

# JOB SATISFACTION AND EMPLOYEES' WORK PERFORMANCE: A CASE STUDY OF PEOPLE'S BANK IN JAFFNA PENINSULA, SRI LANKA

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## *Abstract:*

*For the purpose of this study, the data was extracted from the branches of people's bank operating within Jaffna peninsula, Sri Lanka. Here, we analysed the data by employing simple correlation analysis. In the analysis, it is found that there is a positive relationship between job satisfaction and employees' work performance. That is high level of fair promotion, reasonable pay system appropriate work itself and good working condition leads to high level of employees' performance. In other words, employee's job satisfaction has positive impact on their performance. Moreover, outcome of the research would be helpful to the academicians, practitioners, researchers, planners, and policy makers who are involved in the concerned area.*

*Keywords: job satisfaction employees' work performance and people's bank*

## **Conceptual Background**

Every organization tries to achieve their objectives. In this connection they must concentrate in many aspects. As human resource of an organization is considered as an importance resource, organizations wish to keep well trained and effective work force. Employees, who satisfy with their job, may exert high effort to organization wish to satisfy their employees for getting effective more work done. To make the best use of people as a valuable resource of the organization attention must be given to the relationship between staff and the nature and content of their jobs. The organization and the design of jobs can have a significant effect on staff. Attention needs to be given to the quality of working life. The manager needs to understand how best to make work more satisfying for staff and to overcome obstacles to effective performance. Nowadays competition is very high. Therefore every organization

has to compete with other organization. In this connection in order to achieve competitive advantage the organization has to retain work for, organization expects that satisfying employees are more performing. Therefore, there is a need for the organization to satisfy their employees to achieve their objectives. For the employee's point of view, job satisfaction leads to several benefits such as, reducing moral stress, create new thinking and innovation which lead them to high level, fresh mind good relationship, with co-workers, supervisor and employees etc.

## **Research Questions**

All the employees working in an organization experience in various level of job satisfaction. This job satisfaction can be caused by several factors. Such as promotion, pay working condition and the work itself, etc. Job satisfaction has a great impact on the performance. In this research, main problem is that

job satisfaction affect employees' work performance. The research can be given in the form of following research question.

1. To what extent employee's job satisfaction exist in the people's banks in Jaffna Peninsula?

2. Whether job satisfaction of the employees determine their work performance or not?

### **Objectives**

This study is identified to achieve the following objectives.

1. To examine job satisfaction of the employees there exist in people's bank Jaffna Peninsula, Sri Lanka.

2. To examine factors that caused job satisfaction;

3. To identify work performance of the employees; and

4. To suggest some measures in order to improve employees' work performance through job satisfaction in people's bank Jaffna Peninsula, Sri Lanka.

### **Hypotheses**

**H<sub>1</sub>:** High level of fair promotion system will lead to high level of work performance.

**H<sub>2</sub>:** Reasonable pay system will lead to higher level of employees' performance.

**H<sub>3</sub>:** High level of appropriate work itself will result in high level of employees work performance.

**H<sub>4</sub>:** High level of good working condition will lead to high level of employees work performance.

### **Material and Methods**

It describes research approach, sampling procedure, data sources, instrumentation, and mode of analysis.

#### **Research Approach**

As this study is a business and management research, it has a characteristic of positivist and interpretivist and also involves in deductive approach (Hussey & Hussey, 1997; Robson, 1993) as well as inductive approach (Easterby-Smith, Thrope & Lowe (2002). Combining these two research approaches in same piece of research is perfectly possible and advantageous for a research.

#### **Sampling Procedure**

The sample was derived from fourteen branches of people's bank operating within Jaffna peninsula and there are 199 employees working in those branches for the research purpose 30% of total number of employees was selected as stratified random sampling techniques. Therefore, ultimate sample is 60.

#### **Data Source**

Primary and secondary data were used for the study. Primary data were collected through the direct personal interview with the help of questionnaire and secondary data gathered from journals, books, magazines, etc.

#### **Instrumentation**

The questionnaire was administrated to employees of people's bank in Jaffna Peninsula, Sri Lanka. A five point scale from strongly disagree (1) to strongly agree (5) was adopted to identify variable of job satisfaction and employees 'work performance.

#### **Mode of Analysis**

The present study was used a simple correlation analysis. Correlation co-efficient analysis was being used to find out the relationship between variables i.e., job satisfaction and employees' performance.

#### **Results and Discussion**

Data analyze are found to supportive in order to examine the hypotheses.

**Table 1****Correlation between Employees Work Performance and Job satisfaction**

<b>Variables of Job satisfaction</b>	<b>Correlation</b>	<b>Coefficient of Determination</b>
Promotion	0.5704	0.3254
Pay	0.6147	0.3780
Work itself	0.4416	0.1950
Working Condition	0.7355	0.5410

*Source: Survey data*

According to the above table-1 correlation between promotion and employees' performance is moderately positive. This means that promotion has positive impact on the employee performance. That is, 33% of variance of employees' performance is accounted for by promotion. In this connection, hypothesis ( $H_1$ ) is accepted. That is, high level of good promotion system will lead to high level of work performance.

The correlation between pay and employees performance is moderately positive. This means that reasonable pay system has positive impact on employees' performance. The coefficient of determination between two variables means that only 58% of variance of employees' performance is accounted for by pay. Therefore the hypothesis ( $H_2$ ) is accepted that is reasonable pay system will lead to higher level of employees' performance.

The correlation between works itself and employee's performance is moderately positive. This means that appropriate work itself has positive impact an employee's performance. The coefficient of determination between two variables means that only 20% of variants of employees' performance are accounted for by work itself. Therefore, the hypothesis ( $H_3$ ) is accepted. That is

high-level of appropriable work itself will result in high level of employees' work performance.

Next, the correlation between working condition and employees' performance is highly positive. This means that high level of goods working condition has positive impact on employees' performance. The coefficient of determination between two variables means that only 54% of variance of employees' performance is accounted for by working condition. Therefore, the hypothesis ( $H_4$ ) is accepted. That is high level of working condition will lead to high level employees work performance.

### **Concluding Remarks**

This research accepted that there is as positive relationship between job satisfaction and employees performance. That is high level of fair promotion, reasonable pay system appropriate work itself and good working condition leads to high level of employees' performance. In other words, employee's job satisfaction has positive impact on their performance. Existing alterative also proved this research conclusion.

Even Though there are several factor affecting employees' satisfaction, the researcher only considered four

variables: promotion, pay, work itself and working condition. Therefore in future conducting a detailed research including various factors in this field, further option findings can be obtained.

### **Policy Implications**

The entire formulated hypothesis have been accepted, it is necessary to improve employees performance through job satisfaction. Following are some suggestions given to improve employee's performance.

1. Organization should develop good working condition. This facilitates employees to do their work effectively.

2. Organization should develop good relationship among employees. Through which, Job satisfaction of employees is enhanced. As a research, employees' work performance will be at high level.

3. Organization should induce employees to perform well. This can be achieved by providing reward, motivations, and other benefits etc.

4. Employees should be trained to adopt new technology and or develop their career.

5. Organization should evaluate employees' performance. The feedback about the quality & quantity of performance will be provided to improve their performance.

6. Organization should provide unbiased promotion. That is promotion should be provided based on the qualification of employees and /or experience.

7. Organization should implement equal employment opportunities. That is employees should not discriminate against female, and minority or old worker.

8. Organization should design working procedure including hours work, over time payment and hour's payment.

9. Proper working environment should be designed. In that organization should provide adequate facilities employees to do their works such as appropriate equipment, work breaks, and work sharing.

10. Organization should design good grievance procedure, disciplinary procedure and separation procedure etc.

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