

Print ISSN: 2288-4637 / Online ISSN 2288-4645
doi:10.13106/jafeb.2023.vol10.no2.0195

Determining Dimensions of Job Satisfaction among Employees: Evidence from Commercial Bank Industries in Bangladesh

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Received: October 10, 2022 Revised: January 06, 2023 Accepted: March 01, 2023

Abstract

Since the banking industry relies so heavily on strong customer-staff interactions, measuring employee job satisfaction has become a critical problem. To achieve benefits for both individuals and organizations, it is crucial to foster and ensure employee job satisfaction. The main objective of this study is to determine the influencing factors of employees' job satisfaction in commercial banks in Bangladesh. This study focused on some significant factors such as employee empowerment, job security, management support, and attractive compensation in an organization. In terms of research purpose, non-probability convenience sampling has been used, and the study is quantitative in nature. For data collection purposes, an online survey questionnaire was prepared based on previously published articles. The targeted population was the bank employees of commercial banks in Bangladesh where the final sample size was $n = 200$. For analyzing the collected data, SPSS 26.0 version has been used to test the study model and the proposed hypotheses. This study also shows that employee empowerment, job security, management support, and attractive compensation have positive and significant effects on employees' job satisfaction at the workplace. Finally, this study has offered some extraordinary directions and implications for future research on commercial bank authorities in Bangladesh.

Keywords: Job Satisfaction, Commercial Banks, Employee Empowerment, Management Support, Job Security

JEL Classification Code: M12, M14, M20

1. Introduction

Every organization nowadays must cope with significant obstacles in the worldwide market where competition for customers' services is constantly increasing. Financial organizations now play important roles in a nation's economic growth (Rahaman & Uddin, 2022). In addition, the banking industry is sometimes referred to as the lifeblood of a country's economy. To be competitive in the market,

businesses must provide their clients with quality services, and their biggest asset is their employees. (Akinwale & George, 2020). Employees are considered the main service provider, and their services are accountable for achieving organizational goals (Shuvro et al., 2020). Job satisfaction, employee satisfaction, or work satisfaction is a measure of workers' contentedness with their job, whether they like the job or individual aspects or facets of jobs, such as the nature of work or supervision. Job satisfaction can be measured in cognitive, affective, and behavioral components.

According to Stamolampros et al. (2019) and Akhter et al. (2020), job satisfaction is the process of motivating employees toward the tasks and responsibilities given to them by management in a company, which helps create a positive workplace culture. By improving employee satisfaction at work, it is possible to remain competitive in the market. Employees are therefore seen as the most important resource for overcoming obstacles in a competitive environment and gaining a competitive edge (Stefurak et al., 2020; Yuan et al., 2021). Therefore, the overall success of the organization depends on satisfied employees in the working place (Matzler & Renzl, 2007;

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Jung & Suh, 2019). The bank management should therefore identify numerous factors to increase employee satisfaction levels, which would motivate them to perform productively and efficiently to achieve the goals. Numerous studies have been done on numerous aspects of employee satisfaction, including the bank's location, the working environment, flexible work hours, good performance, career opportunities, the appraisal process, and the bank's reputation (Yuan et al., 2022). Other studies have conducted that team spirit, bank image, job security, professional development, and leadership impact job satisfaction (Hsiao & Lin, 2018). But there is limited research on job satisfaction factors such as employee empowerment (EE), management support (MS), job security (JS), and attractive compensation (AC) that enhance employees' job satisfaction.

2. Literature Review

2.1. Employee Empowerment

Empowerment is the process of giving employees in the organization the power, authority, responsibility, resources, and freedom to take decisions and solve work-related problems (Widodo et al., 2020; Rahaman et al., 2020). On the other hand, it is a process to give liberty, obligation, power, and authority for solving problems and making decisions (Karim & Mahmud, 2018). Empowerment thus helps to create autonomy for employees, allows the sharing of responsibility and power at all levels, builds employee self-esteem, and energizes the workforce for better performance (Rahaman et al., 2022). When employees are empowered, their confidence degree and self-reliance will increase. This extra confidence is a good thing because it creates job satisfaction and high levels of productivity (Karim et al., 2014). Prior studies explored that empowerment helps to increase commitment and trust in the organization (Zaraket et al., 2018), and empowerment has a significant and positive effect on job satisfaction (Hanaysha & Tahir, 2016). Alternatively, Sarwar and Khalid (2011) found that employee empowerment has a positive effect on job satisfaction. In the above-mentioned literature, the hypothesized can be developed as:

H1: Employee empowerment is positively associated with job satisfaction.

2.2. Job Security

Job security is a key component of employee motivation at work, where this motivational factor results in satisfaction for both employees and employers (Ai et al., 2022). Job security is a sense of knowing that your job is safe from being cut. It's an assurance that you will be able to work in your

current employment for the foreseeable future (Rahaman et al., 2021a, 2021b). On the other hand, job security is related to the productivity and performance of the organization, which helps to achieve organizational objectives within a specified time for the organization (Ali et al., 2021). Previous studies stated that job security has a positive impact on job satisfaction. Other studies also showed that job satisfaction brings motivation among workers, which has a positive and significant impact on job satisfaction (Ali et al., 2022a, 2022b). From the above literature, the following hypothesis can be developed:

H2: Job security has a positive and significant impact on job satisfaction.

2.3. Management Support

One type of motivational strategy that is linked to employees' mental well-being and generates attention at work is management support (Chen et al., 2022a). Every company views its employees as an asset, so job satisfaction is linked with the support of the business owner. Additionally, managerial support is a critical factor in increasing employees' willingness to perform effectively, promptly, and efficiently (Chen et al., 2022b). According to previous research, manager support is a key component of creating job satisfaction among employees (Prajapat et al., 2022). Other studies also showed that the support of management is a significant factor that has a positive relationship with job satisfaction (Rahaman et al., 2021a, 2021b). From the above literature, the following hypothesis can be developed:

H3: Management support has a positive relationship with job satisfaction.

2.4. Attractive Compensation

The term "compensation" refers to the financial and non-financial rewards provided to employees by their employers in exchange for their work (Akhter et al., 2022). On the other hand, the compensation package is regarded as a salary with other facilities of employees, including monetary and non-monetary financial benefits (Ali et al., 2022a, 2022b). According to previous research, an attractive compensation package motivates employees at work, which has a positive and significant impact on job satisfaction (Asheq & Hossain, 2019). However, other studies also assumed that both financial and non-financial rewards impact the job satisfaction and motivation of employees (Akhter et al., 2021). According to Chen et al. (2022a), an attractive compensation package is related to the job satisfaction of employees. From the above literature, the following hypothesis can be developed:

H4: Attractive compensation package has a positive and significant impact on job satisfaction.

2.4. Conceptual Model

The study proposes Figure 1 as the conceptual model of this research:

3. Methodology

In this study, the targeted population was the employees of commercial banks in Bangladesh. To measure this study, the non-probability convenience sampling method has been used because the exact number of employees of commercial banks was unknown. Primary data was used, and the study was quantitative and exploratory in nature. For data collection purposes, an online survey questionnaire was developed based on the previous literature. The adopted questionnaires were sent to 250 commercial bank employees through their e-mail ids. For their easy understanding, the respondents were given clarification and explanation of the study variables - employee empowerment (EE), job security (JS), management support (MS), and attractive compensation (AC). Although 250 employees were invited to this survey, only 230 responses were received. Among them, 30 responses were removed for incompleteness. Hence, the final sample size of the study was $n = 200$. The survey questionnaire has two parts; where the first part includes demographic information of the respondents (like gender, age, marital status, and job experience), and the 2nd part includes a Likert-based questionnaire comprising the study variables, namely employee empowerment, job

security, management support, and attractive compensation. The item-wise question was measured on a 5 - point Likert scale, where '1' stands for 'Strongly Disagree' and '5' stand for 'Strongly Agree.' For data analysis, the SPSS software was used where the 5% significance level is considered to accept inferences.

Table 1 represents the reliability of the study variables, which were found acceptable. In this study, to measure the reliability of the constructs, a Cronbach Alpha (α) value of 0.70 or more than 0.70 was considered an acceptable value, where the constructs of EE were found reliable ($\alpha = 0.756$); JS ($\alpha = 0.793$); MS ($\alpha = 0.789$ and AC ($\alpha = 0.786$).

4. Results and Discussion

This study measures the impact of employee empowerment (EE), job security (JS), management support (MS), and attractive compensation (AC) on the job satisfaction of employees in commercial banks in Bangladesh. A total number of 250 survey questionnaires were distributed to the employees of commercial banks through their email

Table 1: Cronbach Alpha (α) value of the variables

Variables	Cronbach Alpha (α) value
Employee Empowerment (EE)	0.756
Job Security (JS)	0.793
Management Support (MS)	0.789
Attractive Compensation	0.786

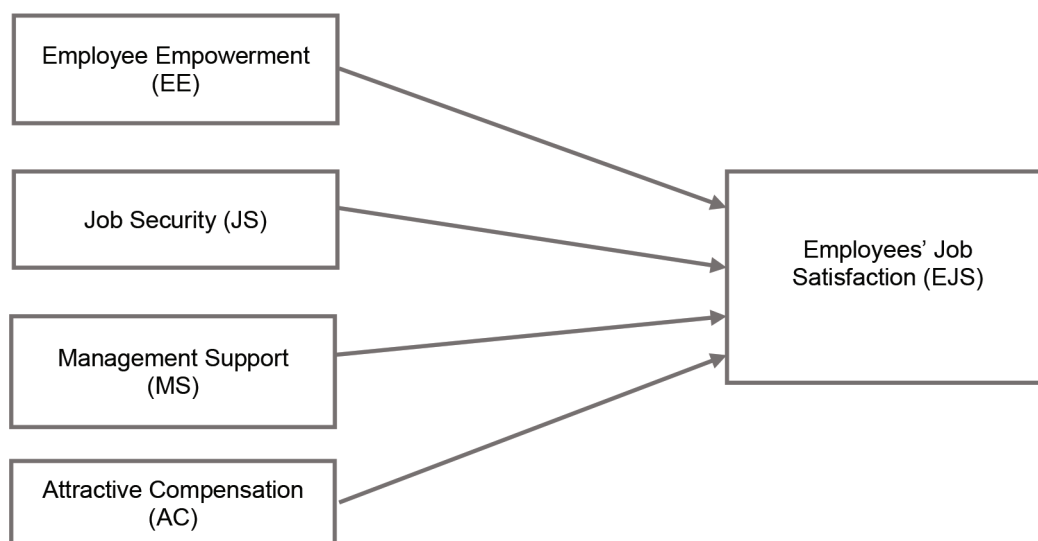


Figure 1: Conceptual Model

Source: Author's own.

ids, where 200 questionnaires were collected as correct responses, so the response rate was 80% (Table 2).

In this study, out of 200 respondents, 65% were male ($n = 130$), and 35% were female ($n = 70$) respondents. On the other hand, in terms of age, 20% of the respondents were between the age of 22–30 years, 55% was between 31–40 years, and 15% was between 41–50 years. Only 10% of the respondents were above 50 years ($n = 20$). According to this study, in terms of marital status, 68% of the respondents were single ($n = 135$), while 32% were married ($n = 65$). In terms of work experience, 30% had work experience between 0–5 years, while 45% had work experience between 6–10 years, and only 25% had more than 10 years of work experience ($n = 50$).

In this research, Tables 3 and 4 and Figure 2 exhibit the regression analysis coefficient results. The study's R^2 value of 0.734 indicates that four variables, including employee

empowerment (EE), job security (JS), management support (MS), and attractive compensation (AC), have explained 73.4 percent of the variance in employees' job satisfaction at commercial banks in Bangladesh. From Table 4, it can be seen that EE, JS, MS, and AC have significant determinants of employees' job satisfaction, and all the hypotheses are accepted at the 5% significance level.

According to Tables 3 and 4, **H1** employee empowerment (EE) has a positive and significant impact on job satisfaction where the hypothesis is accepted at the 5% significance level ($\beta = 0.789, p < 0.05$). This finding is consistent with previous literature. Employee empowerment has a significant and positive effect on job satisfaction (Hanaysha & Tahir, 2016). **H2** showed that job security has a positive and significant effect on employees' job satisfaction. Based on regression analysis, H2 is accepted at the 5% significance level ($\beta = 0.678; p < 0.05$). This finding is also constant with previous literature. Therefore, job satisfaction brings motivation among the workers, which has a positive and significant impact on job satisfaction (Ali et al., 2022a, 2022b). In terms of management support (MS), there is a positive and significant effect on employee job satisfaction. As per the result of regression analysis, **H3** is accepted at the 5% significance level ($\beta = 0.579, p < 0.05$), where this result is related to previous studies. Previous studies also explained that management support is a high ingredient factor in creating job satisfaction among employees (Rahaman et al., 2021a). **H4** showed that attractive compensation directly affects employees' job satisfaction and, based on the regression analysis, is accepted at the 5% significance level ($\beta = 0.884; p < 0.05$). It indicates that attractive compensation packages enhance the job satisfaction of employees. Prior studies also recommend that both financial and non-financial rewards impact the job satisfaction and motivation of employees (Chen et al., 2022a).

5. Conclusion

The essential propeller of the economy of a nation is the banking industry which is regarded as the lifeblood of the financial strength of a country. The main objective of this

Table 2: Descriptive Statistics

Description	Frequency	Percent
Gender		
Male	130	65
Female	70	35
Age		
22–30 years	40	20
31–40 years	110	55
41–50 years	30	15
Above 50 years	20	10
Marital Status		
Single	135	68
Married	65	32
Job Experience		
0–5 years	60	30
6–10 years	90	45
Above 10 years	50	25

Table 3: Regression Analysis

	Beta-value	t-value	Sig.	Tolerance	VIF	Decision
Employee Empowerment (EE)	0.789	3.675	0.000**	0.735	2.315	Accepted
Job Security (JS)	0.678	4.956	0.000**	0.967	2.697	Accepted
Management Support (MS)	0.579	3.578	0.000**	0.935	2.867	Accepted
Attractive Compensation (AC)	0.884	3.275	0.000**	0.851	2.972	Accepted

$R^2 = 0.734$ or 73.40%. Durbin Watson value = 1.856. Dependent variable: Job Satisfaction. **Significant at 5% [$n = 200$].

Table 4: Hypotheses Results

Hypotheses	Decision
H1: Employee empowerment is positively associated with job satisfaction.	Accepted
H2: Job security has a positive and significant impact on job satisfaction.	Accepted
H3: Management support has a positive relationship with job satisfaction.	Accepted
H4: Attractive compensation package has a positive and significant impact on job satisfaction.	Accepted

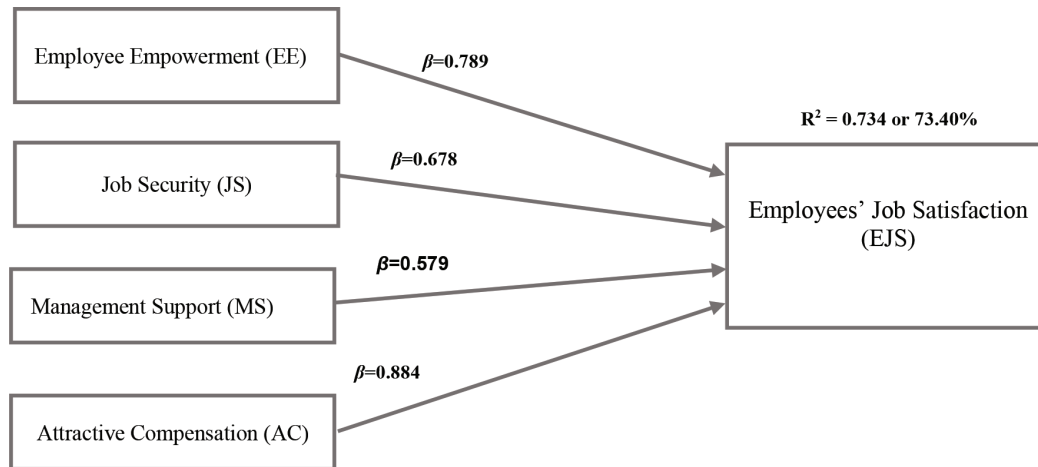


Figure 2: Results of Regression Analysis

study was to determine the influencing factors of employees' job satisfaction. Because of the intense competition in the market today, the banking sector needs to identify the factors that influence employee job satisfaction (Tomažević et al., 2014; Shan et al., 2014). From this study, it is found that employee empowerment, job security, management support, and attractive compensation have a positive and significant impact on employees' job satisfaction. Since banks are expanding quickly in the emerging market, it is crucial to conduct research to identify the factors that contribute to employees' job satisfaction to remain competitive. Hence, if employees are happy with the facilities they receive, they will be more productive in the company and are less likely to switch to a new company (Matzler et al., 2004; McCarthy et al., 2020). This study also looked at a variance of 73.40%, which suggests that four independent variables—employee empowerment, job security, managerial support, and attractive compensation—have an impact on employees' job satisfaction in Bangladeshi commercial banks.

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