

**“THE EFFECT OF JOB SATISFACTION ON EMPLOYEES’ JOB PERFORMANCE IN BANKING SECTOR WITH REFERENCE TO INDORE AND MHOW REGION OF MADHYA PRADESH”**

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**ABSTRACT**

The management places a high value on employee job satisfaction since it has a direct impact on how employees behave within a company. It also results in the development of a healthy environment for other people to enjoy. The goal of the current study is to examine how job satisfaction affects workers' job performance in the banking industry. A self-administered questionnaire modified from earlier research was utilized to gather information from a sample of 100 banking industry workers for this purpose. The statistical examination of the results, which included correlation and regression analysis, unequivocally demonstrated the positive correlation between job satisfaction and job performance. This study significantly advances our understanding of the relationship between job satisfaction and job performance and how it affects employees' job performance. Only those who worked in the Mhow and Indore regions were eligible to participate in the study.

**Keywords:** Job satisfaction, job performance, banking sector and achievement

**Introduction**

The organization has always placed a high premium on achieving high performance levels through efficiency and productivity. A contented employee could put forth more effort to enhance their job performance, which is essential for any firm to succeed. The degree to which people like (satisfaction) or dislike (dissatisfaction) their employment is referred to as "the pleasurable emotional state" that arises from the assessment of one's job as supporting the attainment of one's job ideals (Locke, 1976) (Spector, 1997). It can be assessed using behavioral, affective, and cognitive (evaluative) components. Researchers have also observed that there are differences in the degree to which job satisfaction questionnaires assess cognitive job satisfaction or affective job satisfaction, which measure thoughts about the job. Theories that explain human motivation and job satisfaction share many similarities. The Job Characteristics Model, Herzberg's Motivator-Hygiene Theory, Maslow's Needs Hierarchy Theory, and the dispositional approach are the most popular and well-known theories in this field. Ten elements have been found to influence job satisfaction in earlier studies. These are:

- (a) Working Conditions: Improving conducive working conditions to combine efforts and productivity, enabling workers to complete tasks more quickly and resulting in job satisfaction.
- (b) Opportunity for Advancement: There is a strong sense of dedication and job satisfaction if the expansion of the company also includes the expansion of the employee's career.
- (c) Workload and Stress Level: Setting excessive deadlines might make employees feel demotivated, which lowers job satisfaction.
- (d) Respect from Co-workers: A hostile workplace can be disagreeable and lower job satisfaction.
- (e) Relationship with Supervisor: Positive perceptions of job satisfaction increase with the manager's level of facilitation.
- (f) Financial Rewards: Pay parity and giving top performers the right kind of incentives and rewards boosts job satisfaction and excitement at work.
- (g) Culture: How well workers get along with their immediate managers is correlated with overall job satisfaction.
- (h) Interesting Work: It has been shown that giving employees some autonomy and challenge at work increases job satisfaction.
- (i) Rewards: Any form of award encourages workers, which raises job satisfaction.
- (j) Low Stress: Workers who experience pressure to perform at work will be unable to use their creative potential, which will only increase their discontent.

Simply put, work performance evaluates how well a someone does their job. Performance is a crucial factor in determining the success and results of a business. According to Campbell (1990), a single person's job performance is an individual-level variable. This sets it apart from more incorporating concepts like organizational effectiveness or national performance—variables at a higher level.

The ability to acquire technical and specialized information to successfully navigate the organization is one of the traits that contribute to job performance. Another quality that includes hard labour, attention to detail, and job preparation and organization is conscientiousness. Working with teams and across departments requires interpersonal skills in order to manage disagreements and complete tasks in a polite manner. A person's ability to adjust to changes in the market, procedures, etc., affects their performance at work, which in turn affects the objectives of the company as a whole.

The following are the main elements influencing job performance that researchers have identified:

- (a) Skills & Knowledge, or the abilities and information needed to perform.
- (b) Role clarity, meaning that workers must be aware of their duties and comprehend exactly what they must do.
- (c) Workplace culture and environment: a great workplace culture raises employee morale, while an unfavourable work environment impacts employees' performance.
- (d) Employee attitude, or whether workers lack motivation to work and show little interest in their jobs.
- (e) Appropriate tools and resources: If necessary resources are not available, performance may suffer.
- (f) Ineffective management, such as a supervisor's management style, has a significant effect on worker performance.
- (g) Poor performance can be attributed to health and absenteeism, such as illness or disease. Due to the delay in work-related procedures, absenteeism may cause performance to be delayed.

## **LITERATURE REVIEW**

Goris (2007) investigated how communication satisfaction moderated the relationship between individual-job congruence and job satisfaction and performance. Support for communication satisfaction as a mediator of the individual-job congruence model was weak. Nonetheless, it was strongly endorsed as a primary predictor of pleasure and performance. The impact of satisfactory communication on certain aspects of job performance was the author's sole focus; overall job performance was not examined. When it comes to mentoring for development orientation at work, Vidal et al. (2008) investigated the relationship between job satisfaction and job performance. The authors contend that employee skill development and retention intentions are influenced by supervisor-subordinate relationships. It was also discovered that supervisor support improved satisfaction. Zeffane et al. (2008) investigated how employee conduct and attendance were affected by job satisfaction. The authors used performance data from a corporate rating system and a 20-item MSQ to measure job satisfaction in a utility firm that operates in the United Arab Emirates. The results showed that the two gender groups differed significantly in terms of job satisfaction and performance. Compared to their male counterparts, female respondents expressed lower levels of satisfaction with a number of aspects of their occupations and the work environment. On several job performance metrics, they also tended to do worse than their male colleagues, which suggested a deeper correlation between performance and satisfaction, especially when it came to gender groups. Lee et al. (2010) looked into how hospital staff members' job attitudes and performance were impacted by goal orientation and organizational commitment. According to the findings, job satisfaction is correlated with both affective and normative commitment, but employee performance is correlated with only the former. Instead of taking a comprehensive approach, the author restricted the Job Satisfaction factor to only two elements.

Key work areas that affect employees' job satisfaction and organizational commitment—both of which have an impact on long-term worker productivity and performance—were examined by Westover et al. (2010). The author investigated the connection between job satisfaction and organizational commitment using a variety of statistical methods and discovered that there are 17 work domains that influence employee motivation and, ultimately, job performance. According to Oubre and Brown (2010), the accomplishment of an organization's goals is greatly influenced by its performance, and the best way for supervisors to act as role models in the workplace is to personally model appropriate work practices so that staff members know how to do their jobs. Singh and Das (2013) found that the relationship between job satisfaction and performance is less pronounced for less experienced salespeople than for more seasoned ones. Additionally, it was discovered that job satisfaction and customer-oriented selling, rather than their adaptive selling techniques, provide a better explanation for the success of more seasoned sales people. Delic et al. (2014) investigated the effects of monetary and non-monetary incentives on job satisfaction and came to the conclusion that financial factors significantly affect banking workers' total job satisfaction. According to Jin et al. (2016), workers with high levels of active fellowship reported higher job satisfaction when they felt their supervisors supported them and when there was a low performance-oriented culture.

This study makes the claim that job satisfaction has a major impact on job performance for banking industry employees based on the literature research. Studying the different aspects of job satisfaction that affect job performance is also pertinent.

## **PURPOSE AND SCOPE OF THE STUDY**

The study's goal is to determine and examine the correlation between banking industry workers' job satisfaction levels and the outcomes of their individual performance reviews. The impact of job satisfaction on employees' job performance in the banking sector is another goal of this paper. Only workers in the banking industry with offices in the Indore and Mhow regions were chosen as research participants.

**HYPOTHESES OF THE STUDY**

To accomplish the goals of the study, the following hypothesis were developed:

**H1:** There is a correlation between workers' job satisfaction and their job performance.

**H2:** Among banking employees, job satisfaction significantly affects job performance.

**RESEARCH METHODOLOGY**

The survey approach was employed to gather primary data for the descriptive study design. The factors of job satisfaction and job performance were measured using modified self-report questionnaires. Adequate working circumstances, positive organizational support, management friendliness, internal and external equity, suitable growth chances, etc. were among the items surveyed under job satisfaction. Items such as task satisfaction and training relevant to the job were analysed for job performance. The questionnaire was derived from a number of earlier research on job satisfaction and performance, including those conducted by Jamie A. Gruman.

**POPULATION AND SAMPLING TECHNIQUES**

To gather information about the demographic profile and investigate the relationship between job satisfaction and job performance among banking industry employees, a survey method was used. Convenience sampling was used to choose the study's sample.

100 banking sector workers made up the study's total sample size.

A Likert scale with 1 denoting "strongly disagree" and 5 denoting "strongly agree" was used to measure both variables. Cronbach alpha was employed to evaluate the questionnaire's reliability. In Table 1, the values are displayed.

**Table 1: Reliability Statistics**

Variable	Cronbach's Alpha	Items
JS	0.724	9
JP	0.996	10

**DATA ANALYSIS**

The respondents' demographic profile is shown in Table 2. Out of the 100 respondents, 71% are men, 45% are between the ages of 35 and 40, and 41% have at least 05 to 10 years of banking industry experience.

**Table 2: Demographic Profile of Respondent**

Gender Distribution (N=100)		
Gender	Frequency (in numbers)	Percentage (%)
Male	71	71%
Female	29	29%
Age Distribution (N=100)		

Age group	Frequency (in numbers)	Percentage (%)
25-30 years	10	10%
31-35 years	25	25%
35-40 years	45	45%
Above 40 years	20	20%
<b>Work Experience (N=100)</b>		
Education	Frequency (in numbers)	Percentage (%)
0-5	17	17%
5-10	41	41%
10-15	23	23%
15-20	17	17%
20 & above	02	2%

**The relationship between job performance and job satisfaction**

Regression and correlation analysis were used to examine the relationship between the study's two variables. The Pearson Correlation Coefficient values between job performance and job satisfaction are shown in Table 3. We accept the alternative hypothesis since job satisfaction shows a perfect positive linear relationship and the p value is less than 0.05, indicating a meaningful relationship. The R value, which ranges from -1 to +1, is 0.702 in this case, indicating a positive correlation.

**Table 3: Correlation Coefficient of Job Satisfaction and Job Performance for N=100**

Variable	JS	JP
JS	1	<b>0.702</b>
JP	0.702	1

*Correlation is significant at the 0.01 level (2-tailed)*

The regression analysis's findings are shown in Table 4. The findings indicate that, with an R<sup>2</sup> of 0.220, JS significantly predicts JP (F(1,98)= 27.678, p<.01). According to this interpretation, 22% of the variation in the dependent variable, work performance, can be explained by the independent variable, job satisfaction.

**Table 4: Regression analysis of Job Satisfaction on Job Performance for N=100**

Criterion Variable	Predictor Variable	B	R <sup>2</sup>	Adj R <sup>2</sup>	F	Sig
JP	JS	0.602	0.220	0.212	27.648	0.000

## DISCUSSION

Numerous works of literature address different viewpoints on job performance and job satisfaction. Each study aims to identify some of the factors that affect job satisfaction or performance. This study aims to investigate how job satisfaction affects workers' job performance in the banking sector and whether job satisfaction with regard to compensation, advancement, supervision, and work itself affects job performance. Employee attitudes toward job satisfaction and its significance as a metric for job performance have been investigated using a logical approach and survey method. Determining employee behavior within the company has implications for managerial practice in order to better understand organizational results, particularly job performance.

## CONCLUSION

Once the relationship between job satisfaction and job performance was understood, it was discovered that there was a substantial influence between the two in the banking sector. Managers and professionals who are happy in their positions are among the personnel who are eager to put in extra effort. This makes sense given that employees typically have the chance to immediately experience the benefits of employment accomplishment or to concretely realize it.

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