



The Impact of Financial and Non-financial Factors on Self-employees' Job Satisfaction

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Abstract

Although job satisfaction is an important aspect of both employees and self-employees, the literature has primarily focused on examining job satisfaction of employees rather than that of self-employees. However, studies have examined financial and non-financial factors as major predictors of self-employees' job satisfaction; scholars are arguing that job satisfaction is a critical aspect of entrepreneurship. According to the literature there is no unique argument about which factors strongly affect on self-employees' job satisfaction. Hence, this study investigates the impact of financial and non-financial factors on self employees' job satisfaction. With the objective of examining the impact of financial and non-financial factors on job satisfaction, a self-administered survey was carried out among sample self-employees, registered with Small Enterprises Development Division (SEDD), Galle. 75 questionnaires were distributed at a training program and 50 usable questionnaires were received. A structured questionnaire with five point Likert scale questions to state the level of agreement on overall job satisfaction, financial factors and non-financial factors were used to collect primary data. Job satisfaction was the dependent variable while financial and non-financial factors were the independent variables of this study. Income and profit were used as major financial determinants; non-financial measures included autonomy, skill utilization, creativity and variety. In reliability analysis, the consistency and the stability of the data ensured with Cronbach's Alpha values above 0.80 (Income-0.981, Profit- 0.785, Autonomy-0.985, Skill utilization- 0.966, Creativity- 0.976, Variety-0.934, Overall job satisfaction- 0.847). According to the results of multiple regression analysis (R^2 0.807), Beta values for financial factors and non-financial factors for job satisfaction are 0.387 and 0.257 respectively. The results indicated both financial and non financial factors were significantly related with job satisfaction at 5% level ($P < 0.05$). The results indicated that financial factors have relatively higher impact on self-employees' job satisfaction. Thus, the study has an important contribution to existing literature because previous studies have argued that non-financial factors are prominent. In this context, people engage in self-employment prioritizing for financial motives as well.

Keywords: *Self-employment, Job satisfaction, Financial Factors, Non-financial factors*