

# Analysing the Connection Between Motivation, Compensation, and Employee Job Satisfaction

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## Abstract

*This research aims to assess the relationship between motivation, compensation and job satisfaction of employees in the banking industry using the Hatso Branch of Ghana Commercial Bank as a study area. For this case study, sixty (60) people sample staff of the study area were selected as the research population using a simple random sampling method, using quantitative and qualitative analysis. To measure employees' motivation, compensation and job satisfaction, a questionnaire to measure compensation satisfaction has been used. This model includes payment justice, Organizationally designed procedures, and supervisor and performance-based pay. Herzberg and Kitchener's model has also been used to measure employee motivation. Motivation, compensation and job satisfaction play an essential role in employee turnover because it would lead to employees resigning when their motivation, compensation and job satisfaction are low. The results indicate that human resources practice positively and significantly correlates with motivation, compensation, and job satisfaction. On the other hand, human resources practice and motivation, compensation and job satisfaction are negatively and significantly correlated with turnover. Turnover affects the cost of operations and drains the organisation of inherent implicit knowledge. Relationships of motivation, compensation, and job satisfaction have been studied to manage these effects. However, only moderate results have been obtained, a situation blamed on excluding individual difference factors and other relationships involving these factors. The relationship between motivation, compensation and job satisfaction intention was evaluated using data from 60 employees in the study area (senior and Junior inclusive). Motivation, compensation and job satisfaction were found to have a negative relationship with organisational turnovers or performance. Intrinsic and extrinsic satisfaction moderated this relationship, such that participants who were low in their satisfaction had a greater tendency to exit the organisation even at high levels of motivation, compensation and job satisfaction. These results indicate that the effect of motivation, compensation, and job satisfaction on turnover can be enhanced in two ways: when employees find congruence between their job and their self-identity and when they are involved in such jobs, which enhances their overall job satisfaction. Consequently, Human resource managers will be challenged to prioritise job design and develop policies that help employees balance their work and non-work involvements to enhance their overall motivation, compensation and job satisfaction.*

**Keywords:** Motivation, Compensation, and Employee Job Satisfaction

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## 1.0 INTRODUCTION

The constant changes occurring in the world today, especially with regards to technology and innovation in new products and services call for organization to reassess the manner in which they handle their employees (Stringer, C., Didham, J., Theivananthampillai, P. 2011). The greatest interest of every organization is to achieve its goals. The achievement of organizational goals to a greatest extent is dependent on various resources, and human resource is one major resource which is directly related to the achievement of an organizational goals. Hence, the performance of employees is considered very significant in the achievement of organizational goals. In order to achieve this, organizations need to organize the task at hand, design systems and processes, re-evaluate and improve current management style (Harmon, 2007). Employee performance is a function of ability, effort, skill, environment, and motivation. Motivation is the process that taken together energizes, maintain, and direct behaviour of an individual towards goals of an organization. This process regulates behaviour by initiating it when it is needed or appropriate and termination when the goal is reached. It is worth noting that, the presence of ability, skill and effort without motivation might not yield high level of performance. Hence motivation is essential for employee performance. According to Robbins and Judge (2007), motivation involves the processes that account for an individual's intensity, direction and persistence of effort towards attaining a goal. To motivate is to create desire, willingness to performance in a manner in which managers want to get work done.

According to F.A. Atogiyire (2001), some of the things motivate employees to work effectively include: a good reward system, training and development, leadership style, promotion, work environment and so on all these are the strong motivators. It is important to note that employees are indispensable assets of organizations who are instrumental in the achievements of organizational goals and objectives. Therefore, an employee needs to be motivated to work efficiently Human Resource is an indispensable aspect of every organisation. Employees are capable arms of an organisation who have significant role in the evolution and progression of organisational affairs (Bacha, 2014). A motivated workforce is vital component for a company's survival .for a company to be successful it needs the work force that can act strongly for the achievement of organisations goals and also have a strong urge to remain loyal to the company Molander (1996).most organisations across the globe put in much effort to sustain their human resource rather than capital structure because they believe that human resources are significant base to increase their profits and achieve organisational goals motivation either intrinsic or extrinsic is an internal state or persistence which directs one to perform a specific activity in order to achieve a goal.

Motivation in its sense is perspective because what is motivational for an individual or group may not be motivational for another person or group depending on the fact that each situation is associated with peculiar motivational forces. Most organisations are faced with the challenge of employee performance due to the fact that management are unable to adopt an effective way to motivate employees to achieve and provide a high job performance. The relationship between payment for better performance and creating external motivation has been stated explicitly and clearly in various theories. (Kunz & Jaff 2002) the significance of extrinsic motivations such as rewards, allowances, promotions and increased pay.

Most current payment and incentive systems are unable to motivate employees to bring out their best. "In a world characterized by competition, customer focus and the need for speed and flexibility, in order to get the results, you want, you still have to depend on your people to carry the day" (Storey, 2001). This therefore makes it a necessity to employ "talented individuals, who need to be developed, motivated, rewarded and provided with the organisational cultures and work processes that will make them to be successful" (Hay group, 2000 in Storey, 2001). When an individual is highly satisfied of which studies have shown, the person is physically and mentally in a better condition to put in his/her maximum effort in the job.one important element of employee empowerment is

motivation because motivation is what determines the Behaviour of employees to work. it is usually observed that dissatisfied employees usually leave their job before they get emotional incompatibility and psychic imbalance phase (Faragher 2005).

Most organisations cannot deny the fact that people who work in organisation have a key role to play in its output and performance. Reward practices linked to job satisfaction have been applied differently by public and private enterprises. Compensation is a useful instrument at the disposal of every management to help contribute to the organisational effectiveness and can impact positively on the Behaviour and productivity of employees. We have to bear in mind that the strength of any organisation is in its workforce and that an organisation that does not have a well performing and dedicated workforce has a poor foundation to exist in a sound operational manner. This implies that human resources need to be treated with great care, since they are a special resource that needs to be given special managerial attention and time (Storey, 2001:6) the subject of work motivation maintains an exciting and relevant subject among most organizational researchers and practitioners.

Uzoma (2013) states that it has therefore been taken upon by organizations to come up with ways of motivating employees if they are to get the best performance out of them and ultimately that of the organization as a whole. According to Yang (2008), the motivational techniques implemented by organizations vary and can include team building, training, enhanced communication, targets, rewards and incentives, job enrichment, quality of working life programs, encouraging participation, checking system for equity, money, and recognizing individual differences. The reason that makes the topic work motivation especially important and relevant in today's business environment is the development and current position of the service sector.

Kinicki and Kreitner (2003) describe job satisfaction as an emotional response to work related situations and also consider job satisfaction as positive emotional reaction arising from appraisal of an employee's job. In theory, satisfaction is usually correlated with motivation in many cases in literature and empirical studies. To satisfy customers, firms pay much effort but do not pay attention to satisfying employees. But the fact is that customer would not be satisfied until and unless employees are satisfied. Because, if employees are satisfied, they will do more work therefore ultimately customers will be satisfied (Ahmad, Wasay & Malik, 2012). Employee performance is actually influenced by motivation because if employees are motivated, they will do work with more effort, which will ultimately improve performance (Azar & Shafiqhi, 2013). The relationship between motivation and job satisfaction is not necessarily direct and linear, even though some studies believe that there is a direct relationship.

## **2.0 LITERATURE REVIEW**

Mathis and Jackson (2000), human resources are used not only as a tool in the production process but it has an important role in the production activities of an organization. Status of human resources at this time is not only as a production tool but also as a driver and determinant of the process of production and all activities of the organization. Performance can be defined as complex and constantly need to be improved both in terms of individual, group, or organization. Good performance must be accompanied by well-qualified human resources so the company's goals can be achieved. Iqbal and Gulzar (2013), employee dissatisfaction is the starting point of the problems that arise in organizations such as absenteeism, conflicts between leaders and subordinates and employee turnover. In terms of employees, dissatisfaction can lead to decreased motivation, morale declining employment and falling labor to see both qualitatively and quantitatively. Productive culture is a culture that can make the organization strong and the company's goals can be accommodated.

Build a strong organizational culture requires a long process due to changes in the organization regarding changes in people who are in the organization including differences in perceptions, desires, attitudes, and behavior. Compensation system is one of the subsystems that are important in human resource management. Thus, adequate compensation will spur a person's spirit and loyalty to the organization because they feel cared for and valued according to their expectations. Nurfaiah and Damajanti (2012) stated that motivation, organizational culture, leadership have significant effect on job satisfaction and employee performance in PT. Samwon Busana Indonesia. Jehanzeb, Rasheed, Raheed, Aamir (2012) mentioned that the level of remuneration, motivation and job satisfaction of employees have strong relationships in the banking sector of Saudi Arabia. Sledge, Miles, Coppage (2008)

### *2.1 Job Satisfaction, Compensation and Job Motivation*

Job satisfaction is an effective or emotional response to various aspects of the job (Kreitner and Kinicki, 2005). Robbins (2006), defines job satisfaction as a general attitude of the individual toward his work, the difference between the amount of rewards received by a worker and the amount they believe they should receive. Thus, dimensions of job satisfaction according to Munadar, Smith, Kendall and Hulin (2004) are condition of employment, colleagues, promotion opportunities, supervision, and salary. One way to improve performance management, motivate and improve employee performance is through compensation (Mathis, 2000). Dessler (2010), states that the employee compensation refers to any form of payment or reward for employees and derived from their work. Mondy (2008) states that the term compensation includes all total rewards given to employees as a good lead for their services. Veitzhal, Rival and Ella (2010) say that the compensation can be divided into two, the first direct compensation that is compensated directly perceived by the recipient, in the form of salaries, wages, incentives that are vested and it is the company's obligation to pay it. Second indirect compensation, compensation cannot be felt directly by employees, the benefits and services (support services). Benefits and services are additional compensation (financial or non-financial) provided by the company's policy to all employees in an effort to improve their welfare, such as holiday allowances, pensions, uniforms, sports and excursions (family gathering).

Jones and George (2008) state that motivation is the central management, for explaining how people behave and how they do work in the organization. Uno (2012), says that motivation is the impulse contained in a person to try to establish behavioral changes that better meet their needs. Dimensions of motivation by McClelland (2007) which, motivation is the emergence of behavior because it is influenced by the needs that exist in human beings. First, Need for achievement is the need to achieve success, as measured by the standard of excellence in a person. These needs, closely linked with employment and direct behavior in an attempt to achieve some degree. Second, the need for affiliation, the need for warmth and support in relationships with others. This needs to hold direct behavior in intimate relationships with others and third, need for power, the need for control and influence over others. This requirement causes the person concerned less or not care about other people's feelings.

#### *2.1.1 Job Motivation and Job Satisfaction*

Motivation is an internal drive which causes change in behavior and moving towards organizational goals. Organizational resources are categorized in two general groups: financial resources and human resources. Since financial resources gets utilized by human resources as well, efficient usage of financial resources without having motivated human resources is not possible (Karbani, 2010). And motivation (a moderator process or and internal state of a living creature which drives him to implement activities) can be defined (Schiestel, 2007) Job satisfaction is someone's emotional orientation towards his job. In fact, a person's job satisfaction which is measured by knowing how compatible his psychic and social characteristics is with job conditions, is a metric to measure his career performance (Kosteas, 2009). In other words we can say that if job provides the person with

desired conditions, he will be satisfied but if job does not provide him with desired satisfaction and joy, the person starts to blame his job and will leave the job if possible (Fisher and Hana). According to Brayfield (2004)

Barnett and Karson (2007) and other experts, job is discussable from two point of views; attitudinal and motivational. For instance, Hellgrill, Slokam and Woodman define job satisfaction as a general feedback of person's to his job or career while some others define it as a positive and enjoyable emotional state which is caused by his job experience and his attitude towards work (Sbati, 2005). There are different theories about factors which affect job satisfaction and people's motivation which can be categorized in two general groups; Content theories which deal with the content of creating job satisfaction and motivation (e. g. Maslow theory and Herzberg theory) and process theories which deal with its process (e. g. Adams theory and Victor Vroom) (Houman, 2002). The most applicable and the most common theory which is used as a reference in job satisfaction measurement and assessment is Herzberg theory. Herzberg believes that job motivation is affected by mental or internal factors (motivation driving factors) and external or hygiene factors (motivation maintain factors) and by studying these factors, the most important job satisfaction factors can be identified and used for performance improvement programs in organization (Shafiabadi, 2011)

### *2.1.3 Job Satisfaction and Compensation Satisfaction*

Smith (2001) has emphasized on compensation and income as a highly influential factor on job satisfaction. Siegel et al. (2005) has given a higher importance to justice and treating employees without discrimination and job security and Keen (2001) and Wild (2006) has pointed to job independence. Keen (2001) and Plio (2008) have emphasized on the importance of constructive relationship between colleagues and team members and in Thompson's study the way supervisors and managers mentor the job has been identified as an influential factor. Flanagan (2002) has emphasized on hiring method as another influential factor. Dsanits and Diverset (2006) have shown in their studies that seasoned employees are more capable to utilize their experience in their job and the older and the more experienced people get, the higher their job satisfaction (Williamson, 1996; Smith & Shields, 2013). Linz (2003) demonstrated that organizational and occupational characteristics has a higher effect on job satisfaction of female employees compared to males and level of education can affect this relation. Agent theory has focused on external rewards (Merchant et al., 2003). Base on this theory, employees' actions are replied by rewards or punishments and therefore these feedbacks helps that their effort and performance get identified and acknowledged. So compensation is a powerful level in order to increase employees' job satisfaction (Jensen & Murphy, 2004).

### *2.1.4 Job Motivation, Job Satisfaction and Compensation Satisfaction*

Base on expectancy theory which was started by Porter and Lawler (2008), it is argued that performance and reward system affects employees' job satisfaction (Ferris, 2007; Igalens & Roussel, 2009). Approving this point of view, Powel (2007) assesses the relation between job motivation and job satisfaction and findings of this study demonstrate a positive correlation between these in a way that when job motivation goes up, job satisfaction increases accordingly. Also in regard of external motivation (reward payment system), we can say it has a positive correlation with job satisfaction (Moynihan & Pandey, 2007; Wright & Kim, 2004). Despite the studies which have been done on external motivation, so many studies have also been implemented on internal motivation as well. Based on individual fait determination theory, this theory suggests that supporting team work which encourages employees' internal motivation, also brings about a rise in employees' job satisfaction and performance (Gagne & Deci, 2005; Deci & Ryan, 2008). Based on this theory when employees are satisfied of their salary (reward payment against performance), employees realize what they are doing is valuable, so it leads to higher levels of job satisfaction and self-confidence in employees

(Wright & Kim, 2004). Main hypothesis: there is a correlation between employees' job motivation, compensation satisfaction and job satisfaction in organization

## *2.2 Development of the Study*

The management of human resources at work is a vital component of the management process. To realize the critical importance of people in the organization it is imperative to recognize that the human element and the organization go together. One way of achieving this goal and to realize the critical importance of the people in the organization is to keep them motivated. In the field of management, the key to understanding the process of motivation lies in the meaning of, and relationship among, needs, drives, and incentives. In their work, Minner, Ebrahimi, and Watchel (2005) elaborate in a system sense that, motivation consists of these three interacting and interdependent elements, i.e., needs, drives, and incentives. For as long as organizations have existed, compensation has been recognized as a major motivator of employees as well as an important tool and expense for organizations. Understanding the construct of compensation systems, its impact upon the organization's structure, strategies, and employees has been an important area. To use compensation as a motivator effectively, personnel managers must consider four major components of a pay structures in an organization Popoola and Ayeni (2007).

These are (a) job rate, which is the importance the organization attaches to each job; (b) payment, which encourages employees by rewarding them according to their performance; (c) personal or special allowances; and (d) fringe benefits such as holidays with pay, pensions, and so on. In his work, Akintoye (2000) emphasize that money remains the most important motivational strategy. As far back as 1911, Frederick Taylor and his scientific management associate described money as the most important factor in motivating the industrial workers to achieve greater productivity. Taylor viewed compensation and performance based pay as one of the major tools management had at its disposal to motivate employees and to increase their productivity and reduce turnover Dulebohn, Ferris, & Stodd (2005). Money possesses significant motivating power in as much as it symbolizes intangible goals like security, power, prestige, and a feeling of accomplishment and success. Sinclair, et al. (2005) exhibits the motivational power of money with the process of job choice. They explain that money has the power to attract, retain, and motivate individuals towards higher performance. For instance, if an employee has another job offer, which offers greater financial rewards and has identical job characteristics with his current job, that worker would most probably be motivated to accept the new job offer.

Banjoko (2006) states that many managers use money to reward or punish workers. This is done through the process of rewarding employees for higher productivity by instilling fear of loss of job or other related issues (e.g., no annual increment or promotion due to poor performance). The desire to be promoted and earn enhanced pay may also motivate employees. Another stream of compensation research; focus on highlighting the internal orientation towards an individual's reaction to pay. This research orientation is led by industrial organizational psychologists and has contributed significantly to human resource management practice. The main impetus for this research has been the supposition that pay affects employees' overall level of job satisfaction and primary work behaviors or motivation, Oshagbemi (2000).

Numerous studies on work motivation seem to confirm that it improves employees' performance, motivation and satisfaction. For example, in their work Brown and Shepherd (2007) examine the characteristics of the work in an organization with four major categories: knowledge base, technical skills, values, and beliefs. They report that employees will succeed in meeting this challenge only if they are motivated by deeply held values and beliefs regarding the development of a shared vision. Vinokur, Jayarantne, and Chess (2004) examine work and employment conditions, and assess their impact on social workers' motivation and job satisfaction. Some motivational issues were salary,

fringe benefits, job security, physical surroundings, and safety. Certain environmental and motivational factors are predictors of job satisfaction.

Colvin (2008) shows that financial incentives will get people to do more of what they are doing; Silverthorne (2006) investigates motivation and managerial styles in the private and public sector. The results indicate that there is a little difference between the motivational needs of public and private sector employees, managers, and non-managers. Today, majority of the contemporary organizations use some sort of program intended to motivate employees by tying compensation to performance in one way or another. But more striking is the belief that people will do a better job if they have been promised some sort of incentive. This assumption and the practices associated with it are all encompassing, but a growing collection of evidence supports an opposing view. According to numerous studies in laboratories, workplaces, classrooms, and other settings, rewards typically undermine the very processes they are intended to enhance. The findings of Jude T. Rich and John A. Larson (2007) are of quiet interest here. In 1982, using interviews and proxy statements, they examined compensation programs at 90 major U.S. companies to determine whether return to shareholders was better for corporations that had incentive plans for top executives than it was for those companies that had no such plans. They were unable to find any difference. Jenkins (2006) tracked down 28 previously published studies that measured the impact of financial incentives on performance; these studies were conducted in different setup. His analysis, "Financial Incentives," revealed that 16, or 57%, of the studies found a positive effect on performance. However, all of the performance measures were quantitative in nature: a good job consisted of producing more of something or doing it faster. Only five of the studies looked at the quality of performance. And none of those five showed any benefits from incentives. In his study Rothe (2000), studied production over a period of months, providing the sort of long-term data. After the initial slump, Rothe found that in the absence of incentives the workers' production quickly began to rise and eventually reached a level as high as or higher than it had been before.

Guzzo, Jette and Katzell (2005) conducted one of the largest reviews of how intervention programs affect employee productivity, a meta-analysis of some 330 comparisons from 98 studies, was conducted. The raw numbers seemed to suggest a positive relationship between financial incentives and productivity, but because of the huge variations from one study to another, statistical tests indicated that there was no significant effect overall. What's more, financial incentives were virtually unrelated to the number of employees who were absent or who quit their jobs over a period of time. Even if people were principally concerned with their salaries, this does not prove that money is motivating. There is no firm basis for the assumption that paying people more will encourage them to do better work or even, in the long run, more work. As Herzberg (2008) has argued, just because too little money can irritate and demotivate does not mean that more and more money will bring about increased satisfaction, much less increased motivation. It is reasonable to assume that if someone's take-home pay was cut in half, his or her morale would suffer enough to undermine performance. But it doesn't necessarily follow that doubling that person's pay would result in better work.

Human resource management practices (including compensation) may give a competitive edge to one corporation over its rivals Schuler and MacMillan (2004). From a managerial perspective in addition to the significant cost of doing business associated with compensating employees, the implications of compensation decisions are among the most important in remaining viable and competitive. From a human resource management perspective, the successes of major human resource activities are related to and are dependent on compensation policy and practice. The success in attaining goals in human resource planning related to attracting and recruiting human capital is directly linked to compensation offered. Also, the ability to motivate workers and retain desired employees is largely influenced by compensation offered Dulebohn and Werling (2007).

### *2.2.1 Concept of Employee Satisfaction*

Various theorists have examined this topic and see it from different perspectives. This examines some of such theories. According to Hoppock (2005), employee satisfaction is the individual response and happiness of employees with objective and emotional facet of their working environment. In the view of Wang (2005), employee satisfaction and job satisfaction are synonymous. Locke (cited in Sempane et al, 2005) says that job satisfaction is the pleasurable or positive emotional state resulting from the appraisal of one's job or job experience. It is also seen to be an employee's observation of how well their work presents those things which are important to them. Chedladurai (2009) also defines job satisfaction as an attitude people have about their jobs. The difference between the amount of rewards workers receive and the amount they believe they should receive is the definition for job satisfaction according to Robbins (2004). Brown and Patterson (2003) defined employee job satisfaction as the affective state of employees regarding multiple facets of their jobs. Beer (2000) however sees employee satisfaction to be the employees' feelings and thoughts about the organization, work and coworkers.

Ivancevich et al (2010) are of similar belief as they define employee satisfaction as the sensation and perception employees have about their work and organization. Heslop et al (2002) stated that job satisfaction is the discrepancy among people's expectations and what is really offered to them. Wagner and Hollenbeck (2000) define job satisfaction as pleasurable feelings that result from the perception that one's job fulfills or allows for the fulfillment of one's important job values. According to Chandan, job satisfaction can be defined as the extent of positive feelings or attitudes that individuals have towards their jobs.

Singh (2003) 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 worker's experience of satisfaction or dissatisfaction with his job or any aspect of it in large part, consequences of the extent to his positive or negative job attitude. According to Schermerhorn, Horn and Osborn (211), job satisfaction is just one among many important attitudes that influence human behavior in the work place. It is closely related for example to organizational commitment which is the degree to which a person strongly identifies and feels a part of the organization and job involvement, the willingness of a person to work and apply efforts beyond normal job expectations and an individual who is highly involved in a job is considered very dedicated to it. Hulin and Smith (2010) delineated that job satisfaction is influenced by various variables and they came up with findings that job satisfaction in men and women vary. Schaffer (2009) has proposed the hypothesis that overall satisfaction will vary directly from the extent to which those needs of an individual which can be satisfied in a job are actually satisfied. He says the stronger the need, the more closely will job satisfaction depend on its fulfillment.

### *2.2.2 Employees Turnover*

Employee's turnover is the rate at which an employer gains and loses employees. Simple ways to describe it are "how long employees tend to stay" or "the rate of traffic through the revolving door". Turnover is measured for individual companies and for their industry as a whole. If an employer is said to have a high turnover relative to its competitors, it means that employees of that company have a shorter average tenure than those of other companies in the same industry. March S, (2014). Employee turnover is the ratio of the number of workers that had to be replaced in a given time period to the average number of workers (Agnes 2011). In simpler terms, employee turnover is the series of actions that it takes from the employee leaving for his or her being replaced. This term is also often utilized in efforts to measure the relationships of employees in an organisation as they



leave, regardless of reason. “Unfolding model” of voluntary turnover represents a divergence from traditional think by focusing more on the decision aspect of employee turnover, in other words, showing instances of voluntary turnover as decisions to quit. Indeed, the model is based on a theory of decision making, image theory (Beach, 2000). The image theory describes the process of how individuals process information during decision making. The underlying premise of the model is that people leave organizations after they have analysed the reasons for quitting. Beach (2000) argues that individuals seldom have the cognitive resources to systematically evaluate all incoming information. They rather compare incoming information to more heuristic-type decision making alternatives.

#### *2.2.4 Job Satisfaction*

Job can be defined as a unit of work comprising related tasks that have been grouped together for purposes of assigning them to a person or group of persons for the performance. The tasks in a job represent the duties and responsibilities of an employee, and indicate what the employee is accountable for in the work organization (Ngirwa, 2006). Satisfaction is where an employee is happy with the job and the ways are done and with the people they work with. Also, it means that they are happy not only with their job, but also what they get the job done correctly (Thoreau H, (2014). Job satisfaction is the concept of job satisfaction has been defined in many ways. However, most use a definition of job satisfaction in organizational research. Locke (2006), describes job satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences". Job satisfaction can be defined as a positive feeling about one job result from an evaluation of its characteristics.

A person with high level of job satisfaction holds positive feeling about the job, while a person who is dissatisfied holds negative feelings about the job”. In addition, a person's job is more than just the oblivious activities of stuffing papers, writing, programming code waiting on customers or driving a truck. Job requires interaction with co-workers and bosses, following the organisation rules and policies and meeting performance standard of living with working conditions that are often less than ideas and like (Robbins, 2007). Prasad (2005) defines job satisfaction as one of the important factors which have drawn attention of managers in the organisation as well as academicians. Various studies have been conducted to find out the factors which determine job satisfaction and the way it influences productivity in the organisation.

Though there is no conclusive evidence that job satisfaction affects productivity. Moorhead and Griffin (2011) state that Job satisfaction is an attitude that reflects the extent an individual is gratified by fulfilled in his or her work. Extensive research conducted on job satisfaction has indicated that personal factors such as individual needs and inspirations determine altitude along with group and organisational factor. Tan (2011) assesses job satisfaction and turnover intention of employees in the travel agencies in Malaysia. Seventy-two items of the Job Descriptive Index (JDI) were used to determine the job satisfaction level. Job satisfaction was significantly related with intention to leave

### **3.0 RESEARCH METHODOLOGY**

#### *3.1 Research Design*

According to Churchill (1991), a research design is simply the framework or plan for a study used as a guide in collecting and analysing data. It is the blueprint that is followed in completing a study. The objective of the study is determined at the earliest stage of the research including the design to ensure that the information collected is appropriate for solving the problem. The researchers specify the information, the method or technique, the sampling methodology. In this study, a case study has been adopted because of its flexibility in terms of the variable data at the organization and a guarantee of the investigation of the unit of inquiry. The study also has been used primary and

secondary as a method of data collection, it involved the questionnaire to a sample of the respondents selected from a large population. The study combined both descriptive characteristics, which refer to qualitative characteristics and which cannot be measured quantitatively. Also numerical characteristics refer to qualitative phenomenon, which can be measured through some statistical units. Therefore, the study sought to specifically assess the extent to which job satisfaction impacts the employee turnover. Numbers and intellectual capability of employees have been involved and thus utilizing both quantitative and qualitative approaches.

### *3.2 Research Approach and Strategy*

The research will be conducted in Ghana Commercial Bank, Hatso Branch. This will be done for the reliability and generalizability of the research findings.

### *3.3 Data Collection Method*

The data collection will be from primary and secondary sources. With the primary sources, the will researcher administered questionnaires, and some oral interviews and made observations. The questionnaires will have comprised of straightforward questions with very simple language for easy understanding of respondents to ensure the genuineness of these responses. Primary data are data collected from the first time and thus happened to be original in character. Primary data involved direct experience and observation and thus, distortions by other observers avoid and therefore they are reliable. These data were obtained through questionnaires that the researcher conducted during the study. These are face to face discussion between the researcher and the respondent for the purpose of getting more information and seeking clarification on specific aspects of the group. The interview is important for the collection of primary data, because some employees may fail to answer the questions because of the low level of education and understanding in which it is difficult to understand questionnaires. It can also find that managers may merely like to agree to be interviewed rather than complete questionnaires. The researcher conducted in depth interviews with the organisation top managers and also some of the employees; it enabled the researcher to get depth information from the respondents.

### *3.4 Questionnaire*

Questionnaires were used to gather data related to this study. The questions were both closed and open ended in order to increase response to questionnaires. The researcher made prior contacts with the entities in the sample frame. The questions were in English language. The use of questionnaires as a data collection tool has various advantages. These are free from bias of the interviewer because answers are in respondent's own words. Another advantage is that respondents have adequate time to give well thought out answers. The use of questionnaires also helped the researchers to cover large samples.

### *3.5 Observation*

Observation is a primary method of collecting data by human, mechanical, electrical or electronics means with direct or indirect contact. It involves looking and listening very carefully. The main strength of observation is that it provides direct access to the social phenomena under consideration. Instead of relying on some kind of self-report, such as asking people what they would do in a certain situation, you actually observe and record their behaviour in that situation.

### *3.6 Secondary Data*

These are data which have already been collected by someone else and passed through statistical process. This included all data obtained from the company documented records, organisation reports, books, and journals, organisation website, academician and government surveys. Secondary data are important to be used for statistical information and records might be of particular use for

answers of research questions and objectives. They also need few resources (expenses) because they have already prepared.

### *3.6.1 Documentation*

This includes written documents of the organisation such as notices, journals, books, magazines, administrative and public records, as well as non-written documents. The researcher used documentation so as to obtain some other secondary data necessary to answer the research questions which included organization motivation policy and employees mora. The researcher used all written documents such as administrative records, including staff regulations and employee scheme of service which in one way or another helped to answer the research questions.

### *3.7 Sample size and Sampling Technique*

Due to time constraint and economic reasons, a sample size of fifty (60) will be used: 30 from lower level staff GCB Bank and 60 from the senior level management. The population comprises of all staff of the banks from top management to lower level staff. They are all included in order to get the relationship between motivation, compensation and job satisfaction of employees at all levels since the work load differs at every level. Sampling is concerned with the selection of a subset of individuals from within a statistical population to estimate characteristics of the whole population. Each observation measures one or more properties (such as weight, location, colour) of observable bodies distinguished as independent objects or individuals (Robert et al 2010). Sampling is one of the best systematic technologies of choosing a group of respondents large enough to represent the population from which it has been selected. This study will use simple random sampling and purposive sampling techniques. The researcher will employed the use of the Simple random and Purposive Sampling techniques. The purposive sampling technique was used to select the managers as well as others in the upper levels of the banks whereas the Simple random technique gave equal chances to all others to be randomly selected for the study.

- **Simple Random Sampling:** The researcher will use simple random sampling technique, because each of the population have the same probability of being selected in the sample, the procedure was used to avoid bias in choosing the respondent.
- **Purposive Sampling:** The technique will be used to select the heads of the departments and the top managers was purposive sampling. The technique applied to the respondents because the sample size selected was small according to the information the researcher had to present for the study

### *2.8 Data Analysis*

Data analysis is an important aspect of any type of research study. Inaccurate data analysis can impact the results of a study and ultimately lead to invalid results. Data collection methods for the Relationship between Job Satisfactions and Employee Turnover in the Banking companies were both quantitative and Qualitative The quantitative data collection methods; rely on random sampling and structures, data collection instruments that fit diverse experience into predetermined response categories. They produce and analyze results that are easy to summarize, compare and generalize. (Kothari 2001)

The qualitative data collection methods, is the method which plays an important role in the impact evaluation by analyzing and providing information useful to understand the process behind observed results and assess changes in people's perception of their well-being. It is used for improving the quality of the research, generate evaluation hypothesis, and strengthen the design of research questionnaire and expanding or clarifying quantitative evaluation findings. (Kothari 2001). In this

study the researcher will use both quantitative as well as qualitative data analysis. This is because it needs some presentation in terms of tabulations and percentages and also explanations and discussion.

Quantitative analysis will have employed simple tabulation and percentages. On the other side, qualitative data analysis has applied explanations and discussions. During data collection and analysis, the researcher used a descriptive statistic such as tables, percentages and means in order to summarize and organize data in a meaningful way. The data has been interpreted so as to give clear meaning to the reader. The researcher used sample drawn from the population to draw conclusion about the whole population

## **4.0 DATA ANALYSIS AND DISCUSSION**

### *4.1 Introduction*

This broadly addresses the findings of the research study and interpretations of the findings. The findings are based on the relationship between job satisfactions and employee turnover in the banking industry, the case study of Ghana Commercial Bank, Hatso Branch. At the individual level of analysis, there is a plethora of different approaches, most of which have some conceptual viability, empirical support and practical use. A critical task for future thinking and research is to integrate findings from diverse sources in order to be able to produce a more coherent view of satisfaction, its content and mechanisms.

Contemporary research aspires to a more integrated perspective, but progress is slow due to difficulties forming conceptual links and a difficulty comparing studies (due to non-comparability of constructs and measurement). Some researchers argue that job satisfaction denotes to the employees' commitment, and is, perhaps, best treatment to the employee turnover. The findings of the study were obtained through questionnaires, interview and documents source. The research involves normal employees, exit employees, heads of departments and the top managers. The main sample comprised of the total of 60 respondents. The analysis of data and study findings have been presented in four categories. The first part presents the demographic analysis of the collected data which includes the characteristics of respondents, the sex, marital status, education level and working experience of the respondents. The second to study the role of job satisfaction in the organisation. The third part to determine factors for job satisfaction. Fourth part to examine the causes of employee turnover. Fifth part to find the effects of employee turnover and the final part to speculate suggested solutions for employee turnover.

#### *4.2.1. Demographic characteristics of respondents*

Demographics are the quantifiable statistics of a given population. Demographics are also used to identify the study of quantifiable subsets within a given population, which characterize that population at a specific point in time. Researchers typically have two objectives in this regard: first to determine what segments or subgroups exist in the overall population; and secondly to create a clear and complete picture of the characteristics of a typical member of each of the segments. The researcher found out it is important to examine the personal information in accordance with gender, age, marital status and education level.

#### *4.2.2 Gender*

The Researcher wanted to know sex of the respondents. The aim was to reduce bias, and also to have a gender balance, and the result was as follows: out of the 60 total questionnaires distributed and answered, 35 were males and 25 were females and the frequency distribution table was shown below;

Table 4.2.2: Frequency distribution of sex of the respondents (N=60)

<b>Sex of the respondents</b>	<b>Frequency</b>	<b>Percentage</b>
Female	35	58.3
Male	25	41.7
<b>Total</b>	<b>60</b>	<b>100</b>

From the data presented, it shows that 58.3% of the respondents are female and remaining 41.7% were male. This shows that Ghana Commercial Bank, Hatso Branch were dominated by female employees. From the data above it shows that the female is more satisfied with the work and more flexible. However, men and women value job flexibility, differently, this is to say, gender composition in the workplace plays no role in determining job satisfaction of women.

#### 4.2.3 Age

The researcher wanted to know the age of the respondents, so as to identify what kind of people who are mostly employed in the banking industry. And the following were the results of the respondents;

Table 4.2.3: Age of the respondents (N=60)

<b>Age</b>	<b>Frequency</b>	<b>Percentage</b>
21 – 30 years	30	50
31 – 40 years	20	33.3
41 – 50 years	10	16.7
<b>Total</b>	<b>100</b>	<b>100</b>

The distribution of the age of the respondent shows that 50% of the employees who responded to the questionnaire were of the age between 21 and 30 years. Also, 33.3% of the respondent shows 20 were between 31 and 40 years. Apart from that, 16.7% of the age were between 41 and 50 years. According to the data presented from 41- 50 years, they are more satisfied with the work compared to the age within 20-30, and they mostly tend to stay in one job for a longer time than the age of between 20-30, who are not satisfied and have a high turnover rate.

#### 4.2.4 Marital status of the respondents

The purpose of this question is to determine marital status of the respondent, it helps the researcher to determine which group of the respondent is satisfied.

Table 4.2.4: Marital status (N=60)

<b>Status</b>	<b>Frequency</b>	<b>Percentage</b>
Single	40	66.7
Married	20	33.3
<b>Total</b>	<b>60</b>	<b>100</b>

From the data presented, the respondents were asked to choose the marital status; 33.3% of the respondents were married and 66.7% were single. This shows that the highest number of employees who are married is 20 which is low compared to 40 number of single employees.

#### 4.2.5 Education level

The purpose of this question to the researcher was to determine levels of education for each respondent. This is because of the fact that the level of education may be one of the fundamental factors in understanding the source and nature of the problems as well as devising mechanisms for solution.

<b>Educational Level</b>	<b>Frequency</b>	<b>Percentage</b>
S.S. Certificate	5	8.3
Certificate	10	16.7
Diploma	15	25
First Degree	20	33.3
Master's Degree	10	16.7
<b>Total</b>	<b>60</b>	<b>100</b>

Table 4.2.5: Levels of the education of the respondents (N=60)

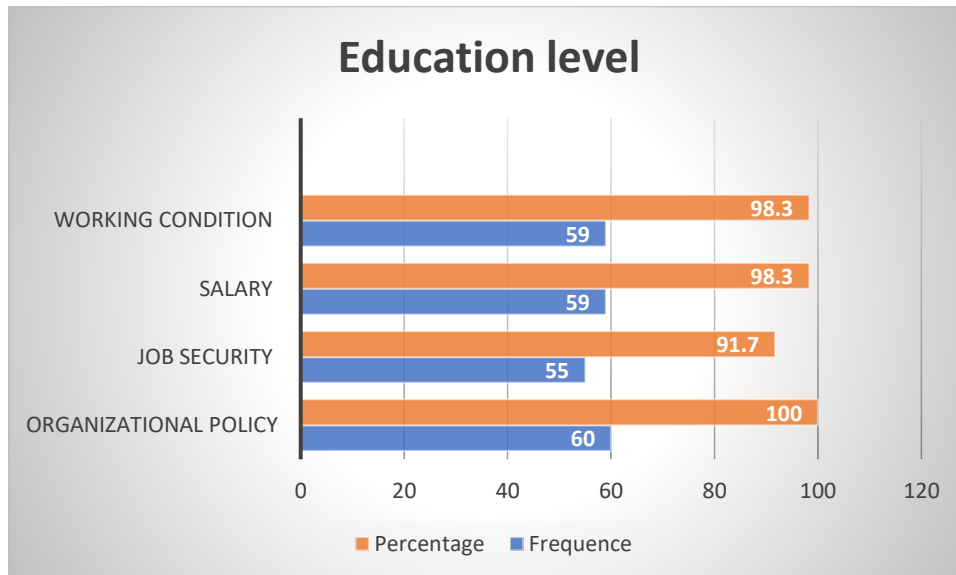


Figure 4.2.5: Levels of the education of the respondents (N=60)

As far as the education level of the respondents is concern; the results indicate that 33.3% (20) of the respondents had attained first degree education, 25% (15) of the respondents attained diploma level, 16.7% (10) of the respondent attained the certificate level, 8.3% (5) attained secondary education and 16.7% (10) attained master's degree, whereby most of them are the Marketing officers, customer cares officers, cashers and account managers which imply that a big numbers of the respondent have attained first degree education.

#### 4.2.6 Working Experience

Working experience is one of the factors that were observed to determine that, for how long respective employee worked with Ghana Commercial Bank, Hatso Branch. The fundamental nature of this question was to examine the consistency of the opinion given by the respective respondents. This is due to the fact that, the longer the number of years an employee is in service the more experienced or she is on the daily operation of the organisation.

Table 4.2.6: Working Experience of Respondents

Working Experience	Frequency	Percentage
1 - 5 ears	20	33.3
6 - 10 years	20	33.3
11 - 15 years	10	16.7
16years Above	10	16.7
<b>Total</b>	<b>60</b>	<b>100</b>

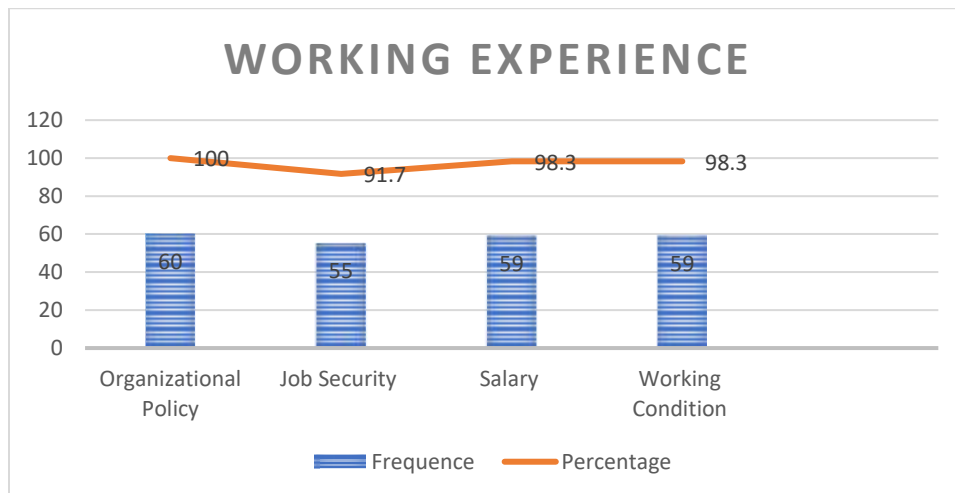


Figure 4.2.6: Working experience of the respondents (N=60)

According to the study conducted, it has been shown that 33.3% (20) of the respondents interviewed have a working experience in banking industry between 1 to 5 years, 33.3% (20) of the respondents have a working experience between 6 to 10 years, 16.7% (10) of the respondents have a working experience of between 11 to 15 years, 16.7% (10) of the respondents have a working experience of between 16 years and above.

#### 4.3: Section B: What are the roles of job satisfaction and its influences on the employees of Ghana Commercial bank approach to work?

Job satisfaction is an effective or emotional response to various aspects of the job (Kreitner and Kinicki, 2005). Robbins (2006), defines job satisfaction as a general attitude of the individual toward his work, the difference between the amount of rewards received by a worker and the amount they believe they should receive. Thus, dimensions of job satisfaction according to Munadar, Smith, Kendall and Hulin (2004) are condition of employment, colleagues, promotion opportunities, supervision, and salary.

One way to improve performance management, motivate and improve employee performance is through compensation (Mathis, 2000). Dessler (2010), states that the employee compensation refers to any form of payment or reward for employees and derived from their work. Mondy (2008) states that the term compensation includes all total rewards given to employees as a good lead for their services. Veitzhal, Rival and Ella (2010) say that the compensation can be divided into two, the first direct compensation that is compensated directly perceived by the recipient, in the form of salaries, wages, incentives that are vested and it is the company's obligation to pay it. Second indirect compensation, compensation cannot be felt directly by employees, the benefits and services (support services). Benefits and services are additional compensation (financial or non-financial) provided by the company's policy to all employees in an effort to improve their welfare, such as holiday allowances, pensions, uniforms, sports and excursions (family gathering).

The purpose of this question is to study the roles of job satisfaction and its influences on the employees of Ghana Commercial bank approach to work, the information will help to determine the importance of job satisfaction to employees. In this regards the respondents were asked different things or factors for satisfaction, according to the research conceptual framework.

#### 4.3.1 How do you rate your job?

The researcher wants to find the way people rates their jobs, the aim is to measure people perception towards their job. The perception of employees towards their job helped the researcher to get employee's point of their commitment.

<b>Rate Your Job</b>	<b>Frequency</b>	<b>Percentage</b>
Extremely Satisfied	5	8.3
Satisfied	10	16.7
Some What Satisfied	15	25
Dissatisfied	30	50
<b>Total</b>	<b>60</b>	<b>100</b>



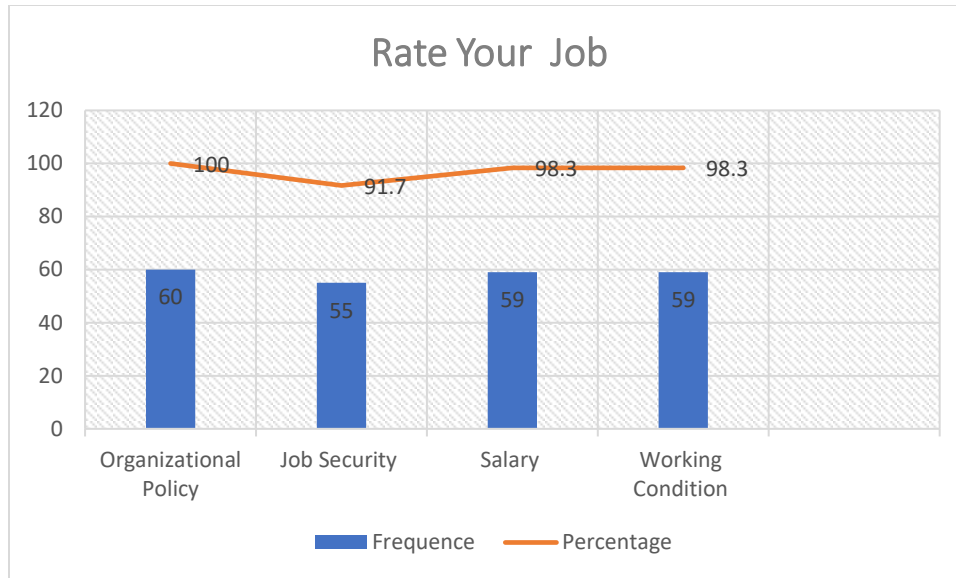


Figure: 4.3 How do employee rate their job (N= 60)

The researcher found that 50% (30) of the respondent were dissatisfied with their job, this is due to the fact that, most of the respondents were under payments (low salary). Motivation is an internal drive which causes change in behavior and moving towards organizational goals. Organizational resources are categorized in two general groups: financial resources and human resources. Since financial resources gets utilized by human resources as well, efficient usage of financial resources without having motivated human resources is not possible (Karbani, 2010). It is therefore clear that, they (staff) lack interests that they have been working in a positions which they are not interested and qualified which agreed to Ivancevich et al (2011) which of similar belief as they define employee satisfaction as the sensation and perception employees have about their work and organization. One respondent said his profession is project management and is working under customer department. There is a limited career growth in the organisation and somehow poor human resource management. While 25% (15) were somewhat satisfied with the job, 16.7% (10) of the respondents were satisfied with their job, and 8.3% (5) of the respondents who are in management level were extremely satisfied with their jobs. Researcher found that many factors such as violating rights of employees, for example rights to get sick leave. According to Employment and Labour Relation Act states that an employee shall be entitled to sick leave for at least 26 days in any leave cycle. Where GCB gives employees only two days in a month. This makes a total of 24 days per year. Lack of participation in management decision is another reason that makes employee to be more dissatisfied, and low salary given from the recruitment Agency make the working environment more badly. Security of employment; since most of them are not employed with GCB but was immigrated from Capital Bank and UT Bank. There are other contract employees which are from recruitment agency. This makes them feel unsecured.

#### 4.3.2 The extent to which employee performance is affected with job dissatisfaction

The researcher wanted to know measure the direct and indirect effects to employee's job dissatisfaction in the organisation. The researcher hypothesis states that absenteeism, turnover and tiredness, grievances and sabotage are the outcome of job dissatisfaction. So the researcher aimed at knowing if it has an effects to organisation performance, commitments and productivity. And the results were as follows.

Performance	Frequency	Percentage
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Extremely Affect	5	8.3
Affect	10	16.7
Some What Affect	15	25
Not Affect	30	50
<b>Total</b>	<b>60</b>	<b>100</b>

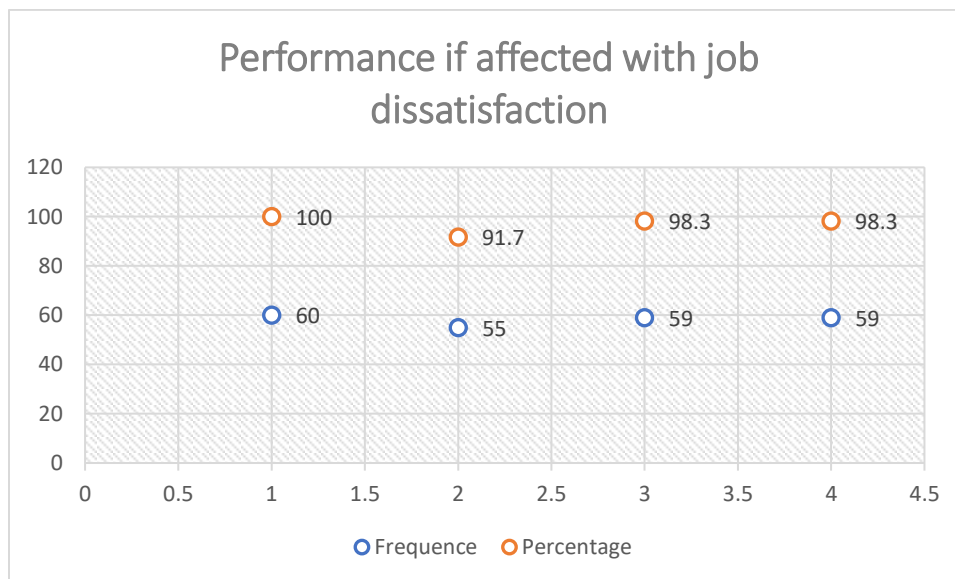


Figure: 4.4 Extent to which employee performance is affected with job dissatisfaction (N= 60)

The researcher found that 50% (30) of the respondent said job is dissatisfaction extremely affect the performance. According to Hoppock (2009), employee job satisfaction is the individual response and happiness of employees with objective and emotional facet of their working environment. This means individual performance with organisation performance were affected by job dissatisfaction. While 25% (15) of the respondent said it affect, means is not very much affects. 16.7% (10) said somewhat affects, meaning has no effects because they can achieve their objectives. 8% (5) said job dissatisfaction does not affect performance of an organisation.

#### 4.3.3 The role of job satisfaction

The researcher wanted to find the importance of job satisfaction to employee's performance and commitment. This is because researcher wanted to measure if job satisfaction has the relation with turnover. And the following were the result that most of the respondents mentioned.

- a) To manage employee's turnover
- b) To increase productivity
- c) To manage absenteeism
- d) To increase relationship

#### 4.4: Section C. What are the factors for job satisfaction, motivation and the effect of those factors to bank?

The Researcher wanted to know combination of factors for job satisfaction. The objective of finding out the factors for job satisfaction were to know role of each factor towards job satisfaction. Though

there is no conclusive evidence that job satisfaction affects organizational productivity. Moorhead and Griffin (2005) state that Job satisfaction is an attitude that reflects the extent an individual is gratified by fulfilled in his or her work. Extensive research conducted on job satisfaction has indicated that personal factors such as individual needs and inspirations determine altitude along with group and organisational factor. Tan (2010) assesses job satisfaction and turnover intention of employees in the travel agencies in Malaysia. Seventy-two items of the Job Descriptive Index (JDI) were used to determine the job satisfaction level. Job satisfaction was significantly related with intention to leave which means that job satisfaction, and motivation has negative effect on an organization.

#### 4.4.1 What factors make employees more satisfied with their jobs?

The researcher wanted to know the factors which make an employee or respondents to be more satisfied with their jobs. The researcher listed some of the factors which seem to be the factors for job satisfaction which were salary, working condition, job security and organisation policy and the following were the results as presented in the figure 4.4 below.

<b>Factors Response</b>	<b>Frequency</b>	<b>Percentage</b>
Organizational Policy	60	100
Job Security	55	91.7
Salary	59	98.3
Working Condition	59	98.3

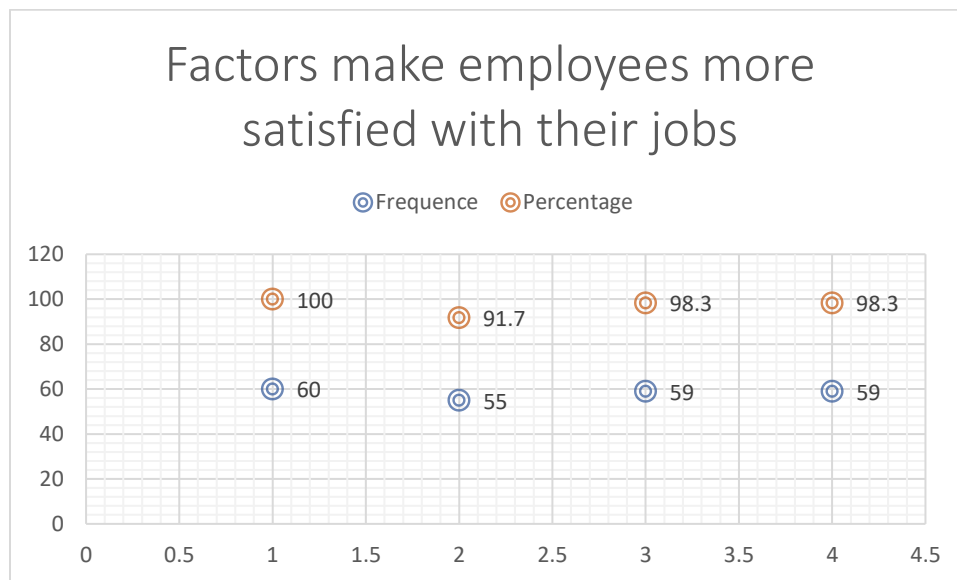


Figure 4.4: What makes people more satisfied with their Jobs (N= 60)

Researcher found that most of them said organisation policy is the most important factor which makes employees to be more satisfied. Since organisation policies are written statements, developed in light of the organization’s missions and values, which communicate and document the organization’s plans, instructions, intents, and processes. Policies guide management and employees, clarify the organization’s values and influence the organization’s culture. Among all,

salary got 59 (98.3%) votes of 60 respondents who said it is also the most important factor in job satisfaction, since it facilitates an employee to fix up his/her psychological needs. Working conditions got also 99 (98.3%) of votes, and job security got 55 (91.7%) votes.

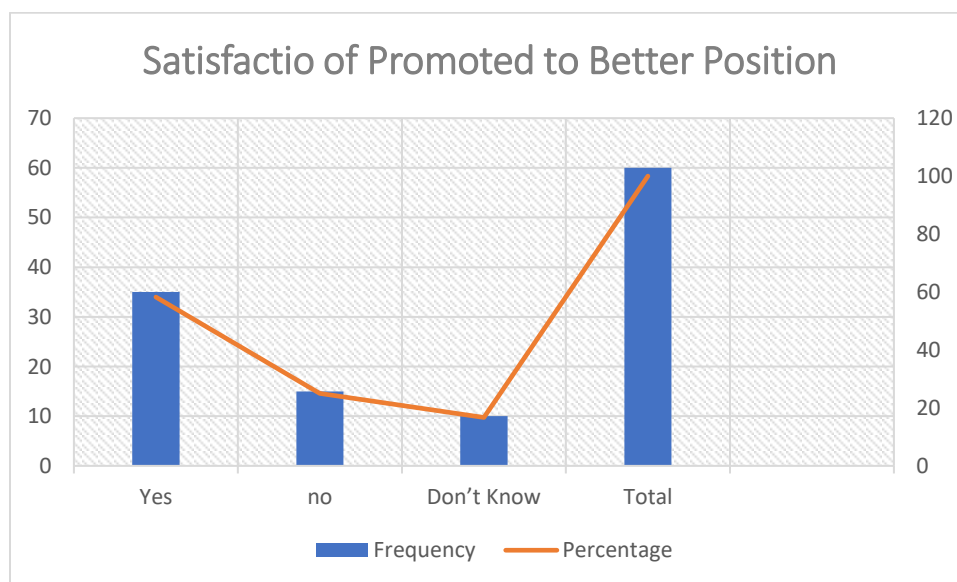
The researcher found that, all those factors may cause job dissatisfaction if will not be valued according to the employee’s contribution, bad working condition, poor policy, low salary and lack of job security may lead to employee turnover. Organizational policies are the situation under which people work include personnel policies and procedures as well as the extent to which an organization is committed to respecting the rights and privacy of its individual employees. Physical working conditions are the quality of the physical environment in which the individuals perform their job. Therefore, the result agreed to Bluedom (2001), March and Simon (2000), Pettman (2001), have attempted to investigate what determines people’s intention to quit by examining the possible antecedents of employees' intentions to quit their organization when there is no organizational policies.

#### 4.4.2 How would you satisfied with the chance of being promoted to better position

The researcher wanted to find whether promotion has the effects to job satisfaction. The aim is to measure employee’s perception promotion and its effects. And the result was as follows;

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
Extremely Satisfied	30	50
Satisfied	25	41.7
Some What Satisfied	5	8.3
Dissatisfied	0	0
<b>Total</b>	<b>60</b>	<b>100</b>

Table 4.3 Satisfaction with the chance of being promoted to better position (N= 60)



The researcher found that there is no employee will be dissatisfied with the chance of promotion, this is due to the fact that, most of the respondent’s dreamed to be promoted to the better position so as to get better payments. While 8.3% (5) said will be somewhat satisfied if they will be promoted to better position, 41.7% (15) of the respondents said they will be satisfied if they will be promoted, and 50% (30) said they will be satisfied because their present jobs does not satisfy their needs and even positions are not satisfactory for them comparing to their qualifications.

4.5: Section D. Causes of employee turnover

The researcher wanted to search factors which cause employees to develop intention to quit their jobs. The aim is to align with job satisfaction, this is because the research work wanted to examine the relationship between job satisfaction and employee turnover.

4.5.1 Employee expectations when joining this organisation?

The researcher wanted to know employee expectations when they were joining the organisation. The researcher wanted to examine whether unmet expectation may cause employee to develop turnover intention. And the result was as follows;

Response	Frequency	Percentage
To meet your personal needs	12	20
To develop your personal insight	10	16.7
To get a competitive salary	32	53.3
To work with participative team	6	10
<b>Total</b>	<b>60</b>	<b>100</b>

Table 4.4 Employee expectations when joining the organisation (N= 60)



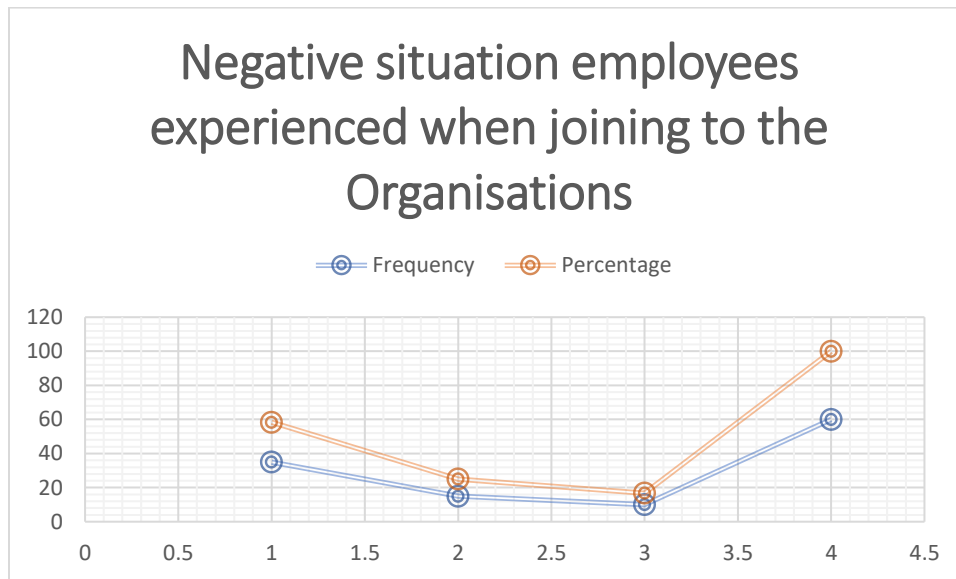
From the data presented, it shows that 20% (12) said they expected to meet their person needs while working at their organisation. Personal need includes house allowance, medical allowance, transportation allowances and salary. 16.7% (10) of the respondent said expected that they will

develop their personal insight. 53.3% (32) of the respondents expected to get a competitive salary, that they said it will cover all needs including insight development, meeting personal needs and satisfaction, and 10% (6) of the respondents said expected to work with participative team.

#### 4.5.2 Negative situation employees experienced when joining to the Organisations

The researcher wanted to know whether the respondent has experienced a negative situation which he/she didn't expect when he joins the organisation. The aim is to see whether disappointment of the negative situation can make them dissatisfied and develop turnover intention. And the following are the results;

Response	Frequency	Percentage
Poor working condition	11	20
Poor relationship with management/employees	13	16.7
Low salary	26	53.3
Lack of employment benefits	10	10
<b>Total</b>	<b>60</b>	<b>100</b>



The researcher found that 53.3% (26) of the respondent state said they didn't expect to get low salary. While 16.7% (13) of the respondents said they didn't expect poor working condition. Have employed by recruitment agency. 20% (11) said they didn't expect whether poor relationship with management. This is due to the fact that employees have no direct link with their managers since they have employed by recruitment agency. 10% (10) of the respondents said lack of benefits were the negative situation they met, and they are not comfortable with the situation. The findings imply that every employee in the organisation has own factor which dissatisfy them, and because of it they tend to quit and look for another job which has better conditions than their present job.

#### 4.5.3 What makes people to quit the job?

The researcher wanted to see different reasons that make people quit their jobs and tend to find other jobs. The respondents used the causes they are thought to be the reasons for the employee turnover at GCB Hatso Branch and the following were the summaries of what most of them identified;

- *Dissatisfaction with the terms and conditions of their contracts:* The findings show that many GCB Hatso Branch customer service, and call center are employed throughout recruitment agency, and their contracts are signed with the agency and not GCB. In this case, recruitment agency imposes their terms and conditions which to some extent exploit employees. For example, recruitment agency to deprive the rights of employees to choose a social security fund they prefer to join, instead they just decide themselves without employee involvement. The research found that, recruitment agency provides only one day per month sick leave, if it will exceed they deduct some amount of money according to the missing days from the employee's salary. This is due to the fact that; Recruitment agency pays employees according to hours they work.
- *Dissatisfaction with the salary:* The finding shows that, GCB employees who are employed through Recruitment agency, shares their salary. This is due to the fact that GCB pays recruitment agency who deducts around  $\frac{1}{2}$  of the employee's salary. So people quit their job at GCB to look for a job which pays to satisfy their needs.
- *Security of their employments:* Researcher found that, the Recruitment agency contract with the customer cares and call centers at GCB are renewable for every after 6 months. The security of this kind of contract is not enough, and also employees have no direct link with GCB Hatso Branch since they are not their employer. Due to this fact, employees have no any place to convey their grievances.
- *Employees benefits:* One of the exit employees said he has decided to exit GCB Hatso Branch due to lack of employee benefits, like sick leave, medical allowances and transport allowance. Other employees said, recruitment agency does not send their contributions to the social security (SSNIT) almost for seven months. This made them to become very scrawny. They discovered this from the one exit employee who urged them to check their statements from the pension funds.
- *Lack of promotions and appreciation:* The respondents said the organisation has no promotion policy to its sales and marketing employees since they were employed. This is due to the fact that, all sales and marketing employees are not GCB Hatso Branch employees, but they are Recruitment agency employees. Because Recruitment agency is the employer, it is not possible for them to get promoted by GCB. Researcher found that, GCB Hatso Branch could have the policy of promoting employees, but the contract between Recruitment agency and GCB does not binding them to do so. In this regard, employee are more dissatisfied with the condition. Due to this, they tend to quit and find other jobs which give employees opportunity for promotions and appreciation to their contributions. The most common reason why employees leave a certain organisation is that they see better opportunities elsewhere. Man has a growing desire to own more things and better pay can give them this. Apart from that, they are compelled to look for better pay because of financial needs. The Research found that there are five major components of job satisfactions, according to the results found from the questionnaires and interviews. The components of job satisfactions; Attitude towards the work group; General working conditions; Attitude towards the company; Monetary benefits; and Attitude towards the management.

That means a satisfied employee developed an intrinsic value to perceive well his/her work group. In this sense, an employee can have good attitude towards his/her work group. The employee can be more cooperative, supportive and innovative towards achievement of the organisation objective, while unsatisfied employees can develop a sense of bad attitude towards work group. The Working condition may hinder support of working ability and attitude. This is due to the fact that a good working condition makes employee to be more satisfied and feel secured. This makes them feel accepted by the working group which makes his/ her adherence to common goals, confidence and desirability of those goals and the desire to progress towards the goals. Attitude towards the company can be determined by the monetary values that a company evaluate to the employees. The best management is the one which treats its employee to the maximum that they can have the best attitude towards the management.

4.6: Section E. Solutions for employee turnover

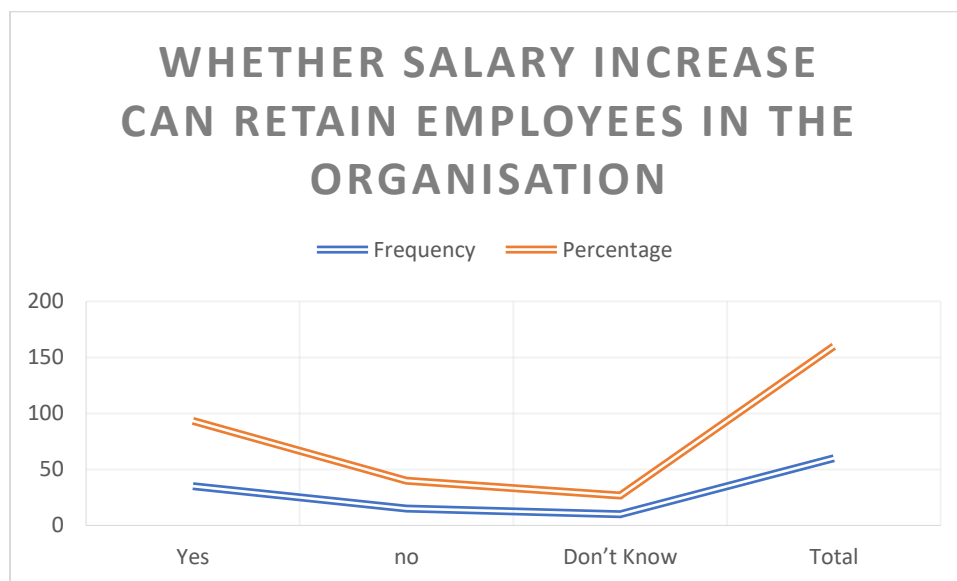
In this part, researcher wanted to know the solutions to solve problem employee turnover in the organisation. And the following are the result of the respondents;

4.6.1 Whether salary increase can retain employees in the organisation

The researcher wanted to find whether salary increment can retain employee. Aim of the researcher is to examine the effects of salary increment to turnover intention. And the following were the results;

Response	Frequency	Percentage
Yes	35	58.3
No	15	25
Don't Know	10	16.7
<b>Total</b>	<b>60</b>	<b>100</b>

Table 4.5: Salary increase retains employees? (N=60)





The study shows that 58.3% (35) of the respondent state said “Yes”, that salary increase would retain employee’s intention to exit. 25% (15) answered no meaning that salary increase is not method for employee’s retention. 16.7% (10) answered they don’t know. The reason why salary is not the most important satisfaction factor is that companies usually link workers’ salaries with their productive results. This gives employees less opportunities and limits their development. The findings imply that the majority of respondents agreed the fact that salary increase retains employees who has intention to exit.

#### *4.6.2 Suggested solution to manage employee turnover*

The researcher wanted to know the solutions that can be used to solve the problem of employee turnover in the organisation. And the respondents have suggested solutions that organisation should use to solve the problem.

- a) Review terms and conditions of their contract that will help them to solve parts which has been blamed by the employees.
- b) Organisation should employ employee themselves instead of using recruitment agency.
- c) Pay salary which suit with the job offered by their employees.
- d) Organisation should set right compensation packages and benefits that will help to retain employees who have intention to exit.
- e) Organisation should involve their employees in the management decision making to make them feel valued.

## **5.0 CONCLUSION**

This presents a summary of the study findings, conclusion and recommendations for further research of the matters discussed in this report. It also brings recommendations on various courses of actions needed to assist in one way or the other in overcoming the existing challenges for reducing employee turnover.

For the past few decades, employee retention has been of interest to researchers and employers in various fields. To remain competitive in the rapidly expanding global economy and to keep pace with technological advances requires a workforce with vigorous institutional knowledge; therefore, employee retention is of great magnitude to business and academic communities. Prior research has shown that job satisfaction is strongly and inversely associated with the employee turnover.

In other words, more satisfied employees are less likely to seek a new job, with a new employer. For this reason, studying the factors associated with job satisfaction was practical and valuable. Two general categories are believed to influence employee satisfaction: demographic characteristics and organisational culture. Demographic characteristics include age, gender, education, income, and tenure of employment. Organisational culture is difficult to define succinctly, but it is generally described as the shared thoughts, feelings and behaviours of a group. Research in a variety of settings suggests that organisational culture has a meaningful influence on job satisfaction and, in turn, employee turnover.

The purpose of this study was to explore the relationship between job satisfaction and employee turnover. More specifically, the following research questions guided this study:

- Do demographic characteristics, such as, age, influence the relationship between job satisfaction and employee turnover intention?
- Does increased job satisfaction predict decreased employee turnover intention?
- Does the level of satisfaction with organizational culture, moderate the relationship between job satisfaction and employee turnover?
- Does increased satisfaction with organizational culture decrease employee turnover intention?

While most studies explore the relationship between job satisfaction and turnover intention have examined employees in a single or handful of occupations, few have explored this relationship across a variety of industries and occupations. This analysis contributes to the literature by examining the relationship between job satisfaction and employee turnover intention on a nationally representative sample of adult workers, over a time-span of eight years. Additionally, this study explores how satisfaction with organisational culture influences job satisfaction, and its subsequent impact on employee turnover intention. As it has been found out that some of the attributes of employee satisfaction include opportunity and recognition, respect and a good salary package.

### *5.1 Summary*

The study was conducted in GCB Hatso Branch, the focus was to research the relationships between job satisfaction and employee's turnover. It aimed at determining whether the employee turnover at GCB Hatso Branch is the result of job dissatisfaction. This study comprised of (60) sixty employees of which, twenty-five (25) were normal employees were randomly selected for the questionnaires and five (15) were exit employees, six (10) heads of the departments and four (5) were top managers.

The objective of study was to study the role of job satisfaction, to determine factors for job satisfaction, to examine the causes of employee turnover, to find the effects of employee turnover and to speculate suggested solutions for employee turnover.

The researcher collected information through questionnaires, interview, documentation and observation. The researcher found that, most of the employees are not satisfied with their job. This is due to the fact that salary, terms and conditions of their contracts, and other benefits are not satisfactory to them. It also brings recommendations on various courses of actions needed to assist in one way or the other in overcoming the existing challenges. The researcher found the relationship between job satisfaction and employee turnover. Where findings show that the employee turnover is determined by the job dissatisfaction.

In the figure above, emphasize the fact which has been clearly established that job satisfaction makes a positive impact on turnover, absenteeism, tiredness, accidents, strikes, grievances and sabotage. The figure summarizes those and other factors that determine an employee level of satisfaction or dissatisfaction. The total impact of those factors causes employees to be either satisfied or dissatisfied with their jobs on the right side of the frame shows that employees who are more satisfied tend to be committed and innovative to the organisation. These employees are likely to be very loyal and dependable. Employees who are more dissatisfied with their jobs tend to behave in the way that can be detrimental to the organisation. These employees are likely to have a higher rate of turnover, absenteeism, tiredness, accidents, strikes, grievances and sabotage

NB: Job satisfaction is not synonymous with organisation morale, which is feeling of being accepted by and belonging to a group of employees, though adherence to common goals, confidence in the desirability of those goals and the byproduct of a group, whereas job satisfaction is more on individual state of mind (Byars, 2008).

### *5.2 Recommendations*

What can the company do to maximize its employees' job satisfaction? Based on this study, recommendations suggested by the researchers to be adopted in the company so as to create the satisfactory working environment for the purpose of reducing employee turnover. The researcher had provided the following recommendations to GCB Hatso Branch Tanzania management regarding enhancing job satisfaction and to reduce employee's turnover.

Learn about jobs that are most likely to meet employee expectations; Assist the company to identify occupations that fit employee personality and their interest. Try to get accurate information about each of them. Do not allow employee job dissatisfactions to go unresolved for long; Job satisfactions and dissatisfactions are barometers of employees' adjustment to work. They may lead to something worse, job loss, accidents, even mental illness. Depression, anxiety, worry, tension and interpersonal problems can result from, or be made worse by job dissatisfaction.

Management should change their terms and conditions of the employment contract, including giving the human resources department the right to recruit all GCB Hatso Branch employees, including those who are recruited by the recruiting agency (Recruitment agency). This will give their employees a chance to have a direct link with their employer, and a chance to convey their grievances that will simply help the management to come up with the desirable conclusion, that will improve employee satisfaction and retain them.

Management should make sure they provide salary, which suit with the work done. As the researcher found that, Recruitment agency deduct almost half (½) of the salary given from GCB Hatso Branch for employees. The salary is not satisfied with the employees and this is why they are quitting to find another job which provide satisfied salary. In this fact, they should make sure that the salary provided suit the work done and satisfy their employees. This includes having a link for giving salary employees themselves and not through Recruitment agency.

Setting the right compensation packages and benefits is important; Work with human resources needs to get current data on industry pay packages, and they should be creative in setting employee benefits, creating flexible work schedules and bonus structures. This will make employees most innovative, committed and it will retain them because their needs are satisfied. Therefore, GCB Hatso Branch should review compensation and benefits packages at least annually and pay attention to trends in the marketplace for human resources.

Pay attention to employees' person needs, find a person to deal with those needs immediate as it is issued and should try to be more flexible when dealing with employees. Employees need social interaction and a rewarding work environment. They need respect and recognition from managers, and a challenging position with room to learn and move up.

They should make sure they involve employees in different organisation matters; This creates an intrinsic value to the employee, it is so called an intrinsic reward which retains and makes the employee feel being accepted and belonged to the organisation. The Intrinsic reward is the internal to the individual and normally derived from involvement in certain activities of tasks (Byars, 2008) Outline challenging and clear career paths; Employees want to know where they could be headed and how they can get there. Annual reviews or midyear checks is one obvious venue for these discussions, but they should also encourage workers to come with career questions and wishes throughout the year.

### *5.3 Conclusion*

In general, this study discussed about the relationship between job satisfaction and turnover intention in a company. The objective of the study which was to examine the effects of intrinsic and extrinsic satisfaction on turnover intentions has been reached and completed. Statistical on a sample of 60 executive and non-executive employees revealed that both components of job satisfaction had a negative impact on turnover intention.

Based on the findings, intrinsic satisfaction, however, had a stronger influence on intentions to leave in the organisation. The findings have proved that there are extrinsic values that influence the

turnover intention within the organisation. Thus, the objective of this study was accomplished since extrinsic satisfaction founded to have less influence with negative relationship on turnover intention. This mean the intrinsic value were fulfilled, the turnover rate among the employees will be low compared if only extrinsic values that focused by the management to be fulfilled.

It is hoped that the contributions proposed by the researchers were able to contribute towards improving human resource management at GCB Hatso Branch. Limitation were the availability of data or some of the relevant data to support the research not available due to the nature of the data or information. This was basically not to offend the companies' confidentiality or policies that remained secretive. In this study, the company refused to expose the data regarding the staff salaries and opportunities for promotion.

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