

Employees' Job Satisfaction and Its impact on Perceived Performance in Private Banks

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ABSTRACT: Job satisfaction is one of the important factors which have drawn attention of managers in the organization as well as researchers. Job satisfaction is the mental feeling of favorableness and plea sureness which an individual has about one job. The basic purpose of this study is appraising in the employee job satisfaction and its impact on employee job performance in Private commercial banks. A highly satisfied worker has better physical and mental well-being that leads to higher productivity of the organization. This study followed descriptive and casual research design. Data were collected through questionnaires. It was found that there are significant relationships between all independent variable (i.e. Working Condition, Pay and Promotion, Fairness, Job Security, Career Development Opportunities) with dependent variable (i.e. perceived performance) as p- value is significant at 5 percent level of significance ($p < 0.05$).

KEY WORDS: Employee, Job satisfaction, Performance, Commercial Banks, Attitude

INTRODUCTION:

The main factors that influence the job satisfaction on the performance of the employees are, productivity, absenteeism, employee turnover, workplace deviance, organization citizenship behavior and customer satisfaction. The employees' satisfaction can be the key to a better motivated and loyal workforce that leads to better organizational output in the form of better products and services and results in overall improvement of an organization. The loyal and committed employees are the most influential factor to becoming an employer of choice. The organization and companies in this regard face significant challenges in developing energized and engaged workforces. Job satisfaction is related with human resource management (HRM). Research has shown time and again that HRM practices can make important and practical differences in terms of three key organizational outcomes: productivity, quality of life and profit (Cascio, 2018). It is very essential for the organization to create a job satisfied environment within it. Employees overall feelings towards the job is influenced by job security, pay and benefits, training and career advancement opportunities, opportunity to use skills and knowledge, relationship with immediate co-workers, supervisors and managers,

recognition of performance, job characteristics, working environment, autonomy and independency, participation in decision making, corporate culture etc. Job satisfaction can be an important indicator of how employees feel about their jobs and a predictor of work behaviors such as absenteeism and turnover. It is common that employees who are satisfied with their jobs are more likely to stay with their employers. Keeping a cadre of happy and motivated employees, however, is often elusive as the expectations of employees shift. As life becomes more challenging, employees may become more stressed. Therefore, the factors long thought to satisfy employees may be shifting, depending on attributes such as the gender and age of employees. In addition to demographic factors, the economic landscape in which most companies are operating is of particular interest. One way for organizations to gauge their knowledge of employee needs is to recognize the degree to which their perceptions are accurate when matched up against employees' perceptions.

REVIEW OF LITERATURE:

George & KJ (2011), the study focused on Job Satisfaction, Employee Turnover, Job Security and Job Rotation in BPCL- Kochi Refinery Limited, Ambalamugal. The study assesses how far welfare and financial factors motivate the employees in the company. The study also attempts to analyze the opinion of employees towards the working life in the company. The major findings of this study are BPCL – Kochi Refinery Limited provides adequate job security to the employees which motivate them to do their work and the employees are free from various tensions regarding their family security and thus they devote more time for their work.

Kamarulzaman & Ibrahim (2012), the study was to examine the predictors of job satisfaction in Malaysia. A number of hypothesized were analyzed the significance level of each predictor namely a) gender, b) age, c) level of education, d) salary, e) role in the job f) years of working in the organization. MRA was employed and results showed that only gender predicts job satisfaction in Malaysia with $p=0.00$ ($p<0.05$), which is however contradicts with findings which suggested that gender has no evidence to influence employees' job satisfaction.

Adhikari, (2014), The level of job satisfaction of the employees in the organization play vital role for the retention and attraction of the competent human capital in the organization. A satisfied worker tends to be less absent from his or her job, contribute for the benefit of the company and would like to stay in the organization. On the other hand, unsatisfied worker has negative attitudes and prefers to remain absent too often, always remains unhappy with the supervisor, tries to leave the company once an opportunity is available, and remains in stress.

Pathak (2015), the study focused on Job Satisfaction, Job Security and Motivation in Commercial Bank of Nepal. This study analyzed the level of job satisfaction among employee of commercial banks along with the consideration gender, age and experience difference. The result of the study indicated that most of employees (64.4 percent) are satisfied and very few employees (1.4 percent) are highly satisfied with their job. No one employee is in very dissatisfied condition with their job. Employee state on job satisfaction would provide useful information for the organizations. The core focus of this paper is to assess the present status

of job satisfaction level of employees in Nepalese commercial banks and to associate the relations of employee's job satisfaction with age, gender and job experience of the employee.

Morgeson, (2015), It is very easy to measure the perceived performance of commercial banks by using various financial tools and techniques, but it is very difficult to determine whether the banks doing the right thing for its employees to remain satisfied in their work place. During the last few decades banking sector plays a dominant role in the financial service industry.

Dawat (2019), this study aimed to find out the main attributes of Perceived service quality in private banks of Ethiopia as perceived by customers. The mean score of perceived service quality dimensions was 3.95. Based on the result, it was concluded that customers of private banks accept the service delivered by respective banks. The banks need to improve all service quality dimensioned to win the heart of customers and to win the competitions.

OBJECTIVES OF THE STUDY:

The basic purpose of this study is appraising in the employee job satisfaction and its impact on employee job performance in which are IDFC FIRST BANK, Industrial Development Bank of India and KOTAK MAHINDRA BANK are the private sector banks operating in Assam.

1. To examine present scenario of job satisfaction of employees in IDFC FIRST BANK, IDBI BANK and KOTAK MAHINDRA BANK.
2. To examine the employee job satisfaction and its impact on perceived performance in IDFC FIRST BANK, IDBI BANK and KOTAK MAHINDRA BANK.

RESEARCH HYPOTHESIS:

Following hypotheses has formulated for the study:

H1: There is significant relationship between working condition and perceived performance in context of Private Banks.

H2: There is significant relationship between pay and promotion and perceived performance in Private Banks.

H3: There is significant relationship between job security and perceived performance in Private Banks.

RESEARCH METHODOLOGY:

The study is based on causal and descriptive research design, in which associations between the variables is established and analyze the relationship between the variables. The population of this study includes all the senior and middle level employees of chosen three private banks. Among them, samples are chosen from all private sector commercial banks, which are IDFC FIRST BANK, Industrial Development Bank of India and KOTAK MAHINDRA BANK. According to the report of human resource department of IDFC FIRST BANK, IDBI and KOTAK MAHINDRA BANK all together 3800 senior and middle level employees are

working there. And judgment sampling method is used in this study. Out of the population, 450 senior and middle level employees have been selected from those private sector banks. 500 questionnaires distributed to the employees, and all 350 employees were the respondents. So, the response rate was 70 %. In this study sample size was taken with the help of sampling technique (Cochran, 1977).

Thus, finally in this study sample size was determined 350 out of 3,800 population. The study was mainly based on primary data. Primary data were collected using a structured questionnaire technique. The questionnaire includes six-point Likert Scale questions ranging from one (disagree completely) to six (agree completely). The data for the study was mainly collected using a well- structured questionnaire. The pre- tested questionnaire used by Ajila and Abiola (2017) was taken to analyze the employee job satisfaction and its impact on employee's job performance in private sector commercial banks. Inferential statistics and descriptive statistics were used to show the relationship and impact between dependent variables and independent variable. In inferential statistics correlation, regression and hypothesis are tested for the reliability of model. The collected data are processed, analyzed and interpreted by using SPSS version 22. Nunally (1978) reported that value of Cronbach's Alpha of at least 0.70 is considered as a good indication of constant reliability. The value of Cronbachs Alpha is 0.857 under this study which is greater than 0.7, which support the notion that the study is reliable.

ANALYSIS AND RESULTS

This section describes the analysis results generated from the process of data collection. It deals with the analysis and interpretation of the primary data collected through questionnaire from 350 respondents.

Table 1: Demographic Profile of the Respondent

CHARACTERISTIC	FREQUENCY	PERCENTAGE %
GENDER		
Male	192	54.9
Female	158	45.1
AGE GROUP		
18-22	3	0.85
23-26	76	21.73
27-31	127	36.28
32 & Above	144	41.14
MARITAL STATUS		

Married	212	60.57
Unmarried	138	39.43
EDUCATION LEVEL		
GRADUATE	247	70.57
POST GRADUATE	103	29.43
WORKING EXPERIENCE		
Less than 1	56	16
1 to 5	148	42.29
6 to 10	109	31.14
110 and Above	37	10.57

Source: Field Survey

Interpretation: From the study, it depicts the number and percentage of different demographic characteristics of the respondents. Out of 350 respondents, 54.9 percentage respondents were male while 45.1 percentage respondents were female. Majority of the respondents were male in the study. Whereas, majority of respondents are graduate as compared to postgraduate. Also, the number of respondents is between 1 to 5 years of experience.

Table 2: Summary of Mean and Standard Deviation of the Variables:

Variables	Mean	Std. Deviation
Working Condition	4.32	0.59
Pay and Promotion	4.37	0.80
Fairness	4.35	0.89
Job Security	4.48	0.87
Career Development Opportunities	4.69	0.90
Perceived Performance	5.79	1.02
Valid N (listwise)	350	

Source: Field Survey

Interpretation: From the study it is all the variables of the study through descriptive statistical analysis. The magnitude of perceived performance of employees is 5.79 with standard deviation is 1.02 which means employees performance is high within the employees of private

sector banks. Among the factor of employee job satisfaction career development opportunities has the highest mean with standard deviation 4.69 and 0.90 and working condition has least mean 4.32 with standard deviation 0.59.

Table 3: Employee Job Satisfaction with Perceived Performance

Performance	Condition	Promotion	Fairness	Security	Opportunities	
Perceived Performance	Pearson 1	.386**	.566**	.612**	.554**	.508**
Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
N	350	350	350	350	350	350

** Correlation is significant at the 0.01 level (2-tailed).

Interpretation: From the study indicated that the performance of employees is positively related to all the independent variable like working condition, pay and promotion, job security, fairness and career development opportunities as all the variables are equally important for improving the performance of the employees. Positive relationship between perceived performance of the employees and all the independent variables were statistically significant ($p=0.000 < 0.05$).

Table 4: Relationship between dependent and independent variable

Model	B	Std. Error	Beta	T	Sig.
(Constant)	2.679	.373		7.181	.000
Working Condition	.189	.109	.109	1.726	.085
Pay and Promotion	.055	.093	.043	.588	.557
Fairness	.364	.098	.317	3.708	.000
Job Security	.035	.090	.030	.395	.693
Career Development Opportunities	.067	.067	.059	1.008	.314

- Dependent Variable:
Perceived Performance

Interpretation: From the table, it is seen that p- value is significant at five percent level of significance ($p < 0.05$). This result implies that there are significant relationships between all independent variable (i.e. Working Condition, Pay and Promotion, Fairness, Job Security, Career Development Opportunities) with dependent variable (i.e. perceived performance) as p- value is significant at 5 percent level of significance ($p < 0.05$).

Table 5: Regression analysis on Perceived Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.487 ^a	.237	.226	.897

a. Predictors: (Constant), Pay and Promotion, Working Condition, Career Development Opportunities, Job Security, Fairness

Source: SPSS

Interpretation: From the analysis, R- squared statistics and the adjusted R- squared statistics of the model was 23.7% and 22.6% respectively. The result indicates that the changes in the independent variables explain 22.6% of the changes in the dependent variable. That is Working Condition, Pay and Promotion, Fairness, Job Security, Career Development Opportunities explain 22.6% of the changes in Perceived Performance.

Table 6: Testing of Hypothesis

Hypothesis	Testing
Method	Result
There is a significant relationship between working condition and perceived performance.	Regression
Accepted	
There is a significant relationship between pay and promotion.	Regression
Accepted	
There is a significant relationship between job security and perceived performance.	Regression
Accepted	

Interpretation: From the analysis it is seen that all the hypotheses are accepted as all the beta coefficients are significant.

FINDINGS:

- A large number of respondents were satisfied about their job. Very small percentage of respondents was dissatisfied about different aspects of the pay package they receive from their bank. The job security/insecurity some respondent was secure about their jobs while

others were feeling insecure, whereas, respondents were completely satisfied too, but their ratio was very less as compared to those who were dissatisfied.

- The respondents responded that mostly employees were satisfied about the career development opportunities of their bank. Some people were also disposing their co-workers in their opinion; they were very less in percentage as compared to satisfied people.
- In this study, the analyses of variables that effect the job satisfaction of employees are similar to the study of Hoque's(2014). That is why the determinants which influence employees job satisfaction (i.e. Working Condition, Pay and Promotion, Fairness, Job Security, Career Development Opportunities) are consistent. But Hoque's (2014) had ignored the job performance which is the contradictory point between these two studies.
- In this study The Pearson correlation coefficient indicated that independent factor of employee job satisfaction is highly positively related with the employee's performance and the association is statistically significant ($p < 0.05$) therefore indicating that the hypothesis is supported i.e. there is a significant relationship between independent factor of employee job satisfaction and perceived performance.
- The study implies that there are significant relationships between all independent variable (i.e. Working Condition, Pay and Promotion, Fairness, Job Security, Career Development Opportunities) with dependent variable (i.e. perceived performance) as p- value is significant at 5 percent level of significance ($p < 0.05$).

CONCLUSION:

In this study determinants that influence the job satisfaction of employees are Working Condition, Pay and Promotion, Fairness, Job Security, Career Development Opportunities. It is proved from the study Pearson Correlation Coefficient indicated that independent factor of employee job satisfaction is highly positively related with the employee's performance and the association is statistically significant ($p < 0.05$) therefore indicating that the hypothesis is supported i.e. there is a significant relationship between independent factor of employee job satisfaction and perceived performance. In the same way, the regression analysis implies that significant relationships between all independent variable (i.e. Working Condition, Pay and Promotion, Fairness, Job Security, Career Development Opportunities) with dependent variable (i.e. perceived performance) as p- value is significant at 5 percent level of significance ($p < 0.05$). Further, future empirical studies should be included psychological linkage and extend the investigation to distinguish the dimensions of job satisfaction and employee job performance with increment of sample size and its scope.

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