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Debashis Kundu, Farhat Binte Hasan, Md. Faruque Hossain

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Factors that are influencing the Employee job satisfactions in private banking sector of Bangladesh: An empirical analysis

*Debashis Kundu **

MIS, FBA, American International University-Bangladesh

Farhat Binte Hasan

Segi University, Malaysia

Md Faruque Hossain

OSCM, American International University-Bangladesh

Corresponding author*:

Email: debashis.k.u93@gmail.com

Factors that are influencing the Employee job satisfactions in private banking sector of Bangladesh: An empirical analysis

Abstract

In the modern era, tangible and intangible compensation, physical stress, lack of supervision, and workplace hygiene are the major factors in job satisfaction. One of the many challenges for the private banking sector in Bangladesh is to satisfy its employees, and the diligence of the research is to observe how different factors influence job satisfaction. As a result, the proposed study delineates many factors for employees, such as compensation, empowerment, work environment, and performance appraisal, that lead to positive and significant relationships in job satisfaction. The stimulus-response model was used as a theoretical research framework, and the private banking sector of Bangladesh was selected through quantitative methodology. Hence, the survey is conducted in a quantitative way, non-experimental and explanatory field study to analyze the relationship between the dependent and independent variables. The managerial employees of the private banking sector are the targeted group. The research results established a significant positive relationship between compensation policy, empowerment, performance appraisal, and employee job satisfaction. Whereas, the workplace environment has an insignificant positive correlation among job satisfaction, turnover rate, and productivity. Furthermore, an empirical analysis revealed that compensation policies, empowerment, and performance appraisal can maximize the level of employee job satisfaction, which leads to an increase in their sustainable productivity at work.

Keywords: Job satisfaction, Employee compensation policy, Employee performance appraisal, Employee empowerment.

1. Introduction

Throughout the years, job satisfaction has been a "high stakes topic" in the field of organizational managerial performance, and employee satisfaction is as important as customer satisfaction (Bhardwaj et al., 2020). Employee job satisfaction has a significant impact as it leads to increased productivity of the employees, a decreased employee turnover rate, and consequently, a profit margin (Santis et al., 2018), which helps to ensure sustainable development in private banking sector (Al-Ajouni, 2015). Specifically, employees become the primary strength where they play a vital role in executing financial activities smoothly. At the same time, if the employees are not satisfied, then they will not be ready to take any kind of pressure for their work, whereas satisfied employees are always ready to do any work, even if it is under extreme pressure (Khan et al., 2017). Dissatisfied employees, on the other hand, are unwilling to accept any pressure for their work, whereas satisfied employees are always willing to complete their job, even if it is difficult to perform (Simes et al., 2019).

The private banking sector is booming worldwide. Henceforth, the financial development of the banking sector is focused on collecting money from deposit accounts, collecting cheques as deposits, and matching up savers and borrowers (Cave et al., 2020). The central bank plays a very important role in the country's economy by transmitting monetary policy, which is any government's very important tool for achieving economic growth without inflation. Especially in the private banking sector, the turnover rate is high due to a lack of job satisfaction (Sing & Onahring, 2019). In previous years, factors such as a lack of physical stress on the job, a lack of tangible and intangible compensation, a lack of supervision, and so on were widely regarded as deterrents to job satisfaction (Iqbal et al., 2012).

Although a large number of employees believe there is a significant relationship between achieving career objectives and choosing the right organization for them in the context of private bank sectors (Byza et al., 2019). To the best knowledge of the authors, job satisfaction has received little attention in the private bank industry (Schuh et al., 2016), with a gap between what employees want and what management wants to give them, thus creating employee dissatisfaction (Clarke, 2010). Moreover, banks have to provide some satisfiable commitment to their employees like benefits and decision-making power in terms of how to achieve the goal and using employees' knowledge, skills, and abilities (Azeez, 2017).

2. Literature Review

Over the years, research has been done to understand the relationship between employee job satisfaction and its factors all around the world (Belias et al., 2015; Arnold & Spell, 2006). Most employees set a benchmark for satisfaction, and it is mostly the compensation policy, employee empowerment, workplace environment, and performance appraisal process (Shurbagi and Zahari, 2012; Sempane et al., 2002). The top private banks in Bangladesh are HSBC Bank, Mutual Trust Bank, Eastern Bank Limited, and City Bank (Robin et al., 2018). All these private banks offer a handsome compensation policy to their employees, and they have created their own creative workplace for their employees so that employees are satisfied and their productivity rate is high (Farooque et al., 2019). Satisfied employees are an asset to any organization. Equally, this rule is also applicable to private bank employees. When private bank employees are satisfied, then it leads to sustainable productivity (Magableh et al., 2021). Here, job satisfaction is a dependent variable, and compensation policy, employee empowerment, workplace environment, and performance appraisal system are the independent variables.

Each employee believes that their professional aims are easily attainable if they choose the appropriate organization to achieve their goals. Additionally, organizations want to invest in order to achieve the best results for their employees, such as training, development, and monitoring, in order to maximize profit from them. However, there will always be a gap between what an employee's desires and what management wishes to provide, resulting in employee unhappiness (Clarke, 2010). There are several significant elements that contribute to staff turnover and decreases in productivity; among them, compensation policies and employee empowerment, on which he (Ashar et al., 2013) focuses, are the primary reasons for retention. Banks must demonstrate a satisfiable commitment to their employees in the form of benefits, decision-making authority over how to accomplish the goal, and the use of employees' knowledge, skills, and competencies (Walia and Bajaj, 2012).

At the time, the Imperial Bank of Kenya was experiencing low profitability due to dissatisfied employees and high turnover, but after investing in some of the precious resources like benefits, decision-making authority, training, and development, they began to enjoy the benefits of such policies (Newman et al., 2011).

The preceding literature analysis demonstrates that numerous researchers have used job satisfaction as their dependent variable and that job satisfaction may be viewed from a variety of perspectives. Researchers who have conducted research on job satisfaction agree that job satisfaction is significantly influenced by factors described as external to the workers. Following Table 1 summarizes some of the studies conducted by various researchers using job satisfaction as the dependent variable.

Table 1: Summary of the literature review of the employee job satisfaction

Researcher	Dependent Variable	Independent Variable	Industry (Country)	Findings
Gagandeep Kaur, Simran Setia, Robin, Surrender, Sonika, 2020	Job Satisfaction	Promotion, job environment, job security	Bank, India	Job security is the highest influencing factors for job satisfaction
Emira Kozarevic, Amela Peric, Adisa Delic, 2013	Job satisfaction	Employee productivity, global recession	Bank, Nepal	Employee involvement is very important for job satisfaction in Bank's of Nepal
Abdolshah, Mohammad; Khatibi, Seyed Amir Mohammad; Moghimi, Mostafa, 2018	Job satisfaction	Job satisfaction theories	Bank, Iran	Investigating the influence and ranking of theories on the job satisfaction
Aamir Ijaz, Adeela anwar, Rab Nawaz Lodhi, Umie Habiba, 2015	Job satisfaction	Non-financial reward	Bank, Pakistan	Impact of non-financial reward on job satisfaction
K. R. Sowmya, N. Panchanathm. 2011	Job satisfaction	Job involvement in the factor of job satisfaction	Bank, India	Job satisfaction depend on supervisor behavior, co-worker behavior, pay and promotion, working condition and organizational aspects

Shibani Belwalkar, Veena Vohra and Ashish Pandey, 2018	Job satisfaction	Workplace spirituality and outcomes	Organization, India	The experience of job satisfaction is the strongest trigger for the display of OCBs amongst employees studied.
Hayfaa A. Tlaiss, 2011	Job satisfaction	Individual factors and work-related factors of job satisfaction	Bank, Lebanese managers	Relationship between job satisfaction and demographic factors, work-related factors.
Vikram jeet, Syeeduzzafar, 2014	Job satisfaction	Training, performance appraisal, Team work, employee participation, and compensation	HDFC Bank, India	HRM practice has a significant impact on job satisfaction.
Muhammad Zeeshan Ali and Nawaz Ahmad, 2017	Job satisfaction	Job performance, Intrinsic reward, perceived equitable reward, Extrinsic reward	Bank, Pakistan	Pay, promotion and recognition has a significant impact on job satisfaction.
Yohanandan G., and R. Divya. 2020	Job satisfaction	Employee participation, communication with employees, HRM practices	Private sector bank, India	Major variables contributing to job satisfaction are the baking job itself.
K.S. Rao, Venkateswarlu Karumuri, 2019	Job satisfaction	Working condition, salary & its structure, promotional opportunities, relationship with supervisor, relationship with co-	Conceptual framework, India	Job satisfaction variables like workplace environment, compensation, employee growth has relationship with senior manager, relationship

		worker, work itself, welfare facilities, organizational policies, performance appraisal, job security, social support in work place		with peers have been identified as the most important job satisfaction variables.
Nabid Aziz, Mohitul Ameen, Ahmed Mustafi and Md Sajjad Hosain, 2020	Job satisfaction	HRM practices, working hour, fair competition, equal treatment, psychological support, promotional opportunity, benefit package, co-working relationship.	Public bank, Bangladesh	Managers should focus case by case while they are trying to solve the psychological issues among employees.

While the Table 1 literature analysis identifies numerous factors affecting employee job satisfaction, the majority of research papers discuss some common characteristics such as compensation policy, employee empowerment, workplace environment, and performance appraisal process. And this paper will cover these four independent factors in detail.

2.1. Research Question

This researcher has used below research question to find out relationship between dependent variable and independent variable.

- Does there is any positive and significant relationship between the employee compensation policy and employee job satisfaction?
- Does there is any positive and significant relationship between the employee empowerment and employee Job satisfaction?
- Does there is any positive and significant relationship between the employee working environment and employee job satisfaction?
- Does there is any positive and significant relationship between the employee performance appraisal and employee job satisfaction?

2.2. Hypotheses

H1. The positive and significant relationship between the employee job satisfaction and compensation policy.

H2. The positive and significant relationship between employee job satisfaction and workplace environment.

H3. The positive and significant relationship between employee empowerment and employee job satisfaction.

H4. The positive and significant relationship between employee performance appraisal process and employee job satisfaction.

2.3. Theoretical Framework

This theoretical framework is a comprehensive framework to find out the factors that are influencing employee job satisfaction and the relationship between those factors and employee job satisfaction, like compensation policy, workplace environment, employee empowerment, and employee performance appraisal. These are all the stimulus and independent variables of this study, and employee job satisfaction is the response and dependent variable. The industry for this study is the private banking sector in Bangladesh.

The independent variable is the stimulus of this study, and this independent variable has a positive and significant relationship with the dependent variable, which is also the response of this study. Employee job satisfaction is defined by feelings towards the job, and those feelings can be positive or negative based on some factors. However, this study factors are considered such as compensation, workplace environment, employee empowerment, and employee performance appraisal policy. All these stimuli have a positive and significant connection with the response of this study.

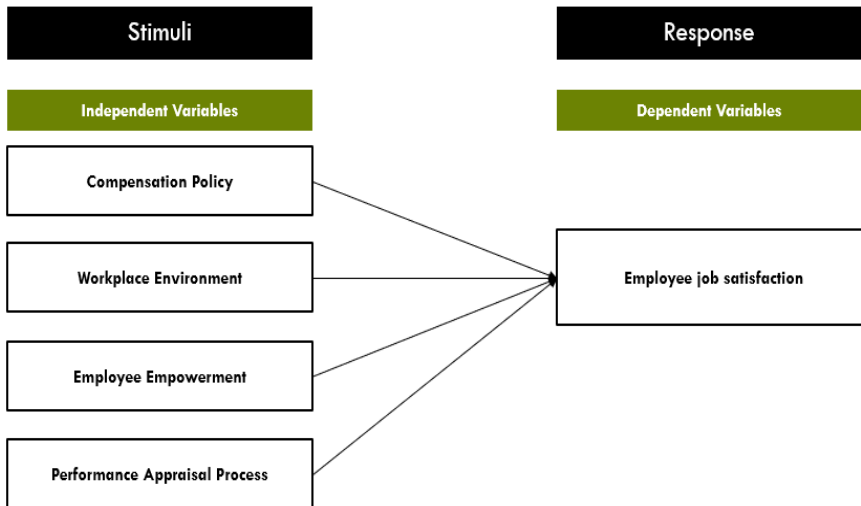


Fig. 1: Stimulus-response model

3. Materials and Methods

Due to identifying the factors that are affecting employee job satisfaction, the HR department can focus on these factors while making HR policies for the private bank. For this study, the private banking sectors of Bangladesh have been selected through the quantitative methodology. In this research, the stimulus-response model is used as a theoretical framework. This research explains the relationship between job satisfaction and employee compensation policies, employee empowerment, performance appraisals, and employee working environments, and also demonstrates how the HR department can utilize this data to make new HR policies where the HR manager will focus on motivational aspects.

This research paper conducted a survey of the respondents who are working in the private banking sector in managerial positions. The quantitative methodology were used in this study. The respondents, in this case, are those who work in a private bank in Bangladesh, and the position is a managerial one. The position is selected because the junior level officer will be happy as they have just joined the bank. According to Maslow’s hierarchy of needs, the first need is a physical need for food, clothing, and basic needs. All of these will be fulfilled by the job, so they will be satisfied with their job.

The survey questionnaire was prepared and sent using an online platform, i.e., Google Forms. A total respondent size was 200 for this research paper. Data

collection has been done by using the Google form as well as an online cluster sampling technique. After collecting the data, it is analyzed using SPSS (data screening) and SmartPLS (data analysis). A pilot test was conducted before the official survey distribution for the purpose of testing the reliability of this survey question. In this study, the limitation is non-probability sampling, as there is no sampling frame available for this job satisfaction-based survey as there is no exact data of how many managerial level employees are working in the private banking sectors of Bangladesh. Again, a quantitative research approach was used in non-experimental and explanatory fields of study to cope with the objectives of this paper, which is to identify the positive and significant relationship between the stimulus and response. There are four factors in the stimulus. They are compensation policy, employee empowerment, workplace environment, and employee performance appraisal in a private bank in Bangladesh. The response of this study is employee job satisfaction in a private bank in Bangladesh.

Results were clear and concised. Explore the significance of the results of the work, not repeat them. A combined Results and Discussion section is often appropriate. Avoided extensive citations and discussion of published literature.

3.1. Unit of analysis, population and sampling

3.1.1. Population

According to the topic, the research populations in this study are the managerial level employees of the private banking sector in Bangladesh. "Managerial level" means mid-level employees. For example, team leader, head of branch, first assistant vice president, head analyst, assistant vice president in the risk management department for the Bangladesh context. This study is for all the localities in Bangladesh.

3.1.2. Sample frame

There is no specific sampling frame available for this study.

3.1.3. Sample size

The sample size is with regard to the total number of respondents in the sample. A sample size is also the sub-group of the population that researchers have selected to conclude the results. Moreover, the sub-group from the population also made it easy to give a proper statement and result, and the

sample size represented the entire population. The sample size number always considered bigger than 30 and smaller than 500.

3.2. Measurement of variables

Any research paper must include some independent and dependent variables, referred to as operationalization variables. They are referred to as operationalization variables since they are associated with a particular issue and are included in the survey questionnaire just to ascertain the meaning of each variable. There are a total of five variables in this study, four of which are independent variables and one of which is a dependent variable. Compensation policy, work environment, employee empowerment, and performance appraisal process are all independent variables, while employee job satisfaction is a dependent variable.

Table 2: Measurement of variables

Variables	Questions	Sources
Employee job satisfaction	<ul style="list-style-type: none"> • Are you fully satisfied with the overall banking management policy? • Are you satisfied as overall compensation policy that you receive from the bank? • Are you satisfied as overall in the context of workplace environment? • Are you satisfied as overall for the banking employee empowerment policy? • Are you satisfied as overall for the employee performance appraisal process that bank follow? 	Panghal & Bhambu (2013)
Compensation Policy	<ul style="list-style-type: none"> • Bank basic salary is satisfiable and matched with the other banks salary structure. • Bank benefit system is satisfiable and matched with the local market. • Promotion rules are very clear in Bank. • Every employee has opportunity to get promotion in the bank. • Promotion of employees depends on the relationship with the managers. 	Mangkunegara, A.P. (2017)
Workplace Environment	<ul style="list-style-type: none"> • Bank Supervisor respect the subordinates. 	Yusuf and Metiboba (2012)

	<ul style="list-style-type: none"> • The bank is good quality of work environment. • The bank has good work condition. • The bank is best quality of Management. • The bank provides good and safe work environment. 	
Employee empowerment	<ul style="list-style-type: none"> • Are you satisfied with the banking employee empowerment policy in the context of decision making? • An employee always gets the opportunity to present their thoughts in regarding taking any financing decisions. • Are you satisfied with the bank that you got opportunity to get flourish in your position? • Are you satisfied with the bank regarding their goal sharing with the employee, example bank shares their mission and vision properly with its employees? • Are you satisfied with the bank as they provide all the resources to you to complete your assigned work. 	Elnaga and Imran (2014)
Employee performance appraisal process	<ul style="list-style-type: none"> • Are you satisfied with the bank performance evaluation process done by management? • Are you satisfied with the standard procedure of performance appraisal process? • Are you satisfied with the bank performance appraisal policy as it also motivates you to increase your productivity? • Are you satisfied with the evaluation system as it gives you feedback of your work? • Are you satisfied with the bank appraisal process that also motivate you to stay in this bank. 	Pathania (2011)

3.3. Data collection method

The questionnaire is made up with the help of the Google survey form and sent through email and WhatsApp. The data collection started at the beginning of June 2022 and ended in the 1st week of August 2022. It took almost two months as the topic of this study paper was HR policy-related and I needed to get permission from the HR department of banks. As of now, a pandemic situation is going on, making face-to-face data collection is difficult. That is why sending email and WhatsApp messages with the Google form and collecting data is the most helpful way of reaching the employees of the private bank. Almost 260 questionnaires were distributed by email and WhatsApp. However, 210 responses were recorded in the survey form, of which 10 were incomplete and unacceptable answers. Finally, the valid data (n) used for this study is actually 200. The analysis is conducted by using multivariate analysis techniques such as exploratory factor analysis, confirmatory analysis, and structural equation modeling.

3.4. Questionnaire design

This research paper follows the quantitative method with the help of a self-made Google questionnaire. The questionnaire is also taken from the previous research paper. The questions are summarized from other research and also made suitable for this study's purpose. There are six sections in the questionnaire. The first section is for generalizing questions like demographics. Another five sections are for the variables' related questions. There are thirty-two questions in total. Five questions each for five variables and eight generalized questions.

The first section is all about the demographic details of the respondent, such as name, gender, age, income, marital status, work department, work position, and working hours. These are all the personal questions for any respondent and will not be disclosed to others. Working position, working hours, income, all these are the elements that will help to find out the employee satisfaction level in a private bank.

From sections two to six, there are specific questions related to job satisfaction, which will help to identify the factors and also the positive relationship between the factors and job satisfaction in the private banking sector of Bangladesh. In this study, only the private bank employees are the respondents, so there is no need to identify whether they are real respondents or not. Here in this study, the measurements are taken based on some past research manuscripts (Elnaga and Imran, 2014; Mangkunegara, 2014; Panghal and Bhambu, 2013; Yusuf and Metiboba, 2012; Pathania, 2011).

3.5. Data analytical techniques

The hypothesis test is to identify a significant positive relationship among all the independent and dependent variables through the data analysis process. Both SPSS (Statistical Package for Social Science) and Smart PLS (Partial Least Square) used for data screening, data analysis, and hypothesis testing.

Table 3: Pilot test

Variables	Reliability Statistics		
	Cronbach Alpha	N of Items	Case
Overall Job Satisfaction	.955	5	200
Compensation Policy	.823	5	200
Workplace environment	.963	5	200
Employee empowerment	.862	5	200
Performance Appraisal Process	.894	5	200

Pilot studies are mini-sized, introductory studies whose purpose is to identify whether critical elements of a major study—usually an RCT (Randomized Controlled Trial)—will be suitable or not. The results are reliable if the Cronbach’s Alpha value is greater than 0.70 (Cronbach, 1951). It is seen in Table 1 that the total response rate is 200 and the N of items for each variable is 5. And Cronbach’s Alpha for overall job satisfaction is 0.955, the compensation policy is 0.823, the workplace environment is 0.963, the employee empowerment is 0.862, and the performance appraisal process is .894. From this reliability test, it is shown that all the variables are highly reliable and it is also seen that there will be no need for modification regarding the response rate as it is already highly reliable.

3.5.1. Reliability Test

In the research context, there are very few methods available that used for the measurement test and the reliability test, and while doing this study paper, the Cronbach’s Alpha method was chosen for the reliability test. According to Cronbach and Meehl (1951), it is a test to verify the internal creditability of the fixed variables of DV and IV, which must be more than 0.7.

3.5.2. Normality Test

All these statistical methods are responsible for establishing the testimonial interregnum for variables because if none of these tests is done, then the measurement will not be correct and reliable (Ghasemi and Zahediasi, 2012). A smaller sample size study can be given a bigger value or less than 1.96% to

establish the normality of the data, and a bigger or lesser value than 2.58 must be used for a bigger sample size of 200 or more (Ghasemi and Zahediasi, 2012). The normality range is absolutely skew with a bigger value than two for skewness and bigger than seven for kurtosis.

4. Results and Discussions

The primary data was collected by a questionnaire and provides a detailed explanation of the systematic information. In any study, data screening plays a significant role in identifying whether the data is reliable or not. The data was screened using SPSS. Finally, the data was plotted into the statistical and analytical software SPSS, which included the respondent profile, descriptive test, and normality test. The test was analyzed by PLS to identify the result of production and also the discussion of the hypothesis testing.

The analysis takes place in the bank, where a questionnaire is distributed to 240 personnel. From them, 210 responses were recorded, and 200 of those were accurate. But still, the sample size matches the required sample size based on the maximum sample size that is required for this study.

In the survey, there are two categories of questions available: one is the nominal scale, which includes demographic information, and the other is specialized questions regarding variables. For the demographic data analysis in section A, collected data is labelled according to numbers like "1" to "5" to indicate the value. For age, there are three options to choose the age category. For gender, there are two categories, which are male and female. In order to know the marital status of employees, there are two options: yes and no. To know about years of experience, there are also four options. And lastly, to know the salary range, there are five options. In part B, which has five sections ranging from two to six, all contain the questions regarding variables. And in answer, they have options from "1" to "5". These numbers have options relating to the question. For example, if there is a question related to satisfaction, there are options from 1 = Very Satisfied, 2 = Somewhat Satisfied, 3 = Neither satisfied nor dissatisfied, 4 = Somewhat dissatisfied, 5 = Very dissatisfied. And where a question is regarding agreeing or not, there are also five options: 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree.

4.1. Respondent profile

Table 4: Respondent profile

Respondent Profile			
Demographic Character	Demographic Sub-character	Frequency=200	Percentage
Age	30-40	51	25.5
	40-50	107	53.5
	Above 50	42	21.0
Gender	Male	171	85.5
	Female	29	14.5
Managerial level employee	Yes	200	100
	No	0	0
Work experience	2-5 years	49	24.5
	5-7 years	73	36.5
	7-10 years	40	20.5
	Above 10 years	38	19.0
30000-40000	36	18.0	30000-40000
40000-50000	71	35.5	40000-50000
50000-60000	46	23.0	50000-60000
60000-80000	29	14.5	60000-80000
Above 100000	18	9.0	Above 100000

All the 200 respondents are managerial-level employees of private banks; otherwise, they could not participate in the questionnaire fill-up. According to the response received, the highest working experience level is 5-7 years (36.5%), 2-7 years (24.5%), 7 to 10 years (20.5), and above 10 years is very low (19%) only. The salary range of the respondent is also varied, where most of the respondent's salary range is from 40000–50000 (35.5%), followed by 50000–60000 (23%), 30000–40000 (18%), 60000–80000 (14.5%), and above 100000 there is very little response (9%).

4.2. Descriptive analysis

A descriptive analysis of the variables is performed just after the respondent profile has been created to find out the variable mean and standard deviation.

Table 5: Descriptive analysis of variables

Descriptive Analysis of Variables			
Code	Construct	Mean	Standard deviation
	Compensation Policy	2.956	1.307

Factors that are influencing the Employee job satisfactions in private banking sector of Bangladesh: An empirical analysis

Compensation1	Bank basic salary is satisfiable and matched with the other bank's salary structure	3.19	1.238
Compensation2	Bank benefit system is satisfiable and matched with the local market	2.92	1.354
Compensation3	Promotion rules are very clear in Bank:	2.94	1.292
Compensation4	Every employee has opportunity to get promotion in the bank	3.07	1.395
Compensation5	Promotion of employees depends on the relationship with the managers	2.66	1.254
	Workplace Environment	3.106	1.412
Workplace environment1	Bank Supervisor respect the subordinates	2.92	1.396
Workplace environment2	The bank is good quality of work environment	3.13	1.371
Workplace environment3	The bank have good work condition	3.21	1.401
Workplace environment4	The bank is best quality of Management	2.99	1.435
Workplace environment15	The bank provide good and safe work environment	3.28	1.456
	Employee Empowerment	3.48	1.134
Employee empowerment1	Are you satisfied with the banking employee empowerment policy in the context of decision making	3.51	1.125
Employee empowerment2	Are you satisfied as an employee who always get the opportunity to present their thoughts in regarding taking any financing decisions	3.56	1.193
Employee empowerment3	Are you satisfied with the bank that you got opportunity to get flourish in your position	3.53	1.070
Employee empowerment4	Are you satisfied with the bank regarding their goal sharing with the employee, example bank shares their mission and vision properly with its employees	3.32	1.105
Employee empowerment5	Are you satisfied with the bank as they provide all the resources to you to complete your assigned work	3.48	1.178
	Performance Appraisal Process	3.548	1.149

Performance appraisal process1	Are you satisfied with the bank performance evaluation process done by management	3.68	1.001
Performance appraisal process2	Are you satisfied with the standard procedure of performance appraisal process	3.69	1.179
Performance appraisal process3	Are you satisfied with the bank performance appraisal policy as it also motivate you to increase your productivity	3.42	1.145
Performance appraisal process4	Are you satisfied with the evaluation system as it gives you feedback of your work	3.29	1.209
Performance appraisal process5	Are you satisfied with the bank appraisal process that also motivate you to stay in this bank	3.66	1.213
	Overall Job Satisfaction	2.73	1.379
Overall job satisfaction1	Are you fully satisfied with the overall banking management policy?	2.58	1.297
Overall job satisfaction2	Are you satisfied as overall compensation policy that you receive from the bank?	2.77	1.351
Overall job satisfaction3	Are you satisfied as overall in the context of workplace environment?	2.62	1.499
Overall job satisfaction4	Are you satisfied as overall for the banking employee empowerment policy?	2.88	1.330
Overall job satisfaction5	Are you satisfied as overall for the employee performance appraisal process that bank follow?	2.80	1.418

4.3. Normality test

After the data screening in SPSS software and descriptive analysis, the research is proceeded to the next analysis using Smart PLS, but before using Smart PLS, the normality test of the raw data was done. A normality test can help to find if the raw data can be utilized for the statistical test is skewed or aligned in any way. The main reason for testing normality is to check whether the raw data is being distributed normally without any bias towards anything. The result of the normality test is given below Table 6.

Table 6: Normality test

Descriptive Analysis of Variables						
Code	Construct	N Statistic	Skewness Statistics	Std. error	Kurtosis Statistics	Std. Error
	Compensation Policy					
Compensation1	Bank basic salary is satisfiable and matched with the other bank's salary structure	200	-.142	.172	-1.142	.342
Compensation2	Bank benefit system is satisfiable and matched with the local market	200	.012	.172	-1.261	.342
Compensation3	Promotion rules are very clear in Bank:	200	.136	.172	-1.188	.342
Compensation4	Every employee has opportunity to get promotion in the bank	200	-.283	.172	-1.289	.342
Compensation5	Promotion of employees depends on the relationship with the managers	200	.420	.172	-.779	.342
	Workplace Environment					
Workplace environment1	Bank Supervisor respect the subordinates	200	.030	.172	-1.400	.342
Workplace environment2	The bank is good quality of work environment	200	-.169	.172	-1.231	.342
Workplace environment3	The bank have good work condition	200	-.338	.172	-1.263	.342
Workplace environment4	The bank is best quality of Management	200	.049	.172	-1.417	.342
Workplace environment15	The bank provide good and safe work environment	200	-.390	.172	-1.302	.342
	Employee Empowerment					
Employee empowerment1	Are you satisfied with the banking employee empowerment policy in the context of decision making	200	-.698	.172	-.264	.342
Employee empowerment2	Are you satisfied as an employee who always get the opportunity to present their thoughts	200	-.511	.172	-.693	.342

	in regarding taking any financing decisions					
Employee empowerment3	Are you satisfied with the bank that you got opportunity to get flourish in your position	200	-.638	.172	-.127	.342
Employee empowerment4	Are you satisfied with the bank regarding their goal sharing with the employee, example bank shares their mission and vision properly with its employees	200	-.289	.172	-.641	.342
Employee empowerment5	Are you satisfied with the bank as they provide all the resources to you to complete your assigned work	200	-.409	.172	-.809	.342
	Performance Appraisal Process					
Performance appraisal process1	Are you satisfied with the bank performance evaluation process done by management	200	-.869	.172	.578	.342
Performance appraisal process2	Are you satisfied with the standard procedure of performance appraisal process	200	-.677	.172	-.456	.342
Performance appraisal process3	Are you satisfied with the bank performance appraisal policy as it also motivate you to increase your productivity	200	-.431	.172	-.766	.342
Performance appraisal process4	Are you satisfied with the evaluation system as it gives you feedback of your work	200	-.167	.172	-1.060	.342
Performance appraisal process5	Are you satisfied with the bank appraisal process that also motivate you to stay in this bank	200	-.601	.172	-.629	.342
	Overall Job Satisfaction					

Overall job satisfaction1	Are you fully satisfied with the overall banking management policy?	200	.178	.172	-1.299	.342
Overall job satisfaction2	Are you satisfied as overall compensation policy that you receive from the bank?	200	.105	.172	-1.342	.342
Overall job satisfaction3	Are you satisfied as overall in the context of workplace environment?	200	.508	.172	-1.244	.342
Overall job satisfaction4	Are you satisfied as overall for the banking employee empowerment policy?	200	-.001	.172	-1.281	.342
Overall job satisfaction5	Are you satisfied as overall for the employee performance appraisal process that bank follow?	200	.306	.172	-1.255	.342

This Table 6 shows that the absolute value of the skewness ranges between -0.001 and 0.508 and the kurtosis value ranges between -1.417 and 0.578. Here it is seen that the data meets the normality test assumptions based on (Hair et al. 2014), where it is mentioned that skewness and kurtosis values are normal in between -1 and +1 and should be used for a larger sample size, which is 200 or more.

4.4. Goodness of measure

Here in this study, the outer loading, construct validity, and discriminant validity are shown to confirm and identify that the established instrument is genuinely used to measure the objective that the researcher was supposed to measure for the concept of this study. The theoretical framework which is created using Smart PIs is given below.

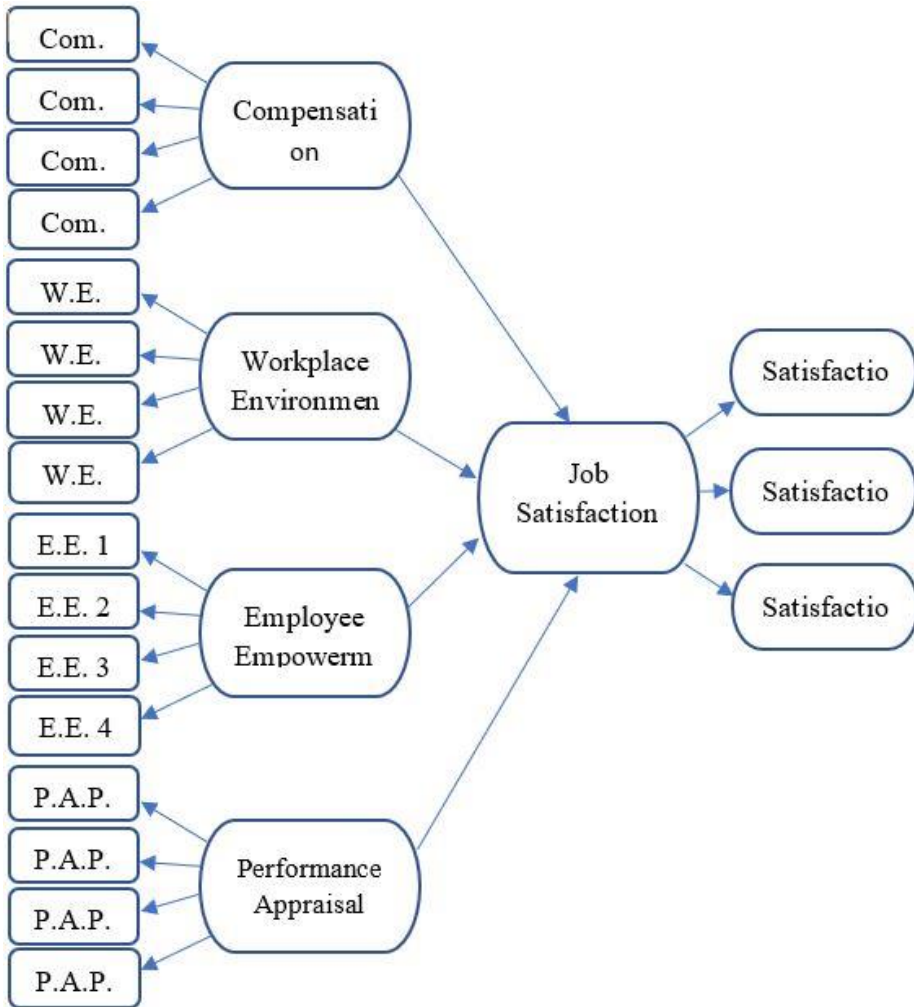


Fig. 2: Measurement model theoretical framework

Table 7: Measurement model assessment

Model Construct	Measurement Item	Loading	CRa	AVEb
Compensation Policy	Bank basic salary is satisfiable and matched with the other bank's salary structure	.903	.940	.838
	Bank benefit system is satisfiable and matched with the local market	.940		
	Promotion rules are very clear in Bank	.903		
Workplace Environment	Bank Supervisor respect the subordinates	.923	.961	.892
	The bank is good quality of work environment	.964		
	The bank have good work condition	.946		
Employee Empowerment	Are you satisfied with the banking employee empowerment policy in the context of decision making	.873	.933	.822
	Are you satisfied as an employee who always get the opportunity to present their thoughts in regarding taking any financing decisions	.943		
	Are you satisfied with the bank that you got opportunity to get flourish in your position	.903		
Performance appraisal process	Are you satisfied with the bank performance evaluation process done by management	.859	.934	.825
	Are you satisfied with the standard procedure of performance appraisal process	.947		
	Are you satisfied with the evaluation system as it	.917		

	gives you feedback of your work			
Employee job satisfaction	Are you fully satisfied with the overall banking management policy?	.945	.957	.881
	Are you satisfied as overall compensation policy that you receive from the bank?	.929		
	Are you satisfied as overall in the context of workplace environment?	.941		

Note: A composite reliability test = (square of the summation of the factor loading) / (square of the summation of the factor loading) + (square of summation of the error variance); (average variance extracted) = (summation of the square of the factor loading) / (summation of the square of the factor loading) + (summation of the error variances)

The Table 7 illustrates the result of the measurement model of this study. The first step is to analyses the construct validity to ensure the loading of each of the constructs should be greater than 0.5 according to (Bagozzi and Yi, 1988), where the results in Table 7 indicates the loading for all constructs are between 0.859 to 0.964 which indicates that the loading is meeting the threshold value. The next step is to evaluate the composite reliability (CR). CR should more than 0.7 (Gefen et al., 2000). And the result shows that CR for each construct is ranging between 0.933 and 0.961. Hence CR is also meeting the greater than the threshold value of more than 0.7. Lastly is to evaluate the average variance extracted for each construct must be greater than 0.5 (Fornell and Lacker, 1981) where the result indicates that AVE for each construct is ranging between .822 to .892. with the result being discussed, it is confirmed that the construct is validity is meeting all the thresholds for each test and will proceed for discriminant validity test as the next step.

4.4.1. Reliability test

Table 8: Reliability test

Construct	Compensation Policy	Workplace environment	Employee empowerment	Performance appraisal process	Employee job satisfaction
Compensation policy	.916				
Workplace environment	.288	.944			
Employee empowerment	.419	.241	.907		
Performance appraisal process	.325	.865	.210	.908	
Employee job satisfaction	.840	.220	-.375	.283	.938

Earlier, construct validity was performed. The objective of discriminant validity is to understand if the respondent understood there were five different sections in this study. The result is shown in table 9 that indicates that the internal consistency of the variables is ranging between .907 and .944, which also meets the Fornell and Larcker’s standard threshold (1981) where the value is greater than 0.7.

4.4.2. Result of Hypothesis

Table 9: Result of hypothesis

Hypothesis	Relationship	Std. Beta	Std. error	t-value	P-value	Supported
H1	Compensation policy to employee job satisfaction	-.488	.144	4.268	0.000	Yes
H2	Workplace environment to employee job satisfaction	-.070	.122	.573	.284	No
H3	Employee empowerment	.240	.101	2.379	.009	Yes

	to employee job satisfaction					
H4	Performance appraisal process to employee job satisfaction	.181	.101	1.795	.037	Yes

Note: * $P < 0.05$ (1.65); ** $P < 0.01$ (2.33) one-tail.

The next step after completing the measurement model, which was also done previously, would be the evaluation of the structural model that is done for the result of the hypothesis, which is shown in table 9. The result of the hypothesis testing is done by the option of bootstrapping in smart pls for statistical significance analysis. The corresponding values of this study are one-tailed test is 1.65 (significance level at 5%) and 2.33 (significance level at 1%), which comply with the critical values (Hair et al., 2017). The hypothesis test for the first hypothesis (H1) is evaluating the positive and significant relationship between the compensation policy and employee job satisfaction ($\beta = -.488, P > 0.05$) and shows a significant positive relationship between where the t-value meets the threshold value t-value (4.268). Therefore, this study H1 is accepted. For the second hypothesis, is insignificantly positive between the workplace environment and employee job satisfaction ($\beta = -0.070, P < 0.05$) and t-value is .573, which is lower than t-value threshold (1.65). P -value is also higher than 0.05 $P < .284$. So H2 is rejected for this study. For Hypothesis three, it is also significantly positive between employee empowerment and job satisfaction as ($\beta = .240, P > 0.05$) is showing t-value is 2.379 which is definitely bigger than 1.65 and also P -value is less than 0.05 which is .009. So H3 is also accepted. Hypothesis four is significantly positive between the performance appraisal process and employee job satisfaction as ($\beta = .181, P > 0.05$), is showing t-value= 1.795, which is bigger than 1.65 and P -value is .037 which is lower than 0.05. So, H4 is also accepted.

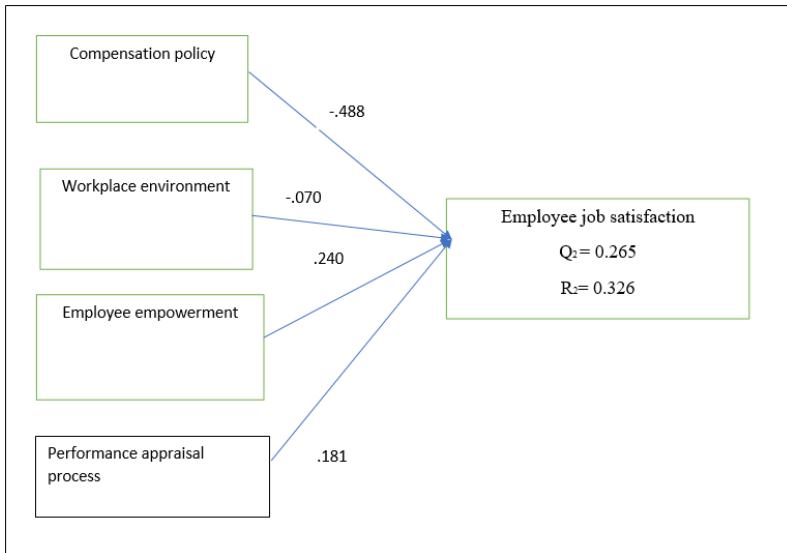


Fig. 3: Results of the structural model analysis

Here, this figure shows the value of the Q₂ and R₂ for the endogenous variables. Here, Q₂ absolute value is 0.265, which meets the threshold value of being greater than 0 of Q₂ to confirm that this model is predictive relevance (Hair et al., 2014; Fornell and Cha, 1994). Here, R₂ value is 0.326, which is greater than 0.3 means moderate explanatory power (Hair et al., 2011; Henseler et al., 2009).

5. Conclusions

The measurement tool was comprised of four independent variables and one dependent variable. Employee job satisfaction is very important for any organization but how to give satisfaction to the employees is also very necessary. In accordance with previous and current research, there are lots more factors of employee job satisfaction, but from those, some are more influential to the employee job satisfaction in the context of the private bank in Bangladesh. However, present study such as response rate, the demographic profile of respondents, pilot testing, description testing, and hypothesis testing were mentioned that demonstrated and validated relationship of the factors toward job satisfaction. Finally, this study has concluded that compensation policies, employee empowerment, and performance appraisal processes have positive and significant effects on employee job satisfaction in the private banking sector of Bangladesh.

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