Effects Of Job Satisfaction On Employee`S Service Behaviour In Case Of Commercial Bank Of Ethiopia Branches In Nekemte Town

Dr.G.Parimalarani, Associate Professor,
Department of Bank Management, Alagappa University,
Karaikudi, Tamil Nadu ,India

Abstract
This study focus particularly on effects of job satisfaction on employee service behavior: the case of Commercial Bank of Ethiopia (CBE) Nekemte Town. To achieve this objective, the researcher used both primary and secondary data. The researcher used questionnaires, to gather primary and secondary data from the data sources and collected the questionnaires from 115 employees of 5 CBE Branches in Nekemte Town. Descriptive statistics with the help of table, chart and Histogram will be used in analyzing the collected data. In addition to this econometric model by employing SPSS (Statistical Package for Social Scientists) version -16.0windows software will be used to analysis).

Keywords: Job satisfaction, Commercial Bank of Ethiopia and Satisfaction

Introduction:
A growing competition has to be faced by the firms involved in banking business due to emergence of new firms. For the survival in the competitive market, the banks will have to build or improve banking services at lower prices. Job satisfaction can be defined as an individual’s general attitude toward his or her job (Robbins et al. 2003). Job satisfaction is the degree to which individuals feel positively or negatively about their jobs. It is an attitude or emotional response to work task as well as to the physical and social conditions of the workplace. A large number of practitioners, academicians and researchers have agreed on several important determinants of job satisfaction like team work environment, job autonomy, behavior of leadership, organizational commitment and nature of work. But they have no confidence about the effect of each of these determinants in different conditions and environment.

Employee`s service behaviors that are able to manage their emotions effectively enhance their organization’s performance and image, and promote customer satisfaction and loyalty (Härtel et al., 2008; Grandey et al., 2005). Employee satisfaction is the gratification or prosperity that the employees get from their job (Hellriegel et’ al., 1999). Locke (1976) sees job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences. To Cranny et’ al. (1992), job satisfaction is an effective reaction to one’s job. The commonest way of measuring job satisfaction is the use of rating scales where employees report their reactions to their jobs, and satisfaction questions usually relate to rate of pay, work responsibilities, variety of tasks, promotional opportunities, the work itself and co-workers.

Hammer, Marini and Denton (2000) have defined job satisfaction as an employee’s affect response to various aspects of his work environment. Job satisfaction also plays an important role in contributing to negative behaviors at the workplace such as frequent absence, lack of discipline in performance and high turn-over. Narrowing the research to job satisfaction can aid in understanding the connection between personal variables and deviant behavior in the workplace (Diala & Nemani, 2011; Heneman et al., 1980, 1986; Rego & Cunha, 2008; Spector, 1997). Lack of work incentives and low staff morale can, in turn, undermine the confidence in the administration, leading to increased stress for the workers.

Job satisfaction can be seen as a sign of weakening in the efficiency of work organization. A few current theories on job satisfaction attempt to explain the construct from the perspective of human behavior and motives (McCormick & Ilgen, 1980; Robbins, 1982). These theories also try to identify factors contributing to a higher level of job satisfaction and its connection to productivity. Two motivational theories that have been used in the interpretation of job satisfaction are Maslow’s Need Hierarchy and Herzberg’s Motivator-Hygience Theory (Dunnette, 1976; Fraser, 1983).
Mokaya and Gitari (2012) have tried to determine the effect of workplace recreation on employee performance at Kenya Utalii College and take attempt to cover aspects of job satisfaction, service quality, customer satisfaction, and employee productivity.

Finally, according to Heskett et al (1997) as cited in Abdullah (2011) stated that the model chain of relationships between profits and growth are linked to the customer loyalty while customer loyalty is linked to customer satisfaction, in turn, customer satisfaction is linked to service value while service value is linked to employee productivity, whereas employee productivity is linked to employee service behavior, employee service behavior is in turn linked to employee satisfaction, and employee satisfaction is linked to internal quality of work life.

Herzberg (1959) made some basic distinctions between intrinsic and extrinsic factors in his Two-Factor Theory of motivation. According to his theory, people are influenced by two sets of factors: Motivator Factors and Hygiene Factors. Motivator factor includes achievement, recognition, work itself, responsibility, promotion, growth and hygiene factors include pay and benefits, company policy and administration, relationships with co-worker, and supervision.

Thus, this study is to assess effects of job satisfaction on employee’s service behavior in case of Commercial Bank of Ethiopia Branches in Nekemte Town.

Statement of the Problem:

In Ethiopia, the Banking industry has been recognized as a potential prospect in the growth of the service industry. Banks play a vital role in the growth of country’s economy. Effective and efficient banking system brings rapid economic growth and development in a country. However, this will be realized at the best of its employees and it can only be achieved by having satisfied employees. So the main focus of every organization is to make the policies to satisfy employees for getting desired results from workforce. Muse & Stamper, (2007) found that an organization can achieve its objectives by having a contented and satisfied workforce. Satisfied employees will make organization happy by producing more to get better results for progress. Satisfied employees put best efforts towards work (Kim, Leong and Lee, 2005).

According to Davis & Newstrom (1999) job satisfaction is an experience which has various aspects. The most significant aspects are those which are relevant to working conditions and the nature of work. Low job autonomy, low job security, low wages and lack of expectation for promotion negatively affect job satisfaction of employees (Guest, 2004 and Silla et al., 2005).

Job satisfaction is significant because a person's attitude and beliefs may affect his or her behavior. Attitudes and beliefs may cause a person to work harder, or, the opposite may occur, and he or she may work less. Job satisfaction also affects a person's general well being for the reason that people spend a good part of the day at work.

In fact, Commercial Bank of Ethiopia Branches in Nekemte Town is developing a climate of trust, helpfulness, friendliness and favorable work environment among employees to bring a job satisfaction that results a good service delivery. This issue was not being strengthening in case of CBE Branches in Nekemte Town. Empirical research evidence that job satisfaction is affected by good working conditions (Latham, 2007). In case of Commercial Bank of Ethiopia Branches in Nekemte Town includes like Nekemte Branch, Harosorga Branch, Kumsa Moroda Branch, Leka Branch and Kesso Branch shows a reflection of problems like incidents of mistreatment of customers by employees of this Bank, customers complain of deliberate delay in service, early leaving of office hours, not quickly serving customers as per expectation, network problem and errors in making fund transfer.

In line with this clue, Commercial Bank of Ethiopia is forging toward its employee’s job satisfaction. However, Employees of Commercial Bank of Ethiopia are influenced by an intrinsic and extrinsic job conditions, challenging job content, developmental experiences, time off for education, participation in decision making, fairness of rewards and opportunity for growth. These limit satisfied employees are to be empowered employees in which, they have the resources, training, and responsibilities to understand and serve customer needs and demands. Hence, the study will assess
Commercial Bank of Ethiopia Nekemte Branches is overcoming this gap, that were not yet explored by other study.

Thus, this study assesses the effect of employee’s job satisfaction on employee’s service behavior in case of Commercial Bank of Ethiopia Branches in Nekemte Town basing on the above stated problem.

Objective of the Study
Objectives

The main objective of the study is to assess the effects of Job Satisfaction on employees Service behaviour in case of Commercial Bank of Ethiopia Branches in Nekemte Town.

Methodology
Research Design

The study is based on explanatory research method to assess the effects of job satisfaction on employee’s service behaviour in case of Commercial Bank of Ethiopia Branches in Nekemte Town. The study use both qualitative and quantitative research methodologies.

Population Design

The study adopted census method, the total study population is 115 employees of commercial Bank of Ethiopia Branches in Nekemte Town.

Population Frame and population Location

Population frame can be defined as the list which involving of the entities of the population (Sekaran, 2003). This is because there are five Branches of commercial Bank of Ethiopia in Nekemte Town and the population size is appropriate for researchers to collect the information for the research. Moreover, every clerical employee in the commercial Bank of Ethiopia Branches in Nekemte town are willing to do the questionnaires since they feel that their point of view about the employees’ service behavior is a quite sensitive matter for them.

However, population location in this research is based on the Nekemte Town. Since the number of Branches of commercial Bank of Ethiopia in Nekemte Town gradually increasing year by year, researchers choose Nekemte Town as the population location. Thus, researchers have distributed the questionnaires to all clerical employees who are working in commercial Bank of Ethiopia Branches in Nekemte Town.

Table 1: Employees of Commercial Bank of Ethiopia Branches in Nekemte Town.

<table>
<thead>
<tr>
<th>No</th>
<th>Items</th>
<th>Category</th>
<th>Number of employees</th>
<th>Sub-Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Nekemte Branch</td>
<td>Male</td>
<td>39</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Harosorga Branch</td>
<td>Male</td>
<td>15</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Kumsa Moroda Branch</td>
<td>Male</td>
<td>11</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Leka Branch</td>
<td>Male</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Keso Branch</td>
<td>Male</td>
<td>8</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Grand Total</strong></td>
<td></td>
<td><strong>115</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source : (survey, 2015)

Research Instrument

Self-administrated questionnaire was used to collect primary data of this research. Paper questionnaire is the prior choice in the research because distribute the questionnaire with hand deliver
is showing more sincerity and manner to respondents. Beside, face-to-face distributes the questionnaire researchers can guide and clarify to respondents, so they are not ambiguous to the questionnaire.

The data are collected from the questionnaires that given to 115 respondents were coded and analyzed by using the computerized Statistical Software Package for Social Science (SPSS) software with 16 versions. The data are used for description analysis and inference analysis regarding the effect of job satisfaction on employee’s service behavior in commercial Bank of Ethiopia Branches in Nekemte Town

**Multiple Regression Analysis**

Multiple regression analysis is a statistical technique that used to analyze the relationship between the dependent variable and multiple independent variables, in which more than one independent variable is assumed to affect the dependent variable. In this multiple regression analysis, multiple independent variables of the study will be entered into the same types of regressions equation. A separate regression of each variable are calculated to define the relationship with the dependent variable. The relationship that occurs between each dependent variable and independent variable is linear. All the variables of the questionnaire are measured by likert scales. Multiple regressions are calculated using the proposed formula to study the relationship between the independent variables and dependent variables. Thus, multiple regressions had been calculated by using the proposing formula:

\[ Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \ldots + b_nX_n. \]

*Y* represents the dependent variable, coefficient (*a*) represents the intercept or constant, and *b* was the partial regression coefficient. The partial regressions coefficient represents the change in the dependent variable is changed by one unit and other dependent variables are held constants.

**3.8 Variables of the study and their measure**

1. **Independent variable:** Job satisfaction has been measured by a Minnesota Satisfaction Questionnaire (MSQ) developed by Weiss et al. (1967). The variable has been defined as a set of favorable and unfavorable attitudes with which employees view with their work (Newstrom & Davis, 1994).

2. **Dependent variables:** Employees service behavior has been measured through a questionnaire developed by Ariffin and Zailani(2011).The variable has been defined as characteristics of an employee that contributes to successful job performance and the achievement of organizational results(The Competencies Workgroup,2002).

**Review of Literature**

Job satisfaction is of interest to sociologists in its own right as a measure of subjective well-being and as an indicator of job. It is of interest to economists, partly in its own right as one measure of worker utility, but also because reported satisfaction is a good predictor of labour market behavior and, in particular, job quits (Hamermesh, 1977, 2001). Job satisfaction is closely linked to objective features of individuals’ working experiences, including features that employers have control over. For instance, Green (2002) establishes that job satisfaction has been in decline in Britain since the early 1990s: this is due, in part, to work intensification, but the primary reason is a reduction in task discretion. Task discretion is clearly one factor that employers have some control over. Singh (2005) found that job satisfaction is the result of various attitudes in all probability, activated by a worker’s needs and their fulfillment (through work), a worker exhibits towards his job, towards related factors and towards life in general. More explicitly explained a worker’s experience of satisfaction or dissatisfaction with his job, or any aspect of it, in large part, consequences of the extent of his positive or negative job attitude. According to Locke (1969), job satisfaction is a state of emotional gladness, results from the achievement of the goals that one get through performing his part of contribution inside an organization. Shahu & Gole (2008), in their research define effects of job satisfaction on performance,
they had sum up their findings on a factor that work satisfaction should be considered by the organization as important plan which needs to be extend in order to improve employees performance and where employees can put their best performance. Job satisfaction is just one among many important attitudes that influence human behavior in the workplace. It is closely related, for example, to organizational commitment – the degree to which a person strongly identifies with and feels a part of the organization and job involvement, the willingness of a person to work, and apply efforts beyond normal job expectations. An individual who is highly involved in a job is considered very dedicated to it, according to Schermerhorn, Hund and Osborn (1998). Robbins (1994) said that job satisfaction refers to an individual’s general attitude towards his or her job. A person with high level of job satisfaction holds positive attitude towards his job, a person who is dissatisfied with his or her job holds negative attitude about the job. When people speak of employee attitudes, more often than they not mean job satisfaction. In fact, the two terms are frequently used interchangeably. Locke (1969) points out that it cannot be the whole story, and emphasizes the concept of value fulfillment rather than expectation, one might well be satisfied, by an unexpected promotion, an unexpected rise in salary, and one might be dissatisfied with an unexpected dismissal. Often values and expectations will coincide, as one tends to confine what one has some expectation of achieving. Satisfaction occurs when the job fulfill what one values. And just as with expectations, values will vary from group to group and between individuals within any one group. Vroom (1964) has done an excellent job of examining the relationship between job satisfaction and various aspects of job behavior, and perhaps summarizing his findings in the best way of giving the reader an overview. Vroom categorizes studies in terms of which job behaviors are correlated with job satisfaction. Specifically, he groups them into studies of turnover, absenteeism, accidents and job performance. Broad (2007) described that to achieve the organizational quantitative and qualitative goals and enhancing employee’s performance effective intrinsic and extrinsic incentives must be given to employees. Monetary, non- monetary benefits (given to employees), recognizing their work and developing good and healthy employee and employer’s relationship is a key factor in motivating employees to work hard. Intrinsic motivation is achieved by accomplishing personal goals and objectives, which motivate employees and enhance job satisfaction.

**Data Analysis and Interpretation**

**Inferential Analyses**

The inferential analyses include the Pearson correlation analysis and multiple regression analysis as shown below,

**Pearson Coefficient Correlation**

Pearson correlation only shows the overall pattern and general relationship among the variables.

<table>
<thead>
<tr>
<th></th>
<th>Correlations</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pearson Correlation</td>
<td>Aggmot</td>
<td>Aggygh</td>
<td>Aggesb</td>
</tr>
<tr>
<td>Aggmot</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.650**</td>
<td>.637**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>115</td>
<td>115</td>
<td>115</td>
</tr>
<tr>
<td>Aggygh</td>
<td>Pearson Correlation</td>
<td>.650**</td>
<td>1</td>
<td>.603**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>115</td>
<td>115</td>
<td>115</td>
</tr>
</tbody>
</table>
**Multiple Regression Analysis**

The researchers used Multiple Regression Analysis to determine the significant relationships between independent variables (Motivational aspects of job satisfaction and Hygiene aspects of job satisfaction) and dependent variable (employee’s service behavior).

Table 3: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>.702&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.493</td>
<td>.479</td>
<td>.3532</td>
<td>.493</td>
<td>3</td>
</tr>
</tbody>
</table>

*Source: Developed for research*

a. Predictors: (Constant), Gender, Aggregate hygiene aspects of job satisfaction, Aggregate motivational aspects of job satisfaction

b. Dependent Variable: aggregate employees service behavior

Based on the Model Summary Table 3, the correlation coefficient (R value) for this research is 0.702. This means that there is a positive and moderate relationship between dependent variable (employee’s service behavior) and independent variable (motivational and hygiene aspects of job satisfaction) because R value is positive value and 0.702 is fall under coefficient range 0.41 to 0.70.

The R Square indicates the extent or percentage the independent variable (Motivational and Hygiene aspects of job satisfaction) can explain the variations in the dependent variable (employee’s service behavior). In this research, independent variable (Motivational and hygiene aspects of job satisfaction) can explain 49.3% (0.493) of variations in dependent variable (employee service behavior). However, it is still leave 50.7% (100% - 49.3%) unexplained in this study. In other words, there are other additional variables that are important in explaining employee service behavior that have not been considered in this research.

**Pearson Correlation**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggesb</td>
<td>.637**</td>
<td>.000</td>
<td>115</td>
</tr>
<tr>
<td>Agghyg</td>
<td>.603**</td>
<td>.000</td>
<td>115</td>
</tr>
</tbody>
</table>

**Source:** Developed for research

**Aggmot** = aggregate motivational factors of job satisfaction, **Agghyg** = aggregate hygiene factors of job satisfaction and **Aggesb** = aggregate employees service behavior.

As the result shown from the Table 4.4 above, at a 1% significance level, the aggregate employee service behavior appears to be significantly and positively correlated with the all predictor variables which are aggregate motivational aspects of job satisfaction (r = 0.637), aggregate hygiene factors of job satisfaction (r = 0.603). Through the value that have mentioned, aggregate motivational aspects of job satisfaction achieved the highest positively correlated with employees service behavior whereas aggregate hygiene aspects of job satisfaction is the second highest correlation with employees service behavior. Since the study intention was to investigate diversity effects on the outcome variables, these correlations were undergone through further regression analysis.
ANOVA was suitable in explaining the variation in employee service behavior. Multiple Regression Analysis of this research, it showed that motivational factors of job satisfaction which was positively and significantly related with employee's service behavior of this banking industry. Bu

Table 4: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>13.455</td>
<td>3</td>
<td>4.485</td>
<td>35.949</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>13.848</td>
<td>111</td>
<td>.125</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>27.304</td>
<td>114</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Developed for research

a. Predictors: (Constant), gender, Aggregate hygiene aspects of job satisfaction, Aggregate motivational aspects of job satisfaction
b. Dependent Variable: Aggregate employees service behavior

In the ANOVA table 4 it shows that the F value of 35.949 and the p-value is 0.00 which is less than 0.01 (p< 0.01) so significant at the 0.01 level. In overall the regression model with those twenty independent variables of motivational aspects of job satisfaction and hygiene factors of job satisfaction was suitable in explaining the variation in employee service behavior.

Table 5: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Un standardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>t</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.373</td>
<td>.290</td>
<td>4.735</td>
</tr>
<tr>
<td></td>
<td>aggmot</td>
<td>.419</td>
<td>.096</td>
<td>.391</td>
</tr>
<tr>
<td></td>
<td>agghyg</td>
<td>.365</td>
<td>.092</td>
<td>.356</td>
</tr>
</tbody>
</table>

Source: Developed for research

Conclusion

The purpose of this study was to investigate the effect of job satisfaction on employee’s service behavior in case of Commercial Bank of Ethiopia Branches in Nekemte Town. In addressing this main objective, the first specific objective was to examine the effect of motivational aspect of job satisfaction found currently in the Commercial Bank of Ethiopia. To determine the level of satisfaction, Hertz Berg’s variables of motivational factors of job satisfaction were used. The output of the study shows that the employees of Commercial Bank of Ethiopia Branches in Nekemte Town has influenced by motivational factors of job satisfaction which was positively and significantly related with employee’s service behavior of this banking industry. But the extent is differing among all factors. Hence the factors in this research are achievement, utility, utilization, advancement, authority, Creativity, Independence, moral values, recognition, responsibility, Company polices and practice, compensation, co-workers, security, social service, social status, supervision-human relation, supervision-technical variety, activity and working conditions which are influenced the employee service behavior in the Commercial Bank of Ethiopia Branches in Nekemte Town. Based on the Multiple Regression Analysis of this research, it showed that motivational factors of job satisfaction(achievement, utility, utilization, advancement, authority, Creativity, Independence, moral values, recognition, responsibility, Company polices and practice, compensation) has the most leading influence for the employee service behavior in commercial bank of Ethiopia Branches in Nekemte Town.

The secondly it was to investigate the effects of hygiene aspect of job satisfaction on employee’s service behavior in Commercial Bank of Ethiopia Branches in Nekemte Town. To determine the level of satisfaction, according to Hertz Berg’s variables of hygiene factors of job satisfaction were used. But the extent is differing among all factors. The output of the study shows that the employees of Commercial Bank of Ethiopia Branches in Nekemte Town has influenced by hygiene factors of job satisfaction which was positively and significantly related with employee’s service behavior of this banking industry. Then, the hygiene factors of job satisfaction (co-workers, security, social service,
social status, supervision-human relation, supervision-technical variety, activity and working conditions). Based on the Multiple Regression Analysis of this research, it showed that hygiene factors of job satisfaction has the most influence for the employee service behavior next to motivational aspects of job satisfaction in commercial bank of Ethiopia Branches in Nekemte Town.

The study was to determine the extent of overall job satisfaction on employee’s service behavior in commercial bank of Ethiopia Branches in Nekemte Town. The result of the study shows that the Commercial Bank of Ethiopia in satisfying its employees is moderate and while employee’s shows good behavior mean that behaves in a good manner when they are satisfied in the presence of the intrinsic and extrinsic factors of job satisfaction and mis-behaves when they are dissatisfied in the absence of the intrinsic and extrinsic factors of job satisfaction.

References

***************