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FACTORS INFLUENCING EMPLOYEE SATISFACTION IN WORKPLACE

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Abstract—This research is aimed at determining the affecting factors of employee satisfaction through systematic literature review. Additionally, the study has been examined the employee perception of State Bank of India towards these influencing factors.. Related literature has been reviewed from the secondary sources. Primary data have been collected from 175 employees randomly selected from State Bank of India located in Mohali, Punjab, India through questionnaire. The questionnaire was formulated in the light of selected 13 determinants found through literature review. This study found that employees consider fair compensation, benefit package, promotion opportunities, working hours and interpersonal relationships as major factors of their satisfaction. Besides, performance appraisal, leadership style, job security, training and development and recognition are considered important influencers for job satisfaction. In contrast, selected employees rate stress levels, flexible work conditions, and physical work environment as less important factors for job satisfaction. So, State Bank of India or SBI should better know the factors of employee satisfaction and formulate and implement policies related to employee satisfaction.

Keywords—SBI, Employee Satisfaction, Promotion, Employee Retention, Interpersonal relationship

I. INTRODUCTION

Job satisfaction is the total of employees' positive or negative feelings and emotions about their employment. A person has positive feelings about his job when he has a high level of job satisfaction; but when one has a low level of job satisfaction the individual holds negative feelings [1]. Some researchers believe that dispositional variables and traits are more important factors in predicting satisfaction. Others, however, argue that organizational and environmental changes are more

important. Employee satisfaction derives from the individual's work experience, so management practices, organizational policies and structures, working conditions, and relationships with coworkers are important [2]. In this era of globalization the financial sector is facing intense competition, uncertainty, dynamic environment and increasing customer expectations. Faced with these challenges of rapidly changing markets, banks are looking at optimal employee performance as an important source of competitive strength [3]. Employee satisfaction is essential for the effective implementation of any strategic objective. Only satisfied employees perform for the best interest of an organization. On the other hand dissatisfied employees become de-motivated and do not want to perform well and eventually leave the bank [4].

This situation also poses many threats and challenges for banks. One of the competitive challenges facing the banking sector today is human resource. This is why; satisfied human resource is the strength of an organization. Thus employees and their satisfaction are stable and provide additional advantage in comparative competition [5]. There have been many studies on the factors of employee satisfaction and different theorists have found different factors of employee satisfaction. Therefore the aim of this study is to determine the factors of employee satisfaction found through the literature reviews and the perceptions regarding the identified factors by the employees of State Bank of India (SBI).

II. OBJECTIVES OF THE STUDY

The research has been conducted:

1. To detect the major influencing factors of employee satisfaction in SBI.
2. To analyze the employee perceptions towards the identified factors by the employees of SBI



III. LITERATURE REVIEW

The attitude a worker has toward his or her job can be characterized as job satisfaction. Several elements of job satisfaction have been identified by researchers. The research on the causes of employee job satisfaction has produced a variety of conclusions from diverse quantitative and qualitative investigations. Many researchers have revealed that fair compensation, opportunity for promotion, interpersonal relationship [6] [7], working conditions, leadership styles and job security [8] [9] are the most influential factors for employee satisfaction. There is a positive relationship between benefit package and employee satisfaction [10] [11]. Some researchers have shown that working hours and training opportunities play an important role in employee satisfaction [12].

Researchers explored that strong positive relationship exists between performance appraisal and employee satisfaction [13]. Physical work environment and recognition satisfied the employee. Researchers explored that stress level [14] [15], grievance handling procedure job rotation, motivations are able to satisfied employee in various organizations. Researchers revealed positive relationships between job satisfaction with factors such as compensation, work environment, benefits, work load and leadership style among academic staff members in selected institutions. The most important factors influencing employee happiness are interpersonal relationships and personal growth opportunities. In contrast, salary, working conditions and working

environment were less significant factors in determining satisfaction. Dr. Hanif conducted a study to explore the link between interpersonal relationships and promotion opportunities and revealed that these two factors are positively related with the job satisfaction of the academics employed in higher education institutions [16].

The table below shows 30 different job satisfaction determinants proposed by individual researchers. The symbol 'tick mark' (✓) in front of a particular factor indicates the inclusion of a particular researcher. The last column of the table indicates the frequency of occurrence of a particular factor of job satisfaction. Although there is considerable research on employee satisfaction in different industries and different country perspectives, there is a need for more research on employee satisfaction in the banking sector of India as not much research has been conducted on the banking sector in India. Therefore, conducting this research seems important and worthwhile.

The frequency of occurrence of job satisfaction factor found in various studies is shown in figure. Fair compensation received the highest score of fourteen (14) and this indicates that most of all the researchers found compensation as a most important determinant of employee satisfaction. Factors such as opportunity for promotion (12), interpersonal relationship (11), leadership styles (9), working conditions (8), job security (8), benefit package (7), and working hours (6) also scored well, showing that the importance of these factors has been emphasized by most researchers.

Table - 1: Factors of Job Satisfaction based on Literature Review

Factors of Job Satisfaction	Lu et. al (2007)	Hyz (2010)	Wadhwa et al. (2011)	Parvin & Kabir (2011)	Ahmed & Uddin (2012)	Kumaran et al. (2013)	Sarwar & Abugre (2013)	Barbara (2014)	Alammar & Picardi (2016)	Syed & Yan (2016)	Abulhashesh et al. (2019)	Koorolla & Perumal (2019)	Aziz et al. (2020)	Sutoro (2020)	Hee et al. (2020)	Heimerl, et al. (2020)	Hanif et al. (2021).	Frequency of occurrence
Fair Compensation	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓		✓	✓	✓		14
Opportunity for Promotion	✓	✓	✓	✓	✓		✓	✓		✓	✓		✓	✓			✓	12
Interpersonal Relationship	✓	✓		✓	✓	✓	✓	✓	✓			✓		✓			✓	11
Leadership Styles	✓	✓	✓		✓	✓	✓	✓							✓	✓		9
Working Conditions	✓			✓	✓	✓	✓	✓	✓	✓				✓				8
Job Security	✓	✓		✓		✓	✓	✓			✓			✓				8
Benefit Package					✓		✓				✓	✓	✓	✓	✓			7



Working Hours	√	√				√						√	√			√		6
Training and Development	√	√				√		√				√				√		6
Performance Appraisal				√		√			√			√		√				5
Physical Work Environment	√							√				√				√	√	5
Recognition	√	√						√						√				4
Stress Level		√	√								√							3
Safety at Work						√		√										2
Rewards					√		√											2
Responsibility & Autonomy	√	√																2
Opportunities to Contribute Ideas	√													√				2
Motivation							√					√						2
Job Rotation	√									√								2
Grievance Handling Procedure						√				√								2
Teamwork													√					1
Quality of Life		√																1
Psychological Support													√					1
Opportunity to Use Abilities	√																	1
Fair Competition													√					1
Equal Treatment													√					1
Employee Participation										√								1
Corporate Culture								√										1
Clarity of Responsibilities		√																1
Availability of Working Equipment							√											1

Source: Literature Review

IV. METHODOLOGY OF THE STUDY

The study used mixed methods. Some qualitative and quantitative data have been used to prepare this report. The

researcher randomly selected 175 employees from different branches of SBI located in Mohali, Punjab, India to collect data. Two types of data sources are used in this study. A



structured questionnaire was used to collect primary data. Questionnaires were developed based on the determinants of job satisfaction identified through various literature reviews. To prepare the questionnaire the researcher considered the factors identified by at least three researchers as factors of employee satisfaction. In addition to these determinants, respondents were given the opportunity to identify other factors that they felt were influencing their satisfaction. The questionnaire consisted of both closed-ended and open-ended questions. Secondary data was collected from books, publications, research articles, websites etc. To measure the relevance of factors of employees satisfaction four point Likert scale ranging from 1= highly disagree, 2= disagree, 3= not sure/no comments, 4= agree and 4= strongly agree was used for this study [17]. Reactions were measured in terms of mean and standard deviation. According to Pihie [18] mean score above 3.80 is considered as high perceptions, 3.40-3.79 is moderate perceptions and below 3.39 is a low perception. Therefore, the employees' perceptions to job satisfaction factors are considered by the above thresholds. IBM SPSS version 22 is used for data analysis. To achieve the goals of the study, descriptive statistics were employed. Tables and figures are used to present data.

V. FACTORS INFLUENCING JOB SATISFACTION

Fair compensation - Compensation is a payment that induces an employee to devote his personal time and work. Employees' satisfaction increases if pay equals or exceeds employee expectations and the opposite results when pay is less than expectations [7].

Opportunity for promotion - An employee's career can advance through promotion in any firm. As a reward for his dedication to the work and the company, an employee is typically promoted to a higher position. Employees' job happiness and morale can be significantly impacted by the prospect of promotion [15].

Interpersonal relationships - Interpersonal relationship basically refers to the quality of an employee's relationship with superiors and other employees and the scope of his communication with superiors. Positive emotions accompanying interpersonal relationships are significant for bringing about employee satisfaction [19].

Working conditions - Working conditions are another significant variable that affects job satisfaction. Better the working condition less will be fatigue and more will be job satisfaction [11].

Job security - The significance of job security is that it has a big impact on outcomes relating to the workplace. Work happiness appears to be significantly influenced by job security. When researcher [20] looked at the impact of job

insecurity on job satisfaction; they discovered that it causes lower levels of commitment and satisfaction.

Leadership style - Employee job happiness is influenced by a leader's style, according to research. Employee job satisfaction rises when supervisors pay attention to their work and help them find solutions to both personal and work-related difficulties [14].

Benefits package - A good benefits package such as bonuses, additional paid time off, and fringe benefits such as transportation services, canteen facilities also bring workplace excitement and high job satisfaction [21].

Flexible working hours - Bank personnel typically have demanding occupations that last a long time. As a result, a key factor in assessing job satisfaction is the number of hours worked [15].

Training and development programs - Globalization and technology increase competition among businesses worldwide. Employees should acquire up-to-date knowledge of technology to keep up with the competition. Training and development programs are able to upgrade the employee's knowledge, skills and attributes therefore it leads to employee satisfaction [10].

Performance appraisal - If employees feel that decisions regarding performance appraisals are fair, they will respond with higher satisfaction and be more willing to engage in extra-role behaviors [22] [23].

Recognition - It is important to recognize and appreciate the efforts of employees, especially when they go above and beyond the call of duty. Recognition has been proven to be a key factor in employees' high levels of job satisfaction [19].

Stress level - Although job stress is private by nature, it has significant negative effects on companies [24]. Increased stress can therefore lower motivation and job satisfaction, which will negatively affect work output. On the other hand, if work-related stress diminishes, employee satisfaction will increase [25].

Physical work environment - Employees spend a lot of time at work, it's critical to provide a comfortable working atmosphere. Giving employees room to move around, enough lighting, comfy workstations, and productivity tools helps them do jobs more quickly and improves their job happiness [13].

VI. DATA ANALYSIS AND INTERPRETATION

This section deals with the analysis and discussion on the collected data.



A. **Profile of Respodent –**

Table - 2: Demographic Profile of Respondent

Attribute		Respondent	Percentage
Gender	Male	152	86.9
	Female	23	13.1
Marital Status	Married	136	77.7
	Unmarried	39	22.3
Educational Qualification	Post Graduate	148	84.6
	Graduate	27	15.4
Age	Below 30	17	9.71
	30-40	81	46.29
	40-50	48	27.42
	Above 50	29	16.57
Years employed	Below 5	25	14.29
	5-15	67	55.83
	15-25	51	42.50
	Above 25	32	26.67

Source: Field Survey

B. **Discussion –** Perceptions of the employees regarding the factors of job satisfaction are presented in table 3:

Table - 3: Perceptions of Employees on Satisfaction

Factors of Job Satisfaction	N	Mini-mum	Maxi-mum	Mean	Std. Deviation
Fair Compensation	175	3	5	4.55	0.649
Benefit Package	175	3	5	4.40	0.703
Opportunity for Promotion	175	3	5	4.26	0.727
Working Hours	175	2	5	4.15	0.860
Interpersonal Relationship	175	2	5	4.03	0.870



Performance Appraisal	175	2	5	3.77	0.901
Leadership Styles	175	2	5	3.73	0.912
Job Security	175	2	5	3.68	0.971
Training and Development	175	2	5	3.61	0.939
Recognition	175	2	5	3.48	0.958
Stress Level	175	1	5	3.35	0.903
Flexible Working Conditions	175	1	5	3.29	0.916
Physical Working Environment	175	1	5	3.27	0.905

Source: Survey Data

Table 3 shows that, the mean score of different factors of employees' satisfaction such as- fair compensation (mean=4.55), benefit package (mean=4.40), opportunity for promotion (mean=4.26), working hours (mean=4.15) and interpersonal relationship (mean=4.03). It indicates that respondent's comments regarding these factors fall in the high perceptions (response) category (agree). That is, these factors play the most important role in bringing about employee satisfaction. Again the mean score of factors of employees' satisfaction like- performance appraisal (mean=3.77), leadership styles (mean=3.73) job security (mean=3.68), training and development (mean=3.61), recognition (mean=3.48). It signifies that the respondents' reactions fall on moderate perceptions (response) category. While stress level (mean=3.35), flexible working conditions (mean=3.29) and physical working environment (mean=3.27) fall on low perceptions (response) category. However, some new factor was found from this study such as yearly handsome increment, performance bonus, provident fund and new working opportunities have been found as influencers of employee satisfaction. Although the effect of these factors is not very high, but some of the employees of the SBI consider these factors also influential for their own satisfaction.

VII. CONCLUSION

Satisfied employees help the organization to achieve its desired goals by properly performing all the tasks necessary for the success of the organization. Thus satisfied employees bring success to any organization. This research is mainly conducted to determine the factors of job satisfaction based on the literature review and to explore the perceptions regarding the identified factors. From this research, it can be seen that employees' consider fair compensation, benefit package,

promotion opportunities, working hours and interpersonal relationships as major influencers of their satisfaction. Besides, performance appraisal, leadership style, job security, training and development and recognition are considered important factors for job satisfaction. In contrast, respondents found stress levels, flexible working conditions and physical work environment to be less important factors for job satisfaction. The main implications of this research is that through this research it will be known which factor is given more importance and which factor is given less importance by the employees of SBI. As a result, SBI will be able to ensure the overall success of the bank by achieving its predetermined objectives with the efforts of satisfied employees [26].

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