

## **JOB SATISFACTION OF BANK EMPLOYEES IN GOVERNMENT AND PRIVATE BANKS IN AMPARA REGION, SRI LANKA**

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### **Abstract**

*The purpose of this research study is to compare the job satisfaction of private and government sector Ampara region, Sri Lankabank employees and to determine whether the sector differences in terms of demographic factors: Gender, Age, Ethnicity, Civil Status, Experience and Educational Qualification. Job satisfaction can be measured through the Ability Utilization, Motivation, Social Status, Compensation, Security, Supervision and Working Condition. In order to collect required data for the study, the Minnesota Satisfaction Questionnaire (MSQ) was used as a tool. The questionnaire was administrated to employees of private and government banks. Reliability test, Principalcomponent analysis, Independent samples t-test, ANOVA and Mean comparison test were used for analyzing the data. The t-test result concludes that, there are no significant different existed in the job satisfaction between male & female bank employee's and unmarried& married bank employees of government and private sector bank. Hence, job satisfactions for male and female, unmarriedand married bank employees are same in Ampara region government and private bank. Furthermore, ANOVA result concludes that, ageand year of experience didn't explore the job satisfaction difference in employees of government and private sector bank. But, the governmentsectorbank employee'seducational qualifications impact on jobsatisfactionsand also privatesector bank employee'sethnicityimpact on job satisfactions. Mean comparison test was use to differentiate the job satisfaction associated withethnicity and educational qualification factors.*

**Keywords:** Bank employees, Job satisfaction, Principalcomponent analysis, ANOVA, Reliability test.

### **Introduction**

Job satisfaction is a major research topic in the field of management. Job satisfaction is an essential element for the employees in achieving the objectives of an organization. Job satisfaction is a pleasant feeling experienced by the employee when there is a fit between what he expects and what he actually derives from his job(Devi and Nagini, 2013). Satisfaction is the fulfillment of a need of a person (Rashid Saeed et al., 2013). Job satisfaction can be influenced by variety of factors.

Identifying the job satisfaction factors are very difficult part of this study because of people needs and expectations. Every organization faces difficulties in filling the gap between reality and expectation of employees. Most of the employees are not satisfied about this gap, which may lead to job dissatisfaction and turnover of employees. But this is not good for long term success of the organization. According to Grover and Wahee (2013), managers are always concerned with identifying ways to boost morale, increase productivity and gain competitive advantage. Comparative study of government and private bank employees has not received much attention in the job satisfaction literature. Very few studies have attempted in this study. However, there exists no in-depth technical analysis on comparative study of government and private bank

employees. This study intends to fill this gap in the job satisfaction literature and provide an in-depth analysis.

A large number of studies have investigated about job satisfaction. Many researchers have been examined the bank employee's job satisfaction for variety of countries and the impact of various factors was seen on it which affected it both positively and negatively.

Jahufer and Ahamed (2014), examine the extrinsic job satisfaction in Ampara region, Sri Lanka government and private bank employees. The independent sample t-test result reveals that, there is a significant difference between gender and extrinsic job satisfaction as well as type of bank and extrinsic job satisfaction. Whereas, there is no significant difference between civil statuses and extrinsic job satisfaction. The ANOVA result concludes that, there is no significant difference between experience, age, ethnicity, educational qualification wise extrinsic job satisfaction, but there is significant difference between distances to working place and extrinsic job satisfaction.

Panghal and Bhambu (2013), conducted research for factors influencing job satisfaction of banking sector employees in India. Factor analysis by principal component method extracted 5 predominant factors such as Pay and promotion, Organization aspects, Supervisor behavior, Job & working condition and Co-worker behavior. The result reveals that commercial banks perceived pay and promotion is an indispensable factor to decide their satisfaction level. The employees have significant inclination towards optimistic supervisory behavior and pleasant organizational setup. The factor analysis meticulously identified that the job suitability as well as the working condition and other interpersonal relationship among the workers are able to ascertain their level of satisfaction within the working domain.

Velnamby & Sivesan (2012), conducted research for determinants of employees' job satisfaction of banking industries in Sri Lanka. Results of the study confirmed that job satisfaction can be determined by ten variables such as payment, happy to work, promotion, subordinate supervisor relationship, direction of supervisor, achievement, appreciation, participation in decision making, proud to work and enough description. According to exploratory factor analysis, these factors were divided into three groups.

The objective of this research study is to compare the job satisfaction of private and government sector Ampara region, Sri Lanka bank employees and to determine whether the sector differences in terms of demographic factors: Gender, Age, Ethnicity, Civil Status, Experience and Educational Qualification.

## **Methodology**

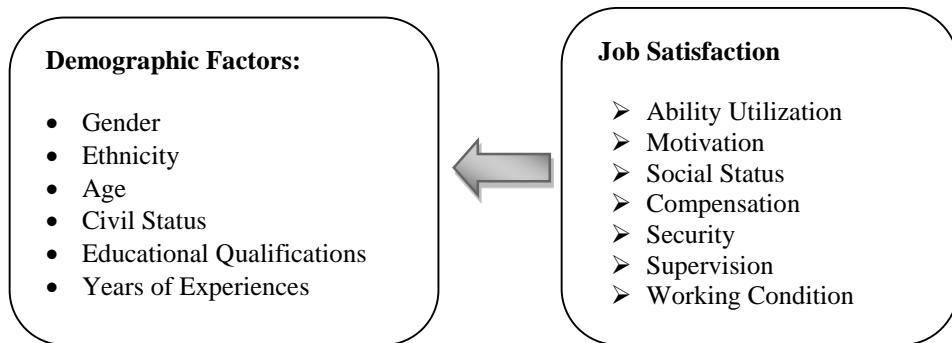
### **Data Sources and Measures**

Study area includes all employees of selected branches in Ampara region government and private banks. In order to collect required data for the study, the Minnesota Satisfaction Questionnaire (MSQ) was used as a tool. Questionnaire was divided into two sections. The first category consists of demographic information. In the second category consists of five-point Likert scale. The structure of the scale was based on the following categories: 1-Highly not satisfied, 2-Not satisfied, 3-Satisfied, 4-Very satisfied and 5-Extremely satisfied. The questionnaire was administered to employees of private banks (Hatton National Bank, Seylan Bank, Amana Bank, Commercial Bank, Sampath Bank)

and government banks (Bank of Ceylon, People’s Bank). 85 questionnaires were personally administered among the government bank respondents but received only 55 questionnaires which indicate the 64.71% response of the government bank respondents. Similarly 95 questionnaires were personally administered among the private banks respondents but received only 50 questionnaires which indicate the 52.63% response of the private banks respondents. Simple random sampling method was used in the study to select the sample.

**3.3 Conceptual model**

In this study Gender, Ethnicity, Age, Civil Status, Years of experience and Educational Qualification were mainly selected as independent variable and job satisfaction was dependent variable. Job satisfaction can be measured through the Ability Utilization, Motivation, Social Status, Compensation, Security, Supervision and Working Condition.



**Figure 1: Conceptual model**

**Data analysis**

The data was analyzed by using Statistical Packages of Social Sciences (SPSS-16) and Minitab16. Reliability test, Principal component analysis, Independent samples t-test, ANOVA and Mean comparison test were used for analyzing the data.

**Results and Discussion**

**Descriptive statistics for demographic factors**

Frequency distribution table for demographic factors are given below table. From this table it is shown that, 55 respondents from government banks and 50 respondents from private banks. Private and Government bank respondents are approximately same to analyze the aim of the research.

**Reliability test**

According to the Hair et al, (2008) more commonly used measure of reliability is internal consistency, which applies to the consistency among the variables in a summated scale. The rationale for internal consistency is that the individual items or indicators of the scale should all be measuring the same construct and thus be highly intercorrelated. Internal reliability of the instrument was checked by using Cronbach’s alpha. The generally agreed upon lower limit for Cronbach’s alpha is 0.7, although it may decrease to 0.6 in exploratory research. The private bank employee’s Cronbach’s alpha estimated for Ability

Utilization was 0.881, Motivation was 0.842, Social Status was 0.855, Compensation was 0.869, Security was 0.893, Supervision was 0.941 and Working Condition was 0.905. The cronbach’s alpha results indicate the value is more than 0.6. So these factors are reliable.

**Table 1: Frequency distribution table for demographic factors**

Demographic factors		Frequency	
		Government	Private
Gender	Male	35	44
	Female	20	6
Ethnicity	Muslim	25	29
	Tamil	23	18
	Sinhalese	7	2
Age	below 30	31	31
	30-35	11	11
	above 35	13	8
Marital Status	Unmarried	23	24
	Married	31	26
Years of experience	less than 5	32	28
	5-10	11	14
	above 10	12	8
Educational Qualification	A/L	28	16
	Diploma	9	20
	Degree	12	7

Furthermore, government bank employee’s cronbach’s alpha estimated for Ability Utilization was 0.769, Motivation was 0.622, Social Status was 0.659, Compensation was 0.748, Security was 0.726, Supervision was 0.807 and Working Condition was 0.650. The cronbach’s alpha results indicate the value is more than 0.6. So these factors are also reliable.

**Table 2: Reliability Statistics**

Variable	Cronbach’s Alpha		N of Items
	Private	Government	
Ability Utilization	0.881	0.769	5
Motivation	0.842	0.622	5
Social Status	0.855	0.659	5
Compensation	0.869	0.748	5
Security	0.893	0.726	5
Supervision	0.941	0.807	5
Working Condition	0.905	0.650	5

### Principal component analysis

To reduce the respondents' responses from each 5 items (5 sub factors) to a one important factor was performed using principal component analysis. In this way 35 items (35 sub factors) reduce to 7 job satisfaction factors (Ability Utilization, Motivation, Social Status, Compensation, Security, Supervision and Working Condition). The proportion of variance explained is 0.7. The criterion is used to select the number of principal components retained.

**Private bank**

The reduced variables were contained the following percentage of information. That is, Ability Utilization was explained by 81.1% of information, Motivation explained by 79.2% of information, Social Status was explained by 81.4% of information, Compensation was explained by 80.8% of information, Security was explained by 71.2% of information, Supervision was contain 81.4% of information, and Working Condition was contain 73.1% of information. These each factors sufficient principal components are reduced to one variable. Then average of these 7 factors considered as job satisfaction of private bank employees.

**Government bank**

The reduced variables were contained the following percentage of information. That is, Ability Utilization was explained by 72.3% of information, Motivation explained by 83.9% of information, Social Status was explained by 84.4% of information, Compensation was explained by 73.6% of information, Security was explained by 76% of information, Supervision was contain 74.6% of information, and Working Condition was contain 73.3% of information. These each factors sufficient principal components are reduced to one variable. Then average of these 7 factors considered as job satisfaction of government bank employees.

**t-Test**

The independent samples t-test procedure compares means for two groups of cases. In this research, t-test is used to check whether job satisfaction differed based on variables Gender (Male and Female) and Civil Status (Unmarried and Married) of private and government bank employees.

**Private bank**

**Table 3: t-Test results for private bank employees' job satisfaction**

Independent Samples Test									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
<b>Gender</b>	.875	.354	.598	48	.553	.367	.614219	-.8676718	1.6022
<b>Civil Status</b>	.000	.998	1.442	48	.156	.565	.392591	-.22340678	1.3553

According to the p value for demographic factors: gender (p=0.354) and civil status (p=0.998) on job satisfaction of private bank employees are more than 0.1.

This is concluded that private bank employee’s p-value for gender and civil status indicate that there is no significant job satisfaction between male & female and unmarried & married.

**Government bank**

**Table 4: t-Test results for government bank employees’ job satisfaction**

Independent Samples Test									
	Levene’s Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
<b>Gender</b>	.511	.478	-.836	53	.407	-.139	.166	-.472	.1946
<b>Civil Status</b>	.441	.510	-.631	52	.531	-.103	.164	-.433	.2260

According to the p value for demographic factors: gender (p=0.478) and civil status (p=0.510) on job satisfaction of government bank employees are more than 0.1. This is concluded that government bank employee’s p-value for gender and civil status indicate that there is no significant job satisfaction between male & female and unmarried & married.

**ANOVA**

In this research one way ANOVA is used to test for the differences among three or more means of sub variables of main variables such as ethnicity, age, years of experience and educational qualification to check the job satisfaction of private and government bank employees.

**Table 5: ANOVA Results for private bank employees’ job satisfaction**  
**ANOVA**

Demographic factors	Source of Variations	Sum of Squares	df	Mean Square	F	Sig.
<b>Ethnicity</b>	Between Groups	10.813	2	5.406	2.971	.061
	Within Groups	83.720	46	1.820		
	Total	94.533	48			
<b>Age</b>	Between Groups	2.859	2	1.430	.719	.493
	Within Groups	93.467	47	1.989		
	Total	96.326	49			
<b>Years of experience</b>	Between Groups	1.873	2	.937	.466	.630
	Within Groups	94.453	47	2.010		
	Total	96.326	49			
<b>Educational Qualification</b>	Between Groups	3.301	2	1.650	.794	.459
	Within Groups	83.106	40	2.078		
	Total	86.407	42			

According to the p value for demographic factors: Age ( $p=0.493$ ), Years of experiences ( $p=0.630$ ) & Educational Qualifications ( $p=0.459$ ) on job satisfaction of private bank employees are more than 0.1. Thus, there is no significant impact of age, years of experiences & educational qualifications on job satisfaction of private bank employees. So this is concluded that, age categories are same with job satisfaction, years of experience categories are same with job satisfaction & educational qualification categories are same with job satisfaction.

But, the p value for ethnicity on job satisfaction of private bank employees is 0.061. P-value is less than 0.1. Thus, there is significant impact of ethnicity. So this is concluded that, at 10% significant level at least one ethnicity categories are different with job satisfaction.

### Mean separation ethnicity for job satisfaction

**Table 6: Mean separation ethnicity for private bank employees' job satisfaction**

Multiple Comparisons						
Job Satisfaction						
Tukey HSD						
(I) Q2	(J) Q2	Mean Difference (I-J)	Std. Error	Sig.	90% Confidence Interval	
					Lower Bound	Upper Bound
Muslim	Tamil	-.95214655*	.40480814	.059	-1.8041	-.100
	Sinhalese	.25813345	.98628495	.963	-1.8176	2.333
Tamil	Muslim	.95214655*	.40480814	<b>.059</b>	.100160	1.804
	Sinhalese	1.21028000	1.00553989E0	.457	-.90604	3.326
Sinhalese	Muslim	-.25813345	.98628495	.963	-2.33393	1.817
	Tamil	-1.21028000	1.00553989E0	.457	-3.32660	.9060
*. The mean difference is significant at the 0.1 level.						

In the above ANOVA table (Table 5), considering ethnicity, no information is available to say which category is different from others. Therefore a mean separation is to be followed to find out which categories are different from each other. So mean separation test (Tukey HSD) is used to find which categories are different. According to the mean separation test results (Tamil and Muslim) is different with job satisfaction of private bank employees. The mean difference value is confirmed that Tamil employees are high job satisfaction.

According to the p value for demographic factors: Ethnicity ( $p=0.778$ ), Age ( $p=0.540$ ) and Years of experiences ( $p=0.361$ ) on job satisfaction of government bank employees are more than 0.1. Thus, there is no significant impact of ethnicity, age and years of experiences on job satisfaction of government bank employees. So this is concluded that, ethnicity categories are same with job satisfaction, age categories are same with job satisfaction, years of experience categories are same with job satisfaction.

But, the p value for educational qualifications on job satisfaction of government bank employees is 0.073. P-value is less than 0.1. Thus, there is significant impact of educational qualifications. So this is concluded that, at 10% significant level at least one educational qualifications category are different with job satisfaction.

**Government bank**

**Table 7: ANOVA Resultsfor government bank employees’ job satisfaction**

ANOVA						
Demographic factors	Source of Variations	Sum of Squares	df	Mean Square	F	Sig.
<b>Ethnicity</b>	Between Groups	.181	2	.091	.252	.778
	Within Groups	18.743	52	.360		
	Total	18.924	54			
<b>Age</b>	Between Groups	.444	2	.222	.624	.540
	Within Groups	18.481	52	.355		
	Total	18.924	54			
<b>Years of experience</b>	Between Groups	.728	2	.364	1.040	.361
	Within Groups	18.197	52	.350		
	Total	18.924	54			
<b>Educational Qualification</b>	Between Groups	1.776	2	.888	2.765	<b>.073</b>
	Within Groups	14.769	46	.321		
	Total	16.545	48			

**Mean separation Educational Qualificationsfor Job Satisfaction**

**Table 8: Mean separation educational qualifications for government bank employees’ job satisfaction**

Multiple Comparisons						
Job Satisfaction						
Tukey HSD						
(I) Q8	(J) Q8	Mean Difference (I-J)	Std. Error	Sig.	90% Confidence Interval	
					Lower Bound	Upper Bound
A/L	Diploma	.50453631*	.21712050	<b>.062</b>	.0475699	.9615027
	Degree	.05457881	.19550623	.958	-.3568967	.4660543
Diploma	A/L	-.50453631*	.21712050	.062	-.9615027	-.0475699
	Degree	-.44995750	.24986073	.181	-.9758312	.0759162
Degree	A/L	-.05457881	.19550623	.958	-.4660543	.3568967
	Diploma	.44995750	.24986073	.181	-.0759162	.9758312
*. The mean difference is significant at the 0.1 level.						

In the above ANOVA table (Table 7), considering educational qualifications, no information is available to say which category is different from others. Therefore a mean separation is to be followed to find out which categories are different from each other. So mean separation test (Tukey HSD) is used to find which categories are different. According to the mean separation test results (A/L and Diploma) is different with job satisfaction of government bank employees. The mean difference value is confirmed that A/L qualifications employees are high job satisfaction.

**Conclusion**

The purpose of this research study is to compare the job satisfaction of private and government sector Ampara region, Sri Lankabank employees and to determine whether



the sector differences in terms of demographic factors. The t-test result concludes that, there are no significant difference existed in the job satisfaction between male & female bank employee's and unmarried & married bank employees of government and private sector banks. Hence, job satisfactions for male and female, unmarried and married bank employees are same in Ampara region government and private banks.

Further, ANOVA result concludes that, age and year of experience didn't explore the job satisfaction difference in employees of government and private sector bank. But, the government sector bank employee's educational qualifications impact on job satisfactions and also private sector bank employee's ethnicity impact on job satisfactions. Furthermore, mean comparison test was used to differentiate the job satisfaction associated with ethnicity and educational qualification factors. According to the mean separation test result (Tamil and Muslim) is different with job satisfaction of private bank employees. The mean difference value is confirmed that Tamil employees are high job satisfaction. Government bank employees mean separation test results concludes that (A/L and Diploma) is different with job satisfaction and also mean difference value is confirmed that A/L qualifications employees are high job satisfaction.

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