the respondents are working with companies' main office is located in Asia with 45 (43%), followed by North America 40 (38%), South America 9 (9%), Europe 8 (8%), and Australia 2 (2%). No respondents gathered working with head office sited in Africa and Antarctica.

Table 1: Company Location of Respondents

Company's Headquarter	Number (N)	Percentage (%)
Africa	0	0%
Antarctica	0	0%
Asia (except Philippines)	45	43%
Australia	2	2%
Europe	8	8%
North America	40	38%
South America	9	9%

2.3. Theoretical Framework

The present study used Herzberg's motivation-hygiene theory to analyze job satisfaction. Herzberg's theory was developed by Frederick Herzberg, which states that some aspects within a workplace lead to job satisfaction, while others lead to dissatisfaction [6].

Based on the theory, the motivation factor is intrinsic to the job and leads to job satisfaction because it satisfies growth and self-actualization needs [7]. In contrast, the hygiene factor tends to relate to contextual factors rather than the content of the job in itself. With this, the researchers identified factors affecting employees' job satisfaction.

Fig 1 shows the motivating and hygiene factors in this study. Motivating factors include benefits and recognition, growth and promotion, and responsibility. Moreover, hygiene factors are workplace and

workload, fair treatment and equality, colleagues and teammates, superior and management, personal well-being, and health and safety on covid19 pandemic.

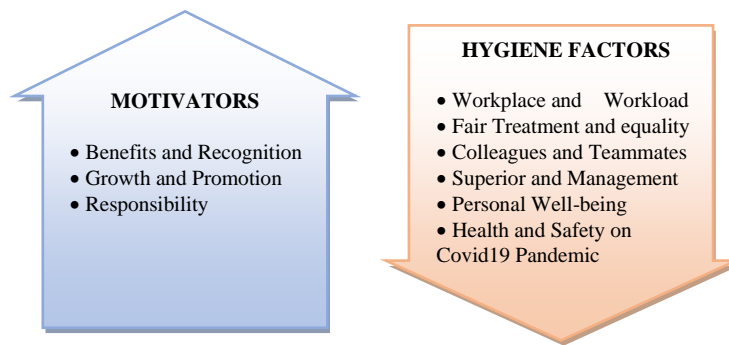


Fig. 1: Research framework.

2.4. Hypothesis Formulation

The theory formulated by Herzberg has been questioned due to individual differences. Different individuals might have different needs and, thus, different motivators [8]. With this, the researchers assume that these factors have changed over time. Fig 2 shows the theoretical framework formulated in this study. Hygiene and motivating factors are assessed and analyzed to validate the theory.

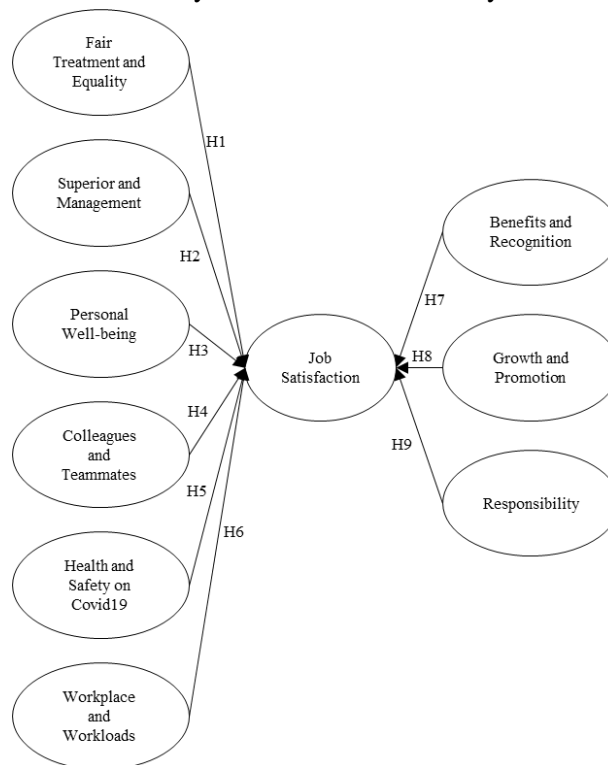


Fig. 2: Theoretical framework.

To validate the assumption that factors have changed because of individual differences, the researchers hypothesized:

- H1: Fair Treatment and Equality is positively related to Job Satisfaction
- H2: Superior and Management is positively related to Job Satisfaction
- H3: Personal Well-being is positively related to Job Satisfaction
- H4: Colleagues and Teammates is positively related to Job Satisfaction
- H5: Health and Safety on Covid19 pandemic is positively related to Job Satisfaction
- H6: Workplace and Workloads is positively related to Job Satisfaction

The Herzberg Theory's motivating factors are benefits and recognition, growth and promotion, and responsibility. To prove this, the researchers hypothesized:

H7: Benefits and Recognition is positively related to Job Satisfaction

H8: Growth and Promotion is positively related to Job Satisfaction

H9: Responsibility is positively related to Job Satisfaction

2.5. Questionnaire

The respondents were asked sets of questions related to a) Workplace and Workload b) Fair Treatment and equality c) Colleagues and teammates d) Superior and Management e) Personal well-being f) Health & Safety during Covid19 pandemic g) Benefits and Recognition h) growth and promotion i) Responsibility, to determine the factors affecting Job Satisfaction in working in a multinational company. The researchers used the Likert scale to analyze and evaluate the latent constructs. Table II shows the set of questions used in this study.

Table 2: Survey Questionnaire

Category	Items	Measures [9]
Workplace and Workload	WW1	Work assignments/tasks are evenly distributed across my teams.
	WW2	I have manageable workload.
	WW3	I have reasonable duties and responsibilities
	WW4	I have a safe workplace
	WW5	I don't feel stress at work
Fair Treatment and equality	FTE1	There is no discrimination against Filipinos with other nationality
	FTE2	The company promotes gender equality
	FTE3	All employees have an equal opportunity for promotion
	FTE4	All employees have an equal and fair treatment
	FTE5	We are treated with respect regardless of demographics
Colleagues and Teammates	CT1	I feel connected with my workmates.
	CT2	I like the people I work with
	CT3	The people I work with cooperate as a team.
	CT4	My colleagues provide support when needed
	CT5	I feel motivated to work with my colleagues
Superior and Management	SM1	My superior listens and values my feedback.
	SM2	My supervisor praise or recognized me when I have done a good job.
	SM3	My supervisor treats me with dignity and respect
	SM4	I can rely on my supervisor
	SM5	My superior inspires me to perform well
Personal Well-being	PW1	I have a balanced work-life.
	PW2	I am satisfied in my current role in the company.
	PW3	I feel valued at work.
	PW4	I am happy with my work.

	PW5	I would not consider leaving my job
Health and Safety on Covid19 Pandemic	HS1	The company has provided adequate hygiene supply (ex. gloves, face masks, etc)
	HS2	My workplace is cleaned and sanitized regularly
	HS3	The company is promoting social distancing at work
	HS4	I feel safe at work
	HS5	I feel comfortable in my workplace
Benefits and Recognition	BR1	I feel I am being paid a fair amount for the work I do.
	BR2	My salary is competitive
	BR3	I am satisfied with the benefits I receive.
	BR4	I feel that my effort is appreciated.
	BR5	Salary increase is based on performance
Growth and Promotion	GP1	The company provides employees training programs to enhance skills and learning ability
	GP2	The company provides potential career advancement
	GP3	I feel that working in the company provides me with growth and skills enhancement
	GP4	The company offers potential promotions to every employee
	GP5	We are given the opportunity to showcase our skills through project involvement
Responsibility	RE1	I feel that my duties and responsibilities match my position
	RE2	I have the authority over the job assigned to me
	RE3	I feel involved in decision-making within my team
	RE4	I know what is expected of me at work
	RE5	I am accountable for my work, whatever the outcome is

Furthermore, the respondents were asked to identify the most factors that affect their satisfaction and their overall level of satisfaction with their current job.

2.6. Data Analysis

The researchers have utilized Structural Equation Model using SmartPLS software to analyze and compare the result of the data with the hypothesis generated.

3. Result & Discussion

The goodness of fit model is measured in this study to assess the statistical fitness of the gathered data. Standardized Root Mean Square Residual (SRMR) is defined as the difference between the observed correlation, and the model implied correlation matrix [10]. Good fitness has a value of <0.08. The SRMR value in this study is 0.079, which implies that the data is a good fit.

The researchers have examined the construct reliability and validity of the data as summarized in Table III. Based on the test result of the latent constructs, values are fit with the basis acceptable of Chronbachs Alpha >0.7 [11], composite Reliability >0.7 [12], and Average Variance Expected >0.5 [13].

Table 3: Construct Reliability and Validity

Factors	Cronbach's Alpha	Composite Reliability	Average Variance Expected
Workplace and Workload	0.854	0.898	0.642
Fair Treatment and equality	0.874	0.907	0.664
Colleagues and Teammates	0.914	0.936	0.746
Superior and Management	0.953	0.964	0.842
Personal Well-being	0.905	0.930	0.726
Health and Safety on Covid19 Pandemic	0.922	0.941	0.762
Benefits and Recognition	0.921	0.941	0.761
Growth and Promotion	0.949	0.961	0.832
Responsibility	0.893	0.922	0.703
Job Satisfaction	1.000	1.000	1.000

Fig 3 shows the analytical result of the model using Structural Equation Modeling. The researchers tested the null hypotheses using the set of questions for each latent variable.

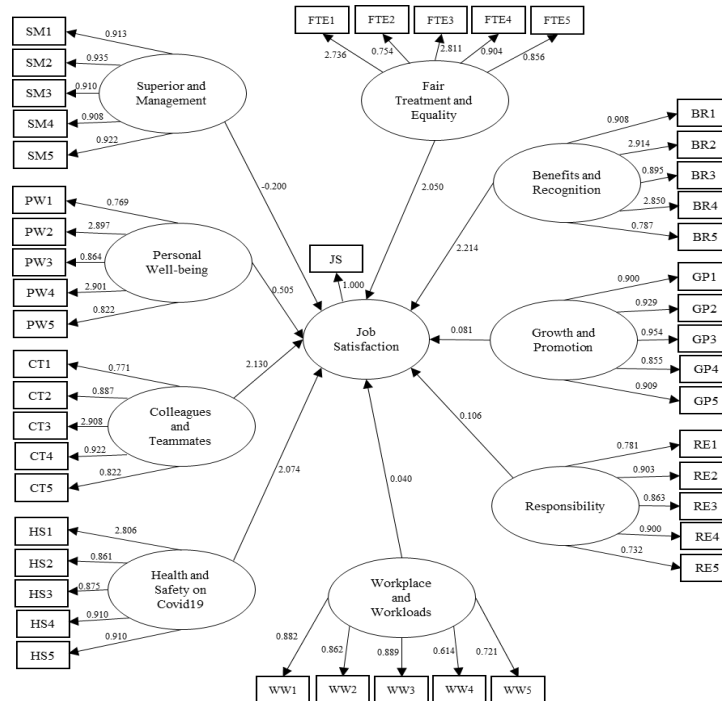


Fig. 3: Analytical result of the model.

Table IV shows each question's mean, standard deviation, and factor loading value. According to the rule of thumbs criterion, a factor loading value of >0.7 represents that the factor extracts sufficient variance from that variable [14]. With the factor loading result on the table, WW4 has a value of 0.61, less than 0.7. A value of 0.6 or higher is still acceptable [15]. Thus, the researchers still considered and included this question in the analysis.

Table 4: Statistical Descriptive Results

Factor	Item	M	SD	Factor Loading
Workplace and Workload	WW1	3.827	0.903	0.882
	WW2	3.750	1.026	0.862
	WW3	3.962	0.950	0.889
	WW4	4.442	0.718	0.614
	WW5	2.837	1.066	0.721
Fair Treatment and equality	FTE1	4.375	0.787	0.736
	FTE2	4.423	0.906	0.754

	FTE3	3.615	1.077	0.811
	FTE4	3.712	1.025	0.904
	FTE5	4.144	0.955	0.856
Colleagues and Teammates	CT1	4.173	0.837	0.771
	CT2	3.962	0.865	0.887
	CT3	4.000	0.832	0.908
	CT4	4.019	0.772	0.922
	CT5	3.952	0.848	0.822
Superior and Management	SM1	3.750	1.035	0.913
	SM2	3.798	1.032	0.935
	SM3	3.990	1.005	0.910
	SM4	3.885	0.993	0.908
	SM5	3.683	1.022	0.922
Personal Well-being	PW1	3.510	1.144	0.769
	PW2	3.673	1.042	0.897
	PW3	3.692	0.981	0.864
	PW4	3.654	1.017	0.901
	PW5	3.317	1.120	0.822
Health and Safety on Covid19 Pandemic	HS1	4.087	1.119	0.806
	HS2	4.288	0.873	0.861
	HS3	4.433	0.829	0.875
	HS4	4.135	0.889	0.910
	HS5	4.125	0.895	0.910
Benefits and Recognition	BR1	3.644	1.100	0.908
	BR2	3.577	1.071	0.914
	BR3	3.635	1.110	0.896
	BR4	3.673	1.004	0.850
	BR5	3.760	1.164	0.787
Growth and Promotion	GP1	3.837	1.001	0.900
	GP2	3.798	1.004	0.929
	GP3	3.788	0.987	0.954
	GP4	3.596	1.096	0.866
	GP5	3.817	1.036	0.909
Responsibility	RE1	3.721	0.985	0.781
	RE2	3.913	0.889	0.903
	RE3	3.875	0.997	0.863
	RE4	4.144	0.903	0.900
	RE5	4.337	0.816	0.732
Job Satisfaction	JS	3.654	0.885	1.000

Path analysis is used to test the relationship between the latent variables. The p-value of <0.05 means that the hypothesis generated is acceptable. Based on the result in Table V, Personal well-being (0.000) and benefits and recognition (0.049) show a positive significance with Job Satisfaction.

The path analysis for the third hypothesis (H3) shows a significance on the model. Personal well-being has a direct influence on job satisfaction. According to Judge and Locke (1992), happy individuals tend to store and evaluate job information. Thus, subjective well-being may influence job satisfaction, which affirms the result of the study. Employees with work and personal life balance are usually contented and happy. Especially during the covid19 pandemic, employee well-being is essential for satisfaction and retention.

H7, which is the Benefits and Recognition is positively related to Job Satisfaction, is also accepted. Employee recognition is defined as an open acknowledgment and praise of employee behavior or achievement. In this study, the researchers have included the salary equivalent to the amount of work the employee is performing. Study shows that employee recognition, pay, and benefits were found to have a significant impact on job satisfaction, regardless of home country income level (high, middle, or low income) and culture (collectivist or individualist) [16]. The study results support the previous research that Benefits and Recognition directly affect employee satisfaction.

All other hypotheses formulated in this study do not show a significant relationship based on the model data. Workplace and workload, fair treatment and equality, colleagues and teammates, superior management, health and safety on covid19 pandemic, growth and promotion, and responsibility do not demonstrate a directly relevant to Job Satisfaction.

Table 5: SEM Path Analysis

Hypothesis	Estimates	Mean	SD	T Statistics	P Values
FTE → JS	0.050	0.039	0.128	0.389	0.670
SM → JS	-0.200	- 0.197	0.112	1.789	0.074
PW → JS	0.505	0.495	0.093	5.438	0.000
CT → JS	0.130	0.134	0.080	1.630	0.104
HS → JS	0.074	0.070	0.083	0.896	0.371
WW → JS	0.040	0.049	0.079	0.499	0.618
BR → JS	0.214	0.228	0.108	1.972	0.049
GP → JS	0.081	0.073	0.094	0.854	0.393
RE → JS	0.108	0.111	0.101	1.072	0.284

Table VI summarizes the satisfactory level of the respondents to show if there is a correlation relative to the location of the company’s head office. Based on the result, most are satisfied (47%), followed by neither satisfied nor dissatisfied (31%), very satisfied (14%), dissatisfied (5%), and very dissatisfied (3%) with their current work.

Table 6: Job Satisfaction Based on HQ Location

HQ Location	Very Dissatisfied	Dissatisfied	Neither	Satisfied	Very Satisfied
Asia (except Philippines)	2	3	18	17	5
Australia	0	0	0	2	0
Europe	0	0	3	1	4
North America	1	1	9	24	5
South America	0	1	2	5	1
Overall Job Satisfaction	3	5	32	49	15
	3%	5%	31%	47%	14%

The most important factors that affect job satisfaction are also identified and shown in Table VII. The respondents can choose as many as they think is an essential factor. The result shows that the most crucial factor is Superior and management (63), Benefits and Recognition (62), Workplace and Workload (58), Fair Treatment and equality (56), Growth and Promotion (45), Personal Well-being (44), Health and Safety on Covid19 Pandemic (41), Colleagues and Teammates (40), and Responsibility (26) as the least.

Table 7: Factors Affecting Job Satisfaction

Factors	Count
Responsibility	26
Colleagues and Teammates	40
Health and Safety on Covid19 Pandemic	41
Personal Well-being	44
Growth and Promotion	45
Fair Treatment and equality	56
Workplace and Workload	58
Benefits and Recognition	62
Superior and Management	63

The study focuses on the factors affecting employees' job satisfaction working in multinational companies located in the Philippines. The result of the study is limited to the number of respondents, and the outcome may change with a more significant number of participants or different scope. Future researchers may improve this study by increasing the number of respondents on the location with few participants to analyze a correlation between the sites. Likewise, future researchers may also survey Filipinos working in local businesses to compare the result with this study.

4. Conclusion

The assumption that Herzberg's motivation-hygiene theory has changed was validated in this study. Based on the result conducted in this study, motivating factors are personal well-being and benefits and recognition. In contrast, hygiene factors include growth and promotion, responsibility, workplace and workload, fair treatment and equality, colleagues and teammates, superior and management, and health and safety on covid19 pandemic. Factors affecting employee satisfaction may change due to individual preferences and differences, which vary over time. Therefore, researchers suggest that companies provide venues to promote the factors that affect satisfaction, leading to better performance and employee retention. This study shows that the overall satisfaction of respondents is satisfactory. Thus, Filipinos looking for a job may consider working in a multinational company in the Philippines.

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