

Work Motivation and Job Satisfaction of Employees before and after Company Reorganization: A Case of an Electric Cooperative in the Philippines

April Joy Sevilla Bautista¹, Felipe E. Balaria²

¹Aj19_05@yahoo.com

²pbalaria@yahoo.com

Abstract— This study was conducted to determine and compare the work motivation and job satisfaction of the employees before and after the cooperative reorganized sometime in 2015. Using descriptive comparative research design with survey questionnaire as data gathering instrument, the study involved 70 purposively chosen respondents from the said cooperative found out that motivation and job satisfaction levels of the respondents significantly increased after the reorganization. The study recommends that the current management continue striving to keep the level high.

Keywords— work motivation, job satisfaction, company reorganization.

I. INTRODUCTION

Companies and business entities normally encounter challenges in the course of their operations, and when challenges and difficulties go out of hand, the administration sometimes resort to reorganization. According to Cambridge [1], reorganization is a change in the way that something such as a company is organized. It is done to improve and to extend the life of a company facing bankruptcy through special arrangements and restructuring.

Reorganization effects changes or overhaul in a company's organizational structure for various reasons that may include improving efficiency or costs-cutting [2]. The reorganization usually happens after a change of leadership which resorted to reorganization for two times already as in the case of NEECO 1.

As a backgrounder, NEECO 1 is a non-stock, non-profit electric cooperative duly organized by virtue of Presidential Decree No. 269. It started its operation on November 24, 1973, and since then it has provided electricity to five (5) municipalities in Nueva Ecija, Philippines namely; San Antonio, Jaen, Gapan, Cabiao and

San Isidro. This electric cooperative is one of the 121 Rural Electric Cooperatives in the Philippines being supervised by the National Electrification Administration (NEA), a Philippine Government Owned and Controlled Corporation (GOCC).

In 45 years of its operation, about 27 leaders took turns in managing the cooperative upon approval of the National Electrification Administration, its supervising agency. It first underwent reorganization in March 1993. The second reorganization took place on December 15, 2015 as part of its strategic map to continually enhance human resource competencies and sustain programs promoting employees' welfare and motivation [3].

With the reorganization, the remuneration and retirement package for the employees were expected to increase and the cooperative's operations were also expected to improve. The reorganization resulted to dramatic changes. Certain positions were abolished while new positions were created. Some employees were promoted; while some were retained in their positions. However, there were also cases of demotion and transfer to other departments, which elicit negative repercussions. There was actually distortion in the previous organizational setup which was rather informal devoid of clear policy guide. There were non-aligned positions as to fields of specialization, hence discontentment arose on the employees concerned.

Despite the good faith upon which reorganizations have resorted to, studies have shown that it has negative impact on the employees [4]. While many favored restructuring, still there were those displeased and exhibited displeasure with how the change was facilitated or with its outcomes in terms of efficiency.

Restructuring is also believed to de-motivate employees because it oftentimes leads to loss of job or

demotion [5], which affected the remaining employees' job description. This claim was supported by the finding of Kirinji [6] who during the interview process in connection with her research entitled Effects of Corporate Restructuring on Employees' Motivation in Kenya Commercial Bank, Ltd., participants were found to have become less motivated than before the reorganization. Fifty percent of faces were no longer there and the attrition rate increased. Triangulated data, however, revealed that despite the employees' attitude and low morale due to reorganization, some employees still indicated their commitment to their company despite alleged instances of polarization within their departments. These were proofs that reorganization may either have negative or positive effects.

Cognizant of the reality of the effects of reorganization, the proponents of this study ventured on this research to determine the bearing of reorganization to the motivation and job satisfaction of the NEECO I employees before and after their reorganization in 2015.

II. STATEMENT OF THE PROBLEM

The study focused on the work motivation and job satisfaction of the employees Nueva Ecija Electric Cooperative I before and after its reorganization. Specifically it answered the following questions.

1. How may the work motivation of the NEECO I employees be described before and after reorganization?
2. How may the job satisfaction of the NEECO I employees be described before and after reorganization?
3. Is there any significant difference between work motivation and job satisfaction of NEECO I employees before and after the reorganization?

III. METHODOLOGY

This study used descriptive comparative design wherein work motivation and job satisfaction of NEECO I employees before and after reorganization were first described and then compared to determine existence of any significant difference. A total of 70 purposively chosen NEECO I employees were used as respondents of the study.

These employees were selected because they were already with the Cooperative when the reorganization took place.

A content validated 4-point-scaled survey questionnaire as the primary instrument to gather the needed data. The following scales were the basis for data analysis and interpretation:

Motivation Scale	Verbal Description	Job Satisfaction Scale	Verbal Description
1.00 to 1.74	Very slightly Motivated	1.00 to 1.74	Very slightly Satisfied
1.75 to 2.49	Slightly Motivated	1.75 to 2.49	Slightly Satisfied
2.50 to 3.24	Motivated	2.50 to 3.24	Satisfied
3.25 to 4.00	Highly Motivated	3.25 to 4.00	Very Satisfied

IV. RESULTS AND DISCUSSION

1. NEECO I Employee Work Motivation Before and After Reorganization

Table 1 below shows the motivation level of the respondents before and after reorganization at NEECO I. With an overall mean motivation level of 3.21, it is evident that the employees were generally motivated to work before reorganization. It further reveals that they were highly motivated to perform their daily task (mean=3.41), come to work daily (mean = 3.37); participate in NEECO I initiated activities (mean = 3.33); take in extra work (mean = 3.29); and attend training and seminars related to work. On the other hand, they were not as highly motivated to perform work assignments with team mates (mean = 3.23); attend meetings (mean = 3.20); make written reports (3.09); educate consumers (mean = 3.01) and pursue higher education (mean = 2.89). This also implies that before reorganization, NEECO I employees tend to be the typical employees who would come to work and do task as expected although there were indications that somehow, their motivation level has been waning when they would have to make written reports or when they would be required to socialize or mingle with the public or even with workmates.

Table.1: Motivation level of NEECO I Employees before and after Reorganization

Work related Activities	Before		After	
	Mean	Verbal Description	Mean	Verbal Description
1. coming to work daily	3.37	Highly Motivated	3.69	Highly Motivated

2. performing daily routine task	3.41	Highly Motivated	3.64	Highly Motivated
3. performing work assignments with team mates	3.23	Motivated	3.59	Highly Motivated
4. taking in extra work assignments	3.29	Highly Motivated	3.60	Highly Motivated
5. making written reports	3.09	Motivated	3.47	Highly Motivated
6. educating consumers/members on proper use of electricity	3.01	Motivated	3.46	Highly Motivated
7. attending meetings	3.20	Motivated	3.49	Highly Motivated
8. participating in initiated activities	3.33	Highly Motivated	3.60	Highly Motivated
9. attending training and seminars	3.27	Highly Motivated	3.59	Highly Motivated
10. pursuing higher education	2.89	Motivated	3.37	Highly Motivated
Overall weighted mean	3.21	Motivated	3.55	Highly Motivated

On the other hand, the figures or results changed after the reorganization. It became apparent that the employees have generally become highly motivated with an overall weighted mean rating of 3.55. This indicates that after the reorganization, the employees motivation level increased even in doing what they did not like doing before, such as performing tasks with team mates (mean=3.59); making written reports (mean= 3.47); educating consumers and members about proper use of electricity (mean=3.46) attending meetings (mean=3.49) and pursuing higher education (mean= 3.37). Apparently, the employees have become more socially inclined after the reorganization. With this, it is likely that they will also be more comfortable working with others, and this may translate to increased efficiency.

2. NEECO I Employee Job Satisfaction Level Before and After Reorganization

Table 2 shows the job satisfaction level of the respondents before and after reorganization at the Nueva Ecija Electric Cooperatives I.

With an overall weighted mean of 3.06, the employees' job satisfaction level was evident at the satisfied level, and this is an indication that the employees were only generally satisfied with their work before the reorganization. Their satisfaction level was highest in terms of retirement package (mean= 3.17). Some respondents disclosed they were anticipating retirement before the reorganization was implemented in 2015. This is the common notion among employees of organizations for quite a number of reasons; from fear of demotion to resentment to changes in the work environment. Their next higher level of satisfaction was with the leadership (mean = 3.14). It was very likely that their leader at that time left a good impression to the said employees.

Table.2: Job Satisfaction level of NEECO I Employees before and after Reorganization

Job Satisfaction level in terms of:	Before		After	
	Mean	Verbal Description	Mean	Verbal Description
1. organizational Structure	3.04	Satisfied	3.56	Very Satisfied
2. leadership	3.14	Satisfied	3.64	Very Satisfied
3. programs and projects	3.13	Satisfied	3.63	Very Satisfied
4. working relationship within	3.13	Satisfied	3.61	Very Satisfied
5. reward system	2.99	Satisfied	3.51	Very Satisfied
6. training opportunities	2.99	Satisfied	3.53	Very Satisfied
7. physical facilities and equipment	3.04	Satisfied	3.51	Very Satisfied
8. opportunities for promotion	2.91	Satisfied	3.57	Very Satisfied
9. salaries and benefits	3.06	Satisfied	3.74	Very Satisfied
10. retirement package	3.17	Satisfied	3.74	Very Satisfied
Overall weighted mean	3.06	Satisfied	3.61	Very Satisfied

Further analysis of the result of the study indicates that the employees were least satisfied with the promotional

opportunities they had before (mean= 2.91). This was followed by the reward system and training opportunities in

the workplace which both obtained a weighted mean rating of 2.99. With the said figures, there is a reason to believe that the employees of NEECO 1 before reorganization were likely not inspired with their work situation; and since there is a direct link between job satisfaction and performance [7], it is also likely that, at that time, the employees did not perform their organizational function to the maximum

3. Comparison of the Motivation level of NEECO 1 Employees Before and After Reorganization.

Table 3 shows the result of analysis of the work motivation levels of the respondents before and after reorganization in 2015.

The two-tailed test, computed at .05 alpha level, revealed a *t* value of 3.97 which was higher than the critical *t* value of 1.98. The result is an indication that there is a significant difference in the work motivation of NEECO I employees before and after reorganization.

Table 3: Statistics Table on the Comparison of NEECO I Employees' Motivation Level Before and After Reorganization.

Motivation	After	Before
Mean	3.55	3.21
Variance	0.2350	0.2796
n	70	
<i>t</i> Stat	3.97**	
<i>T critical two tail</i>	1.98	

4. Comparison of the Job Satisfaction Level of NEECO 1 Employees before and after Reorganization.

Table 4 shows the result of analysis of the job satisfaction levels of the respondents before and after reorganization in 2015.

The two-tailed test computed at .05 alpha level revealed a *t* value of 5.98 which was higher than the critical *t* value of 1.98. This value indicates that there was a significant difference in the job satisfaction of NEECO I employees before and after reorganization.

Table.4: Statistics Table on the Comparison of NEECO I Employees' Motivation Level Before and After Reorganization

Motivation	After	Before
Mean	3.61	3.06
Variance	0.2585	0.3248
n	70	
<i>t</i> Stat	5.98**	

<i>T critical two tail</i>	1.98
----------------------------	------

V. SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

Summary of findings

The findings of the study were summarized as follows:

1. The motivation level of the employees of NEECO 1 before reorganization was 3.21, verbally described as "Motivated"; while their motivation level after reorganization was 3.55 verbally described as "Highly Motivated".
2. The job satisfaction level of the NEECO I employees before reorganization was 3.06, verbally described as "Satisfied"; while their satisfaction level after reorganization was 3.61, with verbal description of "Highly Satisfied".
3. The computed *t*-value in the comparison of the motivation level of the employees before and after the reorganization was 3.97, which was higher than the 1.98 critical value.
4. The computed *t*-value in the comparison of the job satisfaction level of the employees before and after the reorganization was 5.98, which was higher than the 1.98 critical value.

Conclusions

Based on the findings of the study, the following were thus concluded:

1. The work motivation level of the employees of NEECO I increased after the company reorganized in 2015. They were more motivated to work after the reorganization.
2. The job satisfaction level of the employees of NEECO I increased after the company reorganized in 2015. They were more satisfied with their job after the reorganization.
3. The increase in the motivation level of the NEECO I employees after the reorganization of the company was significantly high at .01 level. There is a significant difference in the work motivation of the NEECO I employees before and after the reorganization.
4. The increase in the job satisfaction level of the NEECO I employees after the reorganization of the company was significantly high at .01 level. There is a significant difference in the job satisfaction of the NEECO I employees before and after the reorganization.

Recommendations

Based on the findings and conclusions of the study, the following are thus recommended:

1. The current management should continue with the innovation he has started after reorganization to keep its employees highly motivated.
2. The management should also find more ways to keep its employees highly satisfied.
3. The management may consider further improvement of the company's reward system and may also consider updating of its physical facilities and equipment so as keep the employees job satisfaction high.
4. Future researchers may also continue the investigation to determine impact of NEECO 1 reorganization five years after.

REFERENCES

- [1] <https://dictionary.cambridge.org/us/dictionary/english/reorganization>
- [2] Fleming, EM (2017) The Effects of Organizational Restructuring and Acceptance of Change on Employees' Motivation
- [3] Human Resource Department (2018) , NEECO 1, San Isidro, Nueva Ecija, Philippines
- [4] <https://hbr.org/2011/10/reorganizing-think-again.html> downloaded November 15, 2018
- [5] Askkenas, Ron,(2011,Harvard Business Review: Mergers and Acquisition
- [6] Kiriji, B. (2015) Effects of corporate restructuring on employees motivation in Kenya Commercial bank ltd. Nairobi, Kenya
- [7] Bakotić, D. (2016) Relationship between job satisfaction and organizational performance.