

# **Job Satisfaction: Comparative Analysis of Franchisees and Small Business Owners.**

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**Author: Siddhartha Kapoor (University of South Australia, May 2001).**

The purpose of this report is to provide a comparative analysis of the overall level of job satisfaction between Franchisees and Small Business Owner Managers (SBOMs) in Australia, and to empirically examine key personality and job characteristic factors influencing franchisee and SBOM job satisfaction.

Using a mailed questionnaire, data were obtained from 399 franchisees and 347 SBOMs. The study findings demonstrate that, the work roles of franchisees and SBOMs are markedly different. Statistically significant differences were found in the work characteristics and personality of franchisees and SBOMs. The franchisees and SBOMs were found to possess different levels of work satisfaction, with the SBOMs reporting significantly higher levels of job satisfaction than their franchisee counterparts.

In addition, both personality and job characteristic were found to influence franchisee job satisfaction, thus lending support to the interactionist perspective. However, little statistical support for the interactionist perspective was found for the SBOM sample, the results suggesting that only personality factors were valid predictors of SBOM job satisfaction.

Despite the economic and social importance of both franchises and independent small firms, there has been little research regarding their owners, and specifically into any differences that might exist between them (Smith and Hoy, 1992). In addition, most of the previous job satisfaction research on the self-employed has failed to distinguish between the various forms of self-employment, opting to categorise the self-employed as a homogenous group.

This study aims to address this gap in the research literature by conducting a nation-wide survey to examine any differences between the satisfaction levels of franchisees and SBOMs and the influence of key organizational variables on their overall satisfaction.

The results may be particularly useful from an organizational perspective, as previous empirical studies have found strong association between job satisfaction and job performance, intention to leave and life-satisfaction (Iaffaldano et al, 1985; Morrison, 1995). From an individual perspective, the results may assist existing franchisees and SBOMs in improving the quality of their working life and also those planning to assume the self-employed role in evaluating which role to adopt.

## Review of the Job Satisfaction Literature

Job satisfaction may be defined as a 'pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences' (Locke 1976, p1300). Thus, job satisfaction is often regarded as a work-related attitude with potential antecedent conditions leading to it (such as autonomy and pay), and potential consequences resulting from it (such as absenteeism and job performance). A large proportion of the job satisfaction literature has assumed that satisfaction at work is a function of either the dispositional characteristics (personality) or situational factors (job characteristics) (Staw and Ross, 1985; Loher et al, 1985; Fried and Ferris, 1987; Weiss and Cropanzano, 1996). However, recent research findings suggest and support the simultaneous study of the influences of both the personality and job characteristic factors on job satisfaction (Morrison, 1996; Steel and Rentsch, 1997). This points to the appeal of an interactionist approach, whereby both personality and situational factors play key roles in developing a conceptual framework to explain the determinants of job satisfaction.

As stated previously, a major limitation with most of the SB research lies in its failure to differentiate between the various sub-groups of the self-employed. In developing a taxonomy of the self-employed, Vesper (1990) concluded that the level of independence in the workplace and the opportunity to perform a variety of tasks are the critical factors distinguishing the various groups of the self-employed.

There has been an ongoing debate as to whether a franchisee is an independent SBOM or more akin to a large firm branch manager. Knight (1984), placed the franchisee on a continuum of independence 'exactly mid-way' between 'solo independent entrepreneurs' and 'large corporate manager' suggesting that independent SBOMs enjoy greater independence at work than franchisees.

Stanworth et al (1984), adopted a different perspective in dealing with this issue. They studied the nature of the franchise agreement to determine the level of formal independence, and investigated the level of operational independence by analysing the control franchisees enjoyed in the day-to-day operations of the business. The study suggested that franchisees enjoyed a low level of formal independence due to the restrictive nature of the franchise agreement, but enjoyed high levels of operational independence.

Several studies on SBOMs have suggested that there is a positive relationship between the level of independence enjoyed at the workplace and the overall level of job satisfaction (Williams, 1986; Naughton, 1987). Based on this premise, any difference in the level of independence between franchisees and SBOMs could contribute to differences in overall job satisfaction. In addition to the work characteristics, Hing (1995) suggested that franchising offers an alternative avenue for entrepreneurship to individuals otherwise unsuited to self-employment. In addition, it is likely that franchisees and independent SBOMs possess different personality traits as suitable inputs by franchisors may adequately compensate for the lack of some personality traits considered necessary for independent SB success.

Currently, there exists only one body of research that provides a comparative analysis of job satisfaction between franchisees and SBOMs. Leach (1996) in a US based study examined the work-role demand of franchisees and SBOMs and the impact of these on overall job satisfaction. The data for the study was collected via survey questionnaires from a sample of 48 SBOMs and 47 franchisees in the retail food service industry.

The study proposed that there would be differences in the overall job satisfaction between franchisees and SBOMs due to the following reasons:

1. The work demand level could be expected to differ in each role. More specifically, the SBOMs could be predicted to experience higher levels of work demands than franchisees.
2. The SBOMs could be expected to perceive themselves as being more independent than franchisees.
3. The SBOMs and franchisees could be expected to possess different personalities. The personality characteristics used in the study included locus of control and tolerance of ambiguity.

Using the Analysis of Variance, the study found that differences existed in the work roles of franchisees and SBOMs. The SBOMs were found to experience a higher level of work demand than franchisees. Also, there were personality differences between SBOMs and franchisees, the SBOMs possessing a higher tolerance of ambiguity and a higher internal locus of control than franchisees. However, no statistical differences were found to exist in the level of independence and overall satisfaction between franchisees and SBOMs.

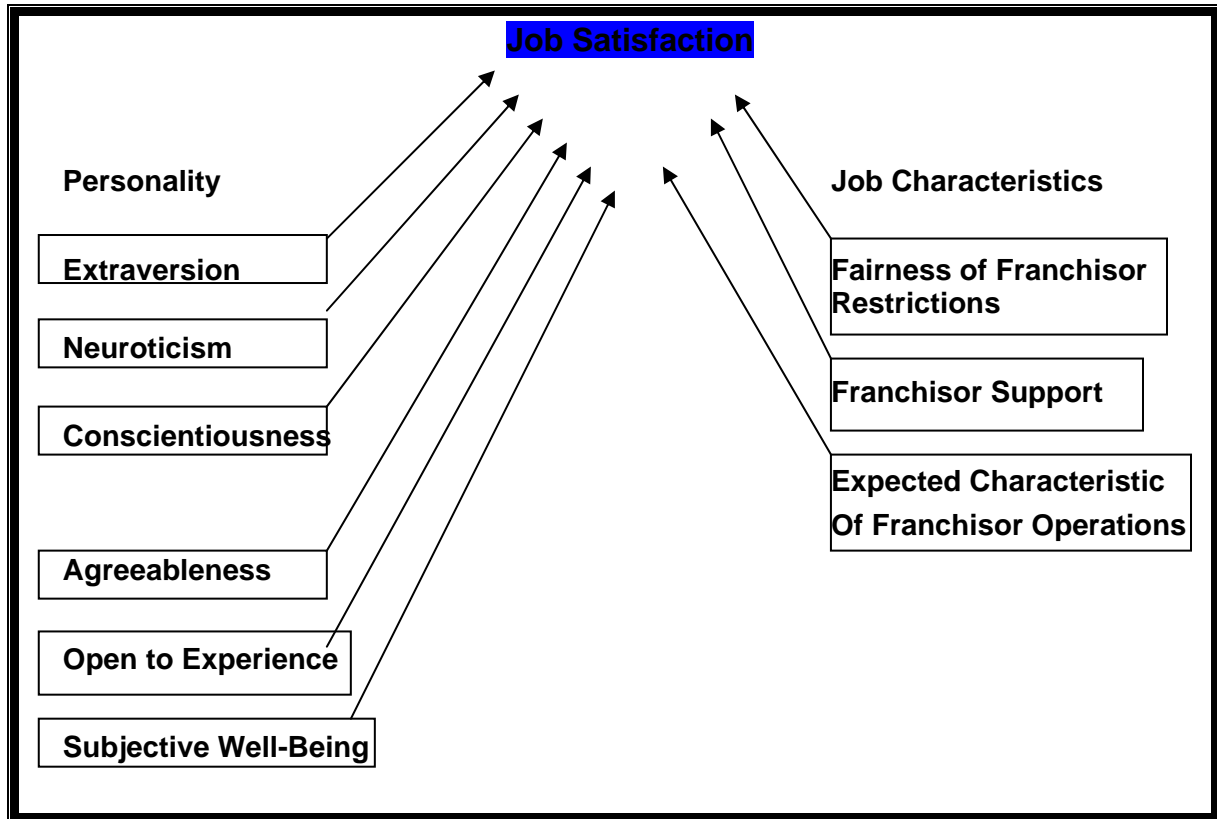
Although the study fills in a previously existing gap in the job satisfaction literature, its results need to be viewed with some caution. The restrictive characteristics of the sample used in the study (in terms of size, and geographical coverage of the subjects) limits the statistical generality of the results obtained in the analysis. An Australian study, which uses a larger sample size based on a nation-wide survey of SBOMs and franchisees, is warranted.

## **Towards an Interactionist Perspective**

A review of the literature suggests that there is an evident need for a research approach that assumes that explanations of job satisfaction integrate work characteristics and personality traits. According to Vroom (1964, p162) "evidence concerning the effects of job content, supervisory behaviour, or any other characteristic of a work role on job satisfaction, represents only average effects for the population studied and obscures the fact, within that population, different people react in markedly different ways to the same environmental conditions".

Holland (1985) introduced a model, which focuses on the importance of the person-environment congruence on job satisfaction. Accordingly, the better the person-environment fit the higher the level of job satisfaction and vice-versa. Despite the intuitive appeal of Holland's model of congruence it has been criticised on several grounds. Tinsley (2000) in a review of the literature based on Holland's model suggests that there has been very little research on the model in the past two decades. In addition, weak support for the congruence-satisfaction relationship has been found in studies that have used a larger and a more diverse sample (Tokar and Subich, 1997). Since this model assumes that the level of satisfaction depends on the level of congruency, it ignores the individual importance of work characteristics and personality factors (Gerhart, 1987).

The abovementioned weaknesses of the Holland model have been adequately dealt with the more recent Morrison's Model of job satisfaction (See Figure 1). Morrison (1996) examined the influence of a five-factor model of personality, subjective well-being and various job characteristics on franchisee job satisfaction. Using mail questionnaires, data for the study were obtained from 307 US franchisees. The findings of the study provided strong statistical support for the interactionist model, where both personality factors and job characteristics were found to significantly influence franchisee job satisfaction.



Source: Morrison K A, (1996), *Empirical Validation of a Model of Job Satisfaction*, JSBM, Vol 34, pp27-40

Figure 1: Morrison's Model of Franchisee Job Satisfaction.

## Methodology

### Model of Job Satisfaction

Morrison's (1996) 'Model of Job Satisfaction' will be used as the main conceptual framework underpinning the research detailed in this paper. In examining the influences of personality dimensions on job satisfaction the model uses the 'Big-Five' personality factors and subjective well-being. The Big-Five personality dimensions include extraversion, neuroticism, agreeableness, openness to experience, and conscientiousness. This model has found increasing support in the literature as encompassing most personality constructs (Burke et al, 1993; Mount and Barrick, 1998).

The additional personality dimension that has been included in the model is subjective well-being or satisfaction-with-life. Studies that have explored the relationship between subjective-well-being and job satisfaction have suggested that a strong positive relationship exists between the two (Judge and Watanabe, 1993; Judge and Hulin, 1993).

Morrison's job characteristics concentrate on the inherent franchise business structure and the relationship between franchisors and franchisees. Because this study examines both franchisees and SBOMs and is not solely a study of franchisee job satisfaction, Morrison's job characteristics could not be used.

As an alternative, Hackman and Oldham's (1975) five core job characteristics are able to be used in the analysis. These include task identity, task significance, skill variety, autonomy, and job feedback. There are four main reasons why it is appropriate to include these in the model.

- 1) Ability to be applied to both franchisees and SBOMs.
- 2) Availability of a previously tested instrument.
- 3) These core job characteristics have been generally regarded as central dimensions of the job (Fried and Ferris, 1987).
- 4) Recent studies have found that the 5 core characteristics reliably correlate (positively) with job satisfaction (Loher et al, 1985; Fried and Ferris, 1987).

Figure 2 details the revised model of job satisfaction to be used in the study.

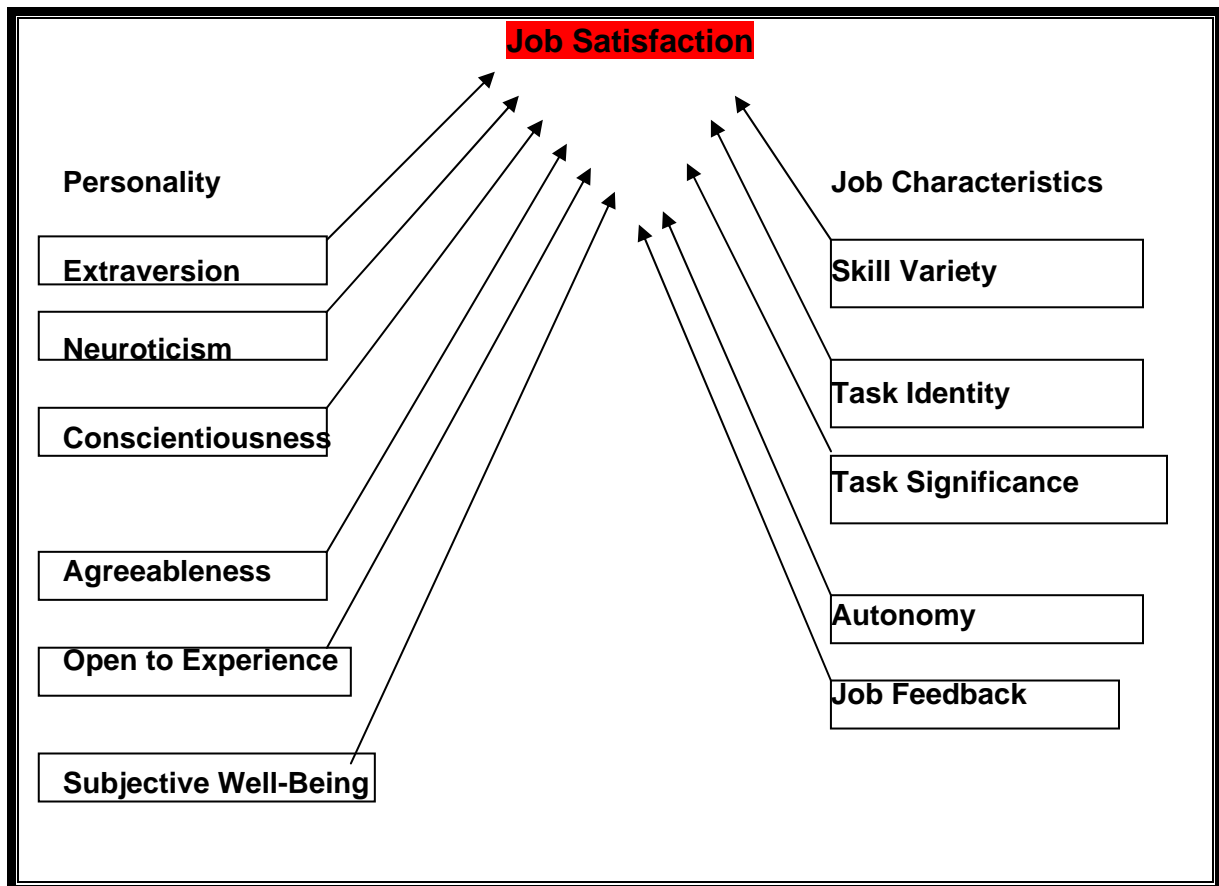


Figure 2: Revised Model of Job Satisfaction

## Survey Participants

The research setting is set by the proposed research objective, which relates to a comparative analysis of the level of job satisfaction between SBOMs and franchisees in **Australia**. Therefore, the questionnaire was sent out to resident Australian firms.

In defining the target population for the study the following criterion were considered:

- The SBOM or franchisee must at least be a part-owner of the business and not solely a manager as the aim of the research is to study the job satisfaction of SBOMs and franchisees and not the employees.

- The business must operate under one of the following industry sectors;
  - 1) Retail Food (including restaurants, take-away, food stores);
  - 2) Retail Non-Food (including apparel and accessory stores, automotive dealers, furniture and furnishings);
  - 3) Business Services (including recruitment services, consulting, book-keeping, freight);
  - 4) Real Estate (property services).

The major reason for choosing these sectors is that they constitute the majority of the franchised outlets (75%) and SB's (59%) in Australia (Portrait, 1995).

- For SBs, the quantitative ABS definition of SBs is used, that is, up to 20 employees in the non-manufacturing sector and up to 100 employees in manufacturing industries. Since we have not included the manufacturing sector, we are predominantly concerned with firms up to 20 employees.

Since there exists no database of franchisees in Australia, the information was collected by identifying franchise systems within the selected industry sub-groups, and requesting them to provide a listing of their franchisees. These sources include: The Franchise Net Directory (Australia-wide on the Internet, <http://www.franchise.net.au>), the Telecom Yellow Pages, and advertisements in Franchise Magazines (e.g. Australian Business for Sale). A total of 108 franchise systems were identified and contacted in the selected industry groups. Only 20 franchise systems agreed to participate in the study, thus providing a list of 1929 franchisees. In constructing a database for independent SBs, the services of a professional research firm 'Dunn and Bradstreet' was used to compile a random sample of 1990 independent SBs operating with the four industry sectors. The SB database was stratified by industry sectors and geographical location to ensure it possessed similar characteristics to that of the franchisee database.

## Survey Instrument

The majority of the questions comprising the questionnaire were drawn from existing instruments. The questionnaire comprises 5 sections with the majority of the items using a five-point Likert type nominal scale. The first section focuses on measuring the 5 core job characteristics. This 15-item section was drawn from Hackman and Oldham's (1975) Job Diagnostic Survey and uses a 5-point Likert scale. Previous studies that have used this instrument have reported high internal reliability for the job characteristic scales (Fried and Ferris, 1987).

The second section of the questionnaire measures the personality factor of subjective well-being, using a 5-point disagree-agree scale. This 5-item measure of SWB was developed by Deiner et al, (1985). Previous studies that have used this scale have reviewed the psychometric properties of this measure, concluding that it provides useful/reliable measure of life satisfaction (Judge and Locke, 1993). Section three includes the 60-item NEO-FFI Inventory to measure the Big-Five personality measures (Costa and McCrea, 1992). Each personality dimension was measured by 12-items, using a 5-point scale. Studies that have used this measure have reported high internal consistency and reliability for this scale (Judge et al, 1997).

The fourth section measures overall job-satisfaction using a single-item measure, adapted from research by Staw and Ross (1985). The use of single-item measures has been questioned by some researchers because of a claimed lack of reliability (Gerhart, 1987; Steel and Rentsch, 1997). However, there is sufficient evidence in the literature suggesting that a single-item measure is more reliable and inclusive than facet measures of job satisfaction (Scarpello and Campbell, 1983, Highhouse and Becker, 1993). Also, considering the lengthy nature of the questionnaire, the use of single-item measure was considered to be more appropriate.

The fifth section of the questionnaire is developed by the researcher and focuses on general demographic information about the respondent.

## Survey Response Rates

The initial mail-out of the survey questionnaires to 1929 franchise outlets and 1990 independent SBs was undertaken in May 2000. It was decided that there would be only one mailing considering the size of the database and the costs involved. After the deadline date for the receipt of the questionnaires had passed a list each comprising of 40 franchise outlets and 40 SBs was randomly selected and contacted over the telephone. They were asked if they had completed and returned the questionnaire and if not to fill out the questionnaire subsequently re-sent to them. A total number of 399 useable questionnaires (out of 1929 mailings) were received from franchisees, yielding a response rate of 21%. Of the 1990 questionnaires mailed out to independent SBs, 182 were returned as 'undeliverable', and a total of 347 useable questionnaires were received, providing a response rate of 19.1%. This response rate compares favourably with the response rates reported in other related studies of franchisees and SBOMs (Morrison, 1995; Leach, 1996; Feldman and Bolino, 2000).

## Discussion of Results

### Profile of Survey Respondents

The findings of this study suggest that both franchisees and SBOMs possess similar personal characteristics. The majority of responding franchisees and SBOMs were male (Franchisees – 77%; SBOMs – 80%), aged between 30-59 years (Franchisees – 84%; SBOMs – 89%), had previous business experience in a similar line of business (Franchisees – 60%; SBOMs – 71.5%), and possessed either a diploma or a degree qualification (Franchisees – 64.3%; SBOMs – 61%).

The means and standard deviations for the major study variables are presented in Table 1. With respect to personality, both SBOMs and franchisees were classified as being, highly extraverted and neurotic, with moderate openness to experience and life satisfaction, and lower than average agreeableness and conscientiousness. This profile suggests that franchisees and SBOMs are socially oriented, assertive and outgoing individuals, who are prone to anxiety and isolation, need to possess independence and perform a variety of activities. Further, this profile suggests that, in general, both franchisees and SBOMs are less trusting, possess a narrow outlook, and are not very good planners. The implications of this profile are that both groups are more inclined towards enterprising occupations (eg self-employment), which allows them to exercise independent judgment and perform a variety of tasks (Costa et al, 1984).

To analyse how franchisees and SBOMs ranked their jobs in terms of the job characteristics, comparisons were made with the normative data comprising of managerial workers (Hackman and Oldham, 1975). The mean scores for all responding SBOMs and franchisees revealed that both the self-employed groups perceived their work to be of lesser significance to the overall community than managerial workers (mean = 4.2; st.dev = 0.85). The SBOMs reported higher levels of independence (than managers), whereas the franchisees were more akin to the managerial sample (mean = 3.93; st.dev = 0.92) (Knight, 1984). The SBOMs reported lower feedback from the job than managers (mean = 3.80; st.dev. = 1.0), while the mean scores suggest a similar level of feedback for managers and the franchisee sample. This is probably due the fact that, managers in large organisations and franchisees are provided timely feedback through formal feedback mechanisms put in place by the governing organisation. However, this is not the case for independent SBs, which often relies on more informal sources of feedback (eg. staff, customers, and financial reports).

Overall, the results of this study suggest that a large majority of franchisees and SBOMs considered their work/position to be generally satisfying. Approximately 80% of all SBOMs, and 75% of all franchisees indicated satisfaction with their jobs. In addition, using the median split,

the mean job satisfaction scores for all responding SBOMs and franchisees suggests a higher than average job satisfaction for both groups. Thus, confirming the findings of previous franchisee and SBOM job satisfaction studies in Australia and overseas (Williams, 1986; Naughton, 1987; McCosker, 1989; Soon et al, 1997).

Study Variables	Franchisee (n=399)		SBOM (n=347)	
	Mean	St.Dev.	Mean	St.Dev.
<i>Personality</i>				
Neuroticism	33.67	6.86	33.88	5.90
Extraversion	41.97	4.52	42.11	4.67
Openness	39.20	4.73	39.19	4.26
Agreeableness	39.28	5.25	39.20	4.57
Conscientiousness	42.62	4.38	42.62	4.20
Subjective Well-Being	17.07	5.09	18.19	4.08
<i>Job Characteristics</i>				
Skill Variety	3.64	0.95	3.94	0.72
Autonomy	3.95	0.91	4.18	0.77
Task Significance	3.80	0.89	3.87	0.76
Task Identity	3.75	0.83	3.60	0.77
Feedback	3.81	0.80	3.72	0.61
Overall Job Satisfaction	3.86	1.09	4.01	0.92

Table 1: Means and Standard Deviations of Major Study Variables for Franchisees and SBOMs

## Differentiating between Franchisees and SBOMs

Drawing upon the review of the literature, SBOMs and franchisees were expected to differ in two major aspects. Previous research findings suggest that work characteristics differ between each role. More specifically, SBOMs are expected to report higher levels of independence in their work than franchisees, and are likely to perform a larger variety of tasks in their work/position (Vesper, 1990; Leach, 1996). In addition, individuals likely to take on the franchisee and SBOM work role were expected to possess different personality types (Hing, 1995; Leach, 1996). Finally, as a result of the differences present in each role, SBOMs and franchisees were expected to experience different levels of job satisfaction.

Table 2 presents the results for the independent samples t-test with Levene's test for equality of variances for all variables used in this study. Using a significance level of  $p=0.05$ , the results of this study suggests that there are statistically significant differences in the job satisfaction levels of franchisees and SBOMs ( $t=-1.992$ ;  $p<0.05$ ), with the SBOMs reporting higher levels of job

satisfaction than the franchisee sample. This finding though contradicts the results reported by Leach (1996), is quite expected given the differences found in this present study between SBOMs and franchisees with respect to personality and job characteristics. With the exception of task significance and feedback from job, significant differences were found to exist between franchisees and SBOMs for all other job characteristics. More specifically, the results suggest that the SBOMs perceived their jobs to provide significantly higher levels of autonomy ( $t = -3.696$ ;  $p < 0.0001$ ), a greater ability to use their skills/talents on a variety of tasks ( $t = -4.824$ ;  $p < 0.0001$ ), and an opportunity to perform a 'complete' piece of work ( $t = 2.599$ ;  $p = 0.01$ ). The results of this study confirm the findings of previous research examining the differences in work characteristics between franchisees and SBOMs (Vesper, 1990; Leach, 1996).

With respect to personality differences between the two self-employed groups, differences in the 'Big-Five' personality factors were not found to be statistically significant. However, differences in the subjective well-being of franchisees and SBOMs was found to be statistically significant ( $t = -3.124$ ;  $p < 0.01$ ).

STUDY VARIABLES	t-result	Sig. (2-tailed)	Result (at $p = 0.05$ )
Job Satisfaction	-1.992	0.047	significant
Skill Variety	-4.824	0.000	significant
Autonomy	-3.696	0.000	significant
Task Significance	-1.071	0.285	not significant
Task Identity	2.599	0.010	significant
Job Feedback	1.681	0.093	not significant
Neuroticism	-0.448	0.655	not significant
Extraversion	-0.397	0.691	not significant
Openness	0.032	0.975	not significant
Agreeableness	0.226	0.821	not significant
Conscientiousness	-0.104	0.917	not significant
Subjective well-being	-3.124	0.002	significant

Table 2: Independent Samples t-test results for Differences between SBOMs and Franchisees

## Determinants of Franchisee Job Satisfaction

A summary of the regression results for the combined franchisee sample is presented in Table 3. An examination of the scatter plots, normal probability plots and collinearity diagnostics suggests that the assumptions were supported for the regressions conducted in this section.

With respect to the 'Big-Five' personality factors, only extraversion and neuroticism were found to be valid predictors of franchisee job satisfaction. More specifically, extraversion was found to be positively related with franchisee job satisfaction ( $\beta = 0.11$ ;  $p < 0.05$ ), and neuroticism had a negative relationship with job satisfaction ( $\beta = -0.12$ ;  $p < 0.05$ ). Another personality dimension that was found to be a valid predictor of job satisfaction was subjective well-being ( $\beta = 0.367$ ;  $p < 0.001$ ). These findings are consistent with literature, suggesting that franchisees who are active, outgoing, sociable, satisfied with their lives, and not prone to anxiety or depression tend to experience higher levels of job satisfaction and vice-versa (Porwal and Sharma, 1985; Judge and Watanabe, 1993; Morrison, 1995).

Further, autonomy ( $\beta = 0.145$ ;  $p < 0.01$ ) and task significance ( $\beta = 0.10$ ;  $p < 0.05$ ) were the only job characteristics to influence (positively) franchisee job satisfaction. Overall, the two job characteristics and three personality factors accounted for approximately one-third ( $R^2 = 0.34$ )

of the observed variances in franchisee job satisfaction. Thus, providing moderate support for the interactionist perspective.

Dependent Variable	Independent Variables	R <sup>2</sup> for Model	Beta Coefficients ( $\beta$ )	Significance	Result (at p=0.05)
Job Satisfaction		0.34			
	Skill Variety		0.089	0.099	Not significant
	Autonomy		0.145	0.006	Significant
	Task Significance		0.101	0.050	Significant
	Task Identity		-0.023	0.616	Not significant
	Feedback		0.032	0.517	Not significant
	Neuroticism		-0.121	0.020	Significant
	Extraversion		0.112	0.031	Significant
	Openness		0.030	0.566	Not significant
	Agreeableness		0.059	0.243	Not significant
	Conscientiousness		0.005	0.917	Not significant
	Subjective well-being		0.367	0.000	Significant

Table 3: Regression Analysis Results for Combined Franchisee Sample

## Determinants of SBOM Job Satisfaction

An examination of the scatter plots, normal probability plots, and collinearity diagnostics indicated that the assumptions were satisfied for the regression analysis performed in this section.

A summary of the regression results is presented in Table 4. The regression results revealed that no significant relationship between the 5 job characteristics and SBOM job satisfaction. Thus, contradicting the findings of previous research studies that have reported a strong positive relationship between job characteristics and job satisfaction (Loher et al, 1985; Fried and Ferris, 1987). In addition, a number of research studies on SBOMs cited earlier, have found work characteristics such as skill variety and autonomy to be major determinants of SBOM job satisfaction (Williams, 1986; Katz, 1993).

Dependent Variable	Independent Variables	R <sup>2</sup> for Model	Beta Coefficients (β)	Significance	Result (at p=0.05)
Job Satisfaction		0.24			
	Skill Variety		0.021	0.716	Not significant
	Autonomy		-0.108	0.071	Not Significant
	Task Significance		0.094	0.127	Not Significant
	Task Identity		0.028	0.616	Not significant
	Feedback		0.055	0.361	Not significant
	Neuroticism		-0.217	0.000	Significant
	Extraversion		0.071	0.210	Not Significant
	Openness		0.073	0.176	Not significant
	Agreeableness		0.035	0.513	Not significant
	Conscientiousness		0.044	0.428	Not significant
	Subjective well-being		0.372	0.000	Significant

Table 4: Regression Analysis Results for Combined SBOM Sample

A few factors may account for this divergent finding. One possible explanation is that the self-employed knowingly enter into an occupational role, and therefore are a self-selected sample of the workforce who is aware of the work characteristics and is prepared to cope with the high work demands. Therefore, these job characteristics might only moderate the negative impact of high work demands on SBOM job satisfaction. Naughton's (1987) 'role accumulation model' is representative of this explanation, suggesting that SBOMs may experience high levels of job satisfaction in spite of high work demands and stress levels due to the benefits of greater independence. The results of the regression analysis provide support for the dispositional perspective. The results suggest that the two personality factors, neuroticism ( $\beta = -0.217$ ;  $p < 0.001$ ) and subjective-well being ( $\beta = 0.372$ ;  $p < 0.001$ ) strongly influenced SBOM job satisfaction, accounting for approximately 24% ( $R^2 = 0.24$ ) of the observed variance.

## Implications of the Study and its Limitations

A major contribution of this study is that it addresses a significant gap in the existing research literature of the growing franchise and SB sectors in Australia. It is the first study of its kind in Australia to test for differences between SBOMs and franchisees with respect to, job satisfaction levels, personality type, and job characteristics. Although, a few research studies have focused on a smaller number of these individual variables, no study to date has been as comprehensive. Given that the findings of this study suggest that there are evident differences in their satisfaction levels, work characteristics and personality, they should not be treated as a homogenous group as past researchers have assumed.

Another important contribution of this study is its use of the much needed interactionist approach. This approach was incorporated in the model of job satisfaction used in this study, by simultaneously examining the influences of dispositional characteristics and situational factors on franchisee and SBOM job satisfaction. Given that the findings show that both personality factors and job characteristics influence job satisfaction, it is vital to examine their relationships concurrently.

The very nature of empirical research means that certain limitations are unavoidable, and this study is no exception. A major limitation of this dissertation concerns the biases arising from the method by which data has been collected. This study was limited by inherent time, financial, and geographical constraints, which implies the use mail survey questionnaires for data collection. Although self-report measures have been the dominant data collection method in the organisational behaviour and self-employment literature, it creates problems of validity and generalisability. There are also some inherent limitations in drawing causal inferences regarding the antecedents and consequences of job satisfaction (Locke, 1976). Therefore, future research studies using longitudinal design seems warranted to confirm and substantiate the causal inferences indicated by this study.

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