

How Job parameters influence Job Satisfaction of workforce? An Empirical case of banking industry of Pakistan

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Abstract

Purpose – The purpose of this study is to find the factors which affect job satisfaction of employees in banking industry of Pakistan.

Design /Methodology / Approach – The data is collected by close ended questionnaire based on the primary and secondary sources. A simple random sampling technique was used. The sample of study is consisted of 150 banking employees selected randomly from different banks of Pakistan and calculated by simple mean and correlation analysis. There are 150 questionnaire are distributed among bank employees of Pakistan by personal visit & through mail out of which 100 response has been received. So, the response rate is 66.67%.

Findings – The result shows that pay and promotion is the most effecting factor while working hours is the least effecting factor.

Implications – Satisfied employees are the assets of any organization so that they may utilize their capabilities and skills in constructive way..

Originality Value – This paper is one of the preliminary studies in Pakistan to focus on the relationship between job parameters and job satisfaction in the banking industry.

Keywords Job Satisfaction, Job Security, Working Environment, Banking sector

Research type Research Paper



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1.0 INTRODUCTION

Job satisfaction is actually expression of unfavorable and favorable emotions of employees which they have about their job (Shobhna & Hartesh ,2013).Job satisfaction is actually feeling of a person or an employee that he/she is happy or contented with his job and to what extent that job seems to fulfill the desires and expectations of the employee(Ali, Niaz & Qamaruddin, 2012).

If an employee is satisfied with his job he will be more pleasant, friendly, committed and as a result will be more productive and fruitful for the organization (Faizan, 2010). This paper endeavors to find out the factors that affect the level of satisfaction of employees on job banking industry of Pakistan. Organizational commitment and employee job satisfaction are the main elements that play a significant role in the development and progress of the organization (Fatima, Ahmad & Asvir, 2011). The purpose of this paper is to highlight those factors which contaminate the satisfaction level of employees in Pakistani Banks. Those factors include pay and promotion, working environment, work hours and work load, job security, relationship with managers and coworkers, fairness, leave policy and transfer effect.

2.0. LITERATURE REVIEW

Pay is the leading factor that affects the satisfaction level of employees. Ali, Niaz & Qamarudin (2012) found that pay and promotion have significant strong impact on overall job satisfaction of employees. All employees belonging to any organization work for the sake of money. If hiring organization offers handsome amount of money according to the qualification and designation of the employee, he will feel delightful otherwise will be dissatisfied from the job. Faisal & Mehlan (2014) found that there is a considerable association of income with satisfaction of employees at work. Shobhna & Hartesh (2013) found that salary have significant impact on both public and private sector employee's satisfaction level. Alamdar & Musarrat (2012) found that salaries and promotion have bang on level of satisfaction of employees. Promotion is a reward or recognition for the employees when they achieve their targets and give organization efficient output. It is the motivating factor for the employee so that they may engage themselves more for the betterment of the organization. Fawad & Yasir (2009) found that pay and promotion has a significant impact on job satisfaction of employees working in Commercial Banks of Pakistan. Mosammod & Nurul (2011) found that pay and promotion have positive and

significant influence on level of job satisfaction of workers. So promotion also affects the satisfaction of employees.

Working environment means the place, atmosphere and working conditions of the organization in which employee is working. Usman and Ismail (2010) found that if working environment is friendly and pleasant then employees will be more communicated and opinionated and as a result more satisfied and productive otherwise they will feel anxiety, pessimistic and shy in the organization while working. Niaz, Minhoon & Falah ud din (2012) found that organizational climate which includes organizational structure, human relations and identity have a positive impact on job satisfaction of employees working in public and private banks.

In banking sector work hours start from 9:00 am and end till 5:00 pm. Starting time is fixed but employees will have to stay in the organization until manager of the branch permits the employees to leave the bank. It causes burden on employees and this work load is hectic for the employees. Shobhna & Hartesh (2013) found that work load and time schedule have significant impact on both public and private sector employee's satisfaction level. Non fixation of work hours become source of dissatisfaction for the employees in banking sector. Rathore (2013) found that work stress and work load has significant impact on job satisfaction of employees.

Fairness means justice. Every organization and its rules and regulations should be fair to every employee working in the firm. Fairness should be applied in recruitment, hiring, behaving with employees, in promoting and in giving them privileges. Mosammod & Nurul (2011) found that fairness have positive significant impact on job satisfaction of employees. There should be no discrimination and differences in all the activities. Faisal & Omar (2012) identified that fairness has positive effect on job satisfaction. Hasan Ali (2010) concluded promotion and provision of fringe benefits should not be based on nepotism and favoritism.

Job security means job safety. More the employees are secured with the job; more they will be committed to the organization and will give his full effort to the development of the organization. If employees have no safety they will be dissatisfied with their job and will not be willing to give their maximum energy to the job. Mosammod & Nurul (2011) found that job security have positive significant impact on job satisfaction of employees. Alamdar & Musarrat (2012) found that job security has impact on satisfaction level of employees.

Ahmad, Irfan & Sher (2011) concluded that leadership style affect job satisfaction of employees in Pakistan banking sector. Relationship with supervisor and coworkers play a significant role in the satisfaction level of employees. Alamdar & Musarrat (2012) found that relation with coworkers and managers have impact on satisfaction level of employees. If manager welcome opinions of the employees and cooperate with them, employees will be satisfied otherwise not. Similarly coworkers' behavior causes an effect on the satisfaction level of other employees. Fawad & Yasir (2009) found that relationship with managers and coworkers have significant impact on job satisfaction of employees working in Commercial Banks of Pakistan. Mosammod & Nurul (2011) found that relation with coworkers and managers significantly and positively influences the level of satisfaction of workers. Shobhna & Hartesh (2013) found that behavior of employer have significant bang on both public and private sector employee's satisfaction level.

In banking sector of Pakistan the leave policy is based on 36 days per annum in which there is 15 days mandatory leave allowed to each employee and other than these leaves, the required leave is approved by personnel management department.

Transfer policy is based on the three year tenure in banking sector but if any urgent transfer required due to workload or unplanned situations than transfer order has been issued by the higher management.

Hypothesis

H1: There is significant relationship of pay, promotion and fringe benefits with job satisfaction.

H2: There is positive relationship of working environment with job satisfaction.

H3: There is significant relationship of work hours and work load with job satisfaction.

H4: There is significant relationship of leave policy with job satisfaction.

H5: There is positive relationship of fair treatment with job satisfaction.

H6: There is significant impact of good relationship with coworkers & managers on employee job satisfaction.

H7: There is positive relationship of job security with job satisfaction.

H8: There is significant relationship of transfer effect with job satisfaction.



Figure. 1 Research Model

3.0. RESEARCH METHODOLOGY

The data is collected by close ended questionnaire based on the primary and secondary sources. A Likert Scale is used i.e. strongly Agree, Agree, Neutral, Disagree & Strongly Disagree. (5,4,3,2,1 respectively). The questionnaire is distributed among branches of different banks of Pakistan. A simple random sampling is used. There are 150 questionnaire are distributed among bank employees of Pakistan by personal visit & through mail out of which 100 response has been received. So, the response rate is 66.67%.

4.0. RESULTS

Data is analyzed by Mean which shows that banking employee are highly satisfied by Pay, Promotions & fringe Benefits while unspecified working hours are going to lower their satisfaction. The table given below in descending order of means of job satisfaction determinants show the employee satisfaction working in a Banking Sector of Pakistan.

Table 1: Descriptive statistics for employee satisfaction

Determinants of Job Satisfaction	Mean
Pay, Promotion & Fringe Benefits	3.46
Fairness	3.43
Relation with co-workers & Supervisor	3.39
Job Security	3.35
Working Conditions	3.32
Leave Policy	3.26
Transfer policy	3.02
Working Hours	2.97

The chart below shows the level of job satisfaction of bank employees from lowest determinant to highest one with their Means.

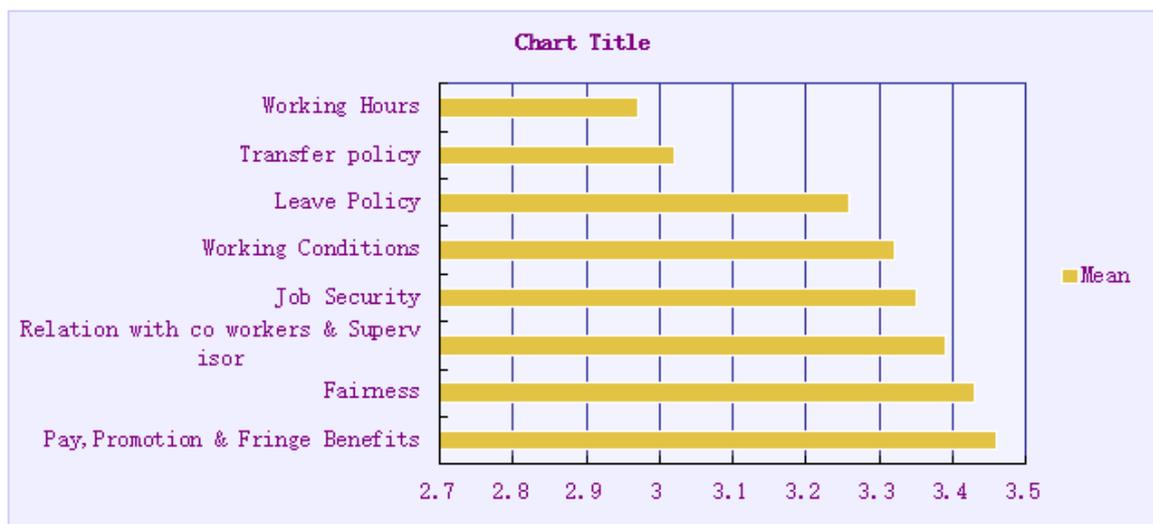


Figure 1: The graphical representation of employees job satisfaction

The 23 respondents perceived Pay, Promotion & Fringe Benefits strongly Agree while working in a banking sector,32 are Agree,5 are Neutral,18 are Disagree and 7 are

Strongly Disagree. The Mean 3.46 shows that most of the employees are Agree that Pay, Promotion & Fringe Benefits have strong effect on Job Satisfaction of Banking Employees.

The 37 respondents perceived strongly Agree for fairness,21 are Agree,9 are Neutral,14 are Disagree and 19 are Strongly Disagree. The Mean 3.43 shows that bank employees get more satisfied if deal with fairly. So, fairness has strong effect on Job Satisfaction of Banking Employees.

The 23 respondents perceived strongly Agree for Relationship with Co-Workers & Supervisor, 37 are Agree,15 are Neutral,6 are Disagree and 19 are Strongly Disagree. The Mean 3.35 shows that most of the employees are Agree that good relation with Co-Workers & Supervisor have effect on Job Satisfaction of Banking Employees.

The 35 respondents perceived strongly Agree for Job Security, 14 are Agree,22 are Neutral,9 are Disagree and 20 are Strongly Disagree. The Mean 3.35 shows that most of the employees are Strongly Agree. Job Security has effect on Job Satisfaction of Banking Employees.

The 32 respondents perceived strongly Agree for Working Environment,14 are Agree,22 are Neutral,9 are Disagree and 20 are Strongly Disagree. The Mean 3.32 shows that most of the employees are Strongly Agree. Working Conditions have effect on Job Satisfaction of Banking Employees.

The 14 respondents perceived strongly Agree for Leave Policy,34 are Agree,44 are Neutral,10 are Disagree and 8 are Strongly Disagree. The Mean 3.26 shows that most of the employees are Neutral. So, regarding Leave Policy Banking Employees are neither strongly agree nor strongly disagree.

The 4 respondents perceived strongly Agree for Transfer Policy, 24 are Agree, 50 are Neutral,14 are Disagree and 8 are Strongly Disagree. The Mean 3.02 shows that most of the employees are Neutral. So, regarding Transfer Policy Banking Employees are neither strongly agree nor strongly disagree.

The 11 respondents perceived strongly Agree for Working Hours, 27 are Agree,29 are Neutral,14 are Disagree and 19 are Strongly Disagree. The Mean 2.97 shows that most

of the employees are mostly Neutral with banking hours. So Working Hours influence the Job Satisfaction.

4.0. CONCLUSION

It is concluded from the study that job satisfaction of employees working in banking sector of Pakistan have strongly enhanced by pay and promotion and fairness. Banks must consider these factors while operating in all policies and procedures. Effective compensation administration plays vital role in this regard, it increases the productivity level of employees in banking industry. While the hectic working hours badly effect the satisfaction level of employees. Work stress damages the skills of employees. Employees do not feel secured related to job if relationship with supervisor and coworkers are not good. Organization should maintain such an environment in which employees can freely work and utilize their knowledge and skills.

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