

## **Factors Influencing Employees' Work Performance in Insurance Company: A Case Study on MetLife Alico in Bangladesh**

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### **Abstract**

*Performance is viewed as the implementation of an action or one's ability. Good performance is also related with achieving employees' efficiency and effectiveness. This study is qualitative in nature. The main aim of this study is to examine and compare the demographic and work related factors that influence employees' work performance in an insurance company situated in Bangladesh. For this purpose, 17 agencies of MetLifeAlico were contacted and studied. A sample of 100 of male and female employees responded properly among 120 respondents. The data have been analyzed by using SPSS software and a correlation analysis was done to see whether there were relationships between predictor variables and work performance. Chi-square test was applied to interpret the findings of study. A model has been developed in order to explain the relationship among demographic and work related factors and employees' work performance in this study. The results revealed that there is a positive and strong significant influence of rewards & promotion along with work & work environment (work related factors) on employees' work performance.*

**Keywords:** insurance company, demographic factors, work related factors, employees' work performance

### **Introduction**

Employees are the most precious asset in any organization. Employees' performance (EP) is an important factor that contributes to improve the productivity, behavior and traits of the employees. It is a multidimensional construct, the measurement by which varies depending on a variety of factors. According to Armstrong (2000), performance is indicated of behavior and outcomes. It helps to improve the productivity of the organization and identify similar factors that are closely related and affect the source of performance in the workplace. Clear goals and job expectations, suitable range, immediate feedback, skills to perform, knowledge regarding organizational task and structure, sufficient motivation through self satisfaction and incentives may be sources of performance. Efficiency and effectiveness are the components of performance apart from competitiveness and productivity and training is a way of increasing individual's performance (Cooke, 2000). A successful and highly productive organization can be achieved by improving employees' work performance. But, employees are not equal in their working strata and they have different approaches of working. Some of them have the highest capability while others may have an irregular achievement. If they are held onto effectively, the result can be greater productivity. It is required to generate their commitment to achieve a competitive advantage and improved performance for a prolonged period of time. Ornstein and Isabella (1990) found that age, job status and working hours have significant influence on employees' job

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performance. Therefore, job performance has become one of the significant indicators in measuring organizational performance and it is determined by financial figures, which can also be measured through the combination of expected behavior and task-related aspects that may be influenced by either demographic or work related factors.

Consequently, the structure of the paper begins with a review of some factors which are related to employees' work performance. Afterwards, researcher depicts methodology and then discusses the result in order to conclude with general remarks and possible guideline related to the development of employees' work performance. The researcher ends with a conclusion, that has the analyses and with a suggestion flowing from this study.

### **Background of the Organization**

MetLife, Inc. is the holding corporation for the Metropolitan Life Insurance Company. MetLife is among the largest global providers of insurance and employee benefit programs, with 90 million customers in over 60 countries. The firm was founded on March 24, 1868. On January 6, 1915, MetLife completed the mutualization process, changing from a stock life insurance company owned by individuals to a mutual company operating without external shareholders and for the benefit of policyholders. The company went public in 2000. MetLife holds leading market positions in the United States, Japan, Latin America, Asia's Pacific region, Europe, and the Middle East. MetLife is the largest life insurer in the United States and serves 90 of the largest fortune 500 companies. The company's principal offices are located at 1095 Avenue of the America in Midtown Manhattan, New York City<sup>1</sup>.

Established in the erstwhile East Pakistan in 195. it was the first and only international company which was granted a license to offer life and accident insurance in the country<sup>2</sup>. It has completed its acquisition of American Life Insurance Company (Alico) from American International Group, Inc. (AIG). Today, it is one of the leading insurance companies in the country, with close to 1,000,000 insured members and over 12,000 agents who understand the market better than anyone else<sup>3</sup>.

### **Theoretical Background**

Manager's attitude, organizational culture, personal problems, job content and financial rewards have positive impact on the performance of the employees except personal problems of the employees that hinders the performance of the employees (Rashid Saeed et al, 2013). (Iskandar Muda, Ahmad Rafiki and Martua Rezeki Harahap, 2014) stressed that both job stress and motivation variables have no partial effect on the employees' performance, whereas the communication variable has a partial effect on employee performance. A study revealed that organizational justice, work engagement, and public service motivation (PSM) have direct effects toward job performance (Korkaew Jankingthong and Suthinee Rurkkhum, 2012). (M. Krishna Moorthy, 2012) found that there is a significant positive relationship between the use of marketing information as well as the application of information technology and the performance of SMEs. (Abid Hussain et al, 2012) showed that there is no significant difference between performance of males and females. A study presented the factors that influence employee performance and

information systems development work in the context of e-government (Pin Luarn and Kuo-Liang Huang, 2009). Lubna Javed, Nida Javed (2013) revealed that positive working environment, opportunity of gaining quality experience, alignment of skills and job done by the employees and benefit packages have a significant effect on the motivation and the job performance. The result of a study showed that workplace features and good communication network at workplace have effect on worker's welfare, health, morale, efficiency, and productivity (Emmanuel Majekodunmi Ajala, 2012).

This paper is concerned with demographic factors such as gender, age, education ability, marital status and job experience and work related factors such as work and work environment, supervisor and supervision, work group, rewards and promotion. The discussion belonging to these factors individually are given below:

Larwood and Guket (1989) found that there is a difference between men and women about career development. John O. Ekore and Thomas Attah (2007) and Lynn et al. (1996) revealed that there was a significant difference between male and female work performance. Ornstein and Isabella (1990) argued that male performance better than female. Dodd-McCue and Wright (1996) found that the gender differences in job performance may be due to situational differences. Male significantly score higher on performance than female employees. Gender difference in job performance is caused by difference in work roles (Rosario et al., 1988; Sigmon, 1995).

Yearta (1995) found that age does not affect work performance. Smedley and Whitten (2006) argued that age could be also a potential factor for work performance. Shultz and Adam (2007) emphasized that there were significant differences between age groups concerning work performance. Kujala et al. (2005) indicated that younger people are insufficient on work performance but this is reverse of a study by Birren and Schaie (2001).

McBey and Karakowsky (2001) found that there is a fundamental relationship between education level and work performance. (Linz, 2002) argued that level of education is not to influence work performance. Ariss and Timmins (1989) emphasized that education affects work performance. The lower the education level, the less likely people would have better work performance. Borghans and Nelen (2009) suggested that younger employees have lower work performance compared to older workers. Rugai and Agih (2008) said that there is a significant relationship between the educational qualification and job performance. Qiao et al., (2009) found that the perception of married employees existence of work performance varies significantly more effected.

According to Bergmann (1986), people learn new skills and gather information that promotes future performance potential during work experience. An experience is an important predictor of job performance (Behrman and Perreault, 1984). Positive job characteristics will bring about three significant psychological states such as experienced meaningfulness, experienced responsibilities, and knowledge of results. These circumstances will ultimately lead to positive workplace outcomes. According to Richard (2003), corporate culture of an organization influences their perception of performance. Work environment motivates employees toward higher productivity. Brenner (2004) found that work environment designed to suit employee's pleasure and motivating employees towards higher productivity. Brill et al. (1984) ranked factors based on the significance such as furniture, noise, flexibility, comfort, communication, lighting, temperature and the air quality which affect productivity according to their importance.

Organ (1997) introduced organizational citizenship behavior, which is also known as the contextual performance or extra-role performance which has a prominent contribution to organizational effectiveness. Hage and Aiken (1967) found two important features of organizational structure are formalization and centralization. Organizational formalization as the level to which an organization precisely spells out rules and procedures related to jobs in different situations. This creates measures how extreme employees are supervised in ensuring the company's rules and regulations. Centralization deals with the amount of power distributed among employees in decisions on resource allocation and policy formation. Nasuridin et al, (2006) examined the influence of organizational structure (formalization and centralization) on job stress. It was found that formalization has a positive influence on job stress. Tata and Prasad (2004) suggested that fewer rules, policies, and procedures allow flexibility in teams' self-management, which eventually boost teams' effectiveness.

James (1996) found that the working as a team has significant impact on the pleasure level of employees as it affects their performance. Tata and Prasad (2004) pointed that there are three factors that may contribute to teams' effectiveness such as team leader experience, clear goals, and adequate resources. Different individuals have different perceptions of rewards. According to Agarwal (1998), "reward" is something that offered by the organization to the workers in response of their performance. Kline & Hsieh (2007) found that salary has a significant impact for increased performance. Incentive pay increased of workers performance (Bandiera et al., 2005). Managerial performance is possible by providing more incentives (Bandiera et al., 2007).

## Objectives

The main objective of this study is to identify the factor which is most responsible for employees' performance in an insurance company. The following are the specific objectives of the study:

- to identify and recognize the factors which determine employees' work performance;
- to examine the relationship between demographic and work related factors and employees' work performance;
- to construct a model exploring the relationship between demographic and work related factors and employees' work performance; and
- to suggest the employees to enhance their performance.

## Statement of Hypotheses

**H<sub>1</sub> : There exists relationship between demographical factors(such as age, gender, educational ability, marital status and work experience) and employees' work performance.**

H<sub>1a</sub>: There exists relationship between gender and employees' work performance.

H<sub>1b</sub>: There exists relationship between age and employees' work performance.

H<sub>1c</sub>: There exists relationship between education ability and employees' work performance.

H<sub>1d</sub>: There exists relationship between marital status and employees' work performance.

H<sub>1e</sub>: There exists relationship between work experience and employees' work performance.

**H<sub>2</sub> : There exists relationship between work related factors (such as work and work environment, supervisor and supervision, work group and reward & promotion) and employees' work performance.**

H<sub>2a</sub>: There exists relationship between work and work environment and employees' work performance.

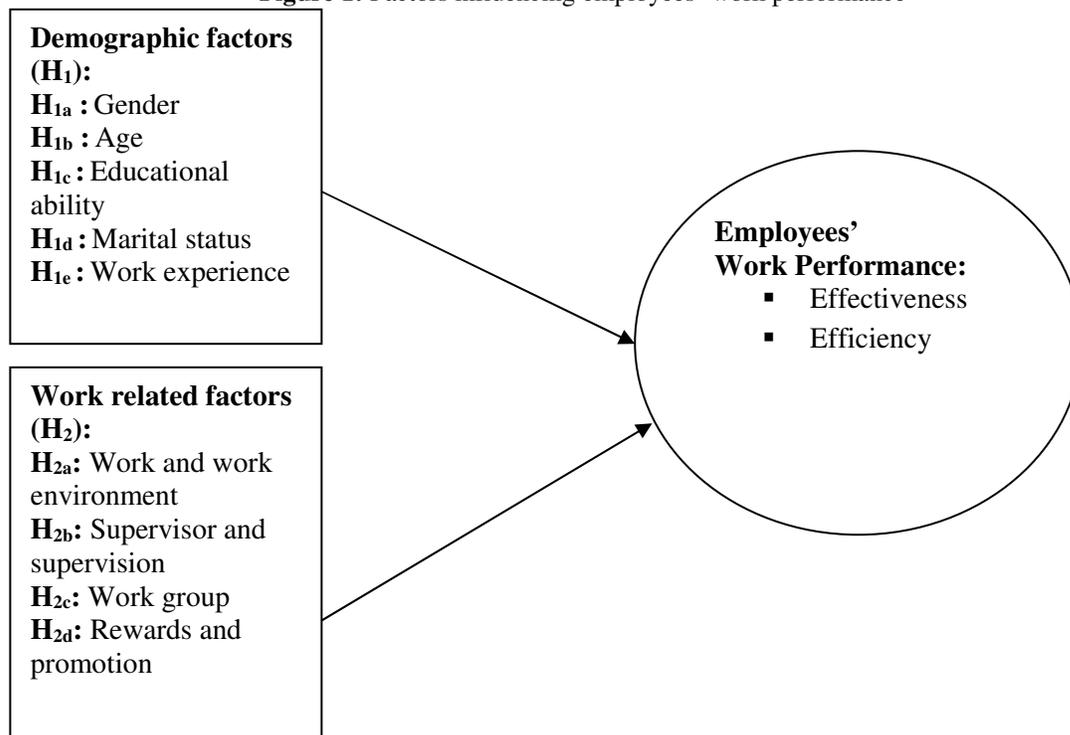
H<sub>2b</sub>: There exists relationship between supervisor and supervision and employees' work performance.

H<sub>2c</sub>: There exists relationship between work group and employees' work performance.

H<sub>2d</sub>: There exists relationship between reward and promotion and employees' work performance.

### Theoretical Framework of the Study

**Figure 1:** Factors influencing employees' work performance



### Methodology

This research is mainly based on primary data collected with a structured questionnaire designed on the basis of objectives and hypotheses. Likert-type five point scale has been used where value 1 is assigned to the answer strongly disagree, 2 to disagree, 3 to neutral, 4 to agree and 5 to strongly agree answer for each question. The questionnaire is divided into three parts. Demographic profile factors ( such as age, gender, educational ability, marital status and work

experience ) of the respondents is the first part, second part work related factors( such as work and work environment, supervisor and supervision, work group and Reward and promotion ) related questions are placed and part three employees work performance( such as effectiveness and efficiency) related questions are placed. A total of 120 employees have been surveyed using simple random sampling method. Data are collected from the different agencies in Bangladesh. On the other hand, secondary data have been collected from different articles and websites.

The following statistical techniques are applied to analyze the data:

1. Reliability analysis
2. Descriptive statistics (Mean and Standard deviation)
3. Correlation analysis
4. Regression analysis
5. Hypothesis Testing

For all analysis the statistical package SPSS version 20(IBM) has been used.

**Sampling Technique:** The populations for the study are all employees of MetLife Alico of Bangladesh. Among 1532 numbers of employees, a total of 120 respondents have been selected by using simple random sampling technique from Bangladesh. A total of 100 respondents filled up the questionnaire properly among 120 respondents. Their designations were different i.e. agency manager, assistant sales manager, branch manager, financial associate officer (ethics & compliance), sales manager, senior human resources officer, senior officer (accident & health), unit manager. They were working under different agencies. Name of the agencies are given below:

Table:1 Name of the Agencies

	Frequency	Percent
Abdul Matin Agency	6	6.0
Akash Agency	1	1.0
Aminur Agency	1	1.0
Atik Agency	4	4.0
Azim Agency	1	1.0
Elephant Road Agency	7	7.0
Ershad Agency	6	6.0
H.K.Khan Agency	5	5.0
Hakim Agency	7	7.0
Hossain Agency	15	15.0
Mahboob-ul-Alam Agency	12	12.0
Motijheel C.A	5	5.0
Mukul Agency	4	4.0
Parvin Agency	6	6.0
Rafiqul Agency	5	5.0
Subrata Agency	6	6.0
Zulfikar Agency	9	9.0
<b>Total</b>	<b>100</b>	<b>100.0</b>

Source: Field survey November-2013 to February-2014

## Results and Discussion

- 1. Reliability Analysis:** Reliability is the overall consistency of a measure. A measure is considered as a high reliability if it produces same results under consistent conditions<sup>4</sup>. One of the most popular reliability statistics in use today is Cronbach's alpha (Cronbach, 1951). Cronbach's (alpha) is used as a estimate of the reliability . It can be viewed as the expected correlation of two tests that measure the same construct<sup>5</sup>. Alpha coefficient ranges in value from 0 to 1 and may be used to describe the reliability of factors extracted from dichotomous (that is, questions with two possible answers) and/or multi-point formatted questionnaires or scales (i.e., rating scale: 1 = poor, 5 = excellent). The reliability is proportionate to the value of Cronbach's alpha. Nunnally (1978) indicated 0.70 to be an acceptable reliability coefficient but lower thresholds are sometimes used in the literature.:

**Table 2: Reliability Results**

Cronbach's Alpha	N of Items	No. of Respondents
.733	5 <sup>a</sup>	100
.860	4 <sup>b</sup>	100

Source: Field survey November-2013 to February-2014

- Predictors: Experience, Gender, Education ability, Marital Status, Age (demographic factors)
- Predictors: Reward and Promotion, Work and Work Environment, Work Group, Supervisor and Supervision (work related factors)

Table.2 shows the internal reliability, internal reliability of the instrument was checked by using Cronbach's alpha. The results of Cronbach alpha were 0.733(demographic factors) and 0.860(work related factors) which were above the stander presented by (Nunnally, 1978) that was 0.70. Therefore, this is cleared that the instrument used in this study had strong internal reliability and it could be used with confidence for the application of further statistical analysis and interpretation.

### Descriptive statistics (Mean and Standard deviation)

**Table-3: Demographic Profile of the Respondents**

Variables	Frequency	Percent	Mean	Standard Deviation
<b>Gender</b>			<b>1.00</b>	<b>.000</b>
male	97	97.0		
female	3	3.0		
Total	100	100.0		
<b>Age</b>			<b>2.36</b>	<b>.842</b>
18-24	7	7.0		
25-35	48	48.0		
36-45	34	34.0		

<b>Variables</b>	<b>Frequency</b>	<b>Percent</b>	<b>Mean</b>	<b>Standard Deviation</b>
46-above	11	11.0		
Total	100	100.0		
<b>Educational ability</b>			<b>3.36</b>	<b>.497</b>
Graduate	49	49.0		
Post Graduate	49	49.0		
Doctorate Degree	2	2.0		
Total	100	100.0		
<b>Marital Status</b>			<b>1.71</b>	<b>.469</b>
unmarried	17	17.0		
Married	83	83.0		
Total	100	100.0		
<b>Experience</b>			<b>3.21</b>	<b>1.762</b>
1-3	24	24.0		
4-5	20	20.0		
5-10	26	26.0		
11-15	11	11.0		
15-20	13	13.0		
20-above	6	6.0		
Total	100	100.0		

*Source: Field survey November-2013 to February-2014*

Table-3 shows that, out of 100 respondents, most of them (97%) were male and rest 3% were female. The mean score for respondents' gender is 1(standard deviation is 0.000). Table presents the age distribution of the respondents. 45 employees' age range were 25-35years, next highest 34 employees were in the range of age 36-45years, age range from 18 years to 24 years number of respondents is 7 and 11 respondents were above 46 years. So majority of the respondents belonged to young age group. The mean score for respondents' age is 2.36 (standard deviation is 0.842). Table visibly presents the educational level of the respondents. Table shows that among 100 respondents of the insurance company, it is found that 49 respondents were Post Graduate, 49 respondents were Graduate and only 2 were doctorate degree holder. The mean score for respondents' educational qualification is 3.36(standard deviation is 0.497). Above findings shows that majority of the respondents had graduation and above level of education. Table shows that most of the respondents of this study are married i.e 83 respondents were married employees and 17 were unmarried employees. The mean score for respondents' marital status is 1.71 (standard deviation is 0.469). A total number of 26 employees having 5 to 10 years experiences, 24employees having 1-3 years experience, 4-5 years experience having by 20 employees, 13 respondents having 15years to 20 yearsworking experience and 6 employees having above 20years working experience. The mean score for respondents' job experience is 3.21 (standard deviation is 1.762).

## Correlation Analysis

**Table 4: Correlation between demographic & work related factors and employees' work performance**

Variables	Pearson Correlation(r)	P-value
Gender	.049	.315
Age	.151	.067
Marital status	.097	.169
Educational ability	.242**	.008
Work experience	.179*	.037
Work and work environment	.357**	.000
Supervisor and supervision	.278**	.003
Work group	.180*	.036
Rewards and promotion	.350**	.000

\*Correlation is significant at the 0.05 level (2-tailed) \*\* Correlation is significant at the 0.01 level (2-tailed).

Source: Field survey November-2013 to February-2014

The analysis of the results indicate that there is a positive significant correlation between work experience and employees' work performance; work group and employees' work performance ( $r = 0.179$ ,  $p < 0.05$ ;  $r = 0.180$ ,  $p < 0.05$ ). This shows that employees' work performance is positively influenced by work experience and work group at the 5% level of significance. Previous study done by Kolz et al. (1998) proved that experienced people do have better work performance due to their huge amount of knowledge on the tasks. Cappelli and Ragovsky (1995); Jabroun and Balakrishnan (2000) noted that working experience has a significant impact on work performance.

There is a strong significant positive correlation between educational ability and employees' work performance; work and work environment and employees' work performance; supervisor and supervision and employees' work performance; rewards and promotion and employees' work performance ( $r = 0.242$ ,  $p < 0.01$ ;  $r = 0.357$ ,  $p < 0.01$ ;  $r = 0.278$ ,  $p < 0.01$ ;  $r = 0.350$ ,  $p < 0.01$ ). A contradictory result has been found by Linz (2002), level of education was also found not to influence work performance. Income is really an important motivator for work performance. A study done by Dieleman et al. (2003) showed that work performance is influenced by both financial and non-financial incentives. According to Adams, (1965) people are motivated to seek social equity in the rewards they receive for high performance. He suggests that the outcome from job includes; pay recognition, promotion, social relationship and intrinsic reward.

But there no positive association between gender and employees' work performance; age and employees' work performance; marital status and employees' work performance because p values are greater than 0.05. A study supported by Yeara (1995), age does not affect work performance, thus it contradicts with what have been revealed by Smedley and Whitten (2006), who suggested that difference of age could be also a potential factor for work performance. A study by Shultz and Adam (2007) indicated that there were significant differences between age groups concerning work performance. In terms of relationship between gender and work performance, previous studies (Crawford and Nonis, 1996 and Shaiful Anuar, et al, 2009) reported that gender did not have a significant impact on work performance. Gatton (1999) argue that the gender differences in job performance may be due to situational differences.

## Regression Analysis

Regression analysis is a statistical process for estimating the relationships among variables ([http://en.wikipedia.org/wiki/Regression\\_analysis](http://en.wikipedia.org/wiki/Regression_analysis)). In this context, a regression was performed; the overall model fit for regression equation was determined by *F* statistics. The model indicates positive and statistically significant relationship. To test how well the model fit the data and findings, R, R<sup>2</sup> (Coefficient of determination), variance, analysis of variance (ANOVA) and the *t* statistic were used. In order to prove the impact of each independent variable on dependent variable and to check the hypothesis developed linear regression analysis was applied. Results of linear regression analysis are presented in table 5.

**Table 5: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.258 <sup>a</sup>	.067	.017	21.902	.067	1.340	5	94	.254
2	.423 <sup>b</sup>	.179	.144	20.438	.179	5.161	4	95	.001

a. Predictors: (Constant), Experience, Gender, Education ability, Marital Status, Age (demographic factors)

b. Predictors: (Constant), Reward and Promotion, Work and Work Environment, Work Group, Supervisor and Supervision (work related factors)

From above calculation model 1 shows that *r* is 0.258 ( $p > 0.05$ ). So, there is no significant correlation between dependent variable and independent variable which implies demographic factors do not positively influence employees' work performance. The value of  $r = 0.258$  means that gender, age, marital status, education ability and job experience 25.8% correlated with employees' work performance. The value of R Square is 0.179 which means dependent variables are 6.7% changed by independent variables.

From above calculation model 2 shows that the R value is 0.423 ( $p < 0.01$  and 0.05). So, there is a significant positive correlation between dependent variable and independent variable which implies work related factors significantly influence employees' work performance. The value of  $r = 0.423$  means that reward and promotion, work and work environment, work group and supervisor and supervision 42.3% correlated with employees' work performance. The value of R Square is 0.179 which means dependent variable is 17.9% changed by independent variable.

**Table 6: ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3214.458	5	642.892	1.340	.254 <sup>b</sup>
	Residual	45090.182	94	479.683		
	Total	48304.640	99			
2	Regression	8622.790	4	2155.697	5.161	.001 <sup>c</sup>
	Residual	39681.850	95	417.704		
	Total	48304.640	99			

a. Dependent Variable: Employees' work Performance

b. Predictors: (Constant), Experience, Gender, Education ability, Marital Status, Age (demographic factors)

c. Predictors: (Constant), Reward and Promotion, Work and Work Environment, Work Group, Supervisor and Supervision(work related factors)

Based on the ANOVA test, it is revealed that the P value of model 1 is 0. 254. So, it accepts the null hypothesis at 5% level of significance. It means there is no positive significant relationship between dependent variable and independent variable. It explains that demographic factors (experience, gender, education ability, marital status, age) do not significantly influence of employees' work performance. On the other hand, the P value of model 2 is 0.001. So, it rejects the null hypothesis at 1% level of significance. It means that there is a highly significant positive relationship between dependent variable and independent variable which implies that demographic factors (reward and promotion, work and work environment, work group and supervisor and supervision) significantly influence of employees' work performance.

**Table 7: Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	75.983	22.400		3.392	.001
	Gender	6.288	13.340	.049	.471	.638
	Age	.461	3.668	.016	.126	.900
	Education ability	1.090	4.386	.027	.249	.804
	Marital Status	10.782	7.073	.184	1.524	.131
	Experience	1.175	1.897	.081	.619	.537
2	(Constant)	11.279	23.607		.478	.634
	Work and Work Environment	.400	.186	.240	2.146	.034
	Supervisor and Supervision	.104	.169	.069	.614	.540
	Work Group	-.063	.159	-.043	-.399	.690
	Reward and Promotion	.361	.179	.233	2.014	.047

a. Dependent Variable: Employees' work Performance

**Model-1:** Coefficient analysis shows the relationship between dependent variable and each independent variable.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \dots + \beta_n X_n$$

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \epsilon$$

$$Y = 75.983 + 6.288X_1 + 0.461X_2 + 1.090X_3 + 10.782X_4 + 1.175X_5 + \epsilon$$

From the above table, it is showed that constant value is 75.983, gender of the respondents =X<sub>1</sub>, β<sub>1</sub> of gender of the respondents is 6.288 and it implies that employees' work performance can be changed 6.288 by gender of the respondents; β<sub>2</sub> of age of the respondents is 0.461, its means that employees' work performance can be changed 0.461 by age of the respondents; Education ability of the respondents =X<sub>3</sub>,

B<sub>3</sub> of education ability of the respondents is 1.090 and Its means that constant value is 75.983 and employee work performance can be changed 1.090 by education ability of the respondents; Marital Status =X<sub>4</sub>, and β<sub>4</sub> of marital status is 10.782, employees' work performance can be

changed 10.782 by marital status; experience of the respondents =X<sub>5</sub>, β<sub>5</sub> of experience of the respondents is 1.175. Its means employees’ work performance can be changed 1.175 by experience of the respondents.

**Model-2:** Coefficient analysis shows the relationship between dependent variable and each independent variable.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \dots + \beta_n X_n$$

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

$$Y = 11.279 + 0.400X_1 + 0.104X_2 + (-0.063) X_3 + 0.361X_4 + \epsilon$$

Above table shows that work and work environment =X<sub>1</sub>, β<sub>1</sub> of work and work environment is 0.400 and constant value is 11.279 which implies employees’ work performance can be improved 40% by work and work environment; Supervisor and supervision =X<sub>2</sub>, β<sub>2</sub> of supervisor and supervision is 0.104 which implies employees’ work performance can be improved 10.4 % by supervisor and supervision; Work group =X<sub>3</sub>, β<sub>3</sub> of work group is -0.063 which means employees’ work performance can be changed 6.3% by work group; Reward and promotion =X<sub>4</sub>, β<sub>4</sub> of reward and promotion is 0.361 which implies employees’ work performance can be improved 36.1% by reward and promotion.

**Hypothesis Testing:** The chi-squared distribution is used in the common [chi-squared tests](http://en.wikipedia.org/wiki/Chi-squared_distribution) for [goodness of fit](http://en.wikipedia.org/wiki/Chi-squared_distribution) of an observed distribution ([http://en.wikipedia.org/wiki/Chi-squared\\_distribution](http://en.wikipedia.org/wiki/Chi-squared_distribution)). A chi-square test is a statistical test commonly used for testing independence and goodness of fit. Testing independence determines whether two or more observations across two populations are dependent on each other (<http://www.chegg.com/homework-help/definitions/chi-square-test-31>).

**Table-8: Chi-square test statistics output**

Variables		Value	df	Asymp. Sig.(P Value)
<b>Demographic Factors (H<sub>1</sub>)</b>	Gender of the Respondents ( <b>H<sub>1a</sub></b> )	88.360	1	0.000
	Age of the Respondents ( <b>H<sub>1b</sub></b> )	45.200	3	0.000
	Education ability of the respondents ( <b>H<sub>1c</sub></b> )	44.180	2	0.000
	Marital Status ( <b>H<sub>1d</sub></b> )	43.560	1	0.000
	Experience of the respondents ( <b>H<sub>1e</sub></b> )	18.680	5	0.000
<b>Work Related Factors (H<sub>2</sub>)</b>	Work and Work Environment( <b>H<sub>2a</sub></b> )	74.600	14	0.000
	Supervisor and Supervision( <b>H<sub>2b</sub></b> )	111.500	24	0.000
	Work Group( <b>H<sub>2c</sub></b> )	100.600	9	0.000
	Reward and Promotion( <b>H<sub>2d</sub></b> )	63.080	8	0.000

Source: Field survey November-2013 to February-2014

The above figure indicates that all the p-values are less than 0.01 and 0.05. So, here alternative hypotheses are accepted and it can be inferred that all independent variables (gender, age Education ability, marital status, experience, work and work environment, supervisor and supervision, work group and reward and promotion) have significant effect on the employees’

work performance at 1% as well as 5% level of significance. The result of hypotheses are summarized and showed below:

**Table 9: Summary of the results of the Hypotheses:**

<b>Hypotheses</b>	<b>Description</b>	<b>Results</b>
<b>H<sub>1</sub> :</b>	<b>There exists relationship between demographical factors (such as age, gender, educational ability, marital status and work experience) and employees' work performance.</b>	<b>Strongly Accepted</b>
H <sub>1a</sub>	There exists relationship between gender and employees' work performance.	Strongly Accepted
H <sub>1b</sub>	There exists relationship between age and employees' work performance.	Strongly Accepted
H <sub>1c</sub>	There exists relationship between education ability and employees' work performance.	Strongly Accepted
H <sub>1d</sub>	There exists relationship between marital status and employees' work performance.	Strongly Accepted
H <sub>1e</sub>	There exists relationship between work experience and employees' work performance.	Strongly Accepted
<b>H<sub>2</sub> :</b>	<b>There exists relationship between work related factors (such as work and work environment, supervisor and supervision, work group and reward and promotion) and employees' work performance.</b>	<b>Strongly Accepted</b>
H <sub>2a</sub>	There exists relationship between work and work environment and employees' work performance	Strongly Accepted
H <sub>2b</sub>	There exists relationship between supervisor and supervision and employees' work performance.	Strongly Accepted
H <sub>2c</sub>	There exists relationship between work group and employees' work performance.	Strongly Accepted
H <sub>2d</sub>	There exists relationship between reward and promotion and employees' work performance	Strongly Accepted

## **Conclusion**

The study results indicate that there is a positive and statistically significant impact of work related factors on employees' work performance in Bangladesh. The regression analysis results demonstrate that work related factors have a strong significant relationship to employees' work performance in Metlife Alico. In this study four work related factors were hypothesized that may influence the employees' work performance. The results suggest that work related factors, namely reward and promotion, work and work environment, work group, supervisor and supervision are related to employees' work performance. Thus, empirical results of this study generally support the hypotheses and corroborate the findings of other researchers. This is indeed important as education and salary are among the main contributors to high work performance as proved by Kahya (2007).

**Hypothesis (H<sub>1</sub>)** stated that there exists relationship between demographic factors (such as H<sub>1a</sub>: gender; H<sub>1b</sub> age; H<sub>1c</sub> education ability; H<sub>1d</sub>: marital status; H<sub>1e</sub>: work experience) and employees' work performance. From chi-square test, it is proved that there is a positive relationship between demographic factors (such as H<sub>1a</sub>: gender; H<sub>1b</sub> age; H<sub>1c</sub> education ability; H<sub>1d</sub>: marital status; H<sub>1e</sub>: work experience) and employees' work performance. But from the Regression analysis, it is stated that, the p value of demographic factors is greater than 5% which implies there is a relationship between demographic factors and employees' work performance, yet it is an insignificant one. From the correlation analysis, it is revealed that among five factors, that are related to demography, only two factors e.g. educational ability( $r= 0.242$ ,  $p= 0.008$ ) and work experience( $r=0.179$ ,  $p=0.037$ ) have significant impact on improving employees' work performance. So, it can be concluded that, there is an insignificant impact of demographic factors to improve employees' work performance, but individually, there is a moderate significant impact of educational ability and work experience on improving employees' work performance.

**Hypothesis (H<sub>2</sub>)** stated that there exists relationship between work related factors (such as H<sub>2a</sub>: work and work environment; H<sub>2b</sub>: supervisor and supervision; H<sub>2c</sub>: work group and H<sub>2d</sub>: reward and promotion) and employees' work performance. From chi-square test, it is proved that there is a positive and significant relationship between work related factors (such as H<sub>2a</sub>: work and work environment; H<sub>2b</sub>: supervisor and supervision; H<sub>2c</sub>: work group and H<sub>2d</sub>: reward and promotion) and employees' work performance. From the regression analysis, it is found that, the p value of work related factors is lower than 5% which implies there is a positive and significant relationship between work related factors and employees' work performance.

It is stated that work and work environment (H<sub>2a</sub>) positively and significantly influence the employees' work performance. In this study, it was found that effective work and work environment in Metlife Alico had a positive effect on employee job performance with a coefficient of .400 ( $p < .05$ ). The result of this study indicates that work and work environment had a positive impact on employees' work performance as it explained 40.00 per cent of total variance. It is supported by research conducted by Brown et al. (1996) that a motivational and empowered work environment influences employee's feelings toward work positively and improves work performance. It is also stated that reward and promotion (H<sub>2d</sub>) positively and significantly influence the employees' work performance. In this study it was found that effective reward and promotion in Metlife Alico in Bangladesh had a positive effect on employee job performance with a coefficient of .361 ( $p < .05$ ). The result of this study indicates that reward and promotion had a positive impact on employees' work performance as it explained 36.10 per cent of total variance. This is supported by Czaja et al. (1995), and Sharkey and Davis (2008). Torgler et al., (2006) also found that the higher the income, the better the performance, for the employees.

From the correlation analysis, it is revealed that among four work related factors, all work related factors e.g. H<sub>2a</sub>: work and work environment ( $r= 0.357$ ,  $p= 0.000$ ); H<sub>2b</sub>: supervisor and supervision( $r= 0.278$ ,  $p= 0.003$ ); H<sub>2c</sub>: work group ( $r= 0.180$ ,  $p= 0.036$ ) and H<sub>2d</sub>: reward and

promotion( $r= 0.350$ ,  $p= 0.000$ ) have significant impact on improving employees' work performance. So, it can be concluded that there is a moderate significant impact of work related factors on improving employees' work performance.

### Suggestions of the Current Study

This research is based on only one insurance company named MetLife Alico and it is also limited to some agencies of Bangladesh. Therefore, it is required to develop a comprehensive study in order to gain clear understanding about factors those are responsible, to gain high work performance of insurance company. The current study offers a guideline to the insurance companies about how they will increase their employees' work performance. Organizations should not emphasize on such factors as age, gender and marital status as they have little influence on employee performance. On the other hand, nature of work and work environment; rewards and promotion have great amount of influence on improving employees' work performance. So, insurance companies should place due emphasis on these two factors to retain and increase the employees' effectiveness and efficiency.

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