A Quantitative Study of the Impact of Employee Job Satisfaction on IT Project Success

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Abstract: Although many studies have been conducted on software project success, there is a lack of research investigating the impact of employee job satisfaction on software project success in offshore Information Technology (IT) companies. The purpose of this study is to examine the relationship between software project success and employee job satisfaction in offshore IT companies. The significance of this study lies in the fact that its results can help HR managers, senior managers, leadership teams, and project managers in offshore IT companies to understand the impact of employee job satisfaction on software project success. Data were collected from a sample of IT professionals working for various offshore IT Companies located in India. The results indicate that there is a statistically significant relationship between the two variables in offshore IT companies. This study seeks to contribute to the existing literature about the relationship between software project success, and employee job satisfaction. This study will add to the knowledge of project management, software project success, and employee job satisfaction, Human Resources in offshore IT companies.

Keywords: Employee Job Satisfaction, Software Project Success, IT Projects, Project Management, Offshore IT Companies

1. Introduction

This study aims to examine the impact of employee job satisfaction on software project success in offshore Information Technology (IT) companies. Human resources and their job satisfaction will play an important role towards productivity improvements. Good human resource policies help in handling employees in an effective manner [1].

Employee satisfaction in IT companies, also called as job satisfaction, is distilistinguished as an individual's attitude towards his or her job responsibilities [2]. Job satisfaction is showed by positive attitude towards the job, whereas job dissatisfaction is signaled by negative attitudes [3]. Change in role expectations, an increase in duties and responsibilities, extended work hours, and an increased workload are all factors that affect job satisfaction [4]. The ubiquity of computing resources, especially the personal computer, has changed the face of how companies conduct their business [5].

Project failures and challenged projects influence company performance and customer satisfaction [14]. For example, a project that produces flawed software may leave organizations and its customers vulnerable as well as open to numerous security threats. In the current globalized economy, IT companies are under tremendous pressure to do things keeping in mind affordability and competitors [16].

Only 29% of IT projects were delivered on schedule, within budget, and within scope [12]. Standish Group reported that 53% of IT projects slipped schedules, budgets and delivered less functionality. Projects in the IT industry are more likely to fail than other types of projects, such as building construction projects. Some of the causes for IT project failures are their application of speedily changing technologies, their longer project durations, and the volatility of business requirements [7].

2. Software Project Success

Scholars have been struggling to agree on a definition of project success. Project success and project management success are two discrete facets of success. Collins and Baccarini remarked that project success constitutes project management success. Project management success and product success together form project success [8].

The definition of project success criteria has evolved from a simplistic triple constraint concept, popularly known as the iron triangle (time, scope and cost) to a more comprehensive definition which goes on to encompass many more success criteria [13]. Collins and Baccarini found in their quantitative and qualitative study that project success covers more than just schedule, cost, and quality factors [9].

Although recent studies focused on studying the impact of various factors that affect success of projects in IT companies, no research has focused on studying the impact of employee job satisfaction on software project success in offshore IT companies.

The findings of this study will be useful to HR managers, project managers, senior managers, and leadership teams in IT companies, as they can use the findings of this study to understand how employee job satisfaction impacts software project success in offshore IT companies. The U.S. spent \$85 billion on IT projects that were not successful before the project closing phase because of various difficulties associated with scope, budget, schedule, and quality [10]. Staw and Ross stated in their study that project managers over-commit on project budgets and schedules, which is one of the causes for project failures.

3. Statement of the Problem

The study aims to investigate how employee job satisfaction impacts software project success in offshore IT companies.

There is a lack of empirical evidence in IT project success that particularly attempt to understand the relationship between job satisfaction and software project success. Several researchers have identified numerous risk factors that caused IT project failures. Some of those risk factors are: poor estimates, ambiguous requirements, scope creep, no senior management support, and low user involvement [11].

Many IT projects are not finished on time, within budget, and within scope, leading to cost overruns, schedule slippage, and missed business opportunities [12]. Academic scholars and practioners need more research to understand the impact of employee job satisfaction on software project success in offshore IT companies. Some of the factors that cause project failures are not implementing risk management and project planning, tracking and control activities.

4. Methodology – Quantitative Study

The nature of this correlational quantitative study involves finding out the association between software project success and employee job satisfaction. A quantitative approach has been used for this study for exploring the association between software project success and employee job satisfaction in offshore IT companies. In correlation research, a researcher collects data to find out if and to what extent a relationship exists between two or more quantifiable variables [15].

I have developed a Software Project Success Questionnaire (SPSQ) in order to measure the dependent variable: software project success. The study will explore the factors that influence employee job satisfaction and its impact on software project success in offshore IT companies by gathering perceptions of IT professionals about their job satisfaction and IT project success.

The survey will be hosted on the SurveyMonkey.com website and a link to the survey will be sent to all the respondents. Data analysis will include t tests to determine if there is a significant relationship between employee job satisfaction and software project success in offshore IT companies. Survey participants will be selected from a sample offshore IT companies located in India, which execute various kinds of IT projects.

5. Results

To determine the associated relationship, Employee job satisfaction - Compensation, Career growth and Skills usage (Independent variables) were determined by administering the researcher prepared survey questionnaire and IT Software project success (Dependent variable) was measured by administering the Project Success portion of the Questionnaire. The quantitative research question provided the structure and focus for the research. The primary research questions that focus on studying the association between employee job satisfaction and software project success in offshore IT companies will guide this study.

Below sections (Table 1 and Table 2) provide a preview of the results obtained for this study. The results indicate that there is a statistically significant relationship between software project success and employee job satisfaction in offshore IT companies.

6. Statistical Analysis

 Table 1: Paired Correlational Analysis

 Paired Samples Correlations

		Ν	Correlation	Sig.
Pair 1	Employee Job Satisfaction Impact on Project Success & Age	184	.031	.671
Pair 2	Employee Job Satisfaction Impact on Project Success & Yrs of Exp	184	.029	.695
Pair 3	Employee Job Satisfaction Impact on Project Success & Avg Exp with an Employer	184	.036	.630

Table 2:	Regression	Analysis
	Correlation	•

Correlations								
		Emplo Satisfacti on Projec	yee Job on Impact ot Success	Age	Yrs of Exp	Avg Exp with an Employer		
Employee Job	Pearson Correlation		1	.031	.029	.036		
Satisfaction Impact	Sig. (2-tailed)			.671	.695	.630		
on Project Success	N		184	184	184	184		
Age	Pearson Correlation		.031	1	.956**	.838**		
	Sig. (2-tailed)		.671		.000	.000		
1	N		184	184	184	184		
			.029	.956**	1	.878**		
Yrs of Exp	Pearson Correlation Sig. (2-tailed)		.695	.000		.000		
	N	1	184	184	184	184		
Avg Exp with an	Pearson Correlation		.036	.838**	.878**	1		
Employer	Sig. (2-tailed)		.630 184	.000 184	.000 184	184		

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

7. Conclusion and Summary

The results of this study will provide insightful knowledge to the academic community and practioners. This study will be beneficial for future research on job satisfaction, software project success, and project management in IT or offshore software companies. This study will particularly help HR managers, project managers, senior managers, and leadership teams in IT companies in planning, designing and implementing policies, processes and procedures that motivate employees, which in turn may help in increasing employee job satisfaction that can influence software project success. There is minimal literature available on the impact of employee job satisfaction on software project success in offshore IT companies. This gap in the literature may signify the importance of this study to the profession of project management and IT projects.

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Author Profile



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