

Supervisory Communication and Employees' Job Satisfaction in the Small and Medium-Sized Enterprises (SMEs)

MOHD NAZRI IBRAHIM
ZARIDAH ABDULLAH
Universiti Teknologi MARA

MD AZALANSHAH MD SYED
Universiti Malaya

MUHAMMAD AMANULLAH YATIM
Universiti Teknologi Petronas

ABSTRACT

Supervisory communication has been determined as a strong factor in predicting organizational environment. Even though it is not clearly outlined, supervisory function serves as a big determining factor in job satisfaction. Despite the fundamental idea that small and medium-sized enterprises (SMEs) contribute to the development of the nation, there is still a huge gap on how organizational communication works particularly in relation to how well the small numbers of employees in SMEs could interact with their supervisors. This study examines the relationship between supervisory communication and job satisfaction among SMEs' employees in Klang Valley, Malaysia. It was hypothesized that supervision is a determining factor to job satisfaction due to the fact that the relationship between supervisors and subordinates in the workplace is essential. Secondly, supervisory communication is imperative as it is important to influence subordinates' job satisfaction. 184 respondents were selected randomly from SMEs' directory for this research. The study found that there is a moderately strong relationship between supervisory communication and job satisfaction among employees in the industry. Specifically, supervisory communication explained 39.5% of the communication satisfaction variance. Therefore, supervisory communication significantly predicted job satisfaction in the industry. This study underlines the importance of supervisory communication towards job satisfaction and predicted that it will finally contribute to the future development of the industry.

Keywords: *Supervisory communication, job satisfaction, small and medium-sized enterprises (SMEs), employees, supervisor, subordinates.*

INTRODUCTION

Many organisations strive to put effort to share their organisational cultures with employees to reach their goals. Leaders, such as managers and supervisors play very crucial roles to engage the members with the organisational values, vision, norms, systems and beliefs (Needle, 2004). Thus, effective organisational communication would be a conduit to ensure similar aspirations to be understood and shared by all members. In addition, supervisors must be aware of their function in upholding an organisation's culture by establishing and illustrating to their subordinates on how they should behave to achieve common goals. This

behavioural framework, in turn, ensures higher job satisfaction when a subordinate feel that the supervisor is helping him or her to complete a goal (Tsai, 2011). From this perspective, organisational culture, leadership, and job satisfaction are all interrelated.

Past studies have shown that communication is related either directly or indirectly to job satisfaction (Likert, 1967). Communication is vital in cementing a subordinate's trust and loyalty to the company (Katcher, 2010). Awed and Alhashemi (2012) claimed that communication is paramount in an organisation as it is the only way inputs can be circulated around, instructions can be executed, and on top of it is the coordination and collaboration activities that can be implemented.

Moreover, communication also unifies different opinions and views in workplace and finally provide conducive environment in the workplace (Wilkinson & Wagner, 1993). In addition, communication in the organization exists as a two-way process with a sender-receiver relationship – sending message and feedback between supervisor and subordinates, and among co-workers (Newstrom & Davis, 2006).

Supervisory communication being a part of organizational communication is the focus of this paper. Various researches have used the term interchangeably with leadership communication and managerial communication (van Vuuren, de Jong, & Seydel, 2006; Mosadegh Rad & Yarmohammadian, 2006). Gok, Karatuna and Karaca (2014) found a positive correlation between supervisory support and job satisfaction in the organisation. They suggested that supervisory communication is important to shape the workplace environment and enhance job satisfaction. Supervisor is a primary component of supervisory communication in relaying messages to subordinate but not much has been done to understand its importance (Andrews & Kacmar, 2001).

Supervisory communication is a concept that expands the components of communication (source, receiver, message, and channel) into the context of supervisor-subordinate's information flow (Katz & Kahn, 1978). They posit five types of information communicated from supervisors to subordinate which are (1) job instruction, (2) job rationale, (3) procedures and practices, (4) feedback, and (5) indoctrination of goals, while in return subordinate will communicate this information back to their supervisor; (1) themselves and their performances, (2) their co-worker problems, (3) organizational practices and policies, and (4) what's need to be done and how it can be done. Numerous key researches had used supervisory communication as a determining factor of organisational outcomes (Hassan & Bahtiar, 2008; Wilkinson & Wagner, 1993; Pettit et al., 1997). Therefore, this research intends to adopt and explore supervisory communication in relations to job satisfaction but specifically in the small and medium-sized enterprises (SMEs).

Malaysian government has been actively building and developing the SME segments of the economy with many policies intended introduced to boost this segment. According to the Census, Malaysian SMEs represent the majority of total establishments in Malaysia with more than 97.3% (SME Corp. Malaysia, 2014). For example, Malaysia's Budget 2016 has also allocated a significant amount of MYR 9.5 billion to spur the developments of this segment apart from various tax incentives (BERNAMA, 2015). Even though there is a continuous support for this segment of the company, businesses in SME sector seems to struggle from

managerial communication perspective and this has not been addressed properly. Asma (1992) reported on the realization that managerial communication in an organisation is highly affected by the culture of Malaysians. Even though Asma (1992) did not explain in detail regarding aspects of the organisational communication, the research has provided useful understanding of the work-culture of Malaysia's organisations.

Thus far, supervisory-subordinate relationship has not been explored extensively in Malaysia as most researches use managerial perspective of viewing issues and not from the communication lenses. Shockley-Zalabak (2014) suggested that organizational communication is an apparent tool to organize people inside an organisation, but it failed to understand its functions, which may prove to have severe impact to the organization. Although there is abundant research on managing a corporation, most of them still rely dominantly on the managerial perspective (Asma, 1992; Hassan, Che Su & Bahtiar, 2008; Saleh, Caputi, & Harvie, 2008). Little action has been taken to include communication as a component of assessment. This is very evident in the case of SME corporations in Malaysia. Saleh, Caputi and Harvie (2008) reported that SMEs faced challenges in human capital that involve managerial skills and labour productivity and they suggested that the Government of Malaysia should increase the number of training centres to address this issue. Muhammad Wasim and Muhammad (2014) also share the same view in that, SMEs in Malaysia is in dire need of assistance in training. Although there were significant numbers of studies conducted in Malaysia regarding managerial issues in SMEs, it still fails to address the importance of communication elements in managing an enterprise.

Therefore, the objectives of this research are to identify: 1) level of supervisory communication being practiced in the SMEs as perceived by employees; 2) level of communication satisfaction in the SMEs among employees; 3) whether supervisory communication is a significant predictor of job satisfaction in the SMEs.

REVIEW OF LITERATURE

a. Leader-Member Exchange Theory

To better explain the relationship between supervisory communication and job satisfaction among employees, the leader-member exchange theory was applied. The theory which is commonly known as LMX was proposed by Graen and his friends (Dansereau, Graen & Haga, 1975; Graen & Uhl Bien, 1995). The core idea of this theory is to explain the relationship between superior and subordinate and to show how this relationship developed, due to their interactions at the workplace (Graen & Scandura, 1987; Graen & Uhl-Bien, 1995; Graen & Wakabayashi, 1994; Graen et al., 1990; Liden & Graen, 1980). Apparently, LMX challenged the traditional perspective of traditional leadership models that usually focuses on leadership traits and leadership states. Instead, the theory argues that a superior actually treats each of subordinates differently, as it can be placed on a continuum (Dainton & Zelle, 2011, p.154-155).

LMX further explained the dynamic relationship between supervisor and subordinate and their interaction in the organizational context, which emphasizes on the 'in-group' and 'out-group' members of the organisation. The theory focuses on unequal relationships between a superior and a subordinate. Graen and his research friends (Dansereau, Graen &

Haga, 1975; Graen & Uhl Bien, 1995) argued that limited time and resources had restricted the superior to interact fairly to all subordinates.

Based on a continuum of relationships, LMX relationships, also called *in-group* relationships is categorised based on mutual trust, social support, and liking. Thus, the condition fosters more interaction between organisational members. In contrast, at the other end of the continuum are *supervisory exchange (SX) relationships* in which interaction of the superior and the subordinate are constrained by their roles and bounded by the contractual obligations prepared by the organisation. Thus, SX relationships, also known as *out-group* relationships are restricted, impersonal and it further led to less interaction between the superior-subordinate. In addition, the midpoint of the continuum, which is also known as *middle-group* relationships, are characterised by both elements of LMX. The interaction is often impersonal and individuals in the middle group are aware that they do not belong to the *in-group*. Therefore, moderate amounts of trust and liking occur between the superior and the subordinate (Dainton & Zelle, 2011, p.155). Nevertheless, the underlying assumption of LMX indicated and further supported by empirical findings posited that the quality of LMX once developed could remain stable beginning from as early two months (Dansereau et al., 1975) to two weeks (Liden et al., 1993).

Interestingly, Graen and Uhl-Bien (1995) emphasize more on the dyadic relationship rather than collective analysis of supervisor and subordinate relationship in which each supervisor and subordinate will be analysed individually rather than seeing them as part of a larger group. LMX theory is a theory that originates from the Vertical Dyad Linkage (VDL) theory by Dansereau et al. (1975) by which it pioneers the theoretical approach of explaining a dyadic relationship between supervisor and subordinate.

LMX is not the only existing theory that tries to explain the nature of leadership and follower. Instead there are numerous other researches that have proposed literature on the aspect of organisational management. Graen and Uhl-Bien (1995) discussed that previous theories of leadership were struggling with the idea of leadership itself making it impossible for every single theory to fit into one definite category because most of the theories will evidently be overlapped in some of its characteristics.

Previous studies of leadership developed from only examining singular domain such as leadership as traits or behavioural approach and expanded when multi domain perspective is widely accepted such as the empowerment approach (Rousseau, 1985). Increasingly after decades of studies, more data proposed that a multi domain approach is the most appropriate method to underline leadership in the organizational context (Klein et al., 1994). To prove that there is a strong relationship between the two domains of leader and follower, studies ensued to criticized the idea. Graen and Uhl-Bien (1995) utilized a multi domain approach by including the domain of leader, follower, and another domain of charisma as relationship between leader and follower. It shows that charisma has a suppressor effect on the relationship between leader and follower. This essentially means that without a multi domain approach, the examination of leadership in an organization is fragile and examining it by using multi domain approach will show the relationship clearly.

Graen and Uhl-Bien (1995) also noted that while LMX is focused on three main domains of leader, follower and relationship, they argued that the domain of relationship has endless variations, as it could be the centre of investigation such as quality of conversation and organizational communication. Hence the construction of the leadership is inclusive although not limited to three domains, which are leader, follower and relationship.

To further understand the importance of each of these domains, Graen and Uhl-Bien (1995) deconstructed them individually to form a greater foundation of the theory. The leader-based domain tries to explain the leadership from the leader perspective and it imposes a central question to its core and this include the traits model, behaviour model, personality variable, attitude, perception, power, influences and so forth that it generates a sense of desirable mix that would eventually produce the desired outcome (Graen & Uhl-Bien, 1995). The follower-based perspective on the other hand focused more on the issues lingering around follower and generates interest such as what is the ultimate mix to attain a desired outcome (Graen & Uhl-Bien, 1995). The third domain of the leadership construct is the relationship domain which act as the dyadic glue between the other two domains of the follower and leader and it caters to questions such as the relationship between trust or respect between leader and follower and if combined together could be used to assess the reciprocal effect of such relationship (Graen & Uhl-Bien, 1995).

This eventually becomes the basis of the development of LMX theory as it enables researcher to use it and expand it endlessly while sticking to these three core domains. The interactivity of all the domains is virtually endless and has the capacity to cover all aspects of leadership mainly in organisation as by utilising the domains researchers can come up with an explanation to various questions that previously were very restricted to certain areas (Graen & Uhl-Bien, 1995).

Within the domain of organisational communication, findings from key studies suggest that the LMX quality has a strong impact towards the superior-subordinate interaction. For example, earlier research by Waldron (1991), Krone (1992) and Fairhurst (1993), have explicated the effects of LMX qualities towards upward influence, relationship influence and discourse patterns. Therefore, as LMX quality increases, the communication state of superior and subordinates also improves.

b. Supervisory Communication

One of the significant areas in organisational communication research is the study of superior-subordinate communication, which is also known as supervisory communication. The focus on the quality of superior-subordinate relationship initially was partly related to the human relations assumptions that a supervisor gain compliance from a subordinate by promoting interpersonal relationships and impose satisfaction of social needs. In the 1960s and 1970s, emphasis has shifted to the fundamental ideas of human resource development theory that a superior need to create and facilitate a proper climate for the development of subordinates' abilities. Contested leadership perspective between interpretive and critical scholarships resulted that leader-member communication had been viewed as not only coordinated action but implies a hierarchy of authority due to divisions of labour and specialisation (Papa et al., 2008, p.260-277).

Various researchers have defined supervisory communication by trying to explain the area of communication from different perspectives and dimensions. For example, Jablin (1987) argues that supervisory communication is a critical antecedent for communication-turnover model. The communication variables consist of organisation wide communication; organisational characteristics; integration in emergent communication networks; supervisor communication relationship; co-worker communication relationship; communication-related work expectations; perceive role of ambiguity and conflict; and communication-related traits and competencies.

But despite Jablin's report (1987), a subsequent research surfaced to explain supervisory communication from the role theory perspective in which Katz and Kahn (1978) expanded from the basic model of communication by Shannon and Weaver (1949) to include the direction of communication between two agents, which are subordinate, and supervisor. According to Katz and Kahn (1978), this new model of supervisory communication involves different types of information transmitted by two receivers; subordinate and supervisors and the information transmitted by subordinate to supervisor are about themselves (performance and problem), co-workers problem, organisational practice and policies, and procedures, while supervisors communicate five types of messages back to subordinate which are job instruction, job rationale, procedures and practices, feedback and goals.

Hatfield and Huseman (1982) has found several types of communication that exist between supervisor and subordinate which are direction, information, rationale, feedback, positive expression, negative expression, and participation. Miles et al. (1996) explained that supervisory communication has four dimensions, which are positive relationship communication, upward openness communication, negative relationship communication, and job-relevant communication.

Various scholars have determined the supervisory communication as a very strong factor in predicting the organizational environment, for example its relationship with team commitment (Hasan et al., 2008), leadership style (Graen & Uhl, 1995), organisational citizenship (Yadav & Rangnekar, 2015) and job satisfaction (Gok et al., 2014). Various studies have tested supervisory communication as a variable that influences various organisational outcomes (Yrle et al., 2002, 2003). Key studies by Goldhaber et al. (1978), Huseman et al. (1980) and Miles et al. (1996) have demonstrated that superior-subordinate communication has a positive effect on job satisfaction and organisational commitment.

c. Job Satisfaction

Job satisfaction can be defined as emotional response towards the workplace (Schermerhorn, 1995). Another basic definition of job satisfaction will include a set of favourable and unfavourable feelings towards work (Newstrom & Davis, 1997). Misener et al. (1996) also shared coherent report on job satisfaction in which it relates to different domains such as pay, benefits, promotion, work conditions, supervision, organizational practices and relationship with co-workers. The research further elaborates that management (supervisors) has a direct link to an optimum job satisfaction level among the first-line workers.

Job satisfaction is another critical dimension of the organizational environment in which it measures the state of happiness of a worker in the organization (Russel et al., 2004). Locke (1968) carefully defined job satisfaction as the feeling of a worker towards the job and this has never been truer in the case of organizational context because job satisfaction has been used as measurement to indicate their emotion or affection towards the job (Russel et al., 2004).

Another aspect of job satisfaction that was debated is how an assessment could yield numerical data to represent a certain state of feeling or emotion even though it is only caused by a cognitive function (Motowidlo, 1996). Even though the reliability of its measurement is still highly contested, job satisfaction continues to bear fruitful data, for organisational practitioner to produce information and assess the current level of job satisfaction in an organization (McBride, 2002). Despite all the criticism, job satisfaction is widely known as inclusive of antecedents to general job satisfaction in an organization because it reflects the state of environment of an organisation (Woodard, 2003).

Even though there is a wide variety of assessment that was introduced to assess job satisfaction in an organisation, Job Descriptive Index (JDI) has been widely used and its dimensions is comprehensive to indicate the state of job satisfaction in an organisation by analysing five domains which are pay, promotion and promotion opportunities, co-workers, supervision, and the work itself (Smith, 1969). JDI has been used widely to determine organisational outcome such as leadership value (Cunningham, 2010), organisational identification (Gok et al., 2014), communication satisfaction (Ramirez, 2012) and its relation with supervisory support (Miles et al., 1996).

A clarification has been reported by Russel et al. (2004) in which facets or domains of an assessment is not actually the exact value of satisfaction but rather a perspective of areas of which is a concern towards the employee. This also shares the same view by some other researchers such as Ironson et al. (1989) that try to understand the overall view of satisfaction rather than being fixated on the exact value of satisfaction and how to determine the real satisfaction.

Job satisfaction is a fairly big issue for businesses by looking at the extensive researches done to evaluate the issue (Amat Senin et al., 2014; Rahman Hashim, 2015; Tamer & Suhaila, 2012; Steingrimsdottir, 2011; Ramirez, 2012). It covers the relationship between job satisfaction and organizational commitment, turnover rate, burnout, interpersonal communication and organizational communication. For instance, Tamer and Suhaila (2012) reported a significant relationship for supervisor component in maintaining a higher organizational commitment and Rahman Hashim (2015), also presented a coherent result between job satisfaction and organizational commitment in which high job satisfaction will develop a higher commitment towards organization. In order to understand employees' behaviour and to better evaluate job satisfaction, an assessment in the area of communication needs to be included because good and effective communication between employees and employers may create a healthy work environment and in the long run, will motivate them to be highly committed to their job, which will eventually increase productivity.

Job satisfaction has been explored extensively, and interestingly, job satisfaction is affected by supervisory-subordinate relationship (Churchill et al., 1974), although it is explored primarily from the managerial approach. Supervisory communication is very important in an organization since most managers are not aware of how communication practice affects their subordinates' job satisfaction (Chiun Lo & Ramayah, 2011). Understanding supervisory communication is very important to determine the level of job satisfaction.

d. Supervisory Communication as Determinant of Job Satisfaction

Supervisory communication can be a factor to determine job satisfaction in an organization. Even though it is not clearly outlined in all of the assessment that can be used to assess job satisfaction, supervisory function serves as a big determining factor in job satisfaction due to the fact that the relationship between supervisor and subordinate in the workplace is the most outstanding aspect of working in an organization.

Supervision for example measure supervisor by the statement 'praises good work', 'tactful', 'up-to-date', 'annoying', and 'bad' (Cunningham, 2010). Even though there is no specification on the term communication, in general, supervision could not happen without communication as intermediaries between supervisor and subordinate. According to Miles et al. (1996) supervisory communication in organization will involve the transfer of messages from supervisor to subordinate, which is a downward communication. Supervisory communication is an antecedent to job satisfaction among employees because job satisfaction itself is a state of emotion with regards to the dimensions of job satisfaction, and this state of emotion can be caused by communication itself.

Supervisory communication tries to explain the communication from the supervisor to the subordinate (Miles et al., 1996) and this is essentially related to interpersonal relationship. Interpersonal relationship has been tested as antecedent to job satisfaction and this can be explained by the Leader Member Exchange theory. Supervisory communication essentially becomes the factor to job satisfaction by improving interpersonal relationship among employees hence increasing job satisfaction (Dulebohn et al., 2012).

Another interesting observation about supervisory communication is the fact that it has been proven continuously that immediate supervisor is the favourite source of information by subordinate (Bartlette, 2000). And another study has also reported a conclusive relationship between supervisory communications towards the job satisfaction dimension even though there is no clarity on which dimension of supervisory communication significantly affected the job satisfaction dimension (Infante et al., 1993). Moreover, Bartlett (2000) has also reported that out of five proposed dimensions of supervisory relationship, four of them have a significant relationship with job satisfaction among employees.

METHODOLOGY

One hundred eighty-four employees from SME companies (services, manufacturing, logistic, agriculture, and medical etc.) were randomly selected to participate in this study. Fourteen items with a 5-point Likert scale were adapted from Miles et al. (1996) and six items with

semantic differential scale, which were adapted from Russel et al. (2004), were used to measure supervisory communication.

RESULTS AND DISCUSSION

a. Demographic Profiles of the Respondents

Based on the data in Table 1, majority (77.2%) of the respondents were female employees, while another 22.8% were male. In terms of their age, more than three quarter (82%) of them were considered young, below 41 years old. And another one quarter were more than 41 years old. All of the employees are Malaysians. In addition, majority of the respondents are Malays which represents 81.5% of the total sample studied. While another nine percent are Chinese and 7.1% Indians followed by the remaining 2.2% from other races. Almost 40% of the respondents were SPM holders followed by respondents who have obtained Diploma certificate (27.7%), whilst the least percentage are STPM holders, which represented only 9.2%. The remaining 25% were the degree holders.

For years of service, majority of the respondents have worked up to three years which represents 40.2% from the total sample studied followed by working period between to seven years (23%), and 8 to 11 years (21%). Whereas, employees who have worked for more than 16 years, contributed the lowest percentage, with only at 1.1%. Majority of the respondents came from the services industry with the percentage of 43.5%. The least number of respondents came from agriculture industry, which contributed only 2.7%. The remaining respondents came from several industries, including manufacturing (14.7%), logistic (9.2%), medical (6.5%) and miscellaneous (23.4%).

Table 1: Demographic profile of the respondents (n=184).

Demographic profiles	No. of employees	Percentage
Gender:		
Male	42	22.8
Female	142	77.2
Age:		
Less than 21 years	22	12
21 – 30 years	84	45.7
31 – 40 years	46	25
41 – 50 years	29	15.8
More 50 years	3	1.6
Nationality:		
Malaysian	184	100
Others	0	0
Race:		
Malay	150	81.5
Chinese	17	9.2
Indian	13	7.1
Others	4	2.2

Education level:		
SPM	70	38
STPM	17	9.2
Diploma	51	27.7
Degree	46	25
Service period:		
Less than 4 years	74	40.2
4 – 7 years	42	22.8
8 – 11 years	39	21.2
12 – 15 years	27	14.7
More than 15 years	2	1.1
Industry:		
Manufacturing	27	14.7
Services	80	43.5
Logistic	17	9.2
Agriculture	5	2.7
Medical	12	6.5
Miscellaneous	43	23.4

b. Level of Supervisory Communication

The following data in Table 2 shows the level of supervisory communication as perceived by the SMEs' employees towards their companies. To identify the level of supervisory communication, the researchers have transformed the interval data into categorical data for easier interpretation. Three levels were identified which were low (score: 24-55), moderate (score: 56-87), and high (score: 88-120).

Based on the level, majority (80.4%) of the employees perceived a moderate level of supervisory communication that was being practised in their companies, while 10.3% perceived a low level of supervisory communication that has taken place in their companies. However, 9.2% of the respondents perceived a high level of supervisory communication in their companies.

Table 2: Level of supervisory communication as perceived by employees in SME companies.

Level of supervisory communication	Number of employees	Percentage
Low	19	10.3
Moderate	148	80.4
High	17	9.2
TOTAL	184	100

c. Level of Job Satisfaction

The following data (Table 3) show the level of job satisfaction among employees of the SME companies. Job satisfaction scores were categorised into three different levels for easier interpretation; low (score: 18-41), moderate (score: 42-65), and high (score: 66-90). Thus, the data showed that majority (54.3%) of the respondents have moderate level of job satisfaction, followed by 39% of high level of job satisfaction and another 6.5% has low level of communication satisfaction.

Table 3: Employees' level of job satisfaction.

Level of job satisfaction	No. of employees	Percentage
Low	12	6.5
Moderate	100	54.3
High	72	39.1
TOTAL	184	100

d. The Relationship between Supervisory Communication and Job Satisfaction

Regression analysis was performed to test whether supervisory communication predicted job satisfaction among SME's employees. The result indicates that there is a moderately high and significant relationship between supervisory communication and job satisfaction ($r=0.628$, $p<0.05$) among employees. It also indicated that supervisory communication explained 39.5% of the communication satisfaction variance ($R^2=0.395$, $F(1,182)=118.72$, $p<0.05$). Therefore, it was found that supervisory communication significantly predicted job satisfaction ($\beta=0.628$, $p<0.05$).

Table 4. Summary of regression analysis for SME's employee's communication satisfaction (n=184).

Variable	B	SE (B)	β	t	Sig. (p)
Communication satisfaction	0.715	0.066	0.628	10.896	0.00

Note: $R^2=0.395$

e. Discussions

This research found that there is a moderate level of supervisory communication among the employees in SMEs in which a majority of the employees perceived a moderate level of supervisory communication that was being practised in their companies. Supervisory communication which covers areas such as positive relationship communication, upward openness communication, negative relationship, and job-relevant communication, is an important form of communication that is essential to the formation of organization climate. The average level shows that supervisory communication in the SMEs were not efficient as some employees might have dissatisfaction in certain aspects of their interactions with the supervisors. This research findings is consistent with the findings by Hatfield and Huseman (1982) who found several types of communication that exist between supervisor and subordinate which are direction, information, rationale, feedback, positive expression, negative expression, and participation. The effective leadership communication styles of the supervisor had direct impacts on their subordinates as it integrates both parties (Syed Abdul Rahman & Mohamed Zin, 2004). In addition, the effective communication and closer relationship between supervisors and subordinates has been crucial for all organisational affairs including an effective dissemination of correct and accurate information (Wan Idros & Maizatul, 2014). Thus, it is a huge challenge for organisational members to fulfil all dimension of supervisory communication within a specific period and context.

The findings also showed majority of the respondents scored a moderate level of job satisfaction, however quite a significant number of employees also reported the high level of job satisfaction in the workplace. The respondents who scored moderate level of job satisfaction might not be happy with their present job, present pay, opportunities for promotion, supervision, etc. Job satisfaction which is highly discussed from the human resources perspectives is crucial as it is an important determinant for other areas of organizational dimensions such as organizational performance (Kotey & Meredith, 1997; Way, 2002; Kerr, Way, & Thacker, 2007; Fabi, Raymond & Lacoursiere, 2007).

This study also found that supervisory communication is one of the determinant factor to job satisfaction. Supervisory communication essentially becomes the factor to job satisfaction by improving interpersonal relationship among employees hence increases job satisfaction (Dulebohn et al., 2012). The structure of SME businesses which only involves relatively small number of employees may be the reason for this strong relationship between supervisory communication and job satisfaction. Communication role from supervisor or superior is crucial to determine a healthy working life for employees. As this functional aspect of supervisor improves, it allows a better working relationship that will further affect employee's commitment, loyalty and in-group character of an employee to an organisation. This relationship also goes to highlight the important aspect of communication among supervisor in organization by which this aspect that has always been subsided as minor key to the overall job satisfaction need to be looked into more frequently. This study supported the previous study that showed social skills which consists of communication aspects could give an impact on job satisfaction of the employee (Maizatul & Wan Idros, 2015).

According to Mohd Khairuddin (2011), training and development has become a prevalent issue among SME businesses due to lack of funds or expertise to do it. Interesting enough, training and development courses that is offered by various Malaysian government agencies are more focused towards managerial perspectives such as strategic management, human resources management and general management. There is lack of emphasis of taking communication perspective into the assessment of SME organization in Malaysia. The dire need is supported by the findings of Wan Idros and Maizatul (2015) that suggested how the organisational communication impacted and gave strong influence towards the strategic planning of human capital in the organisation.

In the other perspective, LMX has clearly underlined why such relationship may happen between a supervisor and employees. Supervisory communication that becomes one of the most important channels of communication in the workplace will determine whether the employees will be included in the in-group or out-group of the organization (Graen & Uhl-Bien, 1995). Supervisors work closely with employees at the very beginning of their working cycle and they served an important function to engage the employees within the organization. This leader-follower relationship is further proven by the data of this research by which there is a positive relationship between supervisory communications. This enhanced understanding of the crucial importance of supervisor communication to the organisation as a whole as what has been predicted by Graen and Uhl-Bien (1995) that

quality of leader and follower relationship will always be reflected on the organisational level and in this context it's the level of job satisfaction of employees.

The decision to include employees as in-group or out-group in an organisation may also happen to be the reason to good or bad level of job satisfaction. An in-group member of an organization will have a good relationship with its leader and this will effectively influence other dimensions inside job satisfaction. This happened due to the fact that supervisor plays a major role of informing, and when the level of communication between members of organisation is of low quality, it will necessarily reflect on the information received by the out-group member that may spell a low level job satisfaction. This is incredibly important as it has been found that, employees will always listen to their immediate supervisor (Bartlette, 2000), and a bad relationship with supervisor will cut employees off from the most needed information reflecting on their job satisfaction level.

These findings has also proven the stability of the framework of this research that has identified supervisory communication as determinant for job satisfaction, mediated by interpersonal relationship based on the LMX theory. Therefore the result of this research has further proven the reliability of LMX theory to explain organizational behavior from the perspective of leader-follower relationship while maintaining that supervisory communication is an important aspect of any organizational operation especially for SME with a small number of employees that made supervisory communication an instrumental part of its operation. In sum, the findings strengthened the LMX theory used previously in a local context research, for example a pioneer study involving employees in health sector by Mohamad Said and Zulhamri (2012).

CONCLUSION AND IMPLICATIONS

SME businesses in Malaysia has been plagued with issues such as high employee turnover, non-motivated and less committed workers. Therefore, supervisory communication is one of the determinant factor of job satisfaction among employess. The employees who are happy and have higher satisfaction at the workplace will show more commitment and eventually contribute to organization success.

In business, job satisfaction will assist in the formation of organisational effectiveness from a positive employees' satisfaction (Lim, 2008). One dimension of job satisfaction is supervision and this is highly important in SME operation as the number of employees is relatively small and a close relationship with owners which in turn is a supervisor for the employees is important.

As SMEs continuously develop through its years of operations, issues such as employee turnover is common in these organisations and job satisfaction can be evaluated to help improve the organisation's human resources practices to positively affect the operation of organisation as a whole. Innovation too is another characteristic of a successful SME operation and to do so, employee commitment that stem from a positive job satisfaction need to be in place to accommodate that character. As the objectives of this study intended to understand the level of supervisory communication and job satisfaction and the relationship between them, the findings have clearly illustrated the reality of these conditions in the context of SME businesses in Malaysia.

BIODATA

Mohd Nazri Ibrahim is a lecturer at Universiti Teknologi MARA, Malaysia. Email: nazri3498@salam.uitm.edu.my

Zaridah Abdullah is a senior lecturer at Universiti Teknologi MARA, Malaysia. Email: zaridah255@salam.uitm.edu.my

Md Azalanshah Md Syed is an Associate Professor in the Department of Media and Communication, Faculty of Arts and Social Sciences, University of Malaya, Malaysia. Email: azalan@um.edu.my

Muhammad Amanullah Yatim is a corporate executive at Universiti Teknologi Petronas, Malaysia. Email: amanyatim@gmail.com

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