

## Job Satisfaction of Bank Employees in Bangladesh: A Comparative Study Between Private and State Owned Banks

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**Abstract:** The present study was conducted with a view to evaluating the job satisfaction and dissatisfaction of the customer in the banking sector of Bangladesh. A total number of 360 employees from four (two private and two state owned) banks from Jamalpur District of Bangladesh were selected on a random sampling basis. A structure questionnaire was used to collect data. To analyze the data composite chi-square test and simple percentage were applied. The study shows that significantly large number of employees was satisfied and remarkable number of employees was dissatisfaction. The study also show that some specific job factors have positive impact on the overall job satisfaction of the respondents' employee. Job satisfaction depends on some job related factors. But all of those factors are not equally important for their overall job satisfaction and dissatisfaction. Salary, other financial benefits, job security, retirement, working condition, social status, fair promotion where key factors of job satisfaction and dissatisfaction. Salary, job security and fair promotion have been considered as most important followed by working condition, lack of recognition and good relation with colleague. It is found that salary has been considered as both strong cause of satisfaction and dissatisfaction. The study suggests on some dissatisfaction job factors that helps to remove dissatisfaction in the employees.

**Key Words:** Attitudes, Employees, Job Stress, Job satisfaction, Job Dissatisfaction

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### I. Introduction

Job Satisfaction is a most wide interested topic for both people who work in organization and people who study them. Job satisfaction has been explained as a general towards one's job. It can increase performance of an organization. On the contrary, job dissatisfaction decrease the performance of an organization. Productivity of an organization is directly depends on its employee's job satisfaction. So, to ensure the productivity of the organization, job satisfaction should be ensured.

Banking sector is the backbone of the economy of any country. The development of this sector depends on the qualified and efficient human resources. To utilize their contribution they should be provided with good working conditions to boost their job satisfaction. Employees who have higher job satisfaction are usually less absent, less likely to leave, more productive, more likely to display organizational commitment, and more likely to be satisfied with their lives (Lease, 1998). Job satisfaction of industrial workers is very important for the industry to function successfully.

So, in the competitive environment, it is crying need to know the employees views toward their job satisfaction and to measure the level of satisfaction with various aspects of job satisfaction. Efficient human resource management and maintaining higher job satisfaction level in banks determine not only the performance of the bank but also affect the growth and performance of the entire economy.

### II. Literature Review

It is significant need to review the past related study to find out the research gap. The review of literature is conducive to build up the conceptual frame work about the job satisfaction. Some related literatures have explained below:

Devi and Suneja (2013) conducted a study on Job Satisfaction Among Bank Employees: A Comparative Study of Public Sector and Private Sector Banks in their study, they approached 110 employees of selected banks to identify their views job satisfaction, They selected three determinants like pay and fringe benefits, supervision, training and development for job satisfaction. The study showed a significant difference between employees of public sector and private sector banks regarding pay and fringe benefits, supervision, training and development

Jabeen et al. (2007), in their study Job Satisfaction as Related to Organizational Climate and Occupational Stress: A Case Study of Indian Oil concluded that that there is no significant difference between

managers and engineers in terms of their job satisfaction and both the groups appeared almost equally satisfied with their jobs. When the managers and engineers were compared on organizational climate, it was found that both the groups differed significantly. Managers scored significantly high on organizational climate scale than the engineers indicating that the managers are more satisfied due to the empowerment given to them.

Ahmed and Uddin (2012) in a study on Job Satisfaction of Bankers and Its Impacts on Janata Bank. The study showed that job satisfaction of bankers mainly depends on some aspects of job satisfaction, like salary, fair promotion policy, others financial facilities, supervision, reward system, operating procedure, colleagues relationships, and opportunities for open communication. The study also suggests to improve those areas in which the employees were dissatisfied there is need a win-win policy to achieve more effective performance which is very important for the economic development of a country.

Velnamby (2008), in his study Job Attitude and Employees Performance of Public Sector Organizations in Jaffna District, Sri Lanka concluded that job satisfaction does have impact on future performance through the job involvement, but higher performance also makes employees feel more satisfied and committed. It is a cycle of event that is clearly in keeping with the development perspective. Attitudes such as satisfaction and involvement are important to the employees to have high levels of performance. The results of the study examined that attitudes namely satisfaction and involvement, and performance are significantly correlated.

Chahal et al. (2013) conducted a study on Job Satisfaction among the Bank Employees: An Analysis of Contributing Variables towards Job Satisfaction. The study suggested some important factors to improve job satisfaction of bank employees such as: smart salary, performance evaluation system, fair promotion strategies, employee's relationship with management and others co-workers, training and development programs work stress and working hours.

Shahu and Gole (2008), in their study Effect of Job Satisfaction on Performance: An Empirical Study concluded that the companies are lagging behind in certain areas of job satisfaction & job stress need to be developed so that their employees show good performance level, as it is provided that performance level lowers with high satisfaction scores. The awareness program pertaining to stress & satisfaction is to be taken up in the industries to make them aware of the benefits of knowledge of stress and its relationship with satisfaction and achievement of goal of industries.

Hoque and Hossain (1999) found that significantly higher number of respondents were satisfied with their job than those who were not satisfied with the job. They also found that job safety, well relation with their colleagues, supervision, recognition, good working environment were rated more important than wages, promotion, autonomy in work and participation in decision making. The study also revealed that wages was one of the least important factors of job satisfaction but most important cause of job dissatisfaction.

Islam and Hossain (2005) in a study on Employee Satisfaction of Private Sector Bank in Dhaka City the found that the most of the employees were highly satisfied with their job. Promotion, others financial benefits were key factors of their satisfaction. They did not find any significant impact of personal factors for their overall job satisfaction. Lack of promotional opportunities was perceived as the most important cause of the job dissatisfaction. Other important key factors of dissatisfaction were lack of job security, incentive system, unhygienic working condition, and overloaded working pressure.

Bangladesh is developing country, its every sectors are developing day by day. Banking sectors is leading/key sector of Bangladesh. The development of banking sector depends on customer satisfaction and employees' job satisfaction. So, there is a need to conduct a study on bank employees in Bangladesh regarding their satisfaction and dissatisfaction at their work place. With this end in view, the present study was designed to conduct a research work on bank employees in relation to their satisfaction and dissatisfaction with job related factors.

## **OBJECTIVES OF THE STUDY**

The main objective of the study is to measure overall level of job satisfaction for the employees of private and state owned banks in Bangladesh:

- i. To identify the relative importance of job related factors as perceived by the respondents;
- ii. To compare the level of job satisfaction between male and female officers in Bangladesh;
- iii. To examine the satisfaction and dissatisfaction of the specific job related factors as considered by the respondents;
- iv. To find out the important causes of job dissatisfaction as perceived by the respondents; and
- v. To make suggestions and recommendations for solving of those problems.

### **HYPOTHESES OF THE STUDY**

Hypothesis is a testable proposition about the relationship between two or more events or concepts (Saunders et al., 2007 p. 599). There are two statements of a hypothesis: the statement that the parameter takes a particular value, which is stated as  $H_0$ ; and the statement that the parameter fails in some alternative, which is stated as  $H_1$ . The main hypotheses of the study:

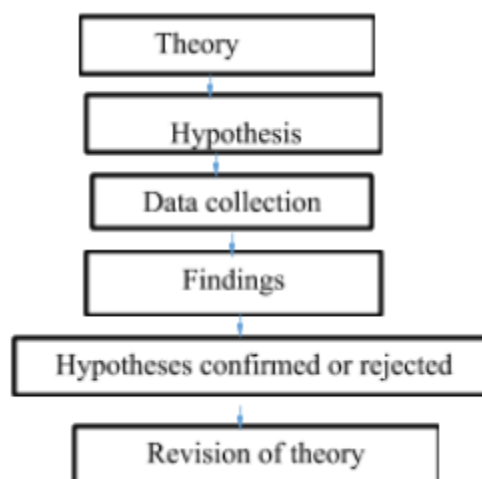
- i. There is no significant difference on overall level of job satisfaction between private and state owned bank employees;
- ii. There is no significant relationship among of the job related factors ;
- iii. There is no significant difference of job satisfaction between the male and female employees of the banks;
- iv. There is no significant difference of job satisfaction among the different level of employees; and
- v. There is no significant difference of job satisfaction between the higher and lower ranked (basis on salary) employees of the banks;

### **III. Methodology**

The methodology means the underlying principles, guideline and rules organizing a particular system or procedure. It shows the way to attain the ultimate goals of a research in a systematic way. It is also considered as a guideline for a systematic research work. Selection of proper methodology depends on the objectives, research questions and the nature of the source of data of the research. Research methodology also deals with a systematic and scientific methods that can be adopted to solve research problems. Methodology is a crucial step in any research because it directly influences the whole research and its findings. A personal in-depth interview by using unstructured and open ended questionnaire was used to collect primary data.

### **IV. Research Design**

A research design is the arrangement of conditions for collections and analysis of data in a manner that aims to combine relevance to the research purpose with the economy in procedure. Descriptive research design was adopted in order to achieve the objectives of the study. This type of research design is more flexible to carry out the research. The design provides the opportunity for considering different aspects of the problem. The researcher adopted the method of experience survey to collect the data. Selected research approach is deductive approach. A deductive approach is when existing theories are being used to come up with a hypothesis (Saunders et al., 2007) as below:



**Figure 1:** The Process of Deduction, (Bryman, 2008, pg. 10)

### **SAMPLING SIZE**

Responded of the study were selected (random basis) from managerial and non-managerial employees of state owned and private sector banks from Jamalpur District, Bangladesh. Two State owned sector banks and two private sector banks were selected for the study. A total of 360 responded were selected equally from the four banks selected for the study. The mean of age is 36 years. Every respondent involved at least 3 years of the job. 20% respondents of this study was female who also provided 3 years' service in this sector.

### **METHOD OF DATA COLLECTION**

The data collection pertaining to this study involves both primary and secondary methods. The primary data was collected using questionnaire from randomly selected samples. The secondary data were collected from sources

like company records, The Annual Reports and Annual Accounts Statements of the selected banks, Websites of the specific banks, Library resources, Journals, Magazines, Literature Review, Report Newspapers, and so on.

### V. Data Analyses

The results and analyses of the present study have been presented from table 1-7

**Table-1: Salary Based Employees' Job Satisfaction**

Are you satisfied with your present salary?	Type of ownership of the banks				Chi-Square
	Private		State Owned		
	N	%	N	%	
Fully Satisfied	10	5.60	12	6.70	2.63(ns)
Quite Satisfied	72	40.00	64	35.6	
Pretty Satisfied	20	11.10	12	6.70	
Less Satisfied	56	31.10	58	32.20	
Not at all Satisfied	22	12.20	34	18.90	
Total	180	100%	180	100%	

Note: Level of significant NS=Not significant.

Above table shows the comparison between private and state owned bank employees salary structure. It is found from the table that private bank employees are more satisfied with their salary than state owned bank employees. That also the rate of job dissatisfaction of state owned bank employees is higher to private bank employees.

**Table-2: Other Financials Benefits Based Employees' Job Satisfaction**

Do you think that other financial benefits offered by you your organization are sufficient?	Type of ownership of the banks				Chi-Square
	Private		State Owned		
	N	%	N	%	
Fully Satisfied	8	4.40	16	8.90	4.42(ns)
Quite Satisfied	66	36.70	54	30.00	
Pretty Satisfied	12	6.70	22	12.20	
Less Satisfied	80	44.40	68	37.80	
Not at all Satisfied	14	7.8	20	11.10	
Total	180	100%	180	100%	

Note: Level of significant NS=Not significant.

Above table shows the comparison between private and state owned bank employees for other financials benefits. It is found from the table that 4.4% employees are fully satisfied in private bank on the contrary, 8.9% employees are fully satisfied in state owned bank. Quite satisfied ratio of the employees is 36.70%:30% and the pretty satisfied ratio is 6.70%: 12% but less satisfaction rate is 44.4%:37.80%. It is obvious from the table that financial benefits in the private banks are more sufficient than state owned banks

**Table-3: Job Security Based Employees' Job Satisfaction**

Is your job secured enough in this organization?	Type of ownership of the banks				Chi-Square
	Private		State Owned		
	N	%	N	%	
Fully Satisfied	10	5.60	62	34.40	51.04(a)
Quite Satisfied	88	48.90	100	55.56	
Pretty Satisfied	18	10.00	2	1.11	
Less Satisfied	38	21.10	6	3.30	
Not at all Satisfied	26	14.40	10	5.56	
Total	180	100%	180	100%	

Note: Level of significant NS=Not significant.

The table presents the job satisfaction based on their job security among the employees of the private bank and the state owned banks. It is noticeable that state owned bank's employees expressed more satisfaction in consideration of their job security. On the other hand, private bank employees feel less job security. Here the ratio of job security between the private bank and the state owned banks respectively are 5.60%:34.44% and 48.90%:55.56%. Dissatisfaction rate between the private bank and the state owned bank's employees is 21.10%:3.3% and 14.40%:5.56%. So state owned bank's employees enjoyed more job security than private bank's employees.

**Table-4: Retirement Based Employees' Job Satisfaction**

Do you think that you will stay with this organization up to retirement?	Type of ownership of the banks				Chi-Square
	Private		State Owned		
	N	%	N	%	
Fully Satisfied	12	6.70	60	33.3	37.43(a)
Quite Satisfied	52	28.90	72	40.00	
Pretty Satisfied	92	51.10	22	12.22	
Less Satisfied	16	8.90	18	10.00	
Not at all Satisfied	04	4.40	08	4.44	
Total	180	100%	180	100%	

Note: Level of significant NS=Not significant.

By analyzing the above mentioned table, we found that the employees of the state owned banks want to continue their job till their retirement but it is noticeable that private bank's employees expressed their unwillingness to continue their job in the same bank till retirement. This table proves that the state owned bank's employees are highly interested in going to retirement from their bank but private bank employees are reluctant to go to retirement from their bank.

**Table-5: Working Environment Based Employees' Job Satisfaction**

Is the working condition of your organization satisfactory?	Type of ownership of the banks				Chi-Square
	Private		State Owned		
	N	%	N	%	
Fully Satisfied	06	3.3	24	13.30	10.74(b)
Quite Satisfied	118	65.60	80	44.40	
Pretty Satisfied	12	6.70	18	10.00	
Less Satisfied	38	21.10	52	28.90	
Not at all Satisfied	06	3.30	06	3.30	
Total	180	100%	180	100%	

Note: Level of significant NS=Not significant.

From the above mentioned table, we notice that 65.60% employees of the private banks are more satisfied with their working condition. But only 44.40% employees in the state owned banks are satisfied with their working condition. In the case of dissatisfaction, 21.10% employees of the private banks are less satisfied with their working condition. On the contrary, 28.90% employees in the state owned banks are dissatisfied with their working condition.

**Table-5: FairPromotion Based Employees' Job Satisfaction**

Do you think that your organization follow fair promotion policy?	Type of ownership of the banks				Chi-Square
	Private		State Owned		
	N	%	N	%	
Fully Satisfied	10	5.60	14	7.78	3.37
Quite Satisfied	50	27.80	34	18.89	
Pretty Satisfied	32	17.80	38	21.11	
Less Satisfied	60	33.30	74	41.11	
Not at all Satisfied	14	15.60	20	11.11	
Total	180	100%	180	100%	

Note: Level of significant NS=Not significant.

Above table shows the comparison between private and state owned bank employees about their promotion policy. We are found from the table that 5.6% employees are fully satisfied in private bank on the contrary, 7.78% employees are fully satisfied in state owned bank. Quite satisfied ratio of the employees is 27.80%:18.98% and the pretty satisfied ratio is 17.80%: 21.11%.The data proves that fair promotion policies are better than state owned banks.

**Table-7: Social Status Based Employees' Job Satisfaction**

Are you satisfied with your social status in terms of your present job?	Type of ownership of the banks				Chi-Square
	Private		State Owned		
	N	%	N	%	
Fully Satisfied	12	6.70	26	14.40	17.69(a)
Quite Satisfied	90	50.00	124	68.90	
Pretty Satisfied	12	6.70	10	5.60	

Less Satisfied	54	30.00	16	8.90
Not at all Satisfied	12	6.70	04	2.20
<b>Total</b>	180	100%	180	100%

Note: Level of significant NS=Not significant.

This table presents that the state owned bank employees feel more social dignity than employees of the private banks. Their satisfaction rate about social status is respectively 14.44%:6.70% and 68.90%:50% and in case of dissatisfaction rate is 8.90%:30.00% and 2.20%:6.70%.

**Table-8: Employees' Job Satisfaction Score**

Ownership of the Bank	Sex	Mean	S.D.	N
Private Bank	Female	59.03	8.888	118
	Male	56.13	11.126	62
	Total	58.03	9.754	180
State Owned Bank	Female	62.37	9.230	102
	Male	59.33	8.683	78
	Total	61.06	9.074	180
Total	Female	60.58	9.161	110
	Male	57.91	9.895	70
	Total	59.54	9.515	180

From table 8 it is observed that, the mean score of job satisfaction in both Private Bank State Owned Bank differs for the sex of the employees. Comparatively, the male employees were reported to be more satisfied than their female counterparts for both Private and State Owned Banks. The figure presented in the table further depict that average job satisfaction score was higher among the male employees compared to the females.

### MAJOR FINDINGS OF THE STUDY

- Major findings of the study:
- Private bank employees are more satisfied with their salary than state owned bank employees;
- It is obvious that financial benefits of the private banks are more sufficient than state owned banks;
- State owned bank's employees enjoyed more job security than private bank's employees;
- The state owned bank's employees are highly interested in going to retirement from their bank but private bank employees are reluctant to go to retirement from their bank;
- The state owned bank's employees are highly interested in going to retirement from their bank but private bank's employees are less interested in going to retirement from their bank;
- We noticed that 65.60% employees of the private banks are more satisfied with their working condition.
- But only 44.40% employees in the state owned banks are satisfied with their working condition; and
- The state owned bank employees feel more social dignity than employees of the private banks.

### VI. Suggestions

The job satisfaction depends up on the feeling of employees about their working environment. When their physical and psychological environment is conducive they will perceive a good job satisfaction. Some of the ways through which the job satisfaction can be improved are

1. It has been found that employees of private sector banks were less satisfied with their jobs compared to employees of public sector banks. To increase their satisfaction, private sector banks need to improve job security.
2. Relationship with co-workers and supervisors makes the employees to feel better and it help to increase productivity and responsibility of workers and it helps to increase profit of the organization.
3. The employees of both state owned banks and private banks are more stressful in terms of any other organizational employees. In state owned bank employees are over loaded with responsibility. Work load and job stress of the employees should be reduced by appointing more competent and energetic employees.

4. In the light of the findings, salary, bonus, incentive, increment are major determinants of job satisfaction for both kinds of employees. But those financials benefits are not sufficient in state owned banks. So it is strongly recommended to introduce the incentive and performance bonus system for the state owned bank employees.
5. There is a common dissatisfaction among the both private and state owned bank employees for the lack of fair promotion policy. So, the concerned bank authority should take proper initiatives to develop a regular, unbiased, merit and performance based promotion policy.
6. Good or pleasant work environment is another component of job satisfaction for an employee. State owned bank's employees faced this problem seriously in Bangladesh. So, Bangladesh government should provide stable, secure and healthy work environment to the bank employees.
7. Reward is the best way to motivation the employees. So, the authority can give reward to the employees for achievement, good performance and creativity. It will the recognition for good work.

## VII. Conclusion

Banking sector is the most prominent contributing sector towards the economic development of the country. During the last decade there has been tremendous change in the banking system. Bank are moving towards both customer satisfaction and employee's job satisfaction. Only qualified and satisfied employees can provided well service. Well service depends on some key job satisfactory factors of the employees. Job satisfaction was measured by 7 items. Each of items included five alternative responses. Standard Deviation was applied on the composite score to identify the factors associated with job satisfaction between the private and state owned bank employees. The ANOVA applied on the set suggests that ownership, age sex, job rank monthly salary are significantly associated with job of the banks employees. Chi -square test also applied in data analyze. The present study suggested to improve quality service with maximum job satisfaction of the bank employees.

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