



A Study of Employee's Job Satisfaction and its Impact on their Performance in Pakistani Banking Sector

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ABSTRACT: *The purpose of this study is to investigate the job satisfaction and its impact on employees' performance. For the purpose of this study, the data was extracted from the branches of Askari Bank, Habib Bank, Allied Bank Ltd Pakistan operating within Pakistan. For this study researcher use simple random sampling and analyzed the data by employing simple correlation analysis. In the analysis, it is found that there is a positive relationship between job satisfaction and employees' work performance. That is high level of fair pays and fringe, nature of job, training and career, relation with co-worker, employees' participation and supervision lead to high level of employees' performance. In other words, employee's job satisfaction has positive impact on their performance. Moreover, outcome of the research would be helpful to the academicians, practitioners, researchers, planners, and policy makers who are involved in the concerned areas.*

Keyword: Job Satisfaction, Banking Sector, Employees' Performance, Correlation

I. INTRODUCTION:

Every institute tries to succeed their goals. For this, they must focus in many facets. Human is important source of an organization, organizations wish to have good trained and effective work force. Well-organized human resource and keeping higher job satisfaction level in Banks determine not only the performance of the Bank but also affect the progress and performance of the whole economy. To make the good use of people as a valuable resource of the organization consideration must be given to the relationship between staff and the nature of their jobs. There are a various factors that can impact an employee job satisfaction level. The organization and the design of jobs can

have a significant effect on staff. Attention needs to be given to the quality of working life. The manager needs to understand how best to make work more satisfying for staff and to overcome obstacles to effective performance. Nowadays competition is very high. Therefore every organization has to compete with other organization. In this connection in order to achieve competitive advantage the organization has to retain work for, organization expects that satisfying employees are more performing. Therefore, there is a need for the organization to satisfy their employees to achieve their objectives. For the employee's point of view, job satisfaction leads to several benefits such as, reducing moral stress, create new thinking and innovation

which lead them to high level, fresh mind good relationship, with co-workers, supervisor and employees etc.

A researcher has selected the following group of commercial banks of Pakistan;

1. Askari Bank
2. Allied Bank
3. Al- Habib Bank

1.1 Objectives:

This study is identified to achieve the following objectives.

1. To examine job satisfaction of the employees there exist in Askari Bank, Habib Bank, Allied Bank of Pakistan.
2. To examine factors that caused job satisfaction;
3. To identify work performance of the employees; and
4. To suggest some measures in order to improve employees' work performance through job satisfaction in banking sector of Pakistan.

1.2 Research Questions

All the employees working in an organization experience in different level of job satisfaction. This job satisfaction can be caused by some factors. Such as pay and fringe benefits, nature of job, training and career development, relation with co-workers, employees participation and supervision etc. Job satisfaction has a great impact on the performance. In this research, main problem is that job satisfaction that influences employees' work performance. The research can be given in the form of following research question.

1. To what extent employee's job satisfaction exist in the people's banks in

Pakistan?

2. Whether job satisfaction of the employees determine their work performance or not?

1.3 Hypothesis:

H1: High level of Pay and Fringe Benefits will lead to high level of work performance.

H2: high level of Training and Career Development will lead to higher level of employees' performance.

H3: High level of Relation with Co-workers will result in high level of employees work performance.

H4: High level of good working condition will lead to high level of employees work performance.

H5: High level of employees' participation will lead to high level of employees work performance.

H6: High level of supervision will lead to high level of employees work performance.

II. LITERATURE REVIEW:

Spector (1997) refers to job satisfaction in terms of how people are aware of their jobs and different aspects of their jobs. Ellickson and Logsdon (2002) support this view by defining job satisfaction as the size to which employees like their work.

Schermerhorn (1993) defines job satisfaction as a sentimental or emotional response towards various aspects of an employee's work Reilly (1991) define job satisfaction as the sense that a worker has about his job or a general attitude towards work or a job and it is influenced by the perception of one's job. Wanous and Lawler (1972) refers job satisfaction is the sum of job facet satisfaction across all

facets of a job. Abraham Maslow (1954) suggested that human wants from a five-level hierarchy ranging from physiological needs, safety, belongingness and love, esteem to self actualization.

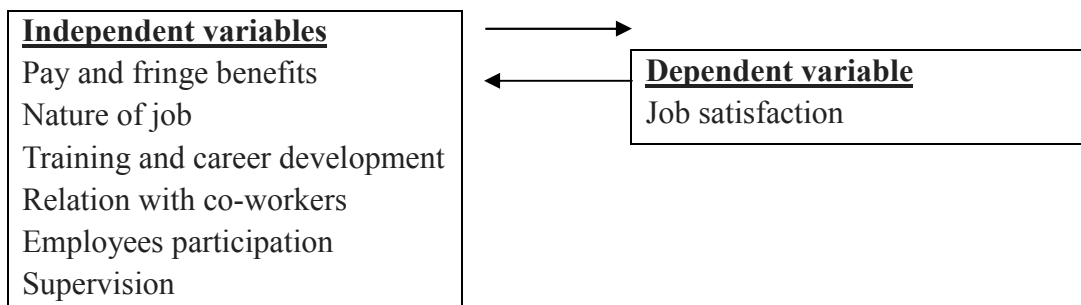
Based on Maslow's theory, job satisfaction has been approached by some researchers from the perspective of need fulfillment (Kuhlen, 1963; Worf, 1970; Conrad et al., 1985) Job satisfaction and

dissatisfaction not only depends on the nature of the job, it also depend on the expectation what's the job provide to an employee (Hussami, 2008).

Lower convenience costs, higher organizational and social and intrinsic return will increase job satisfaction (Mulinge and Mullier, 1998; Willem et al., 2007).

III. METHODOLOGY AND ESTIMATION TECHNIQUE

3.1 Theoretical Framework



3.2 Material and Methods

It describes research approach, sampling procedure, data sources, instrumentation, and mode of analysis.

3.3 Research Approach

As this study is a business and management research, it has a feature of positivist and interpretive and also involves in deductive approach (Hussey & Hussey, 1997; Robson, 1993) as well as inductive approach (Easter by-Smith, Thrope & Lowe (2002). Combining these two research approaches in same piece of research is perfectly possible and advantageous for a research.

3.4 Sampling Procedure

The sample was derived from fourteen branches of Askari Bank, Habib Bank, Allied Bank Ltd Pakistan and there are 1000 employees working in those branches for the research purpose 30% of total number of employees was selected as stratified random sampling techniques. Therefore, ultimate sample is 300.100 different branches of Askari bank, 100 from Allied and 100 from different branches of Habib bank of Pakistan.

3.5 Data Source

Primary and secondary data were used for the study. Primary data were collected through the direct personal interview with

the help of questionnaire and secondary data gathered from books, magazines, etc.

3.6 Instrumentation

The questionnaire was administrated to employees of Askari Bank, Habib Bank, Allied Bank Ltd Pakistan. A five point scale from strongly disagree (1) to strongly agree (5) was adopted to identify variable of job satisfaction and employees 'work performance.

3.7 Mode of Analysis

Cronbach's alpha between Employees Work Performance and Job Satisfaction.

Variables of job satisfaction	Askari bank (cronbach's alpha)	Allied bank (cronbach's alpha)	Habib bank (cronbach's alpha)
Job Satisfaction with Pay and Fringe Benefits.	0.8801	0.7454	0.7981
Job Satisfaction with Nature of Job	0.841	0.760	0.818
Job Satisfaction with Training and Career Development	0.9161	0.850	0.7576
Job Satisfaction with Relation with Co-workers	0.786	0.8910	0.7673
Job Satisfaction with employee participation	0.7051	0.8840	0.8921
Job Satisfaction With supervision	0.7851	0.8120	0.7310

According to the above table-1 correlation between Pay and fringe benefits and employees' performance is moderately positive in each three banks of Pakistan. This means that pay and fringe benefits has positive impact on the employee performance. The value of cronbach's alpha of pay and fringe benefits of employees performance is 0.74 to 0.88 which is acceptable and shows the reliability and consistency of that variables. In this connection, hypothesis (H1) is accepted.

The present study was used a simple correlation analysis. Cronbach's alpha analysis was being used to find out the relationship between variables and consistency and reliability of variables i.e., job satisfaction and employees' performance.

IV. RESULT AND DISCUSSION:

Data analyze are found to supportive in order to examine the hypotheses.

That is, high level of good pay and fringe benefit system will lead to high level of work performance.

The correlation between nature of job and employees performance is moderately positive. This means that nature of job has positive impact on employees' performance. The level of reliability and consistency between two variables is 0.76 to 0.84 among three banks of Pakistan above mention. Therefore the hypothesis (H2) is accepted that is good nature of job will lead

to higher level of employees' performance.

The correlation between training and career development and employee's performance is moderately positive. This means that a good training and career development system has positive impact on an employee's performance. The values of Cronbach's alpha between two variables are lying between 0.75 and 0.91 which is acceptable. Therefore, the hypothesis (H3) is accepted. That is high-level of training and career development will result in high level of employees' work performance.

The correlation between relation with co-workers and employees' performance is highly positive. This means that high level of good relation with co-workers has positive impact on employees' performance. The value lies between 0.76 to 0.89 that determine the reliability and consistency between two variables. Therefore, the hypothesis (H4) is accepted. That is high level of good relation with co-workers will lead to high level employees work performance.

The correlation between employees participation and employees performance is moderately positive. This means that employee's participation has positive impact on employees' performance. The level of reliability and consistency between two variables is 0.70 to 0.89 among three banks of Pakistan above mention. Therefore the hypothesis (H5) is accepted that is good employee's participation will lead to higher level of employees' performance.

Next, the correlation between supervision and employees' performance is highly positive. This means that high level

of good supervision has positive impact on employees' performance. The values of Cronbach's alpha between two variables are lie between 0.73 and 0.81 among three banks of Pakistan (Habib Bank, Allied Bank, Askari Bank). Therefore, the hypothesis (H6) is accepted. That is high level of good supervision will lead to high level employees work performance.

V. CONCLUSION:

This research accepted that there is as positive relationship between job satisfaction and employees performance. That is high level of pay and fringe benefits, good nature of job appropriate training and career development and good relation with co-workers employees' participation and high level of supervision leads to high level of employees' performance. In other words, employee's job satisfaction has positive impact on their performance. Existing alterative also proved this research conclusion.

Even Though there are several factor affecting employees' satisfaction, the researcher only considered six variables: pay and fringe benefits, nature of job, training and career development, relation with co-workers, employees' participation and supervision. Therefore in future conducting a detailed research including various factors in this field, further option findings can be obtained.

VI. Suggestion and Policy Implications:

The entire formulated hypothesis have been accepted, it is necessary to improve

employees performance through job satisfaction. Following are some suggestions given to improve employee's performance.

1. Organization should develop good working condition. This facilitates employees to do their work effectively.

2. Organization should develop strong relationship among employees. Through which, Job satisfaction of employees is improved. As a research, employees' work performance will be at high level.

3. Organization should encourage employees to perform well. This can be achieved by providing incentive and other benefits etc.

4. Employees should be trained to adopt new technology and or develop their career.

5. Organization should estimate employees' performance. The feedback about the quality & quantity of performance will be provided to improve their performance.

6. Organization should provide fair promotion. That is promotion should be provided based on the skill of employees and /or experience.

7. Organization should implement equal employment opportunities. That is employees should not distinguish against female, and minority or old worker.

VII. REFERENCES

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