

Job Satisfaction of the Bank Employees in Bangladesh: A Study in Bogra City

Brazendra NathRoy^{a*}, Md. Anowar Hossain^b, Efat Jannat Shammi^c

^{a,b,c}*Department of Business Administration, Pundra University of Science & Technology, Bogra, Bangladesh*

^a*Email: noyon.roy99@gmail.com*

^b*Email: anowar.fnb@gmail.com*

^c*Email: shammi.financeru@gmail.com*

Abstract

Employee's positive feelings towards an organization is termed as job satisfaction. Employee job satisfaction is very important for each and every organization because its success mainly depend on employee's devotion towards organization. As banking industry is the backbone of the economy of our country, this study attempts to investigate the factors affecting job satisfaction of bank employees in Bogra city. A well designed questionnaire is used to collect data for this study. The researcher has done a factor analysis using SPSS version 20 to find out factors contributing towards job satisfaction.

Keywords: Job Satisfaction; Employee; Factors; Bangladesh.

1. Introduction

Banking industry is one of the fastest growing sectors in the economy of Bangladesh. Like other organizations, human resource is considered as one of most valuable asset for this industry too. Proper human resource management is considered to be the most crucial matter of concern in any organization. Accordingly the degree of success by banks depends on proper management of human resources. It is a great challenge to manage the human resources as it is very difficult to satisfy human's desire from any field. So the case is true for bank employees also. Employee's productivity is expected to be high if they are highly satisfied with their job. On the other hand, organizations will suffer much because dissatisfied employees are less committed to their organization.

* Corresponding author.

Human nature differs from individual to individual according to their fundamental wants, likings, qualifications, skills etc. That's why it is very important to determine the factors affecting job satisfaction of bank employees [1]. It is very useful for banks to identify the contributing factors of job satisfaction and measure the level of job satisfaction of employees. The objective of the study is to identify the factors affecting satisfaction and measure the degree of job satisfaction of the bank employees in Bangladesh. It is comparatively fruitful to measure it using survey among bank employees. This survey is conducted using questionnaire among bank employees in Bogra, Bangladesh.

2. Literature Review

Over the last years, efficient employees are considered as most valuable asset for an organization. Qualified, devoted & skilled employees of an organizations are needed to achieve its goal [2]. Employee's devotion, loyalty, skill and the likes are influenced by the level of employee's job satisfaction. That's why, different issues related to job satisfaction of employees are studied mostly over the last years. The term 'job satisfaction' can be viewed from different angles. Job satisfaction is "the emotional reaction of a worker he has towards his/her job after a comparison of the outputs he /she expects or desires with real outputs" [3]. It refers to the aggregate sensitivity of employees regarding different aspects relating to their job [4].

The success of both private & public banks mostly depends on the level of job satisfaction of their employees [5]. Satisfaction and dissatisfaction of employees regarding their job are two important factors that mostly determine banks fortune [6]. In order to reduce switching of efficient employees, banks have to satisfy their employees [7]. Employees behaved according to their level of satisfaction of job. Employees are highly fruitful, more involved and have less tendency of terminate or switch job if they are highly satisfied with their present job [8]. Pay policies, career development opportunities, job security and other organizational factors are found highly sensitive factors in determining employee's job satisfaction [9,10]. Job satisfaction is mostly influenced by salaries and incentives paid to employees [11]. Compensation and promotion facilities have positive impact on employee satisfaction [12].

Job satisfaction significantly influences organization behavior. Most studies have indicated that job satisfaction positively affects employee working performance and organizational commitment, and negatively influences employee turnover [13] [14]. Job satisfaction significantly influences organizational behavior. Most studies have indicated that job satisfaction positively affects employee turnover [13,14].

Controversial finding of one study revealed that low-paid workers report higher job satisfaction than do other workers [16]. Which is replaced to general perception by another study that shows low-pay worker are likely to have low-quality jobs and consequently less job satisfaction [17].

3. Objectives of the Study

- i. To identify the factors influencing employee job satisfaction in banking sector
- ii. To measure the degree of job satisfaction among employees of the banks
- iii. To provide some suggestions to increase job satisfaction of bank employees.

4. Hypotheses of the Study

H0: There is no relation between salary and job satisfaction

H1: There is a significant relation between salary and job satisfaction

H0: There is no relation between incentives and job satisfaction

H1: There is a significant relation between incentives and job satisfaction

H0: There is no relation between working environment and job satisfaction

H1: There is a significant relation between working environment and job satisfaction

H0: There is no relation between working hours and job satisfaction

H1: There is a significant relation between working hours and job satisfaction

H0: There is no relation between performance appraisal system and job satisfaction

H1: There is a significant relation between performance appraisal system and job satisfaction

H0: There is no relation between training & development facilities and job satisfaction

H1: There is a significant relation between training & development facilities and job satisfaction

H0: There is no relation between coworker's relation and job satisfaction

H1: There is a significant relation between coworker's relation and job satisfaction

H0: There is no relation between transfer policy and job satisfaction

H1: There is a significant relation between transfer policy and job satisfaction

H0: There is no relation between grievance handling & safety measures and job satisfaction

H1: There is a significant relation between grievance handling & safety measures and job satisfaction.

5. Methodology of the Study

5.1 Sampling Design and Sample Size

The researcher followed convenience sampling in order to collect data from respondents. It was used because it is less costly and less time consuming. Employees of all the banks situated in Bogra Upazila were included in

the population of this study. Due to limitation of time and money, only 55 employees of distinguished private and public banks were selected conveniently to collect data.

5.2 Data Collection

Primary data was used to conduct and analyze this study. A well designed questionnaire was used to collect data from employees of both private and public banks situated in Bogra, Bangladesh. The questionnaire was divided into two parts, one for personal information of the respondents and the second was for collecting information about contributing variables. The second part of the questionnaire was designed with a 5-point likert scale from strongly disagree to strongly agree, where point 1-strongly disagree, 2- Disagree, 3- Neutral, 4- Agree and 5- strongly agree.

5.3 Data Analysis

The data were analyzed by using software SPSS version 20. In analyzing data, job satisfaction was considered as the dependent variable and the factors were considered as independent variable.

6. Demographic View of Respondents

Gender, Age, Marital status, Types of Banks, Job Designation, Level of Education and Job experience were included as respondent's demographic view. These were analyzed and shown in the following way:

Table 1: Respondent's gender

Gender	No of respondents	Percentage (%)
Male	45	81.82
Female	10	18.18
Total	55	100

Source: Data Collected through Questionnaire

Table 2: Respondent's age

Age	No of respondents	Percentage (%)
Below 25 years	2	3.63
25 – 35 years	22	40.00
36 – 45 years	24	43.64
46 years and above	7	12.73
Total	55	100

Source: Data Collected through Questionnaire

Table 3: Marital status

Status	No of respondents	Percentage (%)
Married	48	87.27
Unmarried	7	12.73
Total	55	100

Source: Data Collected through Questionnaire

Table 4: Types of bank

Types of Bank	No of respondents	Percentage (%)
Government	16	29.09
Private	39	70.91
Total	55	100

Source: Data Collected through Questionnaire

Table 5: Job designation

Designation	No of respondents	Percentage (%)
Vice President	2	3.64
Senior Asst. Vice President/ Asst. Vice President	1	1.82
Senior Executive Officer/ Executive Officer	27	49.09
officer	24	43.64
Others	1	1.81
Total	55	100

Source: Data Collected through Questionnaire

Table 6: Level of education

Education level	No of respondents	Percentage (%)
Master & above	51	92.73
Bachelor	3	5.45
Upto HSC	1	1.82
Others	0	00
Total	55	100

Source: Data Collected through Questionnaire

Table 7: Job experience

Job experience	No of respondents	Percentage (%)
Below 10 years	29	52.73
10 – 20 years	21	38.18
Above 20 years	5	9.09
Total	55	100

Source: Data Collected through Questionnaire

7. Data Analysis

7.1 Reliability of Data

Cronbach's alpha is used to check the reliability of data. The overall score in all the variables is 0.710, which is a good indication of the satisfactory reliability of the chosen data. That means we may conduct further analysis of data in order to carry on our research. Following table shows the reliability test value of this study.

Table 8: Reliability statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.710	.698	10

Source: Data collected through questionnaire.

*Alpha value of 0.7 or higher are considered acceptable.

7.2 Item statistics analysis

Table 9: Item Statistics

	Mean	Std. Deviation	N
Salary	3.69	1.034	55
Incentives	3.35	1.220	55
Working Environment	3.58	.854	55
Working Hours	2.62	1.147	55
Performance Appraisal system	2.96	.922	55
Training & Development Facilities	3.27	.971	55
Relation with Coworkers	4.09	.646	55
Transfer Policy	2.84	1.198	55
Grievance Handling & Safety Measures	3.20	1.061	55
Overall Satisfaction	3.51	.767	55

Source: Data collected through questionnaire.

The questionnaire was designed with a 5-point Likert scale from strongly disagree to strongly agree, where point 1-strongly disagree, 2- Disagree, 3- Neutral, 4- Agree and 5- strongly agree. The above table shows that only one variable having a mean value of greater than four (Agree). That means respondents were only satisfied with the friendly and cooperative behaviors of coworkers. In most of the cases (five), the mean value is greater than three (Neutral) and the mean value is greater than two (Disagree) in three cases. As a result, the mean value of the dependent variable (Overall satisfaction) is greater than three (Neutral).

7.3 Regression analysis

Table 10:Regression analyses

Model	R	R Square	Adjusted Square	Std. Error of the Estimate	Change Statistics					Durbin Watson
					R Square Change	F Change	df1	df2	Sig. Change	
1	.687 ^a	.473	.367	.610	.473	4.481	9	45	.000	1.338

Source: Data collected through questionnaire.

There is a strong correlation between independent and dependent variable because the above table shows that the value of R is 0.687. Besides that, the value of R square is 0.367 which reveals that the model is good fit. Sowe may conclude that our all null hypothesis are rejected and all alternative hypothesis are accepted with a 0.05 level of significance.

7.4 ANOVA analysis

Table 11: ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	15.003	9	1.667	4.481	.000 ^b
Residual	16.742	45	.372		
Total	31.745	54			

Source: Data collected through questionnaire.

a. Dependent Variable: Overall Satisfaction

b. Predictors: Grievance Handling & Safety Measures, Working Hours, Performance Appraisal System, Working Environment, Incentives, Training & Development Facilities, Relation with Coworkers, Transfer Policy, Salary

The value of F test is 4.481 significant at α 0.00. This shows the models goodness of fit in explaining the variations. This shows that all Null Hypothesis are rejected. All the factors are found highly significant as a

predictors towards the overall job satisfaction.

8. Major Findings

Considering the objectives of this research, major findings of this research are the followings:

- i. All the variables (Salary, Incentives, Relation with Coworkers, Training & Development Facilities, Working Environment, Performance Appraisal System, Working Hours, Transfer Policy and Grievance Handling & Safety Measures) have a great influence on employee job satisfaction.
- ii. Employees are not satisfied with their job at all.
- iii. Employees of the banks are only satisfied with their coworker's relations.
- iv. In case of Salary, Incentives, Working Environment, Training & Development Facilities and Grievance Handling & Safety Measures, they are mostly neutral. That means they are not satisfied with current situation about this variables.
- v. Bank employees are dissatisfied with their Working Hours, Performance Appraisal System and Transfer Policy.

9. Recommendation

Considering the above major findings, the research would direct to some remedial measures to increase the level of job satisfaction of bank employees. Major recommendations are the followings:

- i. Salaries and incentives should be given considering experience, inflation, living cost etc.
- ii. Training and development programs must be provided to the employees at regular intervals to update their knowledge and skills.
- iii. Working environment should be healthy and comfortable enough to work.
- iv. Working hours should be in accordance with the existing labor law.
- v. Preference should be given on choice of employee about transfer if possible.
- vi. Employees should be awarded according to their job performance.
- vii. Entertainment facilities will be given to employees which removes boringness of employees.
- viii. The job should be interesting enough, so that it must create enthusiasm among the employees.

10. Limitation and Further Scope

The primary data reflects the accuracy of study findings but the number of respondents and chosen area is taken short which could have been taken for wider. Selection area comprising only a district may suffer for adequacy though it is tried for accuracy. Still some respondents were busy with their banking hour jobs and were reluctant to even provide information. Another limitation can be tracked as the study could be conducted taking sample from all over the Bangladesh. Further study can be conducted by taking the data. One can go for further research by even taking the data for comparative analysis between public and private banks, domestic and foreign banks, general commercial and specialized commercial bank.

11. Conclusion

This study reveals that employees of banks in Bogra are not satisfied with their job. It is a bad signal for banks of Bangladesh. Salary, incentives, relation with coworkers, working environment, working hours, transfer policy, performance appraisal system, training & development facilities and grievance handling & safety measures are considered as contributing variables towards employee's job satisfaction in banking industry. All the variables have a great influence on job satisfaction.

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