

Employees Job Satisfaction in Banking Sector

R.Jeevarekha
Dr. R. Hariharan

Abstract:

Satisfaction from life and every work is the important aim of every one's life. We spent maximum time of our in working or involving in any economic activity which is the main sources of surviving our life. Every employee wants to get higher level of satisfaction from his job. Job satisfaction is the favorableness or un-favorableness with which employees view their work.

Job satisfaction is a psychological concept and it is mostly depend upon the internal feeling of employees. There are a lot of independent variables on which job satisfaction is depending. These are educational qualifications, nature of work, pay, job security, promotional opportunities and family & work life balance.

This paper explains about the factors that influence job satisfaction in banking sector, many ways, it has been assumed by organizational behavior research that individuals who express high satisfaction in their jobs are likely to be more productive and it reduces complaints, grievances, absenteeism, turnover, termination and improves work more and also indicator of longevity.

Key words: Job satisfaction, employee satisfaction, job involvement, banking sector

Introduction to Banking Sector

Indian Banking industry currently employs 175,149 employees and has 109,811 branches in India and 171 branches are operating abroad. There are many welfare measures taken by Indian banks to satisfy its employees.

Few of them are reimbursement of hospital expenses, surgeries, dearness allowance, house rent allowance, professional qualification pay, deputation allowance, special area allowance, provident fund, medical aid, pension schemes, medical checkup scheme for employees of 45years of age and above, engrain medical aid, furniture's to officers at residence, entertainment expenses, compensation on transfer, leave travel concessions, festival advances to officers etc.

Each bank is following its different style of framing schemes to satisfy its employees and to make them feel satisfied in the job because job satisfaction is indicator of performance and with the best performance of employees, customer satisfaction will get increased, which is the main motto of banks to be in hilarious position.

What is Employee Satisfaction?

Employee satisfaction or job satisfaction is, quite simply, how content or satisfied employees are with their jobs. Employee satisfaction is typically measured using an employee satisfaction survey. These surveys address topics such as compensation, workload, perceptions of management, flexibility, teamwork, resources, etc.

These things are all important to companies who want to keep their employees happy and reduce turnover, but employee satisfaction is only a part of the overall solution. In fact, for some organizations, satisfied employees are people the organization might be better off without.

Employee satisfaction and employee engagement are similar concepts on the surface, and many people use these terms interchangeably. Employee satisfaction covers the basic concerns and needs of employees. It is a good starting point, but it usually stops short of what really matters.

The term job satisfaction has been conceptualized in many ways. Job satisfaction focuses on all the feelings that an individual has about his/her job. It has been assumed by organizational behavior research that individuals who express high satisfaction in their jobs are likely to be more productive, have higher involvement and are less likely to resign than employees with less satisfaction.

Review of Literature

Herzberg et al. (1959) formulated the two-factor theory of job satisfaction and postulated that satisfaction and dissatisfaction were two separate and sometimes even unrelated phenomena. Intrinsic factors named 'motivators' (that is, factors intrinsic to the nature and experience of doing work) were found to be job 'satisfiers' and included achievement, recognition, work itself and responsibility.

Ambrose et al. (2005) conducted a qualitative study to investigate faculty satisfaction and retention. The study focused on the faculty of a private university over a period of 2 years. Findings suggested sources of satisfaction or dissatisfaction clustered into areas such as salaries, collegiality, mentoring, and the reappointment, promotion, and tenure process of departmental heads.

Alam (2013) conducted a research on the Job satisfaction of female workers in different garment factories in Dhaka city and concluded the level of satisfaction is positively correlated with level of wages they get.

Zeal, Anwar and Nazrul (2012) in their study on comparative Job satisfaction of senior male and female executives in Bangladesh, showed that there are insignificant difference between male and female executives regarding satisfaction in different facets of job.

Importance of Job Satisfaction

Job satisfaction is how content an individual is with his or her job, in other words whether or not they like the job or individual aspects or facets of jobs, such as nature of work as supervision. Scholars have noted that job satisfaction measures vary in the extent to which they measure feelings about the job.

Job satisfaction can be understood in terms of relationships with other key factors, such as general well being, stress at work, control at work, home work interface, working conditions.

Hoppock in 1985 conducted a study that focused explicitly on job satisfaction that is affected by both the nature of the job and relationships with coworkers and superiors.

Objectives

1. To assess the satisfaction level of employees in the organization.
2. To identify the factors which influence the job satisfaction of employees regarding various sectors.
3. To identify the measures that improve the job satisfaction.
4. To know the employee satisfaction towards the facilities provided by the organization.

5. To offer valuable suggestions to the organization to improve the satisfaction level of employees.



Significance of the Study:

We enjoy work and find it to be a central part of life, but some of us hate work and do so only because they must. Job satisfaction then can be important to those who are in an organization it allows the workers and researchers to look at aspects of job satisfaction in the organization and work to increase those aspects that lead to job satisfaction.

Personal fulfillment includes eight different elements:

a) Payment is a critical and crucial factor that has significant effect on job satisfaction is the amount and fairness of salary. An employee can be persuaded to commit her time and work with salary. As Oshagbemi (2000) proposes one of the main sources of operating cost of organizations is salary. Some believe that there is no clear relationship between the amount of salary and job satisfaction. One of the hygiene factors that Herzberg (1964) considered is salary, that employee receives is more than his expectation, the level of his satisfaction will raise and vice versa.

b) Working Hours: When the balance between individual expectations and demand is instable, employee will experience conflict. When an employee feels discomfort with his work, the conflict will accrue. The conflict of role also associated with factors such as frequent over time and inappropriate working hours. The reason for this relationship between working hours and employee satisfaction is the long time that each employee spends for his job. As Pors (2003) found working hours influence the life quality and relationship with family and friends and consequently the employee's satisfaction.

c) Working conditions: The work place that employees are doing their job is working condition or environment. According to several studies there are different factors that affect the level of employee satisfaction with their workspaces such as quality of air and temperature, design of building, lightening and noise. Some researchers argue that working environment should achieve three aims meeting the employee's need, meeting the customer's need and aiming for excellence in organizational terms.

d) Supervision: Management plays a crucial role in employee satisfaction. By giving employees the freedom to express their ideas, managers or supervisors can make them loyal. From the employee points of view the fairness of employee is so important. One of the most important factors that can affect the employee satisfaction and behavior is the relationship between worker and colleague and supervisor, in particular relations showed be fair (Chen, 2001).

e) The human resources department: The role of human resources department is directly related to the satisfaction of employees. This department should design the organizational, change management, control business transformation and employee behavior, connected with requirement, provide the training courses, rewards, analysis the human resource and etc.

f) Job design: Many theorists found that job design can influence the level of job satisfaction. Variety, reward, motivation, encouragement, autonomy and recognizing employees are the characteristics of jobs that provide satisfaction. The lack of each factor can reduce the level of job satisfaction.

g) Stress: Stress is a psychological and physical burnout that produce objective or subjective problem for employees. There are a lot of factors such as lack of liquidity and crowded branches that can cause stress for employees. The work done by Hamid (2007) showed the significant relation between stress and job satisfaction. The more employees' stress, the more reduction in job satisfaction.

h) Demographic characteristics: Factors such as gender, age, educational background and experience are demographic characteristics. Many studies have been done about these factors and their relationship with job satisfaction, and the results indicated both positive and negative correlation between these factors and job satisfaction.

i) Promotion: According to some surveys, there is a significant relationship between the possibility of promotion for employees and their satisfaction. They also showed the meaningful relation between the size of organization and employee's development and use of employee's talent.

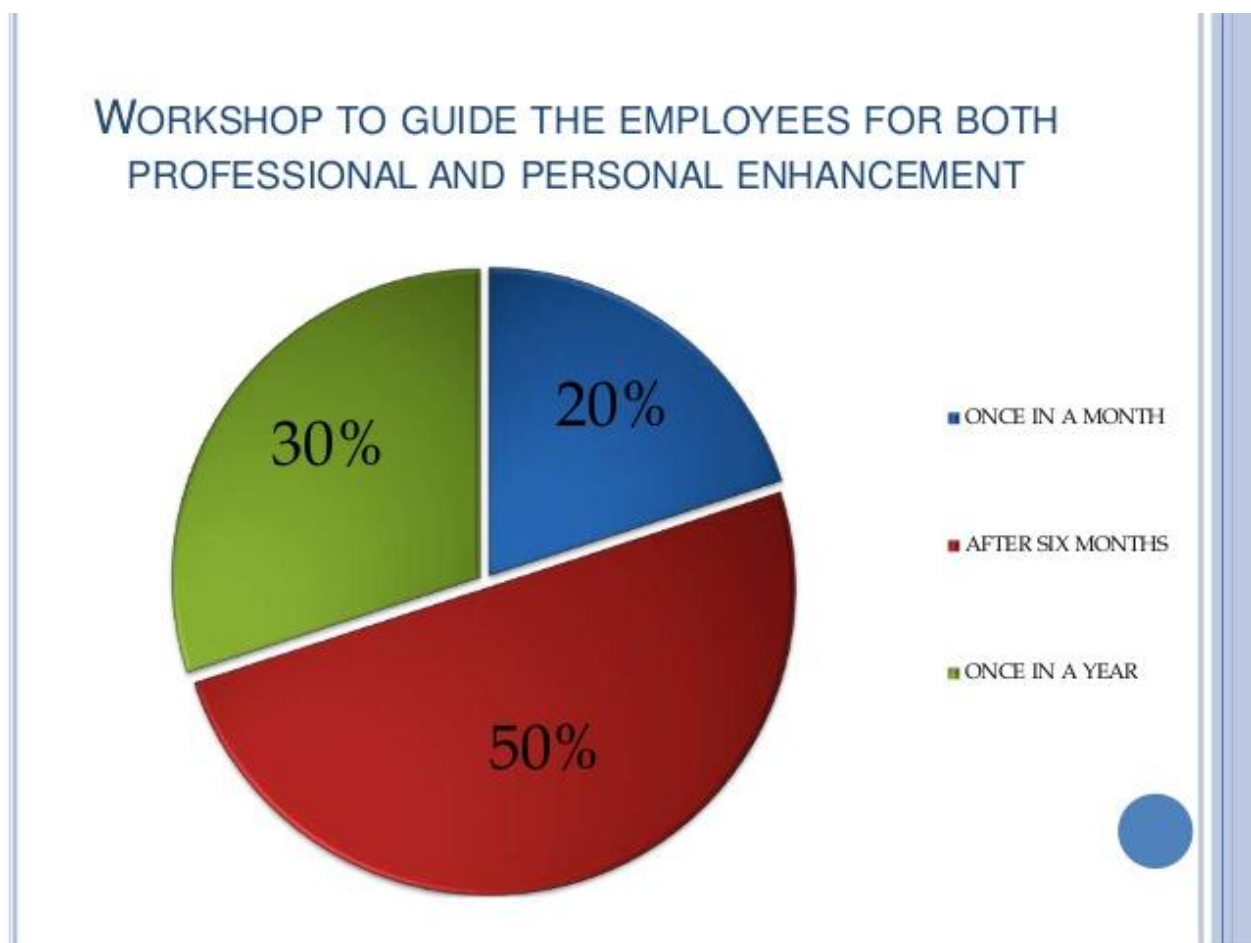
FACTORS INFLUENCING JOB SATISFACTION

- > SUPERVISION
- > CO-WORKERS
- > PAY
- > AGE
- > MARITAL STATUS
- > EDUCATION
- > WORKING CONDITION



Factors influencing job satisfaction of creating "job satisfaction" in a person is dependent on several factors together which lead to the achievement of the desired result.

Those who study job satisfaction in organizations do so for two reasons 1 Job satisfaction is relevant for all those who are interested in the subjective evaluation of working conditions such as responsibility, task variety, or communication requirements because job satisfaction is strongly caused by such conditions.



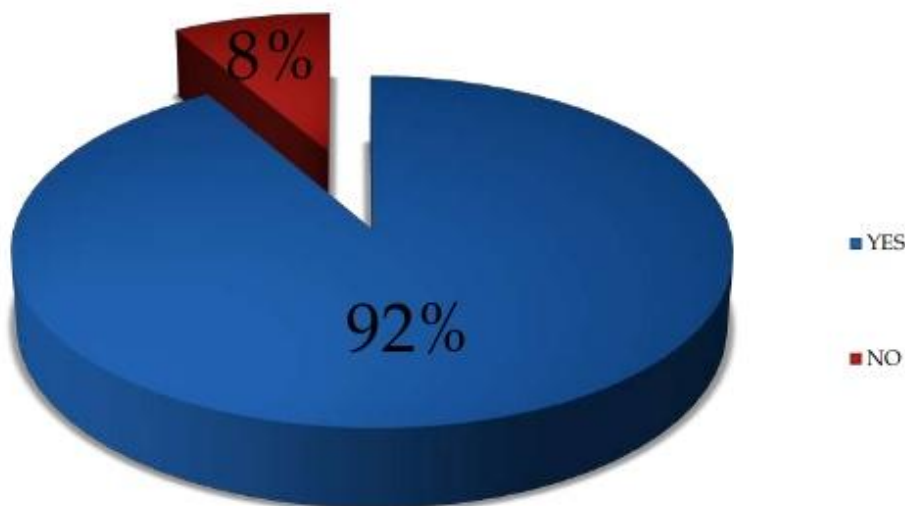
Impact of Job Satisfaction on Customer Satisfaction

It is necessary for a successful organization to satisfy their customers, and the value of the employee's satisfaction in this respect should not be ignored. For example non-financial measures such as goodwill bring the long term benefits for firms. In industries, such as banking, in which customers directly interact with employees, the behavior of employees influences the customers to leave or stay. Therefore, organizations especially in the service sector should pay more attention to employee satisfaction. Much research indicates the positive relationship between employee satisfaction and customer satisfaction.

As both the customer and employee satisfaction have long term effect on the growth of business, firms should consider social welfare programs as a priority. As Goedegeburre (2005) proposed the ultimate result of employee satisfaction is the success of business, reflected in customer satisfaction.

Banking services are intangible because, customers mostly rely on the employee's behavior. Hence, understanding the impact of the employee's performance is critical. Measuring the customer satisfaction as a non-financial measurement, is the key factor for organization..

JOB SECURITY PROVIDED BY ORGANIZATION



Many studies found that occupation has a positive effect on job satisfaction. Yet, there are a few surveys which found no significant effect of level of job on employee satisfaction. Some research shows that employees get various levels of job satisfaction at different stages during their employment. These relationships may be related to years of experience. Some believe a growth in satisfaction occurs from early to mid-career, and afterwards it will fall sharply, and others argue that job experience does not have any effect on job satisfaction.

The Effect of Technology on Employee Satisfaction

As technology has improved, people's needs and expectation of banking service have increased as well. Although some people still prefer traditional banking service, it cannot be ignored the recent technology had a positive impact on bank services. The way of people to do banking has changed a lot, they prefer to use ATMs and pose machines for shopping instead of standing in bank queues. Because some technology such as the internet, mobile and ATMs, bank branches become quiet and the pressure on employees has been decreased significantly. All in all technology has positive effect on the level of employee satisfaction (Ali et al, 2011). Here are some e-banking services which impact the banking services and consequently job satisfaction.

NEED FOR EMPLOYEE SATISFACTION



Regarding with income and salary are almost all occupational groups consider this to be the most influential factor. Considering individual differences in attitudes toward money, a variety of modes can be considered. Nevertheless, people tend to change their jobs because of low salary, even jobs below the dignity act.

- Selfemployment is known as an influential factor and includes many different elements such as diversity, freedom of expression which enrich job.
- Safety is the concept of job security is interpreted as being free from hazards, and any factor that minimizes or eliminates risk at work (whether physical, emotional or mental) this increases the level of job satisfaction. Hence elements like discipline, fairness and safety are emotional security guarantees. On the other hand, discrimination and favoritism and so on. Distorting the conditions of the organization, create sense of insecurity and, ultimately, job dissatisfaction.
- Finally, career as this one of the most persistent findings is that a higher job level will bring higher job satisfaction. Similarly, because people are often motivated by promotion and career advancement organizations should provide promotion opportunities.

Methodology

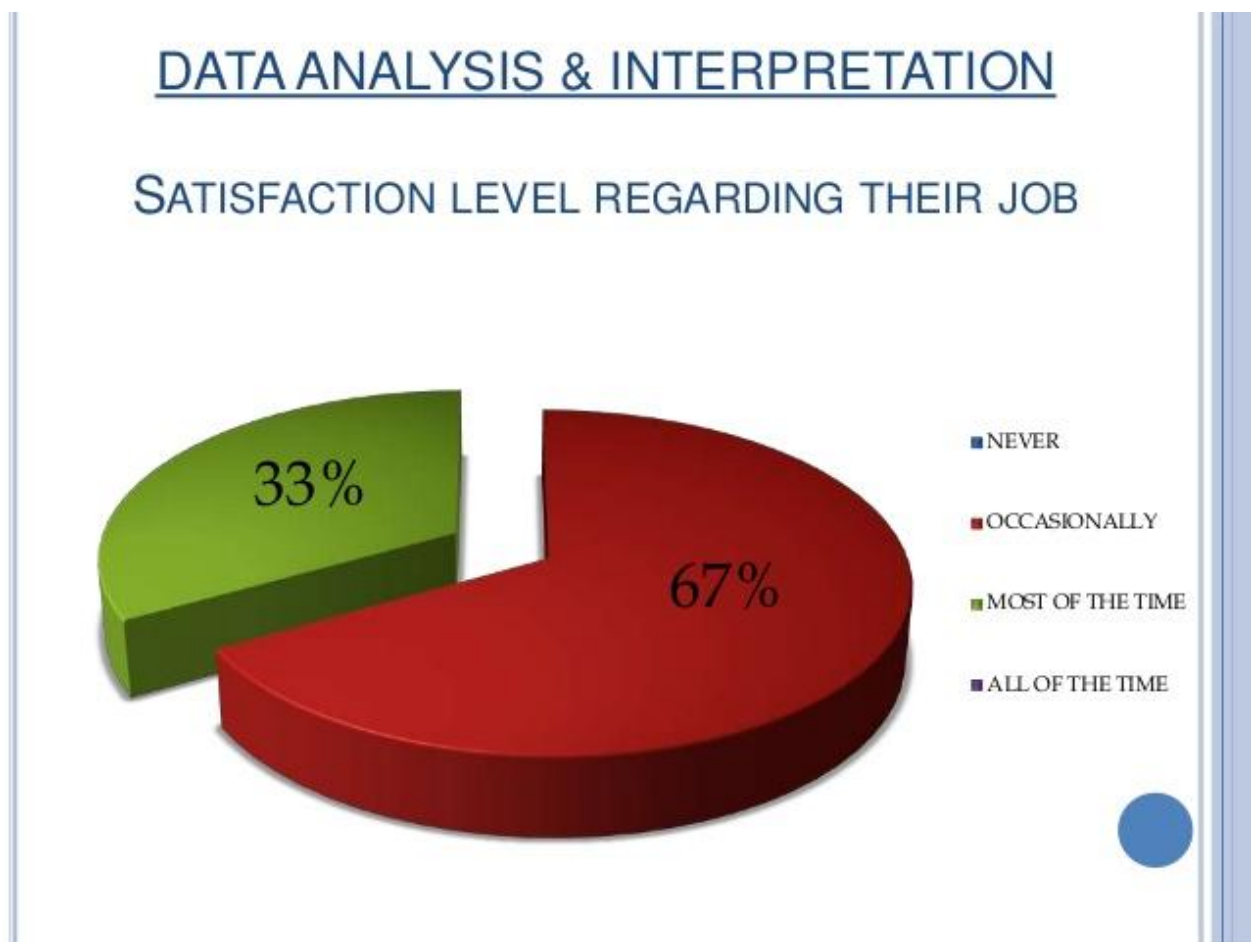
The research study will be conducted on personal interview of the employees of the organization who are working more than 2 years, as well as a structured questionnaire used to collect various information related with job satisfaction and morale, and observation method used in various sensitive issues to know the actual behavioral aspects of employee. The data collected through above ways be used to address the following research objectives:

1. To determine the level of job satisfaction reported by employees of Social Investment Bank Limited.
2. Demographics will be identified such as age, gender, marital status, and religion, number of children, department and tenure to verify if they relate to job satisfaction.
3. To determine the relationship between factors of job satisfaction by using a descriptive as well as inferential statistical tool in relation to overall satisfaction.

Job satisfaction has been taken as dependent variable. Independent variables are educational qualifications, nature of work, pay, job security, promotional opportunities and no. of depended persons & work life balance. The main purpose of the study is to identify the levels of job satisfaction among employees of private and public sector bank and the factors contributing to job satisfaction. Bank employees in this study refer to clerks, officers, and managers. To achieve the objectives of the study 150 surveys were sent (through questioners) to 15 public sector banks.

Employee health and well-being have a strong relation to employee satisfaction. Workplace design of any organization can negatively affect the physical health of the occupants (e.g., asthma and other respiratory problems) due to the absence of fresh air and improper ventilation. Workplace design can also affect the psychological health of the occupants (e.g., depression and stress) through insufficient lighting, noise, and inadequate space.

The literature on the health effects of green buildings claims that workplace design has a positive effect on health and well-being; it improves thermal comfort, air quality, noise, lighting conditions, and health, which help in the reduction of absenteeism and further increased satisfaction



Data Collection/Instrumentation

As I was pursuing my internship program in the Social Investment Bank Limited, I collected the primary data through personal interview of the selected respondents. At the same time a questionnaire consisting of number of questions related with job satisfaction and morale were given to select respondents. The secondary data are mainly collected from Annual Report of banks 2004, bank website published journal, internet publication, and various publications, and Financial Institutions'

Activities 2004-2005. The instrument uses a five point Likert scale to rank the items. The ranges are as follows: (1) strongly disagree, (2) disagree, (3) neutral, (4) agree, and (5) strongly agree.

The questionnaire using 5-Scale Likert (1 Strongly satisfied, 2 Satisfied, 3 Neutral 4 Strongly dissatisfied 5 Dissatisfied) design to test the impact of all the variables. For this study the questionnaire is divided into 2 sections demographic variables and facets of job satisfaction.

The questionnaire cover all the variables such as educational qualifications, nature of work, pay, job security, promotional opportunities and no. of depended & work environment. The data were analyzed through SPSS.

QUESTIONNAIRE

A SURVEY ON EMPLOYEE'S MORALE & JOB SATISFACTION

(N.B: Information collected through this questionnaire will be kept confidential and be used only academic as well as research purpose)

(Respondent's Information)

Name (not obligatory) : _____

Institution's name : _____

Designation : _____

Department : _____

Length of work : _____

Age :

Gender : Male Female

Marital status : Single Married

Education (Final Degree) :

Research Findings

Job satisfaction is the result of effect of so many factors. The terms are highly personalized, as the level of satisfaction differs from time to time and situation.

Moreover, the attitude of any employee affects a lot. One gets satisfaction in any of the activities depending upon how he/she perceives the situation and what is expected in exchange of effort There may be the difference between two employees, working at a different place and on different cadres. It all depends upon viewing of the situation and the effect of rest of the factors which are crucial at any point of time.

Conclusions and Recommendations

The study concludes that Job security is the most significant factor of job satisfaction to the employees of commercial banks in Nepal. 'Pay and promotion potential,' 'relationship with co-workers and supervisors,' 'physical work condition,' and 'future

opportunity for career development' rank the second, third, fourth, and fifth important factors of job satisfaction.

Organizations that can produce multicultural work environments, which attract, motivate and keep hardworking people, are better positioned to succeed in today competitive global markets. So employee retention is main thing that each is every organization has to follow.

In this study targeted people are Bank employees. Banks are influenced by the factors like working conditions pay, fairness, promotion significantly influence job satisfaction in bank. The important point here is to be noted is, individual factors such as age and gender did not significantly influence employee satisfaction in banks.

The overall job satisfaction of bank offices is at positive level appeal to their colonies because bank would increase their business with customer's satisfaction (with the help of financial advisors). To make colonies satisfied, employees help in making financial decisions, this could include a skilled network of financial advisors and equipping the front line to bundle certain problems of customers, and explaining them why problem has occurred and explaining them with the solution feels makes them more satisfied in banking.

References

- Ambrose S, Huston T, Norman M (2005). "A qualitative method for assessing faculty satisfaction", *Res. Higher Educ.*, 46(7): 803-830.
- Billingsley B, Cross L (1992). "Predictors of commitment, job satisfaction, and intent to stay in teaching: A comparison of general and special educators", *J. Special Educ.* 25(4): 453-472.
- Brady MS (2007). "Recruitment and retention of associate degreenursing faculty", *J. Nursing Educ.*, 46(4): 190-192.
- Castillo J, Cano J (2004). "Factors explaining job satisfaction among Faculty", *J. Agric. Educ.*, 45(3): 65-74.
- Doughty J, May B, Butell S, Tong V (2002). "Work environment: A profile of the social climate of nursing faculty in an academic setting", *Nursing Educ. Perspectives.* 23(4): 191-196.