Journal of Managerial Psychology

Job satisfaction and employee performance of Lebanese banking staff
Alf Crossman, Bassem Abou-Zaki,

Article information:
To cite this document:
Permanent link to this document: https://doi.org/10.1108/02683940310473118

Downloaded on: 20 July 2017, At: 01:11 (PT)
References: this document contains references to 39 other documents.
To copy this document: permissions@emeraldinsight.com
The fulltext of this document has been downloaded 19442 times since 2006*

Users who downloaded this article also downloaded:

Access to this document was granted through an Emerald subscription provided by emerald-srm:365702 []

For Authors
If you would like to write for this, or any other Emerald publication, then please use our Emerald for Authors service information about how to choose which publication to write for and submission guidelines are available for all. Please visit www.emeraldinsight.com/authors for more information.

About Emerald www.emeraldinsight.com
Emerald is a global publisher linking research and practice to the benefit of society. The company manages a portfolio of more than 290 journals and over 2,350 books and book series volumes, as well as providing an extensive range of online products and additional customer resources and services.
Emerald is both COUNTER 4 and TRANSFER compliant. The organization is a partner of the Committee on Publication Ethics (COPE) and also works with Portico and the LOCKSS initiative for digital archive preservation.
*Related content and download information correct at time of download.
RESEARCH NOTE

Job satisfaction and employee performance of Lebanese banking staff

Alf Crossman
School of Management, University of Surrey, Guildford, UK, and
Bassem Abou-Zaki
Nestlé Middle East, Dubai, United Arab Emirates

Keywords Banking, Job satisfaction, Lebanon, Employees, Performance

Abstract This paper investigates the relationships between job satisfaction, individual job facets, socio-demographic variables and job performance in the Lebanese commercial banking sector. The sample consists of 202 employees from nine commercial banks. The results indicate that job satisfaction is not independent in all job facets and that satisfaction with one facet might lead to satisfaction with another. Female employees were found to be less satisfied with all facets except pay. Those with lower educational qualifications were least satisfied. Self-reported job performance was found to increase with tenure.

Introduction
Job satisfaction is one criterion for establishing the health of an organisation; rendering effective services largely depends on the human source (Fitzgerald et al., 1994) and job satisfaction experienced by employees will affect the quality of service they render. The impact of other variables on efficiency, such as infrastructures and internal relationships, should also be recognised. Job satisfaction has been defined as a positive emotional state resulting from the pleasure a worker derives from the job (Locke, 1976; Spector, 1997) and as the affective and cognitive attitudes held by an employee about various aspects of their work (Kalleberg, 1977; Mercer, 1997; Wright and Cropanzano, 1997; Wong et al., 1998); the later implying that satisfaction is related to the component facets rather than the whole job, which is consistent with Spector’s (1997) view.

The research aim was to broaden the research agenda to the banking sector in general and to the Lebanon in particular. While there is limited research into job satisfaction in the Middle-East the focus is principally concerned with gender and limited to Kuwait (Metle, 1997, 2001), or to leadership and commitment in the United Arab Emirates (Yousef, 2000). Drawing on a sample of 202 employees from nine commercial banks in the Lebanon, the results of this research indicate that job satisfaction is not independent in all job facets and that satisfaction with one facet might lead to satisfaction with another.
Job satisfaction theory
Situational theories assume that the interaction of variables such as task characteristics, organisational characteristics and individual characteristics influences job satisfaction (Hoy and Miskel, 1996). The individual evaluates the situational characteristics before commencement of employment (Quarstein et al., 1992), whereas situational occurrences are evaluated afterwards. According to Quarstein et al. (1992), overall satisfaction is a function of a combination of situational characteristics and situational occurrences. The situational characteristics commonly proposed as key factors in job satisfaction are: the work itself, pay, promotion, supervision and co-workers (Smith et al., 1969), although other variables such as employee involvement and organisational commitment may impact also.

There have been numerous studies into job satisfaction which explore the impact of demographic characteristics such as age, gender, tenure, and education (Clark, 1993; Clark and Oswald, 1995; Hickson and Oshagbemi, 1999; Oshagbemi, 1998, 2000a, b). The results suggest the existence of relationships between demographic characteristics and job satisfaction, but the evidence tends to be mixed, with positive and negative relationships sometimes identified for the interactions between same variables.

The relationship between job satisfaction and performance is still open to question; it would be unwise to assume that high job satisfaction leads to high performance, or that high performers are satisfied with their jobs (Euske et al., 1980). A number of studies indicate a weak link (Petty et al., 1984; Iaffaldano and Muchinsky, 1985) while others (Caldwell and O’Reilly, 1990; Spector, 1997) suggest a potential relationship between satisfaction and performance. The cause and effect determinants are still unclear and it cannot be assumed that satisfaction leads to high performance, or that high performers are necessarily satisfied with their jobs (Euske et al., 1980).

Background to the research
The banking industry in Lebanon is considered to be an important source of the country’s gross domestic product and, with reported net profits of 513.4 billion Lebanese Lira, it is a significant income-generator (Association of Banks in Lebanon, 2000). By September 2000 there were 64 commercial banks working in the Lebanon, 33 were Lebanese and nine foreign-owned. By the end of 1999 the number of banking employees was 15,152, approximately 1 per cent of the total employment in the Lebanon (Association of Banks in Lebanon, 2000).

Method
The target population was the non-managerial staff in the 33 Lebanese commercial private banks, in the capital and the north and south regions, drawn from the Annual Report for 1999-2000 (Association of Banks in
Lebanon, 2000). Of the 33 banks, 11 were selected by stratified random sampling by region with a roughly proportionate response being achieved.

The data were collected by questionnaire. Section one concerned job satisfaction and was based on the Job Descriptive Index (JDI) (Smith et al., 1969), a reliable facet measure over time (Kinicki et al., 2002), applicable across a variety of demographic groups (Golembiewski and Yeager, 1978; Jung et al., 1986) and reliable when translated into Arabic (Mughrabi and Johnson, 1995). As the JDI has been criticised for being limited to five facets and that particular items might not apply to all employee groups (Buffum and Konick, 1982), the instrument was extended by two additional facets: fringe benefits and working conditions, which were measured on a seven-point scale with dissatisfied (1) to very satisfied (7) anchors. The original five facets weighting is displayed in Table I.

Section two contained four self-evaluation questions regarding the respondent’s own performance and productivity, as well as their own performance compared with their colleagues. The questions were adopted from Yousef (2000), which had been used successfully in a Middle-Eastern culture. The responses were measured using Baruch’s (1996, p. 65) seven-point scale, as it appeared to bore objective than Yousef’s own seven-point (“very high” to “very low”) scale:

- 7 = among the upper 5 per cent;
- 6 = among the upper 10 per cent;
- 5 = among the upper 20 per cent;
- 4 = among the upper 30 per cent;
- 3 = among the upper 40 per cent;
- 2 = among the upper 50 per cent;
- 1 = among the lower 50 per cent.

Section three contained socio-demographic questions related to characteristics such as age, gender, marital status, education, rank and length of service.

A pilot study, conducted with ten non-managerial employees from one of the banks surveyed in Beirut, indicated that the variation of response was not very high. Analysis of the pilot study data produced an estimate of the population mean of 147.56 and a SD of 30.51.

<table>
<thead>
<tr>
<th>Response</th>
<th>Revised weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes to a positive item</td>
<td>3</td>
</tr>
<tr>
<td>No to negative item</td>
<td>3</td>
</tr>
<tr>
<td>? to any item</td>
<td>1</td>
</tr>
<tr>
<td>Yes to a negative item</td>
<td>0</td>
</tr>
<tr>
<td>No to a positive item</td>
<td>0</td>
</tr>
</tbody>
</table>

Table I.
Direct scoring of the JDI items

Source: Smith et al. (1969)
There were 202 respondents in the study (Table II), of which 66.8 per cent were female. Around 37.6 per cent of the respondents hold a bachelor degree and 18.8 per cent hold a masters degree. More than half (53.5 per cent) of the respondents were in the 25 to 34 age range, and 5 per cent were aged 44 and above. The majority (58.4 per cent) had worked for less than five years in their present bank, while only 4.5 per cent had more than 21 years of service.

Five new measures of job satisfaction (work, pay, promotion, supervision and co-workers) were constructed by taking the mean of the respective items. The overall job satisfaction measure was then constructed from the mean of these five dimensions. Overall job performance was constructed by taking the mean of the four respective items.

Results

Of the 370 questionnaires distributed, 202 (usable) were returned, a response rate of 55 per cent. The internal reliability of the items was tested using Cronbach’s alpha, with scores of 0.90 for satisfaction and 0.81 for self performance being generated (Table III).

The results show that respondents were most satisfied with co-workers (M = 2.25) and quality of supervision (M = 2.24), but less satisfied with the work itself (M = 1.80), promotion (M = 1.44) and pay (M = 1.08). The overall job satisfaction score was M = 1.77). The relationship between all the facets

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>67</td>
<td>33.2</td>
</tr>
<tr>
<td>Female</td>
<td>135</td>
<td>66.8</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>School Certificate</td>
<td>34</td>
<td>16.8</td>
</tr>
<tr>
<td>Certificate</td>
<td>20</td>
<td>9.9</td>
</tr>
<tr>
<td>Diploma</td>
<td>32</td>
<td>15.8</td>
</tr>
<tr>
<td>Bachelor Degree</td>
<td>76</td>
<td>37.6</td>
</tr>
<tr>
<td>Master Degree</td>
<td>38</td>
<td>18.8</td>
</tr>
<tr>
<td>PhD</td>
<td>2</td>
<td>1.0</td>
</tr>
<tr>
<td>Age (years)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 25</td>
<td>30</td>
<td>14.9</td>
</tr>
<tr>
<td>25-34</td>
<td>108</td>
<td>53.7</td>
</tr>
<tr>
<td>35-44</td>
<td>53</td>
<td>26.4</td>
</tr>
<tr>
<td>&gt; 44</td>
<td>10</td>
<td>5.0</td>
</tr>
<tr>
<td>Length of service (years)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-5</td>
<td>118</td>
<td>58.4</td>
</tr>
<tr>
<td>6-10</td>
<td>43</td>
<td>21.3</td>
</tr>
<tr>
<td>11-20</td>
<td>32</td>
<td>15.8</td>
</tr>
<tr>
<td>&gt; 21</td>
<td>9</td>
<td>4.5</td>
</tr>
</tbody>
</table>

Note: n = 202

Table II.
The main characteristics of the sample
was found to be significant, indicating the respondents’ job satisfaction is not related to an individual facet. The data were also subjected to a non-parametric Friedman test. The mean ranks for each facet were co-workers, MR = 3.99; supervision, MR = 3.95; work itself, MR = 2.94; promotion, MR = 2.41; and pay, MR = 1.71. The significance (sig. 0.0001) at the 0.05 level suggests the satisfaction was not independent in the individual job facets.

As far as the relationship between job satisfaction and socio-demographic characteristics; the results of a one-way ANOVA indicate that overall job satisfaction is slightly related to the age of the employee, but is not statistically significant at the 0.05 level ($p = 0.58$). When the individual job satisfaction facets and age, the mean job satisfaction score in each facet was plotted against the different age groups, the results indicate a weak relationship between age and facets of job satisfaction. The results show little variation between overall job satisfaction and respondents’ tenure, but that overall job satisfaction level is lowest for workers with 11 to 20 years tenure and it slightly increases thereafter.

The results of a one-way ANOVA show that overall job satisfaction is slightly related to tenure, but not statistically significant at the 0.05 level ($p = 0.25$). Further analysis indicates that respondents with less than five years tenure are highly satisfied with co-workers and supervision followed by the work itself. Those with less than five years are least satisfied with pay and promotion.

As the two gender groups were not normally distributed, a Mann-Whitney U test was performed to test the relationship between gender and job satisfaction with each facet. The results (Table IV) indicate significantly higher satisfaction among females for pay and significantly higher satisfaction among males for supervision. The results indicate that males are more satisfied than females with the facets of the work itself, promotion and co-workers, but these are not statistically significant.

The relationship between overall job satisfaction and education was tested by way of a one-way ANOVA. Although the results indicated a relationship, it is not statistically significant ($p = 0.094$). Respondents with a school certificate reported the lowest levels of overall job satisfaction and the highest job satisfaction levels were reported from those with a college certificate. While the results indicate some differences in satisfaction with the different facets these are not statistically significant.

<table>
<thead>
<tr>
<th>Subscale</th>
<th>Coefficient alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work</td>
<td>0.78</td>
</tr>
<tr>
<td>Pay</td>
<td>0.67</td>
</tr>
<tr>
<td>Promotion</td>
<td>0.93</td>
</tr>
<tr>
<td>Supervision</td>
<td>0.89</td>
</tr>
<tr>
<td>Co-workers</td>
<td>0.80</td>
</tr>
</tbody>
</table>

Table III.
Internal reliability of the job satisfaction facets
The third area of investigation was the relationship between job satisfaction and job performance. The self-reported scores for each of the four measures were on the higher side of the seven-point scale. The highest score was for productivity ($M = 4.65$), followed jointly by own performance compared to colleagues and quality of own performance ($M = 4.60$). The respondents’ rating of their colleagues’ performance attracted the lowest score ($M = 4.19$). The overall performance mean was 4.51. However, these results may be skewed by the self-evaluation method with self-ratings being inflated and colleagues performance under-rated.

Further analysis of the data revealed that self-reported performance is related to age; in each of the four performance measures, and overall, the score was higher in the 25–34 group than in the < 25 years. The score was lower in the 35-44 years group and considerably higher in the > 44 years group. As far as the relationship between tenure and mean job performance is concerned, the results show that self-reported performance increases linearly with tenure; the only exception being the respondents own performance rating which increases linearly up to the 11-20 years group then declines for the > 21 years group. The self-reported performance of males is higher in all facets of job performance than that of females. The results of the Spearman rank order correlation test indicate there is no significant relationship between job satisfaction and job performance ($r = -0.01$, $p = 0.90$).

**Discussion and conclusions**

Female employees were found to be significantly more satisfied with pay than their male counterparts, this seems to confirm the argument by Spector (1997) that women expect less from work and so they are satisfied with less. On the other hand, male employees are significantly more satisfied with supervision than their female counterparts, possibly because they value more the opportunities for self-expression and to influence important decisions.

**Table IV.**

<table>
<thead>
<tr>
<th></th>
<th>Work</th>
<th>Pay</th>
<th>Promotion</th>
<th>Supervision</th>
<th>Co-workers</th>
<th>Overall job satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mann-Whitney U</strong></td>
<td>4,195.50</td>
<td>3,741.50</td>
<td>3,915.50</td>
<td>3,710.50</td>
<td>3,958.50</td>
<td>4,153.00</td>
</tr>
<tr>
<td><strong>Mean rank</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>106.38</td>
<td>89.84</td>
<td>110.56</td>
<td>113.62</td>
<td>109.92</td>
<td>107.01</td>
</tr>
<tr>
<td>Female</td>
<td>99.08</td>
<td>107.29</td>
<td>97.00</td>
<td>95.49</td>
<td>97.32</td>
<td>98.76</td>
</tr>
<tr>
<td><strong>Sum of ranks</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>7,127.50</td>
<td>6,019.50</td>
<td>7,407.50</td>
<td>7,612.50</td>
<td>7,364.50</td>
<td>7,170.00</td>
</tr>
<tr>
<td>Female</td>
<td>13,375.50</td>
<td>14,483.50</td>
<td>13,095.50</td>
<td>12,890.50</td>
<td>13,138.50</td>
<td>13,333.00</td>
</tr>
<tr>
<td><strong>Z</strong></td>
<td>-0.837</td>
<td>-2.003</td>
<td>-1.555</td>
<td>-2.080</td>
<td>-1.459</td>
<td>-0.945</td>
</tr>
<tr>
<td>Sig. (two tailed)</td>
<td>0.403</td>
<td>0.045</td>
<td>0.120</td>
<td>0.037</td>
<td>0.145</td>
<td>0.345</td>
</tr>
</tbody>
</table>
Less well-educated staff, mainly those qualified to school certificate, were least satisfied with jobs; this contradicts the findings of Clark (1993) and Clark and Oswald (1995), Hickson and Oshagbemi (1999), Metle (2001) and Oshagbemi (2000a, b). Possible explanations are that these employees do not have the necessary skills to cope with the changing nature of the banking industry or that management treats them less favourably.

On the whole the respondents were satisfied with their jobs. There was a significant relationship between gender and job satisfaction with pay and supervision; female employees were found to be more satisfied with pay than their male counterparts, whereas, males were more satisfied with supervision.

As for the relationship between job satisfaction and performance; the results show no significant relationship, this seems to bear out the findings of Petty et al. (1984) as well as those of Iaffaldano and Muchinsky (1985). Perhaps it is, as Spector (1997) suggests, a potential rather than an easily identifiable reality. It is important to remember that the job satisfaction score was derived from the JDI questionnaire which, although augmented, is limited in scope. However, if the scope was broadened and another performance appraisal method used, a relationship between satisfaction and performance may be identified.

While this research contributes to the limited body of knowledge on job satisfaction in the Middle-East, there are, of course, a number of limitations. First, the data were collected by self-administered questionnaire, a method with well-known shortcomings, and the validity of the results may be questionable. Second, the performance measure was based on self-evaluation and may have caused over-rating of performance scores. Third, the sample is relatively small and restricted to the banking sector in one country. Consequently the findings may not be generalised to other sectors or to other national and cultural contexts. In order to overcome these limitations further research is recommended to investigate link between job satisfaction and employee performance, using alternative performance measures, drawing on a more diverse sample and which explores the relevance, if any, of national culture.

References


**Further reading**


This article has been cited by:

1. Hanna Salminen, Mika Vanhala, Pia Heilmann. Work-related attitudes as antecedents of perceived individual-, unit- and organisation-level performance. *International Journal of Organizational Analysis* 0:ja, 00-00. [Abstract] [PDF]


3. ABM Abdullah. The Mediating Role of Psychological Contract 43-81. [Crossref]

4. ABM Abdullah. General Discussion and Conclusion 191-209. [Crossref]

5. Bilal Afsar, Yuosre F. Badir. 2016. Person–organization fit, perceived organizational support, and organizational citizenship behavior: The role of job embeddedness. *Journal of Human Resources in Hospitality & Tourism* 15:3, 252-278. [Crossref]

6. Normala Daud. 2016. Determinants of Job Satisfaction: How Satisfied are the New Generation Employees in Malaysia?. *Procedia - Social and Behavioral Sciences* 219, 208-213. [Crossref]


11. Ahmad Abujaber, Marios Katsioloudes. 2015. Impact of HR retention strategies in healthcare: The case of Qatar. *Avicenna 2015* 1, 6. [Crossref]


17. Guohai Chen, Jie Ai, Yamin You. 2014. Managerial Coaching Behaviours and Their Relations to Job Satisfaction, Life Satisfaction and Orientations to Happiness. *Journal of Human Resource and Sustainability Studies* 02:03, 147-156. [Crossref]


23. Ismail Hussein Amzat, Datuk Abdul Rahman Idris. 2012. Structural equation models of management and decision-making styles with job satisfaction of academic staff in Malaysian research university. *International Journal of Educational Management* 26:7, 616-645. [Abstract] [Full Text] [PDF]


26. Hossam M. Abu Elanain. 2010. Testing the direct and indirect relationship between organizational justice and work outcomes in a non-Western context of the UAE. *Journal of Management Development* 29:1, 5-27. [Abstract] [Full Text] [PDF]


28. Li-Yun Sun, Wen Pan. 2009. HR practices perceptions, emotional exhaustion, and work outcomes: A conservation-of-resources theory in the Chinese context. *Human Resource Development Quarterly* 19:1, 55-74. [Crossref]


35. Thabo T. Fako, Stoffel R. T. Moeng, Ntonghanwah Forcheh. 2009. Gender Differences in Satisfaction with the Type of Work University Employees Do: Evidence from the University of Botswana. *Journal of Service Science and Management* 02:04, 404-417. [Crossref]

36. Alexandros G. Sahinidis, John Bouris. 2008. Employee perceived training effectiveness relationship to employee attitudes. *Journal of European Industrial Training* 32:1, 63-76. [Abstract] [Full Text] [PDF]

