

Job Satisfaction of Employees of Private Banks of Pakistan

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Abstract

The problem statement was to determine the satisfaction level of banking employees of four major private banks i.e. MCB, UBL, ABL, HBL Limited after privatization in Lahore city. Population size of study was the employees of all branches of these banks in Lahore city. After comprehensive study of literature review on job satisfaction, six independent variables (work itself, pay, benefits and promotion, organizational culture, recognition, working conditions, and job security), were selected. These six variables were further categorized into attributes. On the basis of attributes questionnaire was developed. After that sample size of 80 respondents on the basis of convenient sampling was taken and that questionnaire was distributed to them. After collecting data from respondents, data was analyzed by making frequency table and bar charts. Findings of this exercise showed the overall satisfaction level of the employees ranging from highly satisfied to low satisfied. In the end it was found that out of six variables four independent variables are considerably affecting the satisfaction level of employees and are showing positive relationship. Only two variables have showed negative relation. Therefore it was concluded that the overall satisfaction level of employees of these private banks was quite high.

Keywords-Banking employee, Employee satisfaction, job security, organizational culture, pay benefit promotions, recognition, working condition, work itself

CHAPTER 1

INTRODUCTION

The evolution of liberalization in the global economy has brought considerable change in the service industry of the whole world. This in turn also has influenced the service sector of Pakistan. Much stress has been laid on privatizations, which have created employment opportunities for the people of Pakistan. The change has increased income level that changed spending patterns of the people. This has finally created an aggressive business atmosphere in this sector of Pakistan. Also, the demand for financial services in Pakistan continues to increase more and more due to its large growing population and other related pressures like direct foreign investment, private investment, government borrowing and export-import development. As a result, a rapid expansion of private banks has taken place from the beginning of 1990s till present, which has created a good competition among the private banks in Pakistan. Good financial services of the banks along with their better customer services become important due to this rising competition. Job satisfaction is a frequently studied subject in work and organisational literature. This is mainly due to the fact that many experts believe that job satisfaction trends can affect employees and influence their work productivity, work effort, employee absenteeism and staff turnover. Moreover, job satisfaction is considered a strong predictor of overall individual well-being (Diaz-Serrano and Cabral Vieira, 2005), as well as a good predictor of intentions or decisions of employees to leave a job (Gazioglu and Tansel, 2002). Beyond the research literature and studies, job satisfaction is also important in everyday life. Organisations have significant effects on the people who work for them and some of those effects are reflected in how people feel about their work (Spector, 1997). This makes job satisfaction an issue of substantial importance for both employers and employees. As it has been realized that bank employees play an important role for the good performance of the bank by delivering good financial services to its customer, since it is a services-based business. In such situation, job satisfaction of bank employees is an important issue for the improved financial services to the customers. Therefore, this issue has to be properly taken into account in order to achieve ultimate goals of banks in Pakistan.

1.1. Statement of the Problem

What is the satisfaction level of banking employees with the emergence of privatization in the banking sector of Pakistan? Only the job satisfaction level of employees of four major private banks of Pakistan in Lahore city Allied Bank Ltd., Habib Bank Ltd., MCB Bank Ltd., United Bank Ltd.

1.2. Significance of Study:

Job satisfaction is becoming very crucial factor for the success of most organizations in all over the world. As the liberalization and privatization in today's economy has increased competition among various entities i.e. banks, financial institutions etc. Therefore this study holds its significance in this perspective. As study is focusing on satisfaction level of banking employees therefore it is necessary for each bank to know about their employees' attitude towards their job. If employees are dissatisfied or having discomfort to their job they might lose potential customers for a bank which are an important assets for the bank.

This study will also enable different banks i.e. Allied Bank Ltd., Habib Bank Ltd., MCB Bank Ltd and United Bank Ltd to determine whether their employees are satisfied and committed to their job or not and also the reasons which are making their employees discomforted to their jobs. The research is also for researcher doing their research in the area of job satisfaction and may help them towards better understanding of this topic. Other stakeholders which may benefit from findings of study are MNCs, national companies and government entities etc to enhance job performance of their employees. During investigation it was focused on six major variables of job satisfaction i.e. work itself, pay, benefits and promotion, organization culture, working conditions, job security, recognition. Therefore generalize ability of the findings to the extent of these variables is quite reliable.

1.3. Objectives of Study

- To identify the factors responsible for satisfaction or dissatisfaction of the bank employees.
- To analyze the effect of work itself on employees performance.
- To examine the impact of increase of pay, benefits and promotion on the performance of employees.
- To investigate the effect of organizational culture on satisfaction of banking employees
- To envisage into the impact of working conditions on employees satisfaction.
- To study the impact of recognition on the performance of banking employees.
- To study how job security affects employees job satisfaction.
- To find out ways of improving the job satisfaction of the bank employees.

1.4. Hypothesis:

To test the statistical relationship between the considered variables, null and alternative hypothesis are designed as the following format:

Ho₁: There is no significant relationship between the work itself and job satisfaction.

Ha₁: There is significant relationship between the work itself and job satisfaction.

Ho₂: There is no significant relationship between the pay, benefits, promotion and job satisfaction.

Ha₂: There is significant relationship between the pay, benefits, promotion and job satisfaction.

Ho₃: There is no significant relationship between the organizational culture and job satisfaction.

Ha₃: There is significant relationship between the organizational culture and job satisfaction.

Ho₄: There is no significant relationship between the recognition and job satisfaction.

Ha₄: There is significant relationship between the recognition and job satisfaction.

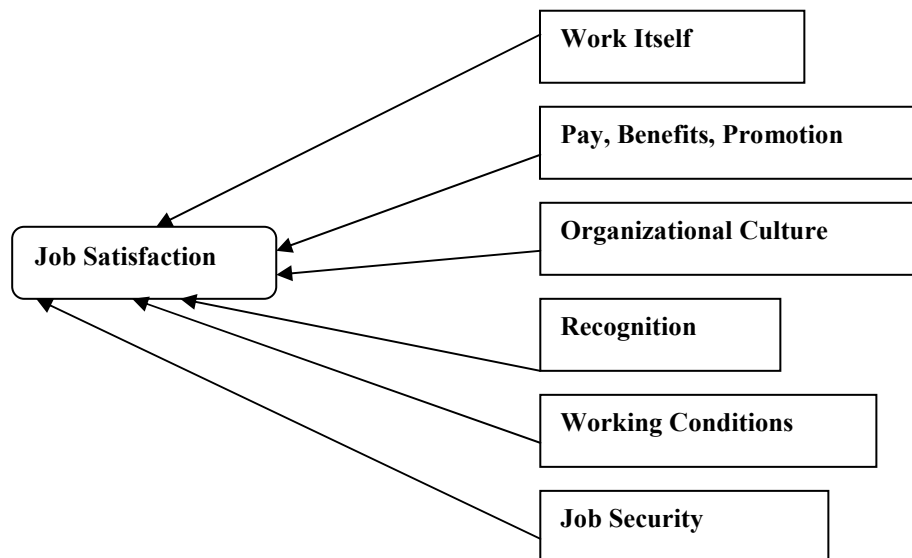
Ho₅: There is no significant relationship between the working condition and job satisfaction.

Ha₅: There is significant relationship between the working condition and job satisfaction.

Ho₆: There is no significant relationship between the job security and job satisfaction.

Ha₆: There is significant relationship between the job security and job satisfaction.

1.5. Theoretical Framework:



1.6. Methodology (in Brief)

1.6.1 Population:

All the employees of the four major private banks i.e. Allied Bank Ltd., HBL Limited., MCB Bank Limited., United Bank Ltd., in Lahore City are part of the population

1.6.2 Sample:

On the basis of convenient sampling we will take 80 employees of 16 branches of four banks i.e. (Allied Bank Ltd., Habib Bank Ltd., MCB Bank Ltd., United Bank Ltd.).

1.7. Limitations

- Data collected is based on questionnaire.
- The research exercise was conducted within a limited duration. So a detailed study could not be made.
- The number of employees in all branches of four banks in Lahore city is more, so sample size is limited by 80.
- The of respondents were unwilling to give correct information because of lack of interest or due to any other reason
- As the sample size of our study is very small so its generalizability is very limited.
- The result would be varying according to the individuals as well as time.
- Some respondents hesitated to give the actual situation they feared that management would take any action against them.
- The findings and conclusions are based on knowledge and experience of the respondents sometime may subject to bias.

Chapter-2

Literature Review

Several researches have been conducted to see the impact of job satisfaction on the performance of different organizations. An organization is nothing without employees working in it. It is necessary for life of organization that its employees should be well satisfied for its good performance. Many studies indicate the impact of job satisfaction on profitability, growth and shareholder return of various organizations. This research will add information to know whether job satisfaction level of banking employees increases or decreases after privatization of banking sector in Pakistan.

Bockerman & Ilmakunnas (2007) found that workers facing adverse working conditions tend to have a greater number of sickness absences. Hence, sickness absences are more common in regions of low unemployment. Researchers concluded that the occurrence of harms at the workplace is associated with job dissatisfaction and dissatisfaction with workers' sickness absences. Researchers have explored the potential role of adverse working conditions at the workplace in the determination of workers' sickness absences. It constitutes a representative sample of workers. Based on their results, this is important, because some of the earlier findings (e.g. those permanent workers are more often on sickness absences) do not prevail when one is using a

representative sample instead of focusing on some very specific sectors of the labor market. The study revealed that workers facing adverse working conditions tend to have a higher number of sickness absences. In particular, the non monotonic effect of wage on sickness absences means that it is more difficult for firms to decrease absences by increasing the workers' wage level than by reducing the prevalence of job disamenities. In addition, the study clearly showed that regional labor market conditions are an important determinant of sickness absences.

European Foundation for the Improvement of Living and Working Conditions, (2007) investigated that Job satisfaction is a frequently studied subject in work and organisational literature. This is mainly due to the fact that many experts believe that job satisfaction trends can affect labor market behaviour and influence work productivity, work effort, employee absenteeism and staff turnover. Moreover, job satisfaction is considered a strong predictor of overall individual well-being (Diaz-Serrano and Cabral Vieira, 2005), as well as a good predictor of intentions or decisions of employees to leave a job (Gazioglu and Tansel, 2002). Beyond the research literature and studies, job satisfaction is also important in everyday life. Organisations have significant effects on the people who work for them and some of those effects are reflected in how people feel about their work (Spector, 1997). This makes job satisfaction an issue of substantial importance for both employers and employees. As many studies suggest, employers benefit from satisfied employees as they are more likely to profit from lower staff turnover and higher productivity if their employees experience a high level of job satisfaction. However, employees should also 'be happy in their work, given the amount of time they have to devote to it throughout their working lives' (Nguyen, Taylor and Bradley, 2003a). The following passage summarizes the importance of job satisfaction for both employers and their workers: Job satisfaction is important in its own right as a part of social welfare, and this (simple) taxonomy [of a good job] allows a start to be made on such questions as 'In what respects are older workers' jobs better than those of younger workers?' (And vice versa), 'Who has the good jobs?' and 'Are good jobs being replaced by bad jobs?' In addition, measures of job quality seem to be useful predictors of future labor market behaviour. Workers' decisions about whether to work or not, what kind of job to accept or stay in, and how hard to work are all likely to depend in part upon the worker's subjective evaluation of their work, in other words on their job satisfaction.

Shah (2007) conducted that the R & D organization, "Integrated Services" has been chosen as sample to check the organizational culture variables and satisfaction level of employees. The organizational culture of IS has found to be a formal and controlled structured place and there is a bureaucratic style of leadership in the organization. People have relatively same level of loyalty and mutual trust and value innovation and development. Above all, the human development is of great concern in all the departments by the employees. Interestingly, the employees of the IS do not value the pay and compensation only but after descriptive statistics, it has been found that most of the employees are satisfied with their co-worker relationship and behavior. This study was conducted to explore that whether Compensation Package influence employee job satisfaction or organizational culture has dominance and what employees perceive and prefer regarding their organizational culture. The present and preferred scenarios have been compared by paired Sample 'T' test. The recommendation concerning the relationship between Organizational culture and employee job satisfaction is that in order to maintain competitive advantage, companies need to nurture management relationship with workers. The womb-to-tomb mentality of staying with one employer appears to have disintegrated and combined with downsizing and layoff, management may be hard pressed in retaining and developing a loyal work force. Literature suggests that employees who are more satisfied with their jobs are absent less (Hackett and 10 Guion, 1985), less likely to leave (Carsten and Spector, 1987), more likely to display organizational citizenship behavior (Organ and Konovsky, 1989), and to be more satisfied with their lives overall (Judge and Watanabe, 1993). The present study results suggest Organizational Cultures should be improved further and made conducive for higher levels of employee job satisfaction. Therefore, management of Integrated Services desiring to create greater levels of job satisfaction should begin a concerted effort to build consensus and cohesion, emphasize teamwork and loyalty, while encouraging innovation and entrepreneurship. Only, compensation package is not of greater importance to retain employees and made them feel like home.

Jain et al (2007) Concluded that there is no significant difference between managers and engineers in terms of their job satisfaction and both the groups appeared almost equally satisfied with their jobs. When the managers and engineers were compared on organizational climate, it was found that both the groups differed significantly. Managers scored significantly high on organizational climate scale than the engineers indicating that the managers are more satisfied due to the empowerment given to them. On the basis of calculated data, marked and significant differences were observed between managers and engineers of IOCL in terms of occupational stress which led to the conclusion that engineers experienced higher degree of stress as compared to managers. When job satisfaction of high income group managers were compared with low income group managers, the results revealed that both the groups differed significantly. On the other hand, comparison of job satisfaction of high income group engineers with low income group engineers showed non significant results.

However, the trend of the result shows that the high income group of managers and engineers are more satisfied with their jobs when compared to the low income group. The reason to this trend can be attributed to the

universal truth that the monetary compensation is one of the important motivators for the employees that largely affects their performance and satisfaction level. The results of the study also confirmed the assumption that high age group managers as well as high age group engineers were equally satisfied with their jobs and the study revealed the same findings when low age group managers and low age group engineers were compared on their job satisfaction level. The result also revealed that the managers who scored high on occupational stress were less satisfied with their jobs while the managers who scored low on occupational stress had higher job satisfaction level. On the basis of the result obtained, it may be interpreted that the presence of higher degree of occupational stress adversely affected the level of job satisfaction. Similarly, the high occupational stress group of engineers scored less and thus had low job satisfaction level as compared to low occupational stress group of engineers. The influence of high and low organizational climate on job satisfaction of managers was studied and it was found that high organizational climate group scored more on job satisfaction scale, though the difference was non-significant. Thus the findings confirmed the assumption that managers who perceived organisational climate high and conducive were found more satisfied with their jobs than those who perceived organisational climate as low. However, when the high and low organizational climate group of engineers were compared, it was found that high organizational climate group of engineers were more satisfied.

Bakhshi et al (2008) studied that job satisfaction or Employee Satisfaction (also referred to as morale) is one of the most used variables in Organizational Behavior. It is an employee's attitudinal response to his or her organization. As an attitude, job satisfaction is summarized in evaluative component and comprised of cognitive, affective, behavioral components. As with all attitudes, the relationship between satisfaction and behavior, most specifically job performance and membership, is complex. Job satisfaction plays an important role in determining the quality of one's life. If one is satisfied with one's job, it will boost one's morale and one will always aspire to rise further in life. Job satisfaction not only improves quality of life but it also makes a person more confident & secures future. Job satisfaction also brings to fore one's hidden potential which otherwise would have remained untapped if one is dissatisfied with job. A steady and a secure job give a person the much needed financial security which is directly linked to a life full of contentment and satisfaction. The job becomes more gratifying if one gets a job of one's own choice and one enjoy work to the best of one's abilities. Thus, a job in which a person is satisfied makes him or her happy, prosperous, financially secure and gives much needed life satisfaction.

Kamal & Hanif (2009) investigated that job satisfaction is a key instrument to gauge the organizational health as service quality largely depends upon the human resources. (Crossman & Abou-Zaki, 2003). Pay has been considered as the major factor for job satisfaction however other related factors like promotion, recognition, job involvement and commitment are also taken into account. Job satisfaction is an attitude of an employee over a period of his job so the factors of satisfaction and dissatisfaction changes over the period. It is a relative term and is now a days used as a key factor to gauge the performance of a particular employee and organization. Satisfied employees are more likely to be friendly and responsive which attracts customers. Dissatisfied employees can lead to customer dissatisfaction. Job satisfaction is a heavily researched area of inquiry.

The research has focused specifically on one aspect of job satisfaction, explicitly, satisfaction with pay. The aim was to estimate the extent to which a banker's job satisfaction is determined by comparisons with other banks as well as by other variables mentioned above. Most of the Pakistani banks do not see employee participation as a driver of better employee performance; the study highlights that these variables are among the contributing variables towards Job satisfaction. Changes in organizational variables, such as pay scales, employee input in policy development, and work environment could be made in an effort to increase organizational commitment which in turn will lead to employee commitment and satisfaction. According to the results the job satisfaction of bank officers is significantly dependent upon pay, promotion opportunities, rewards, relation with boss and coworkers. The main findings of research are as follows. It is evident that the dependent variable satisfaction with pay has the expected positive effect on job satisfaction. There is some evidence that workers who are dissatisfied with their bosses are more sensitive to their pay in deciding on whether they are satisfied with their job.

Haile (2009) highlights some new findings that relate to differential effects of dependent children and other dependents, type of employment contract and gaps between employees' skill and skills requirements of their job. Working long hours is found to be positively associated with intrinsic aspect of jobs. Public sector employment is positively associated with all facets of job satisfaction except satisfaction with pay. This paper attempted to establish empirically the determinants of job satisfaction using a linked employer-employee data and employing a statistical technique that is best suited to analyzing such data. It uses eight different measures of employee facet satisfaction for the purpose. As well as making extensive review of existing literature, the paper employs innovative statistical technique to establish the determinants of facets of satisfaction. The paper assumes that responses to subjective well-being measures are comparable (only) ordinarily and accounts for unobserved workplace-level heterogeneity, which is found to be highly significant in all equations estimated. Unobserved heterogeneity is ignored by much of the literature on job satisfaction, and this paper attempts to address this issue

adequately. The data offer extensive information on employees, workplaces as well as policies and practices in place at the workplace allowing controlling for confounding factors extensively. Alternative specifications of each of the facet satisfaction equations have been estimated in this paper to check for robustness, which holds generally. In terms of the main findings of the paper, having a disability is associated negatively and statistically significantly across all equations estimated.

Brabete & Nimalathasan (2010) stated that the human resource of an organization is considered as an important resource, organizations wish to keep well trained and effective work force. Employees, who satisfy with their job, may exert high effort to organization wish to satisfy their employees for getting effective more work done. To make the best use of people as a valuable resource of the organization, attention must be given to the relationship between staff, nature and content of their jobs. It was observed that there is as positive relationship between job satisfaction and employees performance. That is high level of fair promotion, reasonable pay system appropriate work itself and good working condition leads to high level of employees' performance. In other words, employee's job satisfaction has positive impact on their performance. Existing alterative also proved the research conclusion. Even Though there are several factor affecting employees' satisfaction, the researcher only considered four variables: promotion, pay, work itself and working condition. Therefore in future conducting a detailed research including various factors in this field, further option findings can be obtained.

Depedri et al (2010) found that worker well-being is greatly influenced by the considered individual and organizational factors. Motivational factors emerge as preconditions, able to enhance or dampen individual well-being. However, the most relevant factors influencing worker well-being are identified in the interplay between the individual and the organizational dimension and are linked mainly to procedural and distributive fairness, but also to non-monetary incentives, such as autonomy and participation in decision-making. Also, monetary incentives and the wage, whose relevance was denied by some studies show a positive linkage with the intrinsic component of satisfaction, which is understood in terms of self-fulfillment and professional achievement. The richness of the ICSI database allows a comprehensive and in depth picture to be taken of the most important factors influencing well-being on-the-job and this work has represented only the first comprehensive step leading to more in depth and focused analyses.

Hunjra et al (2010) measured the effect of human resource management practices like autonomy; leadership conduct and team work on job satisfaction. It attempts to measure the importance of each factor on level of job satisfaction. It also examines the difference of level of job satisfaction between male and female employees. Findings of the study indicate that there is a positive relationship between autonomy, leadership behavior and team work environment and job satisfaction. However, leadership and teamwork environment influence more than autonomy on employees' job satisfaction. The results also depict a significant difference of level of job satisfaction between male and female employees.

The banking sector in Pakistan is facing a tremendous change for several years. Not only number of new entrants has increased competition among the banks, but economic condition, political instability and energy crises affected on this industry which affected banking sector. As a result, not only their transaction volume is decreasing, but the number of the transactions is also declining. Due to this banking sector is experiencing rapid turnover. The results of this study are not only beneficial for employers in private banks, but are also useful for public banks. Since this study finds that employees weigh more to leadership behavior and team work environment, than autonomy, to enhance their job satisfaction, so the management should focus on leadership behavior to their employees, and should provide them with a good team work environment which will enhance their level of job satisfaction. It will further reduce absenteeism and turnover. The empirical analysis of this study suggests that male employees should be prioritized when formulating human resource strategies as compared to female employees. Human resource strategies should not be devised on gender discrimination basis but include both categories (Male and female). This study covers the effect factors like autonomy, leadership behavior and team work environment on job satisfaction. This study makes contribution in HRM literature by analyzing key factors empirically specific to the banking sector. The study gives importance to three key factors for job satisfaction, is not a single factor at all. This will enable employees to reduce the current turnover rate and will increase the level of job satisfaction among employees. Due to insufficiency of empirical literature, it was quite obvious to incorporate the behavior of old workers inform of additional leaves etc. Another limitation of our study is related to sample size selection for analysis.

Zia Ur Rehman et al (2010) explored the relationship between work rewards and job satisfaction with moderating effect of age differences. The results of this study reveal that job rewards are proved to be strong determinant of job satisfaction. Job satisfaction is more related to extrinsic rewards for employees than intrinsic rewards. The age differences have moderating effect on job satisfaction as it increases with rise in age. This study focused on the relative importance of job rewards with employees overall satisfaction in a public sector organization where they are working on same level but with large age differences. The purpose of the study is to determine the relationship between the level of job satisfaction and job rewards as determinant of job satisfaction

with the moderating impact of age differences.

Acheampong et al (2010) determined the factors that influence job satisfaction. In determining the purpose of the study, a research framework is established to review the relationships between job satisfaction and job mobility; hourly job compensation; and weekly work hours. The study also examines how the distribution of job satisfaction changes over time. Several hypotheses about the determinants of job satisfaction are presented and examined using both cross section data on these cohorts and panel data from the National Longitudinal Survey of Youth (NLSY). In this context, a job satisfaction is defined as a dependent variable, which indicates the degree to which an employee is satisfied. The job mobility in this study reflects promotion or demotion that may occur in the job. The hourly compensation indicates the wage earned hourly while weekly work hours reflect the amount of time invested in the job per week. The significance of this study is to explore factors other than the identified variables that may influence job satisfaction. The relationships of variables are categorized based on group variables to develop research questions to determine the factors that influence job satisfaction. The degree of job satisfaction however may not remain the same; the effects of earnings change over time. In assessing the degree of relationship among variables, correlation and regression is used to determine the extent of relationships between dependent and independent variables. The questionnaires included questions regarding job satisfaction, worked hours, hourly wage compensation, and job mobility. Respondents were asked about how they felt about their jobs; their experience of promotion, and any other position change; their hourly monetary compensation; and the number of working hours per week, to determine whether or not there was an impact on their job satisfaction.

Card et al (2010) found that there is an asymmetric response to the information treatment: workers with salaries below the median for their pay unit and occupation report lower pay and job satisfaction, while those earning above the median report no higher satisfaction. Likewise, below-median earners report a significant increase in the likelihood of looking for a new job, while above-median earners are unaffected. Our findings suggest that job satisfaction depends directly on relative pay comparisons, and that this relationship is non-linear. We evaluate the effects of our information treatment on employees' satisfaction and on their job search intentions. Researcher found that the information treatment has a negative effect on people paid below the median for their unit and occupation, with no effect on more highly-paid individuals. For workers below the median, there is a relationship between the treatment response in satisfaction and distance from the median. This relationship appears to be generally stronger for wage rank than the relative wage level. These patterns are consistent with inequality aversion in preferences, which imposes a negative cost for having wages below the median of the 28 appropriate comparison units, but no reward for having wages above the median. Overall, our results support previous observational empirical studies and many lab experiment studies on relative income. Our evidence also suggests that access to information about pay disparity at the workplace increases concerns about both pay setting fairness and nationwide inequality. We have only a very limited window on the effects of salary disclosure on long-term changes of economic behavior. Finding ways to estimate these longer-term effects through experimental or quasi-experimental research designs is a promising path for future research. In terms of workplace policies, our findings indicate that employers have a strong incentive to impose pay secrecy rules. Forcing employers to disclose the salary of all workers would result in a decline in aggregate utility for employees, holding salaries constant. However, it is possible that forcing an employer to disclose the salary of all workers may ultimately result in an endogenous change in wages and worker mix that could ultimately affect the distribution of wages.

Depedri et al (2010) identified and discussed factors, considerations and aspects from the jobs of university academic staff that contribute to their satisfaction and dissatisfaction at the working place. An institutional case study lies at the basis of the discussion, emphasizing the measurement of the job satisfaction of academic staff within a Romanian university. Among the debated aspects are: promotion opportunities, support and facilities, working conditions, climate at the work place, income level and others, some of them contributing to increased satisfaction, but others contributing to dissatisfaction at the work place. Based on the results of the research, institutional problems can be identified and suggestions for a new institutional profile and a modern management strategy can be formulated as a key in the new competitive context, where a functional redesigning is a necessity, as to set up a dynamic equilibrium at the cross roads between universities and economic, social and political environment. Three types of institutional factors influence job satisfaction levels in the studied Romanian HEI. First, Dissatisfaction factors for a large part of the academic staff are the following: the level of income for all academic positions (except full professor) and promotional opportunities. Second, Satisfaction factors for most academic staff are the following: certainty of the work place, climate at the work place and the number of teaching hours. Third, the following factors are sources of both satisfaction and dissatisfaction: the access to information, the teaching aids and the working conditions. People consider the above factors as satisfactory or non-satisfactory depending on the differences in expectations (determined by personal factors such as age, academic position, working experience) on the one hand, and the access to different facilities, working conditions on the other hand. These factors relate to the organizational support offered to employees. Susskind et

al. (2000) consider that employees' perceived organizational support influences their job satisfaction and the employees' job satisfaction influences work-related attitudes. The correlations with academic position of the majority of the variables are statistically significant, illustrating higher or lower differences in the job satisfaction's factors and influencers for people with different academic positions. The results of the present study are consistent with findings of other similar studies.

Akbar et al (2011) determined the relationship between employee empowerment and job satisfaction in Pakistani service industry. This study also examines the difference between job satisfaction level of male and female employees. Results indicate that employee empowerment has positive and significant impact on job satisfaction. The results also confirm a significant difference between male and female employees job satisfaction level. Evidence depicts that male employees are more satisfied from their jobs. On the basis of results, it is concluded that employee empowerment has positive and significant impact on employee job satisfaction and there is significant difference among gender wise job satisfaction level. This study confirms that employee empowerment leads towards higher level of employees' job satisfaction. Service industry in Pakistan is facing so many problems for last few years such increasing number of new entrants/competitors in service industry, economic conditions, and political instability and energy crises. These factors have affected the corporate industry in general and service industry specially. The result of this study useful for both private and public sector service industry employers. This study contributes to overcome the problems of employee empowerment in service sector and given a fair idea that employee satisfaction can be achieved through empowerment. The study will help to improve the process of empowering employees in Pakistani service sector. Findings have shown that employee empowerment is an important factor that enhances employee job satisfaction.

The study emphasizes the major influences of experienced utility gaps or regret, i.e. the difference between what happened and what might have happened, on job satisfaction. The basic factor is that job satisfaction correlates with the wage gaps experienced in the past and present, holding other job-related satisfactions constant, with the possible exception of young workers. It was further observed that this effect of wage gaps on job satisfaction declines with working experience. Consequently, the main prediction that was observed is that job satisfaction correlates with wage gaps experienced in the past and present and that, as a result of discounting, effects of a given wage gap decline with working experience. This analysis borrows from Hamermesh (1977), who was the first economist to regress job satisfaction on the current wage gap, and may be seen as an economic adaptation of the goal-achievement gap theory suggested by Michalos (1980) in the psychological literature. However, it was conceived that the job satisfaction in a lifecycle framework so explicitly and to test the declining effect of wage gaps with working experience on job satisfaction.

CHAPTER-3

METHODOLOGY

3.1 Research Design

The design of the research is a path that leads the whole research work from starting point to the end. It is like the blueprint of research work, which defines the whole research process. It describes the type of research, variables and their relationships, sphere of the research and its limitations etc.

The area of "Job Satisfaction" is not new to the field of research. There is a lot of research work available to establish a descriptive study. So for the purpose of our study we chose "Descriptive Study" and in order to reach at conclusion we will use the method of Hypothesis testing. The null and alternate hypothesis has already been listed out in Chapter-1.

Based on this design the secondary data will be collected through articles and research papers available on the Internet, owing to the time and cost limitations. The understanding developed through secondary data study give rise to second Chapter of the research. Based on this understanding six variables have been identified, which effect the job satisfaction. These variables are WORK ITSELF; PAY BENEFITS AND PROMOTION; ORGANIZATION CULTURE; RECOGNITION; WORKING CONDITIONS and JOB SECURITY. The relationships of the variables have already been explained in Introduction.

In order to draw conclusion and hypothesis testing, primary data will be collected on the basis of questionnaire established to check the variables identified (Appendix A). This questionnaire will be served to the selected respondent through convenient sampling, by the researchers themselves. The data collected then is analyzed through statistical method of Frequency Distribution and results will be shown through graphical interface.

3.1.1 Population of the study

There are 69 branches of Allied Bank Limited in Lahore city in which there are approximately 670 employees working in those branches.

There are 60 branches of Habib Bank Limited in Lahore city in which there are approximately 600 employees working in those branches.

There are 79 branches of MCB Bank Limited in Lahore city in which there are approximately 700

employees working in those branches.

There are 63 branches of United Bank Limited in Lahore city in which there are approximately 650 employees working in those branches.

So the total population of our study is 271 branches of four banks in Lahore city having approximately 2620 employees.

3.1.2 Sample of the study

We have visited four branches of each bank and obtained information from 20 respondents of each bank on the basis of convenient sampling. So the sample size of our study in 16 branches of four banks i.e. Habib Bank Limited Allied Bank Limited MCB Bank Limited United Bank Limited is 80 respondents

3.2. Tools for Data Collection

As the design for our research is quantitative therefore we used the technique of “Structured Questionnaire” for the collection of data for our study. A structured questionnaire was developed having 6 factors of job satisfaction which is addressed through 19 statements to which the respondents are asked to react using a five step Likert scale ranging from strongly disagree (1) to strongly agree (5).

3.3. Data collection

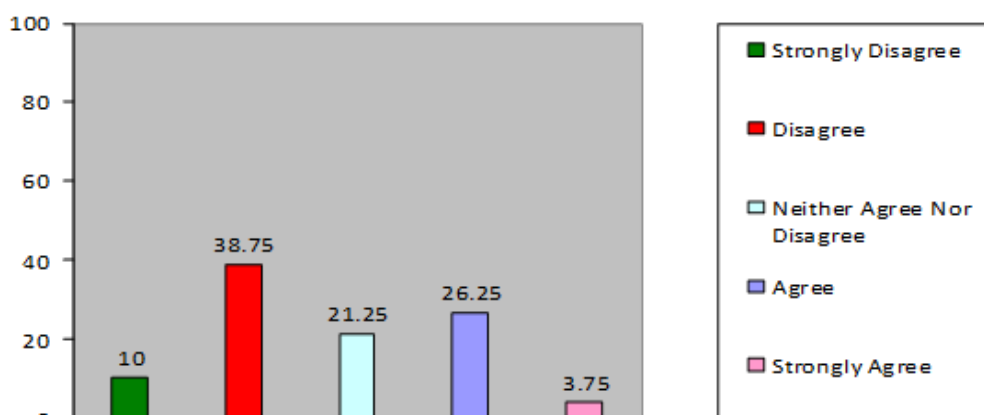
Data was collected on the basis of convenient sampling by using the tool of structured questionnaire.

Chapter-4

4.1. Data Analysis

Q.no.1: You are satisfied with your work load.

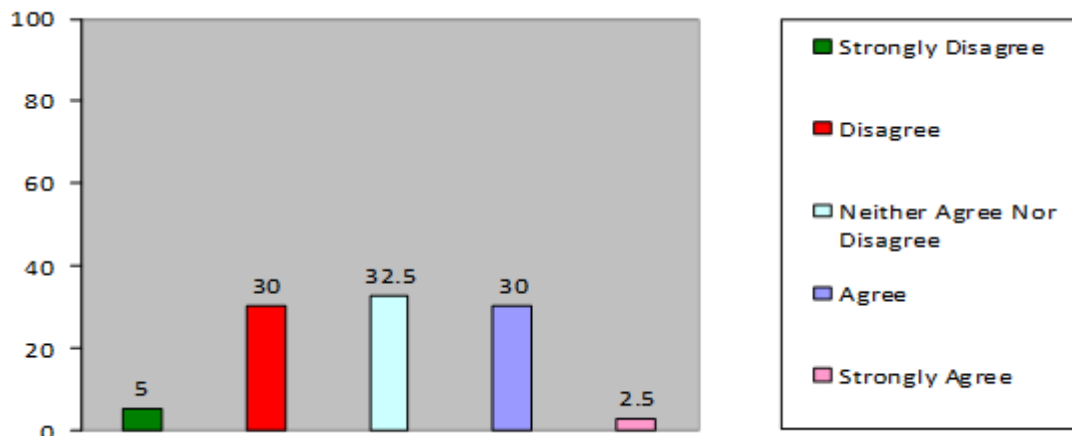
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
8	31	17	21	3



Ten percent respondents were strongly disagree to the statement that “You were satisfied with your work load”.38.75 percent were disagree,21.25 were not having any opinion ,26 percent were agree and only 3.5 percent were strongly agree to this statement.

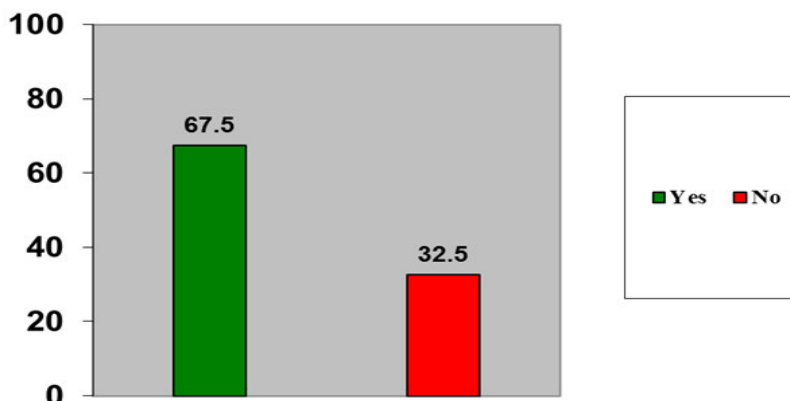
Q.No.2: You are satisfied with your current management.

Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
4	24	26	24	2



Five percent respondents were strongly disagree to the statement ,30 percent were disagree,32.5 were not having any opinion ,30 percent were agree and only 2.5 percent were strongly agree to this statement
 Q.No.3: Do you feel any stress in job performance?

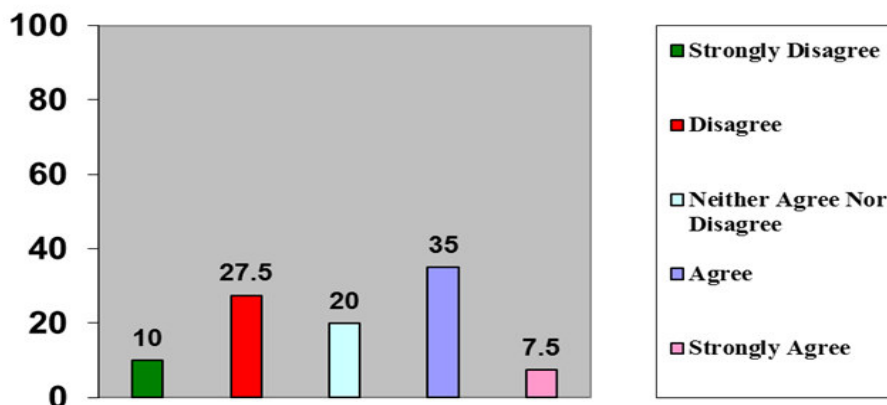
Yes	No
54	26



67.5 percent respondents were agreeing to the statement “Do you feel any stress in job performance” and 32.5 percent were disagreeing.

Q.No.4: You are satisfied with your current pay and benefits after privatization.

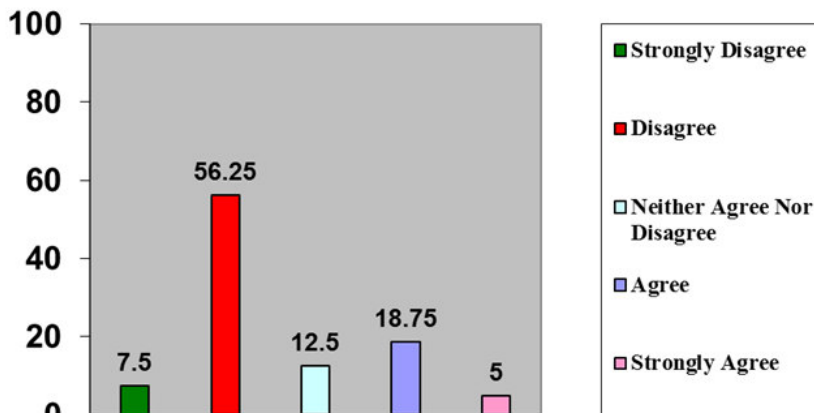
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
8	22	16	28	6



Ten percent respondents were strongly disagree to the statement that “You are satisfied with your current pay and benefits after privatization”.27.5 percent were disagree,20 percent were not having any opinion ,35 percent were agree and only 7.5 percent were strongly agree to this statement.

Q.No.5: The perquisites you are availing from your bank are according to your prevailing grade.

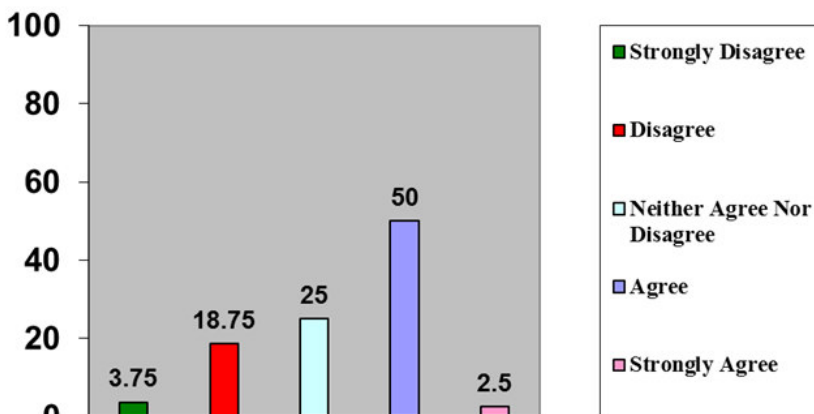
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
6	45	10	15	4



7.5 percent respondents were strongly disagree to the statement “The perquisites you are availing from your bank are according to your prevailing grade.”.56.25 percent were disagree,12.5 percent were not having any opinion ,18.75 percent were agree and only 5 percent were strongly agree to this statement.

Q.No.6: You are satisfied with the promotional policies of your current employer

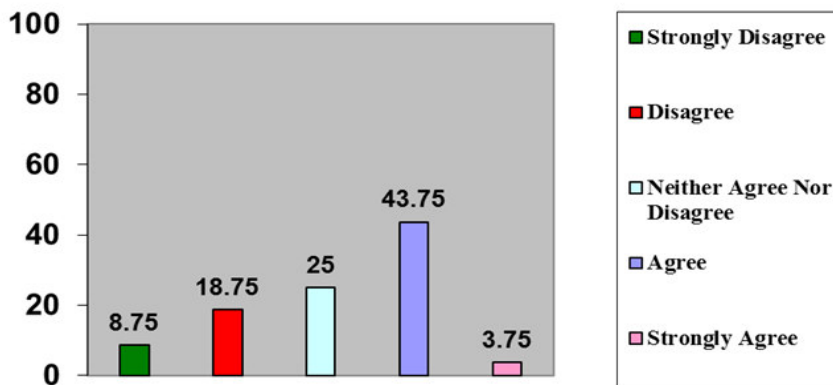
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
3	15	20	40	2



3.75 respondents were strongly disagreed to the statement “You are satisfied with the promotional policies of your current employer.”18.75 percent were disagree,25 percent were not having any opinion ,50 percent were agree and only 2.5 percent were strongly agree to this statement.

Q.No.7: Seniority is also one of the important aspects for getting promotion upward in your bank.

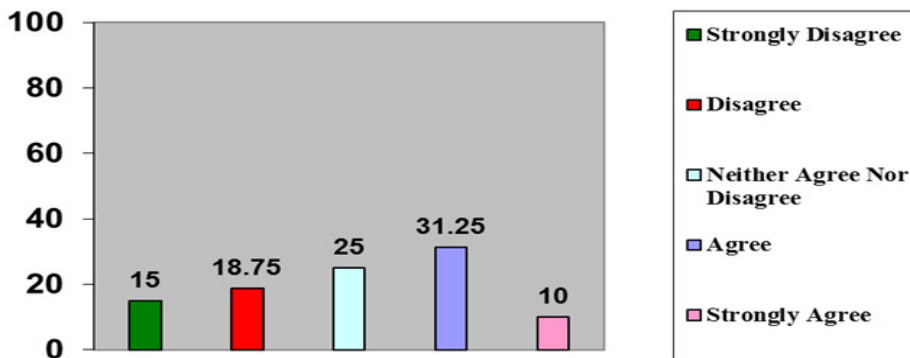
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
7	15	20	35	3



8.75 percent respondents were strongly disagreeing to the statement “Seniority is also one of the important aspects for getting promotion upward in your bank. ”.18.75 percent were disagree,25 percent were not having any opinion ,43.75 percent were agree and only 3.75 percent were strongly agree to this statement.

Q.No.8: There is an atmosphere of teamwork and culture of cooperation in your bank.

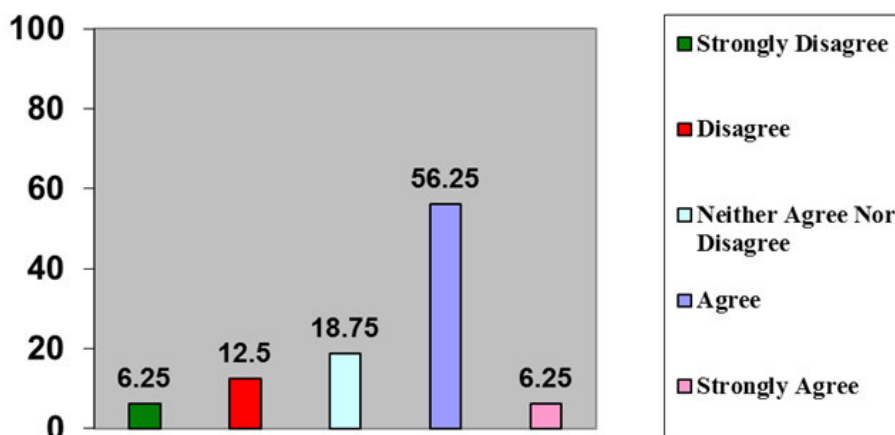
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
12	15	20	25	8



15 percent respondents were strongly disagree to the statement “There is an atmosphere of teamwork and culture of cooperation in your bank”.18.75 percent were disagree,25 were not having any opinion ,31.25 percent were agree and only 10 percent were strongly agree to this statement

Q.No.9: You are quite happy with the behavior of your co-workers in your bank.

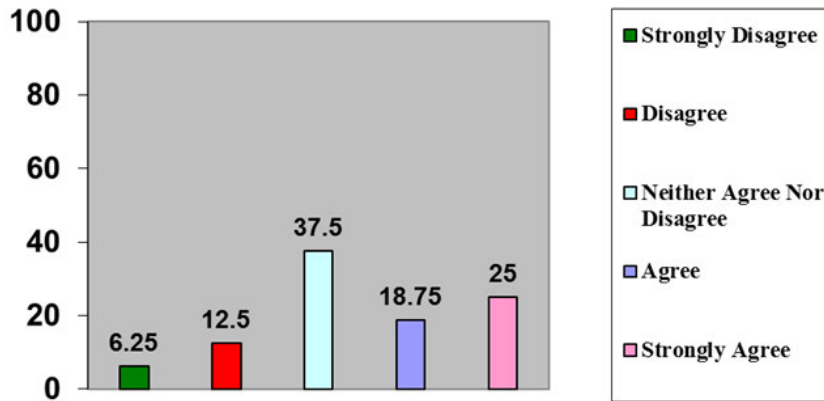
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
5	10	15	45	5



6.25 percent respondents were strongly disagree to the statement “You are quite happy with the behavior of your co-workers in your bank”.12.5 percent were disagree,18.75 percent were not having any opinion ,56.25 percent were agree and only 6.25 percent were strongly agree to this statement.

Q.No.10: Your boss is cooperative with you.

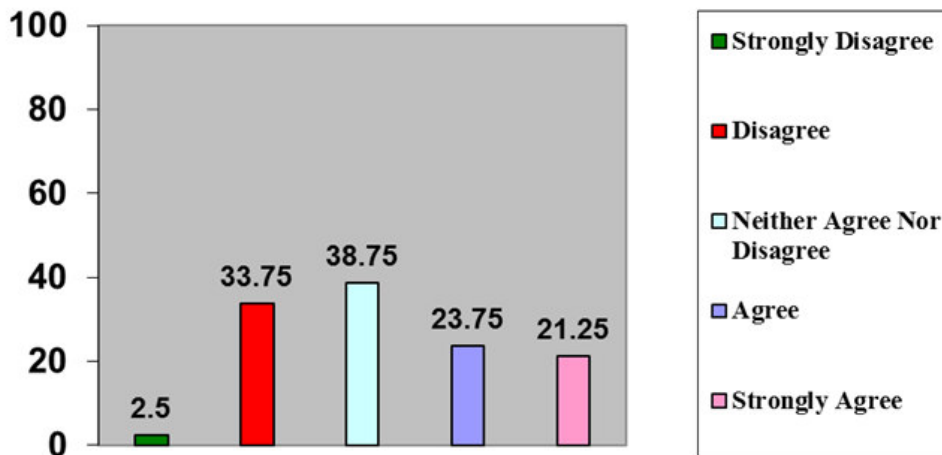
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
5	10	30	15	20



6.25 percent respondents were strongly disagree to the statement “Your boss is cooperative with you”.12.5 percent were disagree,37.5 percent were not having any opinion ,18.75 percent were agree and only 25 percent were strongly agree to this statement.

Q.No.11: Your organization accepts diverse opinions, ideas and people.

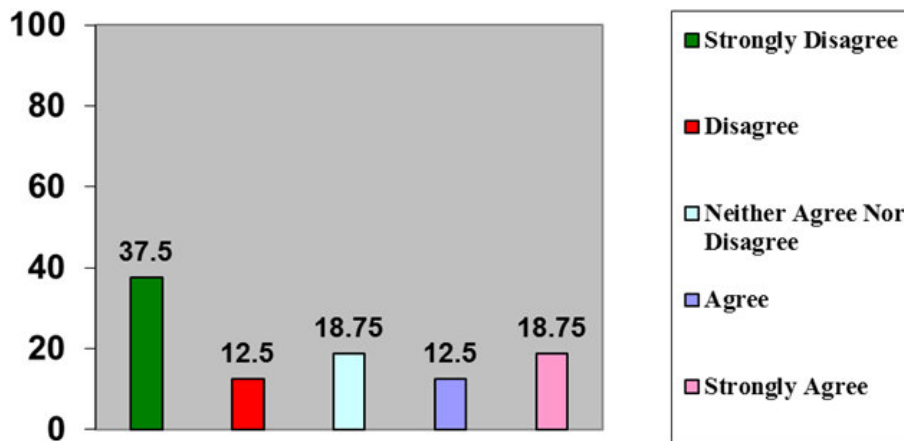
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
2	27	31	19	1



2.5 percent respondents were strongly disagree to the statement “Your organization accepts diverse opinions, ideas and people”.33.75 percent were disagree,38.75 percent were not having any opinion ,23.75 percent were agree and only 21.25 percent were strongly agree to this statement.

Q.No.12: In your opinion the organization views its employees as assets.

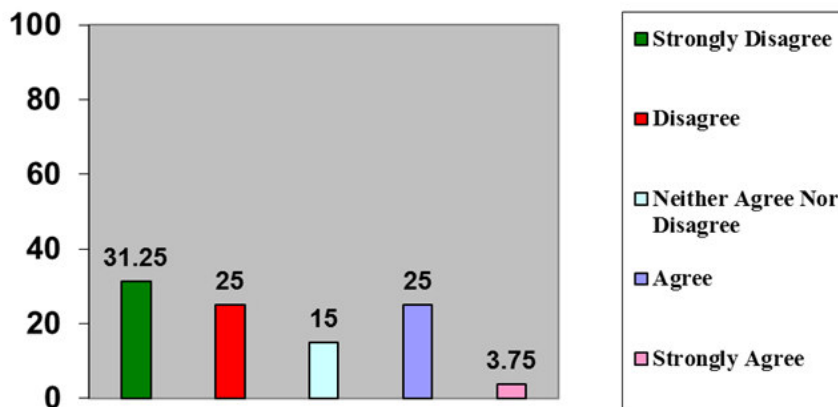
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
30	10	15	10	15



37.5 percent respondents were strongly disagree to the statement “In your opinion the organization views its employees as assets”.12.5 percent were disagree,18.75 were not having any opinion ,12.5 percent were agree and only 18.75 percent were strongly agree to this statement.

Q.No.13: People who are hard working and result oriented are rewarded in this organization.

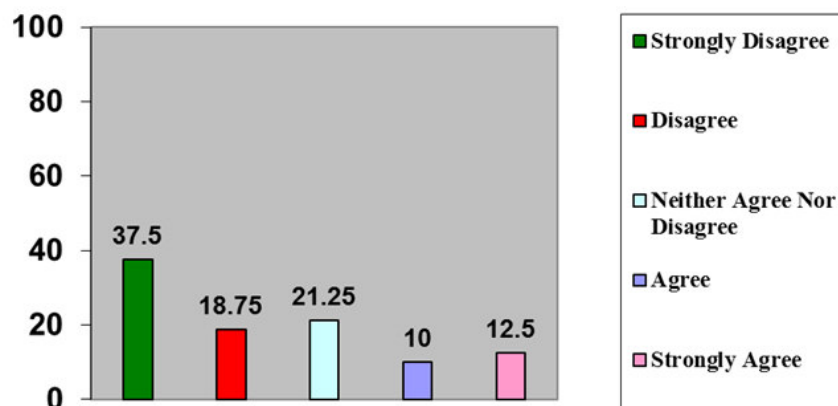
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
25	20	12	20	3



31.25 percent respondents were strongly disagree to the statement “People who are hard working and result oriented are rewarded in this organization”.25 percent were disagree,15 percent were not having any opinion ,25 percent were agree and only 3.75 percent were strongly agree to this statement.

Q.No.14: Your job is appreciated in your bank.

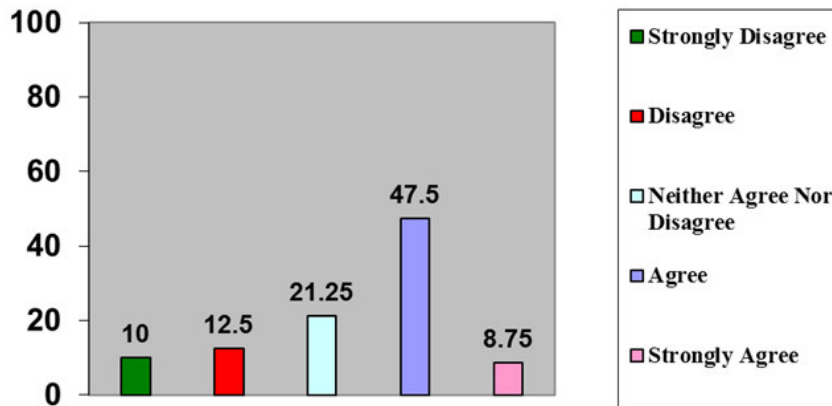
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
30	15	17	8	10



37.5 percent respondents were strongly disagree to the statement “Your job is appreciated in your bank”.18.75 percent were disagree,21.25 percent were not having any opinion ,10 percent were agree and only 12.5 percent were strongly agree to this statement.

Q.No.15: You are satisfied with the working environment conditions provided by current employer.

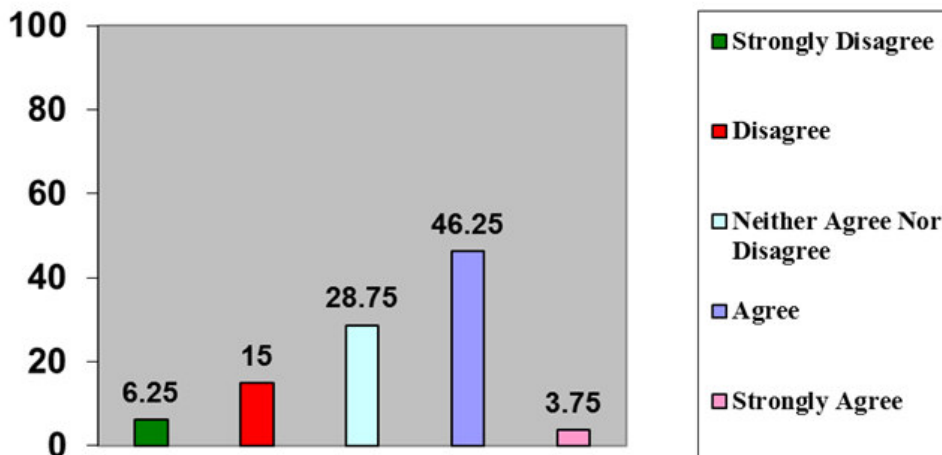
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
8	10	17	38	7



Ten percent respondents were strongly disagree to the statement “You are satisfied with the working environment conditions provided by current employer”.12.5 percent were disagree,21.25 percent were not having any opinion ,47.5 percent were agree and only 8.75 percent were strongly agree to this statement.

Q.No.16: The working conditions are good and safe in your bank.

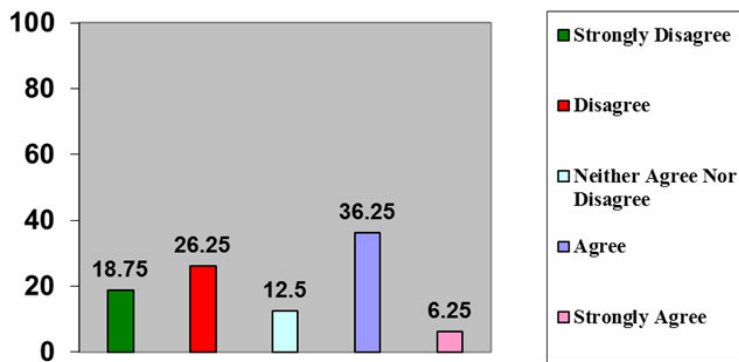
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
5	12	23	37	3



6.25 percent respondents were strongly disagree to the statement “The working conditions are good and safe in your bank”.15 percent were disagree,28.75 percent were not having any opinion ,46.25 percent were agree and only 3.75 percent were strongly agree to this statement.

Q.No.17: You feel greater physical comfort in the working conditions in which you operate.

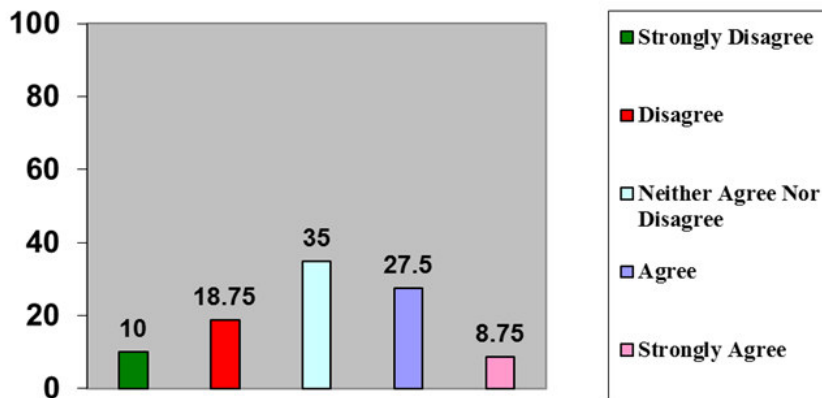
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
15	21	10	29	5



18.75 percent respondents were strongly disagree to the statement “You feel greater physical comfort in the working conditions in which you operate”.26.25 percent were disagree,12.5 percent were not having any opinion ,36.25 percent were agree and only 6.25 percent were strongly agree to this statement.

Q.No.18: You feel secure about your current job.

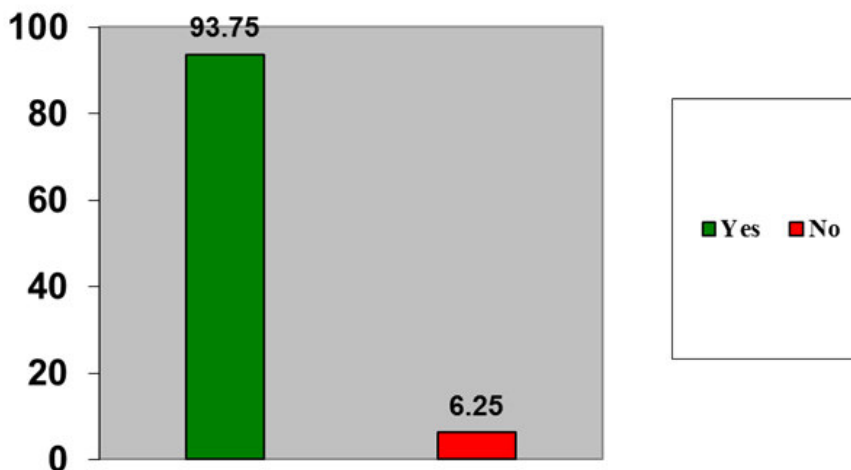
Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
8	15	28	22	7



Ten percent respondents were strongly disagreed to the statement “You feel secure about your current job.”18.75 percent were disagree,35 percent were not having any opinion ,27.5 percent were agree and only 8.75 percent were strongly agree to this statement.

Q.No.19: Do you consider that your bank will remain going concern in future?

Yes	No
75	5



93.75 percent respondents were agreeing to the statement “Do you consider that your bank will remain going concern in future?” and 6.25 percent were disagreeing.

CHAPTER-5 INTERPRETATION OF THE DATA

5.1. Summary

The problem statement of our study was to determine the satisfaction level of banking employees of four major private banks i.e. MCB, UBL, ABL, HBL Limited after privatization in Lahore city. To study the satisfaction level of employees of these four banks we designed our study in such a manner that the population size of our study was the employees of all branches of these four banks in Lahore city. After comprehensive study of literature review we conducted through detailed study of different articles on job satisfaction we decided to take six independent variables i.e. work itself, pay, benefits and promotion, organizational culture, recognition, working conditions, and job security. Which we understood very important variables impacting the satisfaction level of employees. Based on these six variables around which our whole study is focused we further categorized these variables into attributes. After making attributes we were able to develop a comprehensive questionnaire addressing the employees of these four major private banks. After that we took the sample size of 80 respondent on the basis of convenient sampling and distributed to them. After collecting data from respondents we analyzed the data by making frequency table and bar charts. To analyze deeply the results we obtained through questionnaire we calculated the mean of the data we obtained from a single respondent. And after that we took the mean of means we calculated of each respondent. Findings of this exercise showed us the overall satisfaction level of the employees ranging from highly satisfied to low satisfied. In the end we found that out of our six variables four independent variables were considerably affecting the satisfaction level and morale of employees and were showing positive relationship. Only two were showing negative relation. Therefore we concluded that the overall satisfaction level of employees of these four major private banks was quite high.

5.2. Findings

On the basis of questionnaire filled by 80 respondents the overall findings of our research were as follow

15 percent of the employees of four major private banks were not satisfied with their job.

Satisfaction level of 30 percent employees was medium i.e. neither totally satisfied nor totally unsatisfied.

55 percent of the total employees of four major banks were highly satisfied with their job at workplace.

5.2.1 Work Itself

Our first variable was work itself and after the response given by respondents, we concluded that the employees were dissatisfied with the nature of work that they are performing at the workplace. It means that there is significant negative relationship between work itself and job satisfaction of banking employees. More the work load and job stress less job satisfaction

5.2.2 Pay, Benefits, Promotion

Based on the results obtained from respondents, most of the respondents were quite happy with the pay, benefits and promotion which they are receiving from their employers. It means that there is positive relationship between pay, benefits, promotion and job satisfaction. More pay, benefits, promotion to employees, more they are satisfied.

5.2.3 Organizational Culture

Results showed that most of respondents were quite happy with the organizational culture at their work place. It means that there is positive significant relationship between organizational culture and job satisfaction. Favourable organizational culture to employees more satisfied they are.

5.2.4 Recognition

The results showed that the work of employees was not recognized by their respective bosses and employer's properly. It means that there is positive significant relationship between recognition and job satisfaction.

5.2.5 Working Condition

From the results obtained it was cleared that most respondents were quite satisfied with the working conditions in which they are performing their duties. It means that there is positive relationship between working condition and job satisfaction. If working conditions are better, the employees are more satisfied. If work of employees is recognized they are more satisfied.

5.2.6 Job Security

It is cleared from results that respondents were more satisfied with their job security. It means there is positive significant relationship between job security and job satisfaction. More they feel secure about their job, more they are satisfied

5.3 Conclusion

It was observed from the results of our study that the employees of these four banks were considerably satisfied with their jobs. Based on our questionnaire which was designed on the six major independent variables which may affect the satisfaction level of employees. We concluded that four out of these six independent variables showed positive relation with overall job satisfaction which means employees were satisfied with the pay and

promotion policies of their employers, organizational culture of their workplace, working conditions they were availing at their banks, and lastly they were feeling satisfaction regarding job security provided to them by their employer.

The results showed that employees were happy with the pay, they were getting from their employer. They considered that their pay is according to their needs. It is clear from the results that the increments that employees are receiving annually are according to their expectations. It means that increment policies of those private banks are comprehensive and adds to the satisfaction of the employees.

The data analyses also revealed that promotion policies of the banks were well drafted and provide equal chances to employees to struggle and achieve progress in the organization. They consider that they would be promoted to appropriate level when they would be eligible. The promotion procedure are also protected against favoritism and undue advantages gained by employees on the basis of their relationships. The results also revealed that some employees were concerned about the policy of seniority rather than employee contribution for the promotion. The concept of promotion on the basis of employee productivity is a risky task but it can surely enhance the satisfaction level of those employees who are hard-working and can boost the organization towards excellence. The management of the four private banks should consider it as an opportunity.

The banks under study are among the largest banks of Pakistan and have a strong organizational culture which has developed over years. Most of the employees are satisfied with the organizational culture of these institutions. But there are considerable number of employees who have shown dissatisfaction, in our results. Normally our results shows that those employee who have long commitment with their respective organization have a strong inclination to support the culture of the organization but naïve employees and more prominently those who have higher education are not quite satisfied with the current organizational culture but overall the satisfaction level with the organizational culture is satisfactory.

Working conditions of an organization rely heavily on the organizational culture. It was not unexpected to see a high level of satisfaction with the working conditions of the organizations by the employees after the results of organizational culture.

Job security is an important variable to discuss in the topic of job satisfaction. The banks under study provide reasonable job security to their employees which add to their satisfaction. These banks are considered as giants of banking industry in Pakistan. So these banks have a strong financial support, hence they seldom go for lay-offs owing to the financial crisis. This commitment by the organization to the employees make them feel secure relating to their jobs and produce satisfied employees.

Only two variables showed the negative relation with overall satisfaction level. This concludes that these two variables i.e. “work it-self” and “recognition” must be given importance by four major private banks. Because most of the employees were not happy with the workload assigned to them and also their work was not being appreciated i.e. no recognition were given to them. So the employers of these four banks i.e. MCB, UBL, ABL, HBI limited must emphasize on the importance of these two very crucial variables of job satisfaction in order to boost up the performance of their employees and to get desired results.

5.4. Recommendations

After doing the detailed study on the satisfaction level of banking employees of these four major private banks we are able to give some recommendations for the betterment of these banks.

- Our findings speak contentiously about the work load and backlog beckoning the dissatisfaction of the employees. This grievance of the employees should be curtailed to increase their commitment and affinity towards the organization
- Sample size of our study was very small. So to increase the generalizability of this study the potential researchers must increase the sample size.
- Work load should be controlled through optimal induction so as to distribute the work among number of employees or through “Technological Advancement” to produce efficiency and effectiveness in the work along with proper training of the employees
- Further this study can be expanded by further categorizing the age range of employees.
- The employees should have access to management, especially, HRM to convey their problems.
- Effective HR policies should be developed and management need to ensure its applicability
- In order to give employees a sense of recognition proper recognition and reward program should be developed and hard working employees should be rewarded according to their contributions
- Procedures regarding track record of the employees should be maintained/ updated to discriminate between effective and ineffective workers
- To make it more reliable, resources should be much more and there should be personal contacts so that the information obtained could be accurate and results could be trusted.

Finally, keeping in view the limitations of our study, we will recommend these four major private banks to

conduct a more rigorous research work within their organizations to track the problems causing lack of satisfaction among the employees.

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