

# Rewards and Incentives Impact on Job Satisfaction of Saudi Banks Employees

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## Abstract

This study aims to investigate rewards and incentives impact on job satisfaction of Saudi banks Employees , to achieve these objectives a questionnaire was developed to measure study variables that are believed to affect job satisfaction, a total of 480 questionnaires were distributed to a study sample, consisting of employees in Saudi banks, 403 questionnaires were collected, so the response rate is 83.9 % of the total sample. The study concluded a set of results , the most important one were as follows :financial, moral, individual and collective incentives play a significant role in developing banks' activities, encouraging innovation, reducing employees' turnover rate, minimizing the complaint and their dissatisfaction among, and raising employees morale. The study concluded that Saudi banks are keen to have employees satisfaction by providing financial incentives and rewards for distinguished staff , and by providing wages and salaries that match with work size and responsibilities .The study also concluded that Saudi banks do not provide scholarship opportunities to enable employees to join their higher study, and they do not provide regular and continues financial and collective incentives at departments and sections levels. Moreover they do not offer employees a percent of their annual profits . The study also concluded that Saudi banks use negative incentives to punish employees for their work negligent, and transfer employees from one area to another in case of work negligent and they dismiss employees arbitrary in case of committing financial mistakes.Finally, the study recommended a set of recommendations including: Saudi banks have to pay more attention to their human resources in order to achieve higher profits and providing customers with better banking service through achieving employees job satisfaction., Banks also have to increase their concern with financial ,, moral, individual and collective incentives and benefits provided to employees due to their significant role on employees job satisfaction and job performance . Such incentives should be compared annually with other local ,regional and international incentives provided by the local, similar regional and international institutions incentives. Banks also have to provide more training courses and to develop a system of scholarship for distinguished employees for the purpose of employee's retaining . Finally Saudi banks have to uses fair and transparent negative incentives system to punish employees for work negligent, and to apply the same equally on all employees without patronage.

**Keywords:** Saudi Banks, financial Incentives, moral Incentives, individual Incentives, collective incentives, negative incentives, Job Satisfaction

## 1. Introduction :

Much modern management focus on human resource as primary engine to increase organizational performance efficiency, since human resource is the mainstay pillar of organizations success and achieving their objectives .Therefore, there is a bad need to increase interest and its optimal use. So individual's desire to work is associated with its efficient performance, production, how to provoke this desire and to direct the resulting behavior to achieve the desired performance are among difficult tasks that face organization top management (Robertson, Ivan & others 1992).

The competitive environment today requires manpower driven ,motivated, and committed in order to conclude business goals, so the interest level of morale spirit of personnel in organizations, whether governmental or private achieves an integration between individual and organization through achievement goals of both parties through development of incentives system of incentives has a positive effect in individual behavior and push him towards increasing his production and motivate him to be creative (Gomez-Mejia, Luis R, & others 2005).

Due to incentives importance and their role in achieving organization objectives, this study concentrate s on incentives impact employees job satisfaction in a main sector that is considered as one of the most important service sectors, which seeks through its staff to provide better services to customers, that is banking sector.

## 2. Study Importance

The study importance stems concurrently with topic importance it handles, that is rewards and incentives topic and its impact on staff job satisfaction. As long as the management is able to adopt scientific right method in

rewards and incentives system implementation as long it is able to find out the appropriate incentives and rules of proper distribution, and consequently obtain better result. The study importance also stems due to the newness of topic implementation importance in banking sector in general in Saudi Arabia to build clear principals and standards and to approve them in order to apply justice and fairness principle.

### 3. Study Problem:

Employee's performance efficiency depends on work desire. In order to have employee desire to work, he should be motivated either financial or moral to create this desire. Therefore the study problem is an attempt to answer the following comprehensive question "What is the impact of work incentives on job satisfaction from Saudi banks staff point of view." So the study is trying to conclude the desired results through answering the following sub-questions:

- 1-What is the importance of incentives and rewards on job satisfaction k from Saudi banks staff perspective?
- 2-What is the impact of work financial and moral incentives on job satisfaction of Saudi banks staff ?
- 3-What is the impact of work individual and collective incentives on job satisfaction of Saudi banks staff ?
- 4-What is the impact of work negative incentives on job satisfaction of Saudi banks staff ?
- 5-To what extent Saudi banks are keen to provide, financial, moral individual, collective and negative incentives to their employees ?

### 4. Study Objectives

This study aims to achieve a set of objectives that can be summarized as follows:

- 1- To investigate the importance of work rewards and incentives son job satisfaction from Saudi banks staff perspective.
- 2-To investigate the impact extent of work financial and moral incentives on job satisfaction in Saudi banks
- 3-To investigate the impact extent of work individual and collective incentives on job satisfaction in Saudi banks
- 4-To investigate the impact extent of work negative incentives on job satisfaction of Saudi banks staff.
- 5-To find how job satisfaction degree among Saudi banks staff.
- 6-To identify the most important problems facing staff motivation process and consequently to identify development means to develop the role that incentives play in Saudi banks.
- 7-To determine the extent of Saudi banks interest and keenness in providing their employees with .rewards and incentives.
- 8-To present appropriate suggestions and recommendations in general, which may be useful in decisions making regarding improvement of rewards and incentives systems.

### 5.Hypotheses of the study

To achieve the objectives and elements of the problem of the study , the hypothesis was formulated as follows:

**Main hypothesis:** Is there a relationship between incentives and job satisfaction of Saudi bank staff.

**first sub hypothesis :** Is there a relationship between financial incentives and job satisfaction of Saudi bank staff.

**second Sub hypothesis:** Is there a relationship between moral incentives and job satisfaction of Saudi bank staff

**third Sub hypothesis:** Is there a relationship between individual incentives and job satisfaction of Saudi bank staff

**fourth Sub hypothesis:** Is there a relationship between collective incentives and job satisfaction of Saudi bank staff

**fifth Sub hypothesis:** Is there a relationship between negative incentives and job satisfaction of Saudi bank staff

### 6. Limitations

The study scope is as follows:

- **Human limitations:** Saudi Arabia banks staff.
- **Place limitations:** Saudi banks amounting (12) banks.
- **Time limitation:** the period f (15/2 / 2012- 1 / 7/2012)
- **Scientific limitations:** rewards ,incentives, and staff satisfaction variables .

### 7.Previous Studies

- Awadallah (2012) study aimed to investigate the role of incentives offered to employees in participants' accounts management in Gaza Municipality and its role in achieving job satisfaction. The study concluded that financial incentives are provided with low degree foe employees in this management. The study recommended to increase interest in financial incentives primarily, as well as to focus on moral incentives, taking into account the importance of the budget in the application between financial and moral incentives and not to focus on one aspect only.

- Al-Faris(2011) study aimed to investigate the impact of motivating policies on organizational loyalty in public institutions. Study results showed that there is a positive relationship between motivation and organizational loyalty, consequently, its impact on job satisfaction and public institutions employees performance. The study recommended the importance of making motivation as an important part organizations culture due to its role in increasing employee interest and belonging to his organization.
- Badia & Babiano (2007) aimed to show the impact of financial incentives on professional life quality of and end user satisfaction in primary health care field. Study sample size was 257 individuals. The study showed that incentives have a relationship with quality and increase doctors professionalism, and that incentives on long-term have relationship with increase, and development of professional skills, thus increase level of end-user satisfaction.
- Cadsby (2007) aimed to indicate impact of employees classification, and financial incentives distribution on staff performance level in order to solve employees job dissatisfaction problem and their low productivity through applying wages increase system against high-performance. The study concluded that there is a positive impact of financial incentives and employees performance increase level, and thus increase their productivity. The study also showed high performance level of some employees in light of application this system, regardless of the incentive system they prefer. The study also showed that there are a small percentage of employees who are not interested in this kind of incentives.
- Al -Jundy (2006) study aimed to survey commercial bank employees in south provinces of West Bank regarding incentives provided to them and their ability to satisfy their needs and desires, and whether these incentives have a role in achieving employees job satisfaction in these banks. The researcher used the descriptive analytical method; questionnaire was used as study instrument. 320 questionnaires were distributed to eight banks. 124 questionnaires were collected. The study concluded that there is a significant impact of incentives on employees satisfaction in these banks. The results also showed that there was a clear weakness of incentives programs. The study recommended not to separate between incentives system and employees job satisfaction, and to take into account the inclusion and diversity of incentives programs, and also recommended with the need to take into account incentives distribution justice based on objective criteria.
- Burgess et al., (2004) study aimed to demonstrate the impact of incentives on public sector employee's performance level. The study used data derived from performance management system in British government department, as well on data available in personnel records. The study focused on importance of financial incentives offered to employees in public sector and its impact on individual performance and their work within the team in general. The study found that incentives have large positive impact on teamwork. The study also found that financial incentives provided to employees in these departments are more important than the regular payments such as salaries in influencing employee's performance level.
- Josef (2004) study aimed to investigate employee's job satisfaction level in private schools in India. Study sample consisted of 120 teachers in 10 private schools. The study used the questionnaire. The results in general showed that job satisfaction and performance level is high, as well as teacher's performance level. The study also showed a high level of satisfaction with respect to working conditions and mediums satisfaction level regarding financial and moral incentives and payments made to them. The study showed that there is a positive and high relationship between management style and different working conditions with performance and job satisfaction, The study showed that there is a relationship between incentives and job satisfaction and performance.
- Finally, Conrad & Sales (2002) study aimed to assess the impact of financial, collective and individual incentives on physicians productivity in medical staff. The sample size was 2237. The results showed that providing individual compensation has an impact on increasing study sample productivity. The results showed that this productivity resulting from compensation depends heavily on method and manner in which such compensation and incentives are provided as profits sharing, bonuses and incentives. Such methods also showed remarkable positive and great role in influencing productivity.

The most important characteristic that distinguishes the current study from previous studies is the comprehensiveness of multiple aspects of incentives have been since the study focused on financial and moral incentives for individual and collective incentives as well as negative incentives. The study is considered one of a few studies for an important sector in the Kingdom of Saudi Arabia that is banking sector.

## **8. Theoretical Framework**

### **8.1. Incentives concept**

Incentives aim to achieve job satisfaction among employees in order evoke their capacities and to activate their abilities and therefore encourage them to exert greater efforts in performing their works. Incentives can be defined as compensation that rewards employee's efforts for extra performance and more than expected (Mathis 1991). Incentives also defined as a combination of factors or influences that drive individual to exert greater efforts in his work, and not making mistakes in exchange to obtain what achieve his desires, satisfy

various needs, and his aspirations, which he seeks to attain in his work (Mari, Mohamed Marei 2003).

### **Incentives importance**

Rewards and incentives can be considered as part of reciprocal relationship between employers and employees (Leman. Porter & others 2003), since they are an important tools for managerial leaderships and managerial supervisors in any organization. They can be used to regulate employees' behavior in order to achieve organization goals and ambitions. (Faouri, and Refa'at, 2005), summarized incentives most important roles as follows:

- 1-Participation in satisfying working individual needs and raise their spirit morale
- 2.Reorganization needs individuals system.
- 3-To assist in controlling employee's behavior to ensure activation of this behavior and enhancing, or directing or amending or modifying or canceling it ... etc.
- 4- To develop habits or new behavioral values that organization is seeking to be available among employees.
- 5-To enhance organization objectives or policy by employees.
- 6-To develop creative and innovative capacities among employees.
- 7-To support achievement of any business or activities which the organization is trying to accomplish.

### **Incentives Success Terms:**

There is a set of conditions that make organization incentive system working efficiently, the following are among the most important conditions:

- 1-Justice and adequacy in providing incentives for employees.
- 2-Diversify incentives to include financial and moral aspects, in order to satisfy employees needs, desires and aspirations (Pravaiz et al, 2003)
- 3-Employees participation in incentives system development may increase their conviction, enthusiasm, and maintain it.
- 4-To determine the appropriate time in which incentives will be used. financial incentives in particular, which must be in a specific and frequent.
- 5-.Simple, so that the system will be brief, clear and understandable in its clauses, text and computation (Droubi, Solomon 2006)
- 6-There is a need to review incentives system permanently and continuously in order to develop it to keep in line with organization external environment changes of the (Abdul Baqi, Salahuddin 2004)

### **Risks of not using rewards and incentives system in institutions:**

Non-use of an effective incentives system in organizations may cause the following :(Zuelv, Mehdi 2003:

- 1-High turnover ratio.
- 2-Discomfort and unhappiness among workers in the organization, and increasing discontent in many situations, in addition to complaints an increase.
- 3-Employees dissatisfaction in their jobs, increase absences percent, delay, and leaving before the end of time.
- 4- Low level of Employees performance, low level of cooperation between employees, indifference domain, and absence of responsibility sense.
- 5-Services and products declining level, and work accidents increase.
- 6-Morespent time on performing tasks and works than specified in advance.

### **Job satisfaction increment policies:**

Rawya Hassan( 2004) suggested the following set of proposals to increase individual's job satisfaction:

- 1-Fair payment for individuals: if individual feels fair of what he gets of rewards and benefits, and fairness of applied procedures to determine what he deserves then he feels satisfied.
- 2-Improve supervision quality, since as long as the relationship between the supervisor and the individual relationship is good and based on respect and appreciation, job satisfaction is increased.
- 3-Decentralization achievement in organizational strength control : when the decision-making power is distributed and permits individuals participation freely in decision-making, their satisfaction will increase.
- 4-Achieve compatibility between jobs performed by individual and his interests: the more an individual felt that he could satisfy his concerns through his job, the more he feels satisfied.
- 5-Jobenrichment: addition of any new tasks close to employee's competence and involving him in decisions-making related to his job with his direct boss, to make job more interesting.

### **Incentives in Saudi Arabia banks:**

#### **Banks employees and their needs**

Nature of banking services has primarily a relationship with customers, so satisfaction of providers of these

services within banks will lead to formation of positive feeling of satisfaction among customers who are asking for banking service, this means that success of bank employees motivation system will lead to provide customers with best service. Therefore, creating suitable marketing climate within the bank depends on its employees, the greater the degree of coordination and understanding between employees, and banks management, the more the bank degree in-service providing is increased. In general, one cannot deny or ignore the role played by bank employees in achieving greater profits for the bank, since bank's employee is the backbone of bank success, so the researcher consider that it is necessary to retain him and provide him with stability and job security and to raise his standard of living in order to achieve his job satisfaction and drive him to improve his performance and enhance his belonging and loyalty.

Human resources have major role in improving banks competitive position in the market. This role is represented by improving sales relationships that they do, and consequently, its reflection on bank various operations. Based on reward and punishment theory in management literature, employees motivating and rewarding for their exerting efforts will improve those operations, since banks management are trying to enhance banking services status they sell in targeted markets. But in many cases, these banks may fail in achieving their objectives, due to reasons that are related to top management role, and in particular if such managements are of traditional type, which is characterized by relative immobility, and weakness in focus on leadership and strategic planning. The new trend indicated the roll that top management can play in promoting its services along with employee's performance in this field (Mckenna, 2001).

Saudi Arabia Monetary Agency (SAMA), obliged all financial institutions in the Kingdom of Saudi Arabia to abide by principles and standards of "Basel II" Convention and the Financial Stability Board, since it has issued a circular to all operating banks to disclose more detailed information regarding compensation and allowances awarded to employees in accordance with principles and criteria of Basel Convention and Financial Stability Board.

Saudi banks number is 12 banks, with 1661 operating branches, these banks open new branches at a rate of 5 branches per month. Latest statistics shows that compensation, salaries and allowances received by Saudi banks are (site numbers.2011), that the average remuneration of employees of senior executives class is 2.58 million Rials per person per year, while the average remuneration of staff and risk controls is 300 000 Rials per employee per year, while the average remuneration of the rest of the staff 160 000 Rials per employee annually.

**Table No. (1) shows the average that each employee in Saudi banks obtain annually**

Employees categories	Number of employees	Fixed Compensation	Variable compensation	Average earned compensation by employee per year
CEOs	186	291.3	188.9	2.5 8
Risk management staff	5061	1258.1	289.1	0.31
Control Department staff	2908	774.2	100.9	0.30
Rest of the staff	33763	4795.2	710.0	0.16
Total	41918	7145.5	1288.9	.020

\*Million Riyal

Fixed compensations include salaries, wages and various benefits and allowances granted by banks to their employees, while variable compensations include bonuses and rewards related to products sale and incentives associated with performance assessment

## 9. Study Methodology :

**9.1 Study Method :** This study is based on the descriptive analytical method.

**9.2 Data Sources:** It was relying on two types of sources of data collection:

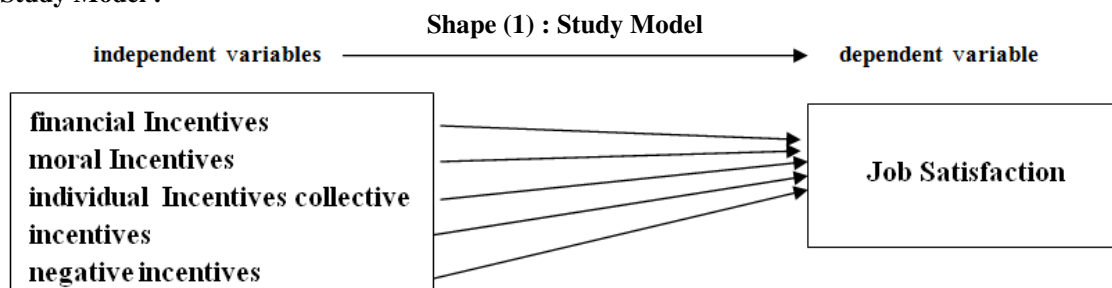
**A-Secondary Data:** it has been obtained through Arabic and English books and periodicals, formal reports, journals, thesis, and articles issued by official authorities.

**B-Primary Data:** to determine the Effect of Rewards and incentives on job satisfaction of Saudi banks Employee's, we have been conducting a pilot study with some employees of sample Saudi banks Employee's. the purpose of this pilot study is reviewing the dimensions of Rewards and incentives on job satisfaction. The second step is developing a questionnaire to collect the needed data from study population.

**9.3 Study Population:** study population is consisted of all employees in Saudi banks. Information showing that the number banks and financial institutions employees in the Kingdom of Saudi was at the end of 2011 41.918 thousand. (site numbers.2011)

**9.4 Study Sample** a systematic random sample of twelve banks( the sum of operating banks in Saudi Arabia) was selected . A questionnaire was distributed over 40 employees randomly in the main branches of each bank in Riyadh, therefore the sample total was 480 individuals 403 questionnaires were collected , that is 83.9% of the total sample.

**9.5 Study Model :**



**9.6 Model Variables**

- A. Independent Variable** it is represented by determinants of Rewards and Incentives: financial Incentives, moral Incentives, individual Incentives, collective incentives, negative incentives measured by questions 1 to 35 as follow :(financial Incentives: Questions 1 to 7 , moral Incentives: Questions 8 to 13 , individual Incentives: Questions 14 to 19 , collective incentives: Questions 20 to 26 , negative incentives: Questions 27 to 35 .
- B. Dependent Variable** : is Job Satisfaction measured by questions 36 to45.

**9.7 Statistical Analysis Techniques:**

Descriptive statistics approaches had been used to describe study sample characteristics. Frequencies and percents used. Means and standard deviations were used to investigate study sample attitudes T-test were also used to determine the relationship between the independents & dependent variables

**10. Data Analysis**

**10.1. Study Instrument Reliability**

Cronbach Alpha coefficient was used to measure study sample responses credibility of questionnaire statements. This coefficient is based on measurement of questionnaire’s statements internal consistency ability to give results compatible to respondent’s responses towards questionnaire’s statements questionnaire. Alpha can be interpreted as internal consistency coefficient between responses, therefore its value is ranging between (zero and 1), and Alpha coefficient accepted statistical value is (60%) or more in order scale credibility to be. The following table shows study variables reliability values.

**Table No2 : Variables Reliability Values**

Variable	Reliability Values
financial Incentives	71.2 %
moral Incentives	68.5 %
individual Incentives	69.4%
collective incentives	79.4 %
negative incentives	80.5%

**10.2 Study’s sample:characteristics**

The following tables shows the most important results of collected data analysis from study sample:

**Table 3: Sample Distribution According to Gender**

Gender	Frequency	Percentage %
male	312	77.4
female	91	22.6
Total	403	100

Table (3) indicates that males percent in study sample was 77.4% of the total study sample, while female percent was 22.6%. Males high percent in the sample is due to increase number of male staff and because number of males more than bank branches men in Saudi Arabia.

**Table 4: Sample distribution according to Age**

Age	Frequency	Percentage %
Less than 30	228	56.5
31- 40 years	144	36
41-50 years	22	5.5
More than 50 years	9	2
<b>Total</b>	<b>403</b>	<b>100</b>

Table (4) indicates that 56.5% of study sample, are of age group less than 30 years, and it is the highest percent of the total study sample. This reflects the concentration of this group in Saudi Banks, while the age group(31-40) years ranked the second with 36% of the total sample, 5.5%of the total sample are of the age group between 41-50 years . Age group (50 +) ranked the last with 2%,of the total sample. This indicates that Saudi banks focus on employing youth people.

**Table 5: Sample distribution according to educational level**

Educational Level	Frequency	Percentage %
high school	86	21.3
diploma	42	10.4
bachelor's degree	206	51.1
master's degree	69	17.2
<b>Total</b>	<b>403</b>	<b>100</b>

Table (5) results indicate 51.1%, of sample is concentrated in those who have bachelor's degree While 21.3% of the total sample have high secondary school, Those who have master degree ranked the third with 17.2% of the total sample, While diploma holders amounting 10.4% of the total sample ranked the last.

**Table 6: Sample distribution by years of experience**

Experience	Frequency	Percentage %
Less than 5 years	216	53.6
5-10 years	113	28.1
11-20 years	53	13.1
More than 20 years	21	5.2
<b>Total</b>	<b>403</b>	<b>100</b>

Table (6) indicates that study sample is concentrated on those who have experience less than five years, with 53.6% of the total sample, this indicates that respondents have small managerial expertise because most of study sample are young since Saudi banks focus on employing youth people. Those who have 5-10 years experience ranked the second amounting 28.1% of the total sample, while the percent of those who have experience 11 -20 years with 13.1% of total sample. Finally, employees whom their experience more than 20 years, amounting 5.2 %.

### 10.3 Results Analysis

Means and standard deviations for study sample responses were computed as shown in the following table:

**Table 7: Means and standard deviations of questionnaire statement**

No.	Statement	Mean	Standard Deviation
1	Financial incentives help in business development and activate innovation	4.85	1.43
2	Bank is keen on employee satisfaction by offering them financial incentive	3.10	0.876
3	Financial incentives encourage competition between bank employees	3.84	0.764
4	Financial incentives reduce complaint and discontent among employees	3.76	0.760
5	Financial incentives help in reducing labor turnover rate	4.90	1.77
6	Bank is keen to provide good rewards to outstanding employees	3.12	0.879
7	Bank provides its employees' salaries and wages that match with size and job responsibilities	3.30	1.23
8	Moral incentives help in raising employees moral spirit	4.38	1.39
9	Bank is keen to adopt employees suggestions	3.21	0.765
10	The Bank publishes names of distinguished employees, which raise their morale	3.46	1.13
11	Bank offers thanks and appreciation letters for distinguished employees	4.56	1.76
12	Bank provides training courses to develop employees performance	3.17	1.14
13	Bank give employees broad powers in decisions taking	4.43	1.77
14	Bank grants individual incentives for distinguished employees	3.45	1.89
15	Bank provides scholarship opportunities for employees to join their higher studies	1.13	0.877
16	Bank provides allowance to employee who is working in remote and distant areas	3.23	0.743
17	Bank provides additional wages to employee upon assigning work outside the official working hours	3.82	1.84
18	Bank take care of employee career	3.94	1.17
19	Bank encourages employee's innovation and creativity and his talents development	4.06	1.42
20	Bank gives appreciation letters outstanding departments and sections	3.05	1.80
21	Bank offers collective financial incentives for departments and divisions regularly and continuously	2.56	1.06
22	Bank provides job safety for all employees	3.21	1.27
23	Overtime work is distributed fairly and equally between bank's departments and divisions	4.09	1.10
24	Bank estimates difficult works that department and divisions which deal directly with bank customers are performing	3.32	1.05
25	Bank encourages teamwork spirit among employees	4.25	0.975
26	Bank provides employees with a percent of its annual profits	1.37	0.675
27	The Bank uses negative incentives to punish negligent staff.	4.86	1.67
28	Bank's punishment system is characterized by justice and transparency.	3.45	1.36
29	Negative incentives play role in increasing negligent employees performance	3.56	1.34
30	Monthly salary deduction increases work motivation	3.06	1.83
31	Employee's Transfer from managerial level to lower level leads to increase in career development	3.13	0.895
32	Notice and warning lead to increased work motivation	3.02	1.11
33	The availability of clear system that punishes negligent staff in their work leads to increase job satisfaction	4.55	1.44
34	Employees arbitrary dismissal is used in case of financial errors occur	4.80	1.88
35	Negligent employee is transferred from one area to other area	4.37	1.34
36	Wages and financial incentives paid to employee provide a decent life for him and his family	3.10	1.33
37	Employee is always keen to achieve required performance levels for the due to availability of financial, moral and negative incentives in the bank	4.16	1.80
38	Employee seeks to adhere with dates of attendance and leaving time	3.88	1.90
39	Employee seeks not to be absent from work without need because he loves his work	3.68	1.45
40	Employee's name communication within distinguished employees names helps in motivating him to increase his performance	4.40	1.32
41	Employee feels with bank's care of his career and his managerial development	3.53	1.52
42	Employee feels loyal and belonging to the bank	4.27	1.43
43	Employee adhering to his work at the bank and don't leave to work elsewhere	3.11	1.54
44	Employee feels with laws and regulations clarity and transparency in the bank	3.07	0.790
45	Employee exert his best efforts in work as a result of receiving appreciation and respect by the bank	3.83	0.758

The table above indicates that study sample positively responded the majority of paragraphs stated in the table. Such result was obtained because their means are greater than the virtual mean 3 since the study sample agreed on paragraphs (1, 5, 8, 11, 13, 19, 23, 25, 27, 33, 34, 35, 37, 40, 42), where the study sample consider financial incentives help in business development and activate innovation. Financial incentives also help in reducing labor turnover in Saudi banks

Sample agreed that moral incentives help in raising employees morale and that Saudi banks offer



thanks and appreciation letters for distinguished employees and provide them with broad powers to decisions taking.

The study sample also that Saudi banks encourage their employees for innovation, development and distribution overtime work fairly between banks departments and divisions and encourage employees teamwork.

The study sample agreed that there is a clear regulation in Saudi banks that punishes negligent staff, since Saudi banks use negative incentives to punish negligent staff and arbitrary dismissal for employees in case of financial errors, and transfer negligent staff from one area to another.

The study sample also agreed that Saudi banks staff are keen to achieve required performance due to the availability of financial , moral, and negative incentives .In addition the communication of distinguished employees names helps in performance increase, and that employee in Saudi banks feel loyal to the bank he works.

While it was found that the sample did not agree on paragraphs (15 ,21 ,26), since Saudi banks do not provide employees with scholarship opportunities to complete their studies ,and do not provide collective incentives at departments or sections level of regularly and continuously, and does not distribute a percent of profits on staff as incentives to encourage them to work.

The study sample agreed on the rest of paragraphs ,since it considers that Saudi banks are keen on their employees satisfaction through providing financial incentives and rewards for staff and provide salaries that are match with work size and responsibilities ,The sample also agreed that Saudi banks are keen to adopt employees suggestions and provide training courses to develop their performance and give allowances to employees who are working in remote areas and give them additional wages when they assigned to work outside official working hours.

The study sample agreed that Saudi banks concern with their employees, and provide all employees with job security and their appreciation of hard works that departments and divisions that deal directly with customers.

The study sample agreed that Saudi banks punishment regulation is characterized with fairness and transparency, and that negative incentives have a role in increasing staff motivation towards work and job development

The study sample agreed that bank wages and financial incentives the provide them with a decent life, and that employees are loyal and they do not leave banks to work in another place, and that staff exert their best efforts work as a result of respect and appreciation by Saudi banks

The following table (8)shows means and standard deviations of study independent variables , which explains positive attitude of study sample responses to these variables.

**Table(8): Means and Standard Deviations of study Independent Variables**

Variables	Mean	Standard Deviation
financial Incentives	3.83	0.893
moral Incentives	3.87	1.23
individual Incentives	3.27	0.960
collective incentives	3.12	1.87
negative incentives	3.47	1.48

#### 10.4 Hypotheses Testing Results

##### Main Null Hypothesis: Incentives have no impact on Saudi banks employees job satisfaction

**Table no. 9: F –test and its significant level(Alpha values) for Main Hypothesis**

F Calculated	F Tabulated	Sig F	R
38.4	5.77	0.000	0.612

\* Significant level is 0.05

Simple regression test was used in this hypothesis. Table (9) results indicate that (F calculated value) 38.4 is more than the value of (F tabulated value) 5.77. In the same way statistical significance value can be compared with significance level 0.05 , so the main null hypothesis is rejected, which considered that incentives have no impact on Saud banks employees job satisfaction , therefore the alternative hypothesis is accepted which considers that incentives affect banks employees job satisfaction .

##### First sub hypothesis : Financial Incentives have no impact on Saudi banks employees job satisfaction

**Table no. 10: T –test and its significant level(Alpha values) for sub hypothesis**

T Calculated	T tabulated	Sig F	R
5.42	2.87	0.000	0.356

\* Significant level is 0.05

Simple regression test results stated in the above table indicate that (T calculated value) 5.42 is more than the value of (T tabulated value) 2.87. Since T value is significant at 0.05 level, so the first sub null hypothesis is rejected, which considered that financial incentives have no impact on Saudi banks employees job satisfaction, therefore the alternative hypothesis is accepted which considers that incentives affect banks employees job satisfaction

By referring to study variables that describes this hypothesis and by using the mean, it is clear that the most important variables of this hypothesis was according to its important from sample's point of view that financial incentives have great role in reducing work turn over, works development, and innovation activation

**Second sub hypothesis : Moral Incentives have no impact on Saudi banks employees job satisfaction**

**Table no. 11: T –test and its significant level(Alpha values) for sub hypothesis**

T Calculated	T tabulated	Sig F	R
4.46	2.12	0.000	0.234

\* Significant level is 0.05

Simple regression test was used in this hypothesis .Results indicate that (T calculated value) 4.46 is more than the value of (T tabulated value) 2.12. Since T value is significant at 0.05 level, so the null hypothesis is rejected, which consider that moral incentives have no impact on Saudi banks employees job satisfaction, therefore the alternative hypothesis is accepted which considers that moral incentives affect banks employees job satisfaction and with correlation percent amounting 23.4%

By referring to study variables that describes this hypothesis and by using the mean, it is clear that the most important variables of this hypothesis was according to its important from sample's point of view that moral incentives help in raising employees morale . in addition Saudi banks provide their employees broad powers in decision making and provide thanks and appreciation letters for distinguished employees.

**Third sub hypothesis : Individual Incentives have no impact on Saudi banks employees job satisfaction**

**Table no. 12: T –test and its significant level(Alpha values) for sub hypothesis**

T Calculated	T tabulated	Sig F	R
4.32	2.86	0.000	0.564

\* Significant level is 0.05

Table above results indicate that (T calculated value) is more than the value of (T tabulated value). Since T value is significant at 0.05 level, so the third null hypothesis is rejected, therefore the alternative hypothesis is accepted which means that individual incentives affect banks employees job satisfaction and with correlation percent amounting 56.4%

By referring to study variables that describes this hypothesis and by using the mean, it is clear that the most important variables of this hypothesis was according to its important from sample's point of view that Saudi banks encourage employees for innovation and creativity and developing their talents and in the same time banks don't provides scholars opportunities for employees to complete studies.

**Fourth sub hypothesis : Collective I Incentives have no impact on Saudi banks employees job satisfaction**

**Table no. 13: T –test and its significant level(Alpha values) for sub hypothesis**

T Calculated	T tabulated	Sig F	R
3.44	1.98	0.000	0.282

\* Significant level is 0.05

Since (T calculated value) is more than the value of (T tabulated value) at 0.05 level, so the null hypothesis is rejected which considers that there is no impact of collective incentives on banks employees job satisfaction, but these incentives influence Saudi banks .

By referring to study variables that describes this hypothesis and by using the mean, it is clear that the most important variables of this hypothesis was according to its important from sample's point of view that Saudi banks distribute overtime work fairly and equally between bank's departments and divisions and also encourage teamwork between bank's employees, the sample also argued that Saudi banks do not present a percent of their annual profit to banks employees.

**Fifth sub hypothesis: Negative Incentives have no impact on Saudi banks employees job satisfaction**

**Table no. 14: T –test and its significant level(Alpha values) for sub hypothesis**

T Calculated	T tabulated	Sig F	R
5.76	1.96	0.000	0.455

\* Significant level is 0.05

Since (T calculated value) is more than the value of (T tabulated value) at 0.05 level, so the null hypothesis is rejected which considers that there is no impact of negative incentives on banks employees job satisfaction, but these incentives influence Saudi banks the two variable have a correlation amounting 45.5%.

By referring to study variables that indicate to this hypothesis and by using the mean, it is clear that the most important variables of this hypothesis was according to its important from sample's point of view that Saudi banks have clear regulation that punish negligent employees and this in its turn play a role in increasing job satisfaction. In general negative incentives are used to punish negligent employees and banks also used transfer method from one area to another and use also arbitrary dismissal if they make financial mistakes

## **11. Results Discussion & Recommendations :**

### **11.1 The Results:**

1. The results showed the importance of financial, moral, individual and collective incentives of Saudi banks to employees, since such incentives have a role in banking business development and to encourage innovation, and they help in competition between bank employees, contribute in complaint and discontent reduction among them, and reducing work turnover.
2. Analysis results showed that Saudi banks are keen on their employee's satisfaction by offering them financial incentives, rewards for distinguished employees, providing them with wages and salaries that match work size and responsibilities.
3. The results showed that moral incentives help in raising Saudi banks employees' morale, and Saudi banks are keen to provide written thanks and appreciation for distinguished employees it gives also employees broad powers in decision-taking.
4. The results showed that Saudi banks are interested in communicating distinguished employees names which raise their morale, as they are also interested to grant distinguished departments and divisions with appreciation letters and adopt distinct employee suggestions.
5. The results showed that Saudi banks are concerned with incentives provided to employees outside working hours, and they are also concerned with the premium offered to employees in distant and remote areas.
6. The results showed that Saudi banks do not provide employees with scholarship opportunities to complete their studied. Banks also do not provide financial and collective incentives at departments and divisions level regularly and continuously. Banks also do not offer employees withal percent of their annual profits ..
7. Analysis results showed that there is a clear and transparent regulation that leads to increase Saudi banks employees' job satisfaction. The results also showed that Saudi banks are using negative incentives to punish negligent staff, Banks also transfer staff from one area to another in case of negligent and also use employees arbitrary dismissal in case of financial mistakes.
8. Analysis results showed that Saudi banks employees sense regarding banks' care of their careers and their adherence to their jobs in these banks and not to switch to work elsewhere.
9. The results showed that Saudi banks staff of are seeking to achieve the required performance levels, and adhere with attendance and leaving dates and of non absence due to financial, moral, and negative incentives.

### **11.2 Recommendations**

In light of study results discussion the researcher recommends the following:

1. Saudi banks should increase their attention to their human resources, to achieve higher profits for these banks, and better banking service to customers through achievement of employee's job satisfaction.
2. There is need to increased attention of moral and financial benefits and incentives provided to employees as they have a great role on employee's job satisfaction and performance of, and to compare the same with similar local, regional and international institutions-.
3. Saudi banks should increase interest in providing collective incentives for departments and divisions due to their role in achieving greater sales and profits because of teamwork spirit within these sections and departments and the competition with other departments.
4. The need to increase the interest of Saudi banks of more incentives for employees assigned to work outside the official working hours, as well as increased bonuses for staff in remote and distant areas.
5. Saudi banks should provide more attention to provide training courses and develop a delegation system for distinguished staff aims to maintain them. Banks should distribute part of their profits to their employees, especially junior staff who are achieving sales and high profits.
6. Saudi banks need to increase interest, including care of their employees career in order to increase loyalty and increase their attachment to their work in these banks and prevent them to switch to work elsewhere.
7. Saudi banks need to continue to use fair and transparent negative incentives system to punish, transfer, and fire negligent staff with the importance of the effective application of this system to all employees without bias.
8. The importance of conducting ongoing studies on Saudi banks in general to know the shortcomings and weaknesses and treatment the same in order to obtain highly efficient human resources that are characterized by distinguished professional performance to provide banking service with high-quality.

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