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What Factors affecting to the Job Satisfaction of Non-Employees in Colombo District Commercial Banks, Sri Lanka

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Abstract

Area of the Study

This study attempts to identify the factors affecting to the job satisfaction of the non-executives in the commercial banks in Colombo district.

Problem of the Study

There is no any empirical research finding of the factors affecting to job satisfaction of non-executives in the commercial banks. Therefore, the main objective of this research is to find out the factors affecting to job satisfaction of the non-executives in the commercial banks.

Method of the study

Using simple random sampling method, primary data were collected from 354 non-executives from the commercial banks in Colombo District. Structured questionnaire which consisted of 36 questions with five point Likert scales was used to collect the data and participants' responses were analyzed using SPSS (Version 16). The data were analyzed using univariate and bivariate analyses.

Findings of the Study

The major finding of the study is that there is a positive relationship between the factors of pay, relationship with supervisor, relationship with co-workers, opportunities for promotion, working condition with the satisfaction of non-executives in the commercial Banks in Colombo District.

Conclusion of the Study

The main conclusion of the study is that management of the commercial banks has to consider the different factors of the non-executives for their job satisfaction and make necessary arrangement for upgrading those factors.

Keywords: Job Satisfaction, Non-Executives, Commercial Banks

Introduction

Human capital is the most important strategic resource for any organization in attaining organizational goals. According to Opatha (2009) generic purpose of Human Resource Management is to generate and maintain suitable and satisfied workforce who can give highest contribution to the organizational success (Opatha 2009). Retaining the best talented employees and keeping satisfied employees lead to strengthening of the corporate strategies. And also it leads to better organizations, dynamic work groups, sustainable survival and development in the increasingly competitive global environment. According to Phillips and Connell (2003) job satisfaction can be defined as “*the degrees to which employees are*

content with the job that they perform". They elucidated that job satisfaction encompasses of five factors, which are satisfaction with the work itself, salary, opportunity for promotion, supervision, and relationship with colleagues. Moreover, according to McCann (2002) various demographic factors such as age and gender will also affect job satisfaction among the employees. Hence, employees' job satisfaction has been most frequently investigated variable in many organizations (Hong et al. 2013).

The role of the commercial banking sector for the day to day and development of general economy and the society are significant. There are 23 numbers of private commercial banks in Sri Lanka (Central Bank Report 2014). According to Weerasinghe and Batagoda (2010) majority of the workforce in the commercial banking sector are non-managerial employees who oblige to do too many duties. The work behaviors and attitudes of non- executives in the banking sector have a great significance for raising the point of service quality and in turn the point of marketing achievement. Job satisfaction is one of the momentous drivers of performance among forefront service employees. Therefore, it may be inferred that customer satisfaction depends on employee satisfaction.

For the success of banking, it is very essential to manage human resource successfully and to find whether its employees are satisfied or not. Efficient human resource management and maintaining higher job satisfaction level of the banking employees conclude not only the performance of the bank but also affect the growth and performance of the entire economy (Thakur 2007).

According to Jahufer (2014) job satisfaction means employee satisfaction and employee is one of the main factors of the organization accomplishment. No organization can succeed without a definite degree of employee satisfaction. Job satisfaction can be influenced by a range of factors. In case of a good salary package, good supervision, better working conditions and opportunities for promotion are few examples for high job satisfaction. They may positively influence the loyalty of employees and ultimately increase the job satisfaction of employees.

Job satisfaction is the level of happiness a person feels regarding his or her job. This feeling is largely based on an individual's perception of satisfaction. If job is loveliness, an employee satisfies his/her job. Generally bank employees are feeling stress, which can blow job performance, psychological well-being, physical health, impact decision making skills and may lead to making unethical decisions. These are obviously leads to job dissatisfaction (Jahufer 2014).

Job satisfaction is hard to measure and is reliant on several factors. Therefore, management should have a responsibility to reduce the levels of dissatisfaction and control workplace conflicts among the employees. Hence, this study is aimed to find out different factors that affect the job satisfaction of non-executives in commercial banking in Colombo district.

Problem Background and Problem of the Study

Many researchers have been carried out on the topic of job satisfaction of employees in banking sector and the impact of various factors was seen on it which affected it both positively and negatively.

Sampa et al. (2009) conducted a research for employee job satisfaction in Bangladesh bank. According to the study, the most important factor for the job satisfaction of employees are remuneration & reward, recognition, pride in work and talent utilization. However, job security, relation with colleagues and bureaucracy are not significant for employees' job satisfaction.

Roberto et al. (2007) explored that the determinants of perceived job performance in a sample of shop-floor employees in a manufacturing plant in Northern Mexico. It was found two variables that measure the job satisfaction are positively and significantly associated with job performance. Nevertheless, age and education levels do not show a significant association with job performance. It was also found that education levels are negatively related to job satisfaction (Abdul et al. 2008).

Grover and Wahee (2013) conducted a study on factors affecting to employees' job satisfaction in Delhi/NCR. The result indicated that 7 factors, such as fairness, working conditions, job security, performance, salary and other benefits, comfortable working environment, training and demographic factors (gender, age, income, years of experience, and occupation of an employee) have significant affecting to the job satisfaction of employees. This study found that working environment seems to be one of the most important elements of job satisfaction. And also the study revealed that job security, salary, benefits, training, and secure job environment enhance the degree of employees' job satisfaction.

The growing body of research literature suggested that pay, relationship with superiors, relationship with co-workers, opportunities for promotion and working conditions are most influential factors for job satisfaction. Thus, having considered the important of relationships among above concept the problem of the study was formulated as "What are the factors affecting to the job satisfaction of non-executives in the commercial banks in Colombo District?"

Research Framework

Although the mixed results was found between pay and job satisfaction, majority of the researchers have discovered a positive correlation among pay and job satisfaction (Neog and Barua 2014; Parvin and Kabir 2011; Khan and Parveen 2014; Devi and Nagini 2013; Hong, Hamid and Salleh 2013;Devi and Suneja 2013; Jiskani, Bhatti and Ahmed 2011). Hence first hypothesis of this study as follows:

H₁: Pay has positive and significant impact on the job satisfaction of non-executives in commercial banks.

According to previous researchers, the positive relationship was found among relationship with superiors and job satisfaction (Sinha and Shukla 2013; Bateman and Trenberth 2009; Marzuki, Permadi and Sunaryo 2012; Tutuncu and Kozak 2008; Devi and Suneja 2013; Jiskani, Bhatti and Ahmed 2011). Second hypothesis of this study was developed based on the above argument:

H₂: Relationship with supervisor has positive and significant impact on the job satisfaction of non-executives of the commercial banks.

According to majority of researchers, the significance correlation was found between the relationship with co-workers and job satisfaction (Sinha and Shukla 2013; Devi and Suneja 2013; Bateman and Trenberth 2009; Jiskani, Bhatti and Ahmed 2011). Hence third hypothesis of this study is formulated as follows:

H₃: Relationship with co-workers has positive and significant impact on the job satisfaction.

According to previous researchers, the significance relationship was found among opportunities for promotion and job satisfaction. (Khan and Parveen 2014; Devi and Nagini 2013; Hong, Hamid and Salleh 2013; Devi and Suneja 2013). Therefore forth hypothesis of this study as follows:

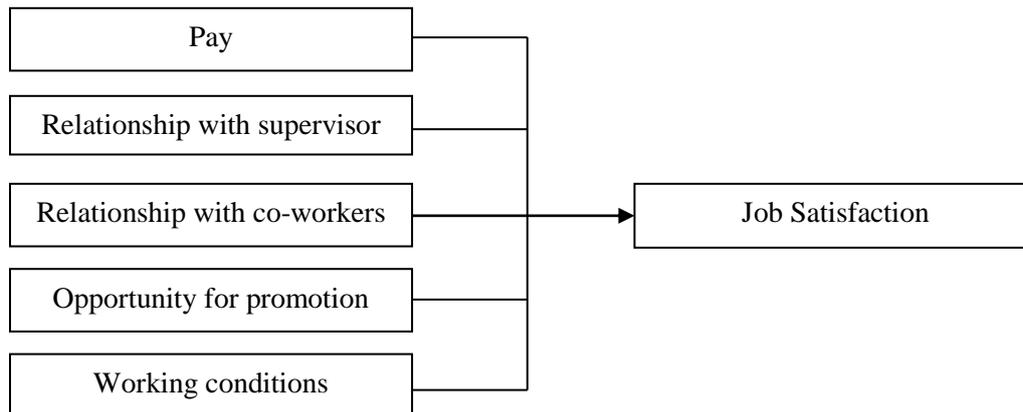
H₄: There is a positive and significant impact among opportunities for promotion and job satisfaction of non-executives in the commercial banks.

In the available literature, lots of researchers have found that there is a positive relationship between the working conditions and job satisfaction of the employees (Sinha and Shukla 2013; Raziq and Maulabakhsh 2015; Devi and Nagini 2013; Hong, Hamid and Salleh 2013; Mehmood et al. 2012). Hence fifth hypothesis of this study is formulated as follows:

H₅: Working conditions has positive and significant impact on the job satisfaction of the non-executives in the commercial banks.

According to Jabareen (2009) conceptual framework is a network or a plane of interlinked concepts that together provide a comprehensive understanding of a phenomenon. In conceptual framework, describes about independent and dependent variables of the study. Considering the previous literature, conceptual framework of this study depicted in Figure 1.

Figure 1: Conceptual Framework



Method

Study Design

The objective is to establish the relationship between these independent variables and the dependent variable. Therefore, the type of investigation of this study was correlational rather than causal study. This study was analytical in nature, because according to Sekeran and Bougie (2013) studies that engage in hypotheses testing usually explain the nature of certain relationships, or establish the difference among groups or the independence of two or more factors in a situation. This study is the field study because correlational studies are called as field studies and it examined the factors affecting to the job satisfaction among non-executives in the commercial banks in Colombo district. Therefore, this study can be done in the natural environment. There work proceeds normally that is non-contrived setting. No any artificial or contrived setting was created for the study. The simple random sampling method was used in this study and the sample size was limited to 351 non-executives.

Measures

Mainly structured questionnaire was used to data collection and it is designed so that it could measure the factors (pay, relationship with superiors, relationship with co-workers, opportunities for promotion and working conditions), job satisfaction and demographic factors (age, gender, marital status, educational qualification, working experience) which are measured using close ended questions. Questions for measuring factors are taken from some other researchers who are well accepted researchers and it measured five dimensions of factors (Saeed et al. 2013). It contained 22 statements to measure the five factors (Neog and Barua 2014). The questionnaire for measuring the job satisfaction was a standard questionnaire, which was originally developed by (Griffith and Elstak (2013) and it measured three dimensions of job satisfaction. It contained 14 statements to measure the job satisfaction of employees in the sample.

Validity and Reliability

A pilot test was carried out using 10 non-executives in the commercial banks. As shown in Table 1 the results of the Cronbach's Alpha test are reasonable enough to ensure the

reliability of this study. The results of Cronbach's Alpha test suggest that the internal reliability of each instrument (Kottawatta 2014).

Table 1: Cronbach's Alpha Coefficients

Instrument	Cronbach's Alpha
Pay	0.921
Relationship with supervisor	0.799
Relationship with co-workers	0.842
Opportunity for promotion	0.810
Working condition	0.901
Job Satisfaction	0.812

The content validity of the instrument was ensured by the conceptualization of the variables on literature (Kottawatta 2014) and the content validity of the variables of the study was ensured by the fact that the correlation support the hypotheses formulated linking the relationship between the independent variables and the dependent variable (Kottawatta 2014).

Techniques of Data Analysis

Data collected from primary (questionnaire) source were analyzed using the computer based statistical data analysis package (SPSS) for validity, reliability and relationship testing. The data analyses included the univariate and bivariate analyses.

Results

The descriptive statistical figures for the job satisfaction of the non-executives in the commercial banks are given in Table 02.

Table 02: Statistics of the Distribution of variables

	Job Satisfaction
Valid	354
Mean	3.3606
Median	3.3571
Mode	3.36
Std. Deviation	.25735
Variance	.066
Skewness	-.230
Std. Error of Skewness	.130
Kurtosis	.589
Std. Error of Kurtosis	.259
Minimum	2.64
Maximum	4.21

According to Table 02, the job satisfaction of the non-executives in the commercial banks recorded as average level.

The bivariate analysis, Pearsons's correlation between different factors and job satisfaction of non-executives are illustrated in Table 03.

Table 03: The Pearsons's Correlation between Different Factors and Job Satisfaction

	P	JS	RS	JS	RC	JS	OP	JS	W	JS
Correlation	1	.481**	1	.316**	1	.531**	1	.538**	1	.541**
Sig. (2-tailed)		.001		.000		.000		.006		.000
N	354	354	354	354	354	354	354	354	354	354

** . Correlation is significant at the 0.01 level (1-tailed).

According to Pearsons's Correlation, all independent variables, pay, relationship with supervisor, relationship with co-workers, opportunity for promotion and working condition has positive relationship with job satisfaction of the non-executives in the commercial banks. However, relationship between job satisfaction and relationship with supervisor of the non-executives in the commercial banks recorded as weak relationship. Other all relationship recorded as moderate level with the job satisfaction.

The results of simple regression analysis of the five independent variables (pay, relationship with superiors, relationship with co-workers, opportunities for promotion and working conditions) against the dependent variable (job satisfaction) are given in Table 04.

Table 04: Results of Regression Analysis

	P	RS	RC	OP	W
Method	Linear	Linear	Linear	Linear	Linear
R Square	.308	.234	.401	.485	.507
Adjusted R Square	.244	.176	.291	.396	.265
Significance	.001	.002	.000	.012	.000
B- constant	1.189	1.113	1.135	1.123	1.295
b-value	0.321	0.261	0.489	0.506	0.523

According to Table 04, 24.2% variance of job satisfaction is explained by the pay and 17.6% variance of job satisfaction is explained by the relationship with supervisor. 29.1% variance of job satisfaction is explained by the relationship with co-workers and 39.6% variance of job satisfaction is explained by the opportunity for promotion. 26.5% variance of job satisfaction is explained by the working condition.

Discussion and Conclusion

According to the results of Pearson's Product Moment correlation analysis, it was found that pay, relationship with superiors, relationship with co-workers, opportunities for promotion and working conditions were positively and averagely correlated with perceived job satisfaction of non-executives in the commercial banks. Hence there are statistical evidences to support to accept all the five hypotheses formulated for the study.

An average positive relationship was found between working conditions and job satisfaction as well as opportunities for promotions and job satisfaction of the executives in the commercial banks. Among them working conditions and job satisfaction took highest correlation. The correlation coefficient between working condition and job satisfaction of the sample data is 0.541, which is significant at 1% ($p = 0.000$). As per the result of simple regression analysis between the two variables the regression coefficient (b) is 0.523, which is significant at 1% (Sig. $T = 0.000$). Pay and job satisfaction as well as relationship with superiors and job satisfaction were indicated the moderate positive relationships. Among them relationship with superiors and job satisfaction was indicated less averagely positive relationship than the pay. The correlation coefficient between the relationship of supervisor and job satisfaction of non-executives is 0.316, which is significant at 1% ($p = 0.000$). As per the result of simple regression analysis between the two variables the regression coefficient (b) is 0.261, which is significant at 1% (Sig. = 0.000). Therefore, it can be concluded that pay, relationship with superiors, relationship with co-workers, opportunities for promotion and working condition can be used as a predictors of job satisfaction of the executives in the commercial banks in Colombo district.

The test result shows that the working condition was positively and significantly related to job satisfaction of the executives. Working hours, job safety and security were the indicators of working condition in this study. Most of the previous researchers agreed this finding such as Devi and Nagini (2013), Hong, Hamid and Salleh (2013), Jain and Jain (2013)). An opportunity for promotion was checked by considering three dimensions (providing opportunities, promotion policy and opportunities for advancement). The result of this study was also revealed that opportunities for promotion were positively and averagely related to job satisfaction. This finding was consistent with the earlier finding of Khan and Parveen (2014) and Devi and Nagini (2013). However, Hong, Hamid and Salleh (2013) argued that opportunities for promotion influenced to job dissatisfaction.

The findings of this research study shall be important on the theoretical as well as empirical scenario. As this research model was substantiated, the findings of study are important to improve job satisfaction of non-executives in the commercial banks. As a major way of enhancing the job satisfaction of non-executives in the commercial banks, the programs relating to the enhancement of the factors affecting to the job satisfaction among employees are to be implemented successfully.

According to the findings of the research study, respondents' attitude toward the job satisfaction is comparatively high. Most of the employees have strong positive relationship between working conditions and job satisfaction, opportunities for promotions and job satisfaction, and job satisfaction and relationship with co-workers and job satisfaction. The management of the commercial banks should maintain that situation further by making environment that has supportive colleagues, supportive working conditions. For that purpose, having friendly, closed, trusted and supportive co-workers, good team working abilities are

needed. Because work fulfills the need for social interaction for most employees and it leads to job satisfaction.

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