



A Study on Employee Job Satisfaction with Reference to Global IME Bank Ltd

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Abstract

The study examines the factors affecting employee job satisfaction in case of Global IME Bank Limited. The study results showed that there was positive significant relationship of job security, leadership, career growth, training & development and workplace environment on job satisfaction of employees of Global IME Bank Limited.

Keywords: *job security, leadership, career growth, training & development and workplace environment, job satisfaction.*

Introduction

Employees' job satisfaction is directly related to their performance, absenteeism, commitment, and turnover and citizenship behavior in the banks which have direct influence on the bank. Job satisfaction is in regard to one's feelings or state of mind regarding to the nature of their work (Tasnim, 2006). Bank as a service sector has a great influence in the economy of the country. The role of banks in economic development includes saving promotion, saving mobilization, promotion of trade, industry and employment allocation of funds, and transfer of money (Mishkin, 2011). According to Rose (2005), job satisfaction is a bi-dimensional concept. The first dimension is intrinsic factors that depend on characteristic of individual including job itself, the initiative and relationship with supervisors. The second dimension is extrinsic factors that depend on motivation, encouragement, salary or earning and promotion. The former are symbolic facets of work and the latter are situational facets. Both sets of factors should be considered as job measurements. Factors in the first dimension such as working conditions, economic aspect, interpersonal relations and personal fulfillment, can determine the level of job satisfaction.

Jegan (2011) indicated that the success of business is determined by the level of employee job satisfaction. Panchanatham (2011) also showed the positive relation between satisfaction of bank employees and productivity. The study revealed that if the bank employees feel satisfied with their jobs, there is less likelihood of resignation compared to dissatisfied employees. Job satisfaction can be considered as a global feeling about the job or as a related constellation of attitudes about various aspects or facets of the job (Kovach,

1977). Positive and negative emotions of employees were also found to be significantly related to overall job satisfaction (Fisher, 2000). Numerous studies have shown that dissatisfied employees are more likely to quit their jobs or be absent than satisfied employees (Hackett & Guion, 1985).

Herzberg *et al.* (1957) also reported that the job adjustment of female workers is often made more difficult because they must divide their interests and attention between the working world and their traditional role and that the social and psychological pressures toward marriage complicate the job attitudes of the unmarried female. Female take up their jobs primarily for their livelihood, which is conditioned by job satisfaction (Locke, 1976). Women are intrinsically more satisfied than men (McNeely, 1984). Greenberg *et al.* (1993) reported that employed women, in general, seem to be less satisfied with their work than their counterpart men.

Kazemzadeh and Basiri (2005) identified ten dimensions of employee satisfaction as management and personnel relationship, relationship between employees, employees' motivation, education, wage and salary, welfare facilities, employee commitment, job promotion, performance and organization systems. Bodur (2002) suggested that work content, age, gender, educational level, working conditions, location (rural or urban), coworkers, salary and working hours are the factors related to job satisfaction.

Ahmed *et al.* (2010) argued that there is a significant difference between the impact of factors including, gender, educational level, work experience, job characteristics on job satisfaction. However, more important factors, which employees emphasize, are salary and promotion of job level. In context of Nepal, Chaulagain and Khadka (2012) found that employees' satisfaction with job can affect not only motivation at work but also in career decisions, relationships with other and individual well-being. The study also revealed that dissatisfied employees render poor quality and less efficiency.

Literature Review

Chen *et al.* (2004) analyzed the career needs and proposed the concept of gap between career development programs and career needs, and its subsequent effect on job satisfaction, turnover intention. Barnett and Bradley (2007) explored the relationship between organizational support for career development and employees' career satisfaction. The study found that career development programs are positively related to employees' career satisfaction. It indicated that increase in career development programs lead to increase in employee job satisfaction. The results also showed that career management behaviors mediated the relationship between proactive personality and career satisfaction of employees.

Aryee and Chay (1994) examined the impact of career oriented mentoring on work commitment attitudes and career satisfaction among professional and managerial employees. Yousef (1997) analyzed the role of satisfaction with job security in predicting organizational commitment and job performance in a multicultural non-Western environment.

Schimdt (2007) examined the relationship between satisfaction with workplace training and overall job satisfaction. The correlation analysis revealed a significant positive relationship between job training and overall job satisfaction. The study confirmed that



employees value training and deem it a necessary part of the job. Examined on another level, those employed in customer contact positions are often motivated by the ability to please their customers. The study also found that job training allows employees to be better able to do exactly that, which ties into both job satisfaction and ultimately customer satisfaction.

Ugboro and Obeng (2000) analyzed the top management leadership, employee empowerment, job satisfaction and customer satisfaction in Total Quality Management (TQM) organizations. Choi and Dickson (2009) studied the benefits of management training programs on hotel employee turnover and satisfaction level. The study result showed that the enhanced quality and rigor of the company's training programs for its managerial workforce significantly increased employee satisfaction level and consequently reduced the turnover rate.

Majumder (2012) analyzed human resource management practices and employees' satisfaction towards private banking sectors in Bangladesh. For conducting the study, 100 bank employees were selected from Bangladeshi banks and out of these 88 employees responded properly. The study used statistical measures such as Z-test, mean and proportion analysis to examine employee's satisfaction. The study revealed that all HRM dimensions exercised in the private banking sector of Bangladesh does not satisfied to the employees equally. The study also suggested banks to provide various financial and non-financial benefits to employees for improving their performance.

Saeed *et al.* (2013) explored the factors influencing job satisfaction of employees in telecom sector of Pakistan. The study was mainly undertaken to investigate on the significance of factors such as working conditions, pay and promotion, job security, fairness, relationship with co-workers and supervisors in affecting the job satisfaction. The study found that overall job satisfaction of the employees in the telecom sector is at the positive level. Jain and Kaur (2014) explored the impact of work environment on job satisfaction in Jaipur, India. The study suggested that effectual human resource management and preserving progressive work environment would improve the job satisfaction and performance of organization as well as entire economy.

Many of the studies suggest that there is importance and dependency of the rewards, trainings and development, performance appraisal, workplace environment, etc. affects the job satisfaction level of employees in the organization. The study on the employee job satisfaction has concluded that transformational leadership positively affects job satisfaction and commitment of employees in the organization. The level of job satisfaction of the employees in the organization play vital role for retention and attraction of competent human capital in the organization. A satisfied employee tends to be less absent from his/her job, contribute for the benefit of the worker and would like to stay in the organization.

Katuwal (2011) concluded that massive dissatisfaction among employees may result into absenteeism, reduced performance among employees and exhibit undesired behavior in the workplace. Thus, organizations have to introduce employee friendly programs and establish the friendly work environment for their employees, which will lead to better job satisfaction and better employee performance. on the other side, as the family size and number of dependents are comparatively higher, the income may be insufficient

to maintain the family, which may be resulted into job dissatisfaction of employees i.e. decline in performance or switching jobs.

This study focuses on the factors affecting employee job satisfaction in case of Global IME Bank Limited. This study has taken employee job satisfaction as dependent variable, whereas job security, leadership, career growth, training and development and workplace environment as independent variables in order to measure the determinants of employees' job satisfaction. Based on these, the relationships between different dimension of employees' job satisfaction and its determinants are constructed to form the study framework for the present study, as shown in figure. 2.1.

Conceptual Framework

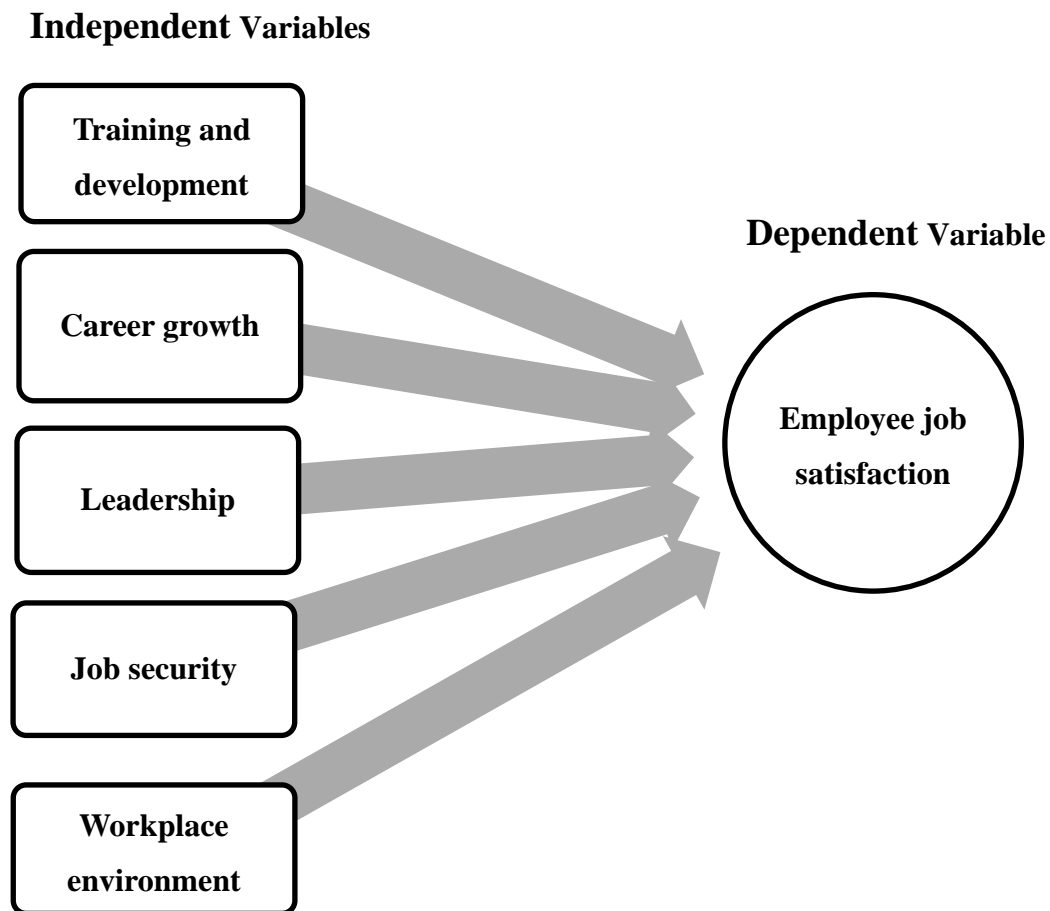


Figure 1: Conceptual framework for job satisfaction and its determinants.

Figure 1 shows the conceptual framework of different variables to link employee job satisfaction and human resource management practices namely job security, leadership practices, career growth opportunities, training and development and workplace



environment. The study helps to examine the relationship between dependent variables and independent variables.

Methodology

This study has employed descriptive and casual comparative research designs to deal with the fundamental issues associated with factors affecting employee job satisfaction in Global IME Bank. The descriptive research design was adopted to find adequate information about factors affecting the level of job satisfaction of employees. This design was employed to assess the opinions, perceptions and characteristics of respondents such as manager, officer and assistant with respect to need assessment of employees' job satisfaction.

Population refers to the all employees working in the subject company and the sample size is computed using Taro Yamane formula. Population: All employees working in the subject company (total 600 employees were taken on the survey day). Sample size was computed using Taro Yamane formula. The targeted population were the employees of Global IME Bank in Kathmandu valley. For the purpose of analyzing the factors affecting employee's job satisfaction, the study has considered 14 branches out of 34 branches. The total number of observations for the study consists of 185 respondents. Yamane formula for determining the sample size is given by:

$$n = \frac{N}{1 + Ne^2},$$

where, n=corrected sample size, N= population size, e= margin of error

Causal comparative research design helped to investigate the possible causes affecting employee turnover and employee performance by observing the existing consequences and searching for the possible factors leading to change in employees' turnover intention of selected samples. This research design was used to find out the cause and effect relationship between human resource practices and employee job satisfaction in case of Global IME Bank. The correlation analysis showed the direction of the relationship among the variables while the regression analysis used in the study provided both the magnitude as well as direction among the variables.

In this study the following sample branches along with the below total number of observations were selected for the study.

Table:1 Total Samples

No.	Name of banks	Samples
1	Anamnagar branch	10
2	Baneshwor branch	10
3	Chabahil branch	15
4	Chhetrapati branch	15
5	Dillibazar branch	10
6	Gongabu branch	15
7	Gwarko branch	15
8	Koteshwor branch	15
9	Kupondole branch	15
10	Lagankhel branch	10
11	New road branch	15
12	Pulchowk branch	15
13	Suryabinayak branch	10
14	Sinamangal branch	15
	Total	185

Thus, the study is based on 185 observations.

Questionnaire: A well-structured questionnaire was prepared as the main instrument of data collection for this study. The questionnaire was carefully designed so that it best serves the purpose of this study. The questionnaire was prepared in Likert scale (1 = completely disagree and 5= completely agree for measuring employee job satisfaction in Global IME bank Ltd. In every step, respondents were well informed about the objectives of the study and were requested to express their opinion accordingly.

Model Specification

The following model was adopted to test the hypothesis whether there was positive relation between employee job satisfaction and independent variables i.e. job security, leadership practices, career growth opportunities, training and development and workplace environment. The regression model was used i to analyze the interrelationship between dependent and independent variables.

To understand the factors affecting employee job satisfaction in Global IME Bank, following models are used:

Employee job satisfaction = f (job security, leadership practices, career growth opportunities, training and development and workplace environment)

Model:

$$EJS = \beta_0 + \beta_1 JSEC_i + \beta_2 LEAD_i + \beta_3 CAGR_i + \beta_4 T\&D_i + \beta_5 WENV_i + \epsilon_i$$

Where,

Dependent variable

EJS = Employee job satisfaction

Independent variables

JSEC = Job security

LEAD = Leadership

CAGR = Career growth

T&D = Training and development

WENV = Workplace environment & ϵ_i is the error term.

Research Hypothesis

H1: There is a significant relationship between job security and employee job satisfaction.

H2: There is a significant relationship between leadership and employee job satisfaction.

H3: There is a significant relationship between career growth and employee job satisfaction.

H4: There is a significant relationship between training and development and employee job satisfaction.

H5: There is a significant relationship between workplace environment and employee job satisfaction.

Limitations

The study aimed in understanding the factors affecting employee job satisfaction in Global IME Bank. Despite of the sincere efforts made for arriving at meaningful conclusions from the study, there exists some limitations. The major limitations of the study were as follows:

- a. The study is completely based on the primary sources of data the factors affecting employee job satisfaction. Therefore, the reliability of conclusions of the study depends upon the accuracy of information provided by the respondents.
- b. The study focused only on Global IME Bank of Nepal. As HR practices like job security, workplace environment, career growth practices etc. differ between the diverse industries, the conclusions drawn from this study might not be suitable for other organizations.



c. The survey was conducted within Kathmandu valley. So, the area of study was limited to specific banks which are quite small area for judging employee job satisfaction level.

d. The study was based on the assumption of linear regression between dependent and explanatory variable. The study excluded the non-linear regression assumptions. Hence, the scope of this study is limited, all assumptions may not be satisfied.

e. The study does not consider all human resource management factors that affect employee job satisfaction. There can be other factors such as job analysis and description, recruitment and selection, employee participation etc. which affect employees' job satisfaction level.

6. Findings and Results

Altogether 185 respondents are surveyed and analyzed in accordance with the objective of the study. The respondent's profile reveals the personal characteristic of respondents combined on the basis of different personal characteristics such as gender, age group, academic qualification, designation and work experience

Table 2: Demographic Characteristics of the Respondents

Respondents' detail	Frequency	Percentage
Gender		
Male	89	48.1
Female	96	51.9
Total	185	100
Age group (in years)		
Below 25	30	16.21
26-30	75	40.54
31-35	40	21.62
36-40	25	13.51
41 -45	10	5.40
46 and above	5	2.70
Total	185	100
Academic Qualification		
Intermediate level	5	2.70
Bachelor's degree	66	35.67
Master's degree	111	60
Ph.D. degree	3	1.62
Total	185	100
Designation of employees		
Assistant level	85	45.95
Officer level	75	40.54
Senior Officer	22	11.89
Manager	3	1.62
Total	185	100
Work experience of employees		
Less than 2 years	51	27.56
2- 5 years	75	40.54
5- 10 years	36	19.46
10 years and above	23	12.43
Total	185	100

Source: Field Survey 2017

Out of the total 200 questionnaires distributed to the employees of commercial banks, only 185 complete responses were included in the study, which consisted of 92 assistant level, 40 officers, 38 senior officers and 15 managers. The response received from the assistants is high as compared to managers, officers and executive level employees.

Table 3: Correlation matrix

Variables	EJS	JSEC	LEAD	CAGR	T&D	WENV
EJS	1.000					
JSEC	0.358**	1.000				
LEAD	0.277**	0.376**	1.000			
CAGR	0.252**	0.166**	0.096	1.000		
T&D	0.273**	0.397**	0.330**	-0.007	1.000	
WENV	0.132*	0.107	0.140*	0.107	0.166**	1.000

*Note: The asterisk signs (**) and (*) indicate that the results are significant at 1% and 5% levels respectively.*

Table 2 shows that job security is positively correlated to employee job satisfaction. It indicates that higher the level of job security, higher would be the employee job satisfaction. Leadership style was also positively related to employee job satisfaction indicating that better (transformational) leadership style leads to improved employee job satisfaction.

Similarly, career growth had positive relationship with employee job satisfaction. It shows that increase in career growth opportunities lead to increase in employee job satisfaction. Likewise, training and development had positive relationship with employee performance. It states that the more training and development programs are offered to employee, the better would be the employee job satisfaction. The result also showed that there was positive relationship of workplace environment with employee job satisfaction. It revealed that better the workplace environment, better would be the employee job satisfaction.

Table 4: Regression Analysis

Model	Intercept	JSEC	LEAD	CAGR	T&D	WENV	Adj-R ²	SEE	F-value
1	1.79 (6.33)* *	0.46 (7.19) **					0.22	0.55	51.62
2	2.05 (6.66)* *		0.47 (5.76) **				0.15	0.57	33.19
3	2.49 (9.60)* *			0.46 (25.13) **			0.12	0.58	26.29
4	2.18 (8.27)* *				0.42 (6.26) **		0.17	0.56	39.19
5	3.28 (16.71) **					0.17 (2.75)* *	0.04	0.60	7.57
6	1.44 (4.49)* *	0.36 (4.58) **	0.22 (2.24) *				0.23	0.54	28.87
7	0.05 (2.88)* *			0.44 (5.47)* *	0.41 (6.56) **		0.29	0.52	37.67
8	0.92 (2.65)* *	0.31 (3.95) **	0.19 (2.02) *	0.29 3.49**			0.28	0.52	24.51
9	0.59 (1.66)		0.22 (2.54) *	0.39 (4.64)* *	0.33 (4.69) **		0.41	0.39	32.98
10	0.46 (1.27)	0.21 (2.54) *	0.11 (1.22)	0.34 (3.86)* *	0.26 (3.46) **	0.02 (0.26)	0.32	0.51	18.55

Notes:

- i. Figures in parenthesis are t-values
- ii. The asterisk signs (**) and (*) indicate that the results are significant at 1 percent and 5 percent level respectively.
- iii. Employee job satisfaction is the dependent variable.

The regression result showed beta coefficient for job security is positive with employee job satisfaction. Likewise, the result also showed that the beta coefficient for leadership was positive with employee job satisfaction. It revealed that leadership style had a positive impact on employee organizational commitment. It is significant at 1 percent



level of significance. Similarly, the beta coefficient for career growth was positive with employee job satisfaction. It indicates that career growth practices have positive impact on employee organizational commitment. The result also revealed that the beta coefficient for training and development was positive with employee job satisfaction. It revealed that training and development had positive impact on employee job satisfaction. This result is significant at 1 percent level of significance. Likewise, the positive beta coefficient of workplace environment denotes that better workplace environment had positive impact on employee job satisfaction. This result is significant at 1 percent level of significance.

Summary and Conclusion

This study focused on the factors affecting job satisfaction of employees in case of Global IME Bank Limited. This study has used different factors like job security, leadership style, career growth practices, training and development and workplace environment. The dependent variable is employee job satisfaction. The result documented in this study is based on the 14 branches of Global IME Bank. The major conclusion of this study is that different factors such as job security, leadership style, career growth opportunities, training and development, and workplace environment are the important determinants of job satisfaction of employees in case of Global IME Bank Limited.

The study revealed that job security and leadership style have positive relationship with employee job satisfaction indicating better the job security and leadership style, better would be the employee job satisfaction. Similarly, the study revealed that career growth opportunities have positive relationship with employee job satisfaction indicating higher the career growth opportunities, higher would be the employee job satisfaction. The study also concludes that training and development has significant positive impact on employee job satisfaction. The result shows that higher the training and development programs, higher would be the employee job satisfaction. Similarly, the study also opines that workplace environment has significant positive impact on employee job satisfaction. The result shows that better the workplace environment, better would be the employee job satisfaction.



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