

Level of Job Satisfaction among Employees of Banking Industries at Bahawalpur

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Abstract

Purpose:

The purpose of this study is to measure the factors affecting the employee satisfaction by discussing variables such as promotion, work environment, leadership and job satisfaction.

Design/methodology/approach:

Being descriptive study, survey method was adopted for data collection to find out the factors. A sample of 150 private and public banks of Bahawalpur was selected for the survey. Data was analysed by using Cronbach's Alpha, correlation and regression in SPSS software.

Findings:

The independent variable promotion and leadership behaviour was largely correlated with dependent variable employee satisfaction. While work environment and job stress have less influence on employees job satisfaction.

Originality/value:

The paper reveals there exist relationship between the employee job satisfaction and factors affecting in the banks in Bahawalpur.

Keywords:

Employee satisfaction, promotions, work environment, leadership, job stress, banks

Paper type: Research paper

1 INTRODUCTION:

Due to change of technology, new rules and our social values, organizations have to face challenges. All the components affect the employee's behaviours, attitudes and working situation. But the HR connoisseurs have to focus on that issue that effect on the employee satisfaction at their work situation (Shah *et al*, 2010). Day by day variations and globalization in the world caused changes in the construction of classical public administration (Turkyilmaz *et al*, 2011). Most of processes used in the isolated section of such as organizational forms (i.e. teamwork), restructuring, reformations and denationalizations act evaluation forms the essential of performance managing coordination (Bernardin *et al*, 1998).

According to Swanepoe *et al*. (2000), PA is a formal and orderly process of identifying, observing, measuring, demo and increasing the job-relevant metiers and flaws of employees. Chen and Kuo (2004) describe PA as an essential procedure for an organization. Fletcher (2001) suggests that the PA has a strategic approach and fit in organizational rules.

About more than aera banking sector in Pakistan is undergoing a very high and significant growth. A growing race has to be tackled by the firms involved in banking business due to development of new firms. For the existence in the economical market, the banks will have to build or improve banking services at inferior prices (Hussain *et al*, 2010).

The recent study will find the influence of diverse human resource management applies like job autonomy, team work atmosphere and headship behaviour on worker job satisfaction. The learning also examines the main factors of job satisfaction in Pakistan (hussnain 2011) Consequences of studies of job satisfaction are resulting from two core sets. First job satisfaction is related with enlarged output, competence of the organization. Devotion with the organization decrease absences and salaries (Ellickson and Logsdn, 2001). Agreeing to wright and Davis (2003), job satisfaction certainly influence on the ability, exertions and proficiency of employees however, if workers are not contented with job then it may cause turnover, objectives increasing costs decreasing profits and eventually customers discontent with organization (Zeffane *et al* 2008)

2 LITERATURE REVIEW:

Employee satisfaction is considered with in empirical studies either as overall feelings about job or as a related set of attitudes about various aspects of jobs (Spector 1997). Lock (1976) defined employee satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience. There are some factor's that affects the job satisfaction level. Over the many years many studies have attempted to categorized and find out the factor for job satisfaction (Abdullah *et al* 2011), but other factors such as promotion recognition of work and employee loyalty also considered. Salaries and incentives are the most important determinants of job satisfaction (Calisire *et al* 2010).

Hanif and Kamal (2009), argues that if companies makes favourable strategies and rules for employees related to pay scales, polices department staff input and work environment may leads to employees engagement satisfaction and increase employee loyalty with organization. According to (Lock 1976), There should be clear policies strategies in organization which makes easy for employees to understand their task and objectives because otherwise it may leads towards dissatisfaction.

Abu Elanain (2009) lately contended that UAE employees have a preference to clear objectives and well defined lines of authority, independence because of their high grade of uncertainty avoidance. Abdulla et al., (2011) recognised communications and job stress an important factor of job satisfaction and found no significant effect on job satisfaction whereas substantial relationship found between job satisfaction and its determinants (promotions, job stress, leadership behaviour and team work).

Calisirt et al. (2010) found a very solid impact of job satisfaction on organizational obligation whereas job stress and role uncertainty indirectly influence the disposition of employees to leave their jobs. Hansia (2009) determined that the majority of people or employees approve that behaviour type suits the work they do, and have the chance to do what they do best and they are also optimistic about their personal and professional life (Hansia, 2009). There are some variables that affect employee's job satisfaction:

2.1 LEADERSHIP BEHAVIOR:

Markow and Klenke (2005) and Milliman et al. (2003) formal that a major component of enhancing the employee performance is leadership. Employees turnover are reduced by job satisfaction and loyalty. Job satisfaction is a complicated sensation that contains reason such as administration at work, work itself, benefits and compensation, organization upgrade policies, appraisal and defiance of co-workers. Pay and leadership are in more concerns of people.

2.2 JOB STRESS:

Giga and Hoel in 2003 determined that high rates of mergers, acquisitions, increasing economic interdependence among countries due to globalization, technical development, and rearrangement have changed the organizational work over the last few eras have caused in time pressure, excessive work demand, role conflicts, ergonomic deficiencies and challenging customer relationship are causes of stress. Kahn et al. (1964) also consider stress as an conservational incentive to a person, or an oddity between individual and environment. The knowledge of job related stress (job stress), the series of reasons that lead to job related stress (stressors), lack of commitment in the organization; and job frustration make employees to quit Firth et al. (2004).

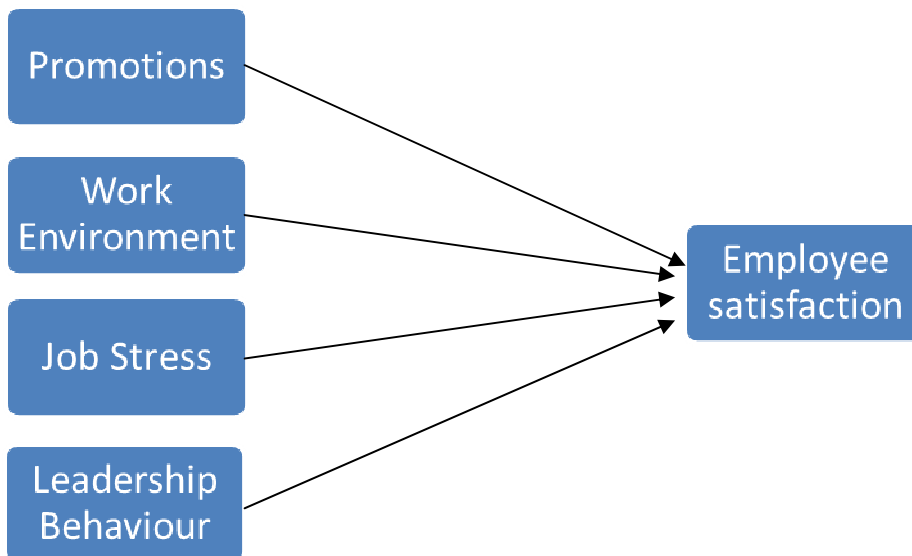
2.3 PROMOTION:

Managers who provision career development and career planning of employees have sophisticated and skilled workforce (Ahmed and Bakar, 2003) to confirm just employee elevation policy (JEPP), employee career evaluation be based on abilities, knowledge, effective achievement of tasks and time management (Lin and Yang, 2002). Major problem in employee promotion and management is the arrogance of employees towards the older employees. The management from top to bottom should show respect towards senior employees, as they are the ones who can also be a basis of positive change within the enterprise. Their experience and knowledge add to refined taste to food. Seasoned employees can be trained to be trainer or supporter to young employees and help in organization to supportable success (Harris and Bonn, 2001). Researchers have revealed that not only promotion is a source of satisfaction among employees; there are other rewards also to recall and fascinate employees. The documented practices are decision autonomy, flexibility in the work lists and task effect also are driver of employee performance efficacy and employee satisfaction.

2.4 Work Environment:

If working situations are sufficient or the place of work have apearance of important accommodations such as proper lighting, furniture, restrooms and other health and safety provisions, employees will not be willing to put up with the problem for long time. (SHAMSUZZOH & SUMMON) Organizational certainty has been shown to have a high degree of high satisfaction. Suggestions are that employees are more expected to stay when there is a expectable work environment and vice versa (Zuber, 2001). In organizations where there was a high level of effectiveness there was also a high level of staff satisfaction (Alexander et al., 1994). For employer losing a particular key worker may reduce the like hood of plan achievement and financier assurance can be reducing in the company. Main causes of employee satisfaction are Salaries Working environment and safety of job.

3 Theoretical Frameworks



4 Hypotheses

- H0: There is no relationship between promotions and job satisfaction.
H1: There is a significant relationship between promotions and job satisfaction.
H0: There is no relationship between work environment and job satisfaction.
H2: There is a significant relationship between work environment and job satisfaction.
H0: There is no relation between leadership behaviour and job satisfaction.
H3: There is a significant relationship between leadership behaviour and job satisfaction.
H0: There is no relationship between job stress and job satisfaction.
H4: There is a significant relationship between job stress and job satisfactions.

5 Research Methodologies

5.1 Data collection:

The respondents of the study are the private and public banks in Bahawalpur district (Pakistan). Conventionally, study (Abdullah et al, 2011) was conducted to evaluate the level of employee satisfaction so the employees are selected as respondents due to convenience and get better results

5.2 Sample size determination:

Population includes employees of all the branches of banks of Bahawalpur district as there are 116 branches of banks in Bahawalpur district. So the number of population is 250 that consists of employees of banks of Bahawalpur district whereas the sample size according to the table of Krejcie, Robert V. Mrogan and Darley W (1970) is 150. In this study random sampling technique is used.

5.3 Research instrument:

The instrument used for data collection was questionnaire on 5-point likert scale from strongly agree to strongly disagree, where point-1 indicate strongly agree, 2 agree, 3 neutral, 4 disagree and 5 strongly disagree, developed by Abdulla et al., (2011), Hansia (2009) and Calisir (2011). However little modifications were made in the questionnaire.

5.4 Data analysis:

Data was entered, edited and analyze by using software SPSS version 16 and Microsoft excel by applying the following techniques; CroonBach's alpha, correlation and Regression.

6 Cronbach's Alpha: Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha based on standardized items	N of items
.883	.882	30

To check the internal reliability of the instrument, Cronbach's alpha was run. The value of Cronbach's Alpha comes to 0.905 which is above the standard value proposed by (Nunnally, 1978) of 0.70 this shows that our instrument is reliable and we can confidently apply different statistical tests and interpret the results with confidence.

Correlation analysis

	Employee satisfaction(DV)	Promotion (IV1)	Work environment (IV2)	Leadership behavior (IV3)	Job stress (IV4)
Employee satisfaction (DV)	1	.532**	.348**	.556**	.437**
	150	150	150	150	150

From the table 6.1 it is observed that all relationships were found significant. The correlation value of promotion is .532 which shows that promotion has large impact on employee satisfaction. There is weak relationship between work environment and employee satisfaction with the correlation value 0.348 which is below 0.5 it shows that work environment has lower impact on employee satisfaction. Then leadership behaviour having the correlation value 0.556 which shows that relationship exist between leadership behaviour and employee satisfaction. Leadership behaviour has a large impact on employee satisfaction. Job stress has correlation value 0.437 which shows that there is less influence of job stress on employee satisfaction. It means there is a weak relationship between the job stress and employee satisfaction

7 Regression analyses

Table 7.1

	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.661 ^a	.437	.421		.59076

As the table 7.1 shows the model summary of in which the value of R is .661 which shows that there is strong correlation between independent and dependent variable. The value of R square is 0.421 which shows that model is good fit. Therefore our all alternative hypothesis are accepted with the significance value less than 0.05 which shows that all independent variables have great influence on dependent variable employee satisfaction Pearson correlation was run to check the relationship of variables with each other and whether any observed variable has perfect covariance with any other variables, which are observed in the study.

Table 7.2 ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	39.216	4	9.804	28.092	.000 ^a
	Residual	50.604	145	.349		
	Total	89.820	149			

a. Predictors: (Constant), PROM, WRK_ENVR, LEDR_SHP, JOBS,

b. Dependent Variable: EMP_SAT

The 7.2 table shows that F significance is 0.000 which is less than 0.05 which shows all independent variables do a good job in explaining the dependent variable.

8. Conclusion:

The determination of this study is to classify the factors of job satisfaction and observe its impact on workers of the banking industry at Bahawalpur district. The results determines that all the variables promotions, work environment, leadership behaviour and job satisfaction have significant relationship with employees job satisfaction. The emphasis of the study was to observe the satisfaction level of employees that is based on promotions, work environment, leadership behaviour and job stress. The data was collected by the employees of the private and public banks by adopted the questionnaire.

Three tests were applied Cronbach's Alpha, correlation and regression. Cronbach's Alpha shows that questionnaire is reliable. From the regression analysis it indicates that model is a good fit. By applying correlation technique all relationships were found significant. There is strong relationship between leadership behaviour and promotions with employee satisfaction. Work environment and job stress have less influence on employee satisfaction.

9. Limitation, Recommendations & Future Research:

The major restriction of this study was the lack of time and money. Besides this other limitations are the biasness of respondents in filling the questionnaires. Moreover the sample size of this study was small. This study concentrates only on the banking industry of Bahawalpur district which could not be generalizable and thus further studies could be applied on the banking industry of Pakistan. This study intends to make an important contribution that is, other studies examine the impact of rewards, recognition, salary, training and development, nature of job, organizational policy & strategies on employee job satisfaction. In this study we check the impact of following independent variables that are promotions, work environment, leadership and job stress on employees job satisfaction. This study could be a helpful source for the management of the banking industry to attract, retain and motivate their efficient employees through taking into account these variables as important.

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