

## **Job Satisfaction of Bankers and its Impact in Banking: A Case Study of Janata Bank**

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### **Abstract**

*This paper attempts to find out the level of job satisfaction of the bankers of Bangladesh. In this study 50 bankers from different areas of Janata Bank Limited (JBL) were selected without considering their demographic variables and both parametric and non-parametric statistical analysis has been conducted to draw its conclusion. This paper reveals that the job satisfaction of the bankers mainly depends on some aspects like: salary, promotion, supervision, benefits, rewards, operating procedure, co-worker, nature of work, communication etc. It is exhibited that the overall job satisfaction of the bankers is prevailing in JBL although in some of the aspects or areas they are not satisfied such as salary, promotion and benefits. The overall results of the study shows that services of the officers of the JBL are significantly satisfactory. This study concluded that the authority of JBL should be careful in maintaining the areas where the bankers are at satisfactory level and improve those areas where they are dissatisfied. Creating a win-win solution to achieve more effective performance by the employees in the banking sector is essential for development of the economy of Bangladesh.*

**Key words:** job satisfaction, productivity, economic development, performance, talent, working environment, working condition, workforce, turnover, co-worker, win-win etc

### **Introduction**

Job satisfaction is a set of favorable environment that affects both administrative and emotional feelings with which employees consider friendly/congenial for their work. Locke (1976) has defined job satisfaction as the pleasurable emotional state resulting from the appraisal of one's job or job experiences. High productivity and job satisfaction are closely related. A set of highly satisfied employees can guide an organization to the peak of its success. Rust et al. (1996) suggested that intention to remain employed in an organization is strongly influenced by the level of employee satisfaction and that overall employee satisfaction is driven by satisfaction by managerial processes related to employee welfare.

In the recent years banking sector has been able to attract young talents who have chosen banking profession as their preferred career. The nature of work is changing at whirlwind speed, and the factors that keep an employee satisfied with his or her job is also changing. Contemporary banking business considers the job of satisfying their employees most important for retaining their valuable skilled workforce (Islam and Hasan, 2005).

Rousseau (1995) and Ryness (1993) found that potential employees make their decisions based on their perception of their values that the organization will place on them. The first few months

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with a company are critically important. The introduction that new employees receive, makes a lasting impact on their perception of the organizational management team. Similarly the first few days on the job can affect the individual tendency to leave or stay (Graham and McKenzie, 1995). Employees' desires are perceived as being satisfied when the organization meets or exceeds their expectations (Hackman and Oldham, 1976; Hannay and Northam, 2000; Locke, 1976; Rust et al., 1996).

Employees who can relate to the organization's product or services can more easily relate to the organizational culture and make the necessary adjustment to become an active member of that culture (Coleman and Kleiner, 1999). These studies tend to support the paradigm that viewing the employee as a customer is much more important than is generally perceived by management. This viewpoint is also important to an effective house training program. The employees confess that employee satisfaction will improve if the types of training program they require are developed for themselves and thus their needs be better met.

Nocera and Kolb (1998) examine the effect of relationship between supervisor and their subordinates on their considerations and job satisfaction. Their findings suggested that supervisor-subordinate relationships are sociologically significant and may help to reduce turnover. Increasing employee satisfaction may reduce employee turnover within an organization. Information Week survey reported that the challenges of the job and the responsibility associated with it tend to matter more than the salary (Hannay and Northam, 2000; Mateyaschuk, 1999).

Work environment appears to be one of the best predators of job satisfaction (Rust et al., 1996). According to Benders and Van De Looj (1994) there is no direct relation between job satisfaction and salary. Their research suggested that younger employees have a greater tendency to quit their jobs than older employees and demonstrate a greater tendency to be willing to work overtime. Younger employees also tend to be less satisfied with their salary.

Vernon (1931) found that the need satisfaction studies emphasized that if the job failed to gratify employee's needs of various categories, need-deprivation would tend to cause absenteeism. Fair salary, pleasant working conditions, good team-work, participation, feeling of belongingness, opportunity for conversation, and ego-involvement were observed as factors that affect the level of job satisfaction.

The different studies found different aspects as determinants of job satisfaction. Majority of the studies revealed that level of job satisfaction highly depends on handsome salary, congenial promotional policy, supportive working environment etc. In addition to these, organizational culture, relation with colleagues and superior, participation in decision making etc also have influence on the level of job satisfaction. But this study investigates some new aspects such as nature of work, attitudes of supervisors, communication system etc which also have an impact on the level of job satisfaction.

### **Objectives of the Study**

The objectives of the study are as follows:

1. To measure the level of job satisfaction of the grade-I bankers;
2. To identify the key factors or determinants of job satisfaction of the bankers; and
3. Finally, to make recommendations policy for the improvement of job satisfaction level of individual and organizational perspective of the bankers.

## **Methodology of the Study**

### ***Samples***

In this study 50 officers were randomly selected from different branches under Dhaka, Chittagong, Khulna, Sylhet, Rajshahi and Barishal divisional offices of Janata Bank Limited (JBL). No demographic variables such as age, experience, sex etc were considered in selecting the sample. The study was conducted on four different levels of officers like Officer, Senior Officer, Principal Officer and Senior Principal Officer.

### ***Variables studied***

#### **a) Independent variables:**

- (i) **Demographic variables:** Age, Experience, Education and Wage
- (ii) **Organizational variables:** Pay, Promotion, Rewards, Nature of work, Co-workers, Supervisors, Benefits and Communication system.

#### **b) Dependent variables:**

- (i) Job satisfaction.

### ***Measuring instruments***

A four step Likert scale was used to measure the level of job satisfaction of the officers of Janata Bank Limited. The responses of respondents were categorized into four group and given them weight from minimum 1 to maximum 4; then assigned point 1 for the response 'strongly disagree'; 2 for 'disagree'; 3 for 'agree' and 4 for 'strongly agree'. After getting the responses on different organizational variables, the responses of each variable were multiplied by the respective point, to get the overall value or significance of each organizational variable. Then these values were used to calculate the mean values and standard deviations to measure the level of job satisfaction on different aspects.

Likert scale is the measurement of attitudes designed to allow respondents to rate how strongly they agree or disagree with carefully constructed statements, ranging from very positive to very negative attitudes towards same object. In this study Likert scale was used to measure the job satisfaction level (attitude towards the job) because attitude is usually measured with an interval scale and where more than five factors are considered to draw a conclusion. Attitude takes on meaning when one person's response is compared to another or through some other comparison. A single attitude score alone contain little useful information. So in this study Likert scale was more appropriate to measure the level of job satisfaction of the JBL bankers

### ***Collection of data***

A well-structured questionnaire was prepared for the purpose of collection of data. This study followed both personal survey and mailed questionnaire. Due to the recent change of bank from Janata Bank to Janata Bank Limited, sample respondents did not feel free in answering. It was possible to get answer after assuring them about confidentiality. Some information from secondary sources like – books, articles, and different published materials has been collected to interpret the study.

**Processing of data**

The collected data were tabulated and processed through computer using SPSS software. Before feeding data into computer, all data were converted into numerical codes.

**Statistical tools used**

Both parametric and non-parametric statistics were used to analyze the collected data. The statistical tools used in this study are:

- a) **Descriptive statistics:** Simple percentages were calculated to identify the perceived causes of job satisfaction. Mean, standard deviations were calculated to study the frequency distribution of the sample.
- b) **t-test:** t-ratio was computed to find whether the employees are significantly satisfied or dissatisfied.

**Results and Discussion**

The results of the study are presented below:

**Table 1: Responses on the different factors of Job Satisfaction & Statistical Analysis**

Sl no.	Criteria/Org. Variables	Respondents	Strongly disagreed	Disagreed	Agreed	Strongly agreed	Mean ( $\bar{x}$ )	s.d. ( $\sigma$ )
1	Salary	(f)	13	23	12	2	2.06	0.8184
		(%)	26	46	24	4		
2	Promotion	(f)	12	31	7	0	1.90	0.6145
		(%)	24	62	14	0		
3	Supervision	(f)	0	6	29	15	3.18	0.6289
		(%)	0	12	58	30		
4	Benefits	(f)	4	21	16	9	2.60	0.8806
		(%)	8	42	32	18		
5	Rewards	(f)	2	27	21	0	2.38	0.5675
		(%)	4	54	42	0		
6	Operating procedure	(f)	2	18	25	5	2.66	0.7174
		(%)	4	36	50	10		
7	Co-worker	(f)	0	4	30	16	3.24	0.5911
		(%)	0	8	60	32		
8	Nature of work	(f)	0	1	28	21	3.40	0.5345
		(%)	0	2	56	42		
9	Communication	(f)	0	10	23	17	3.14	0.7287
		(%)	0	20	46	34		

Source: Own calculation from Primary data.

The above table revealed that 26% of the sample officers strongly disagreed with their present salary, 46% disagreed with their pay, 24% agreed with their pay and 4% strongly agreed with their pay. The mean ( $\bar{x}$ ) value 2.06 which is lower than scaled mean 2.50 indicates

dissatisfaction. Similarly, in case of present promotion policy, 24% officer strongly disagreed with their present promotion system, 62% disagreed with their promotion and 14% agreed with their promotion system. The mean ( $x$ ) value 1.90 which is lower than scaled mean 2.50 indicates dissatisfaction.

The table discovered that 12% officer disagreed with the cordial supervision and helpful professional development, 58% agreed with the supervision and 30% strongly agreed with their cordial and helpful supervision. The mean ( $x$ ) value 3.18 which is high enough of the scaled mean 2.50 indicates satisfaction. In the same way, regarding the present benefit system, 8% officer strongly disagreed with their present benefits system (insurance, vacation, and other fringe benefits), 42% disagreed with their benefits, 32% agreed and 14% strongly agreed with their present benefits system. The mean ( $x$ ) value 2.60 which is above of the scaled mean 2.50 indicates satisfaction.

The study also discovered that 4% officer strongly disagreed with their institutional contingency rewards, 54% disagreed with their reward, 42% agreed and 14% strongly agreed with their contingency rewards. The mean ( $x$ ) value 2.380 which is below of scaled mean 2.50 indicates dissatisfaction.

The above table revealed that 4% officer strongly disagreed with the institutional operating procedure, 36% disagreed with their operating procedure, 50% agreed with the existing operating procedure and 10% strongly agreed with the operating procedure. The mean ( $x$ ) value 2.66 which is above of the scaled mean 2.50 indicates satisfaction. Similarly, data table revealed that 8% disagreed with their co-worker's good and helpful attitudes towards work, 60% agreed with the co-worker's helpful attitude and 10% strongly agreed with the co-worker's good and helpful attitudes to work. The mean ( $x$ ) value 3.24 which is above of the scaled mean 2.50 indicates satisfaction.

The above table revealed that no officer strongly disagreed with their nature of work but they really enjoy their job, only 2% disagreed with their nature of job, 56% agreed with the nature of job and 42% strongly agreed with their nature of job. The mean ( $x$ ) value 3.40 which is higher than scaled mean 2.50 indicates satisfaction. Finally, the study revealed that no officer strongly disagreed with the institutional communication (sharing of information within the organization) system, 20% disagreed with their communication system, 46% agreed with their existing communication system and 10% strongly agreed with the institutional communication system. The mean ( $x$ ) value 3.14 which is above of the scaled mean 2.50 indicates satisfaction.

**Table-2: Statistical analysis on overall findings of Job Satisfaction**

<i>n</i>	<i>Mean</i> ( $\bar{x}$ )	<i>S.D.</i> ( $\sigma$ )	<i>t</i>	<i>d. f.</i>	<i>Sig.</i>
50	24.52	3.6825	47.083	49	0.000

From the result of this study it is revealed that the overall satisfaction of the officers of Janata Bank Limited (JBL) is at the satisfactory level. But from the analysis of the individual aspect of job three areas (promotion, salary and benefits) are identified sources of dissatisfaction. On the other hand, six different aspects of job areas (supervision, operating procedure, co-workers, reward, nature of works and communication system) are identified as sources of satisfaction. The overall result of the study shows that the officers of JBL are significantly satisfied.

### **Recommendations to Improve the Level of Job Satisfaction**

The recommendations for Policies for improvement of the level of job satisfaction of Janata Bank officers are as follows:

- a) This study discovered three major areas of dissatisfaction. These are: salary, promotion and benefits. The dissatisfaction regarding promotion is serious than any other issue. It is true that the promotion opportunity is narrower in the upper levels. In spite of this the authority should think positively and take care of it so that the dissatisfaction level can be reduced at least up to an acceptable level.
- b) Salary is the primary and most important factor for satisfaction. It should be high enough to maintain the living standard of employees. The authority should consider that salary structure and benefits should be reasonable and comparable with that of other banks and /or other similar institutions.
- c) The bank should have a transparent standing policy for promotion of employees so that an officer not getting promotion can clearly understand the causes behind it and may devote him to be fit for promotion. So that they can improve their working standard with a competitive attitude to make themselves fit for the future promotion.
- d) In addition to salary, there are some kinds of benefits such as insurance coverage, leave and other fringe benefits. There should be maintaining equality for every level of officers in providing these benefits.
- e) The study determined six areas of job satisfaction of JBL officers. They are: supervision, rewards, operating procedure, co-workers, nature of work and communication system. The bank authority should be careful to maintain this trend, so that the level of job satisfaction can prevail in the minds of officers.
- f) A congenial and supportive atmosphere should be maintained in the working place so that officers can enjoy their job. The helpful attitude of co-workers to each other should be maintained.
- g) Operating procedure of the bank should be simple and transparent. The employees should feel at home and find satisfaction in their job if the working procedure is easily

understandable to them. In this regard provisions in service training and guidance should be provided to perform banking job efficiently.

- h) Sharing of information among different divisions within the organization should be possible; so that the employees feel belongingness.
- i) All the superiors at each level should be cordial and friendly to their subordinates.
- j) There should be provision for different kind of rewards for better performance. It will encourage them to take responsibility and also will improve their willingness to perform better.

### **Conclusion**

Janata Bank Limited like other banks plays a vital role, in the development process of the country through financing industrial and agricultural process, local and foreign trade, and allocation of funds to various off-firm employment and self-employment projects. In the investment arena of the country JBL plays important role by mobilizing people's savings into the form of deposits. The performance of a bank mostly depends upon the level of its customer satisfaction. Bank, as a service oriented organization, will lose confidence of the clients if it fails to serve them properly. Any problem related to customer service causes customer dissatisfaction. Everybody will confess the truth that a set of dissatisfied employees can't satisfy its customers perfectly. Privatization of national bank is not a solution for making a bank profitable rather job satisfaction of officers is important. So the JBL authority should concentrate to build a set of satisfied employees. It must be admitted and appreciated because total success of the bank depends on the employees' performance, efficiency, honesty, diligence and integrity. So special care should be taken to increase and maintain their level of job satisfaction and thereby assist them to increase their efficiency and productivity since they are playing a vital role in the economic development of the country.

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