

EFFECTS OF NEED FULFILLMENT DEFICIENCIES ON EMPLOYEE MOTIVATION: AN EMPIRICAL STUDY OF COMMERCIAL BANKS IN BANGLADESH

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ABSTRACT

The banks play pivotal role in a country's economy. In Bangladesh, they are playing a decisive role in the development of the industry and trade through the financial service and international business affairs. Motivated bank employees are the best source of delivering good service which leads to customers' satisfaction as well as bank's performance. At present, there are 61 scheduled banks in which 58 commercial banks are operating in Bangladesh. This paper focuses on the effects of need fulfillment deficiencies on the employees' motivation who are working in commercial banks. In this study, the sample consisted of 408 respondents, which are randomly selected from generation wise 3 private and 3 state owned commercial banks. These employees were surveyed through convenience sampling with structured questionnaire and the collected data were analyzed using the Statistical Package for the Social Sciences (SPSS) software. The study revealed that the perceived degree of need fulfillment deficiencies for each of the 12 specific factors related to employees' job has significant negative effects on the levels of employee motivation. Again, the largest deficiency in need fulfillment was found on 'chances of promotion' and smallest deficiency lies on 'job security' for the bank employees. Finally, the recommendations were provided based on the findings of the study.

KEYWORDS: *Employee Motivation, Need fulfillment Factors, Private and State Owned Commercial Banks, Scheduled Banks*

INTRODUCTION

The economy of Bangladesh is admittedly growing from low income economy to the first stages of middle income economy. The economy of Bangladesh is classified into 3 sectors: Agriculture, Industry, and Service. Of these, the average contribution of service sector to the GDP is 51.30% in FY 2019-20 (Bangladesh Economic Review, 2020). Furthermore, in Bangladesh, service sector is notably dominant by the banking sector. This dominance of the banking sector highlights the crucial importance in resource mobilization and economic growth of the country. Both, the state owned banks and private banks are making a substantial contribution to the economy by depositing money from the general people and creating jobs for them. According to the Financial Institutions Division, scheduled banks deposited Tk.11,54,525 crore and employed 1,82,610 persons where, the contribution of state owned banks are Tk. 3,10,803 crore and 50,977 persons whereas private banks contributions are Tk. 5,33,715 crore and 80,965 persons and rest of the contributions are of other banks (The Financial Express, 16 March, 2020). In fact, the general role of banks is to provide financial services to general public and business, ensuring economic and social stability and sustainable growth of the economy (Kalpana & Rao, 2017). Again, the employees of banks are the best sources of delivering good services to their customers. Excellent services provided and offered by the employees can create a positive perception and ever lasting image in the eyes of customers. So, the

motivation of bank employees plays a major role in achieving high level of satisfaction among its customers (Petcharak, 2004, p.180; Rashid, 2016) and organizational goals (Azar & Shafiqhi, 2013). Actually, a satisfied employee has the devotion to her job which leads to organization's performance. Similarly, an employee can be satisfied by many factors like logical pay, job security, working environment, compensation and benefit, career development and so on. Hence, if the management implements proper policy in the job place, the employees will be satisfied and the banking sector will be ultimate beneficiary.

OBJECTIVES OF THE STUDY

The prime objective of the study is to find out the effects of need fulfillment deficiencies on employees' motivation. The present study's specific objectives are:

- To find out the relationship of need fulfillment deficiencies for different job factors with motivation of bank employees;
- To find out the job factor where the largest deficiency lies for these banks' employees;
- To recommend some suggestions for enhancing the employee motivation for both the banks' employees.

REVIEW OF RELATED LITERATURE

The word 'motivation' is derived from 'Motive' and the meaning of 'motive' is needs, wants, and the desire of a persons or an employee. Black (2011) defined employee as a person who works in the service of another person under an express or implied contract of hire, under which the employer has the right to control the details of work performance. Again, Robbins and Coulter (2018) stated, "motivation refers to the process by which a person's efforts are energized, directed, and sustained toward attaining a goal." So, employee motivation means the process in which organizations inspire employees with the shape of some factors like, rewards, job security etc. for achieving the desired goals" (Chaudhary & Sharma, 2012). Murray (2014) identified 3 features of an employee: a specific salary or wage; a written or implied contract; and the person's work control by the employer. Then, an employee can be motivated by some intrinsic (achievement, recognition, advancement etc.) or some extrinsic factor (pay, supervision, relationship with boss, working environment, job security etc.). Nabi et al (2017) found in their study on Karmasangathan Bank Limited that extrinsic motivation determinants: salary, monetary incentives and compensation package are dominating factor for employees' motivation. Mehta and Juneja (2016) revealed that important factor for job satisfaction are compensation, supervision, promotional opportunity, contentment with work, communication, job security and work environment. Furthermore, Bank of England (2014) defines bank as a financial institution that accepts deposits from the public and creates credit. More specifically stated by Business Dictionary, 'bank is an establishment, authorized by a government to accept deposits, pay interest, clear cheques, make loans, act as an intermediary in financial transactions, and provide other financial services to its customers'. There are primarily two types of banks in Bangladesh: Scheduled Banks (The banks that remain in the list of banks maintained under the Bangladesh Bank Order, 1972) and Non-Scheduled Bank. There are 61 scheduled banks in Bangladesh in which 6 are state owned and 43 are private commercial banks (Bangladesh Bank, 2021). These banks are operated under full control and supervision of Bangladesh Bank. The state owned banks are fully or majority owned by the Government of Bangladesh whereas private commercial banks are majority owned by the private entities. Hence, for this study, 12 job factors are taken into consideration which are related to the employee motivation. So, the need fulfillment

deficiencies of bank employees refer to the deviation from how much they expecting to the actual they are getting of these 12 job factors.

HYPOTHESIS OF THE STUDY

Based on the objectives and literature review, the following hypotheses were taken for the current study which is shown in the table below:

Table 1

Hypothesis - 1	H ₀	There is no significant relationship of need fulfillment deficiencies for different job factors with motivation of the bank employees.
	H ₁	There is significant relationship of need fulfillment deficiencies for different job factors with motivation of the bank employees.
Hypothesis - 2	H ₀	‘Chances of promotion’ is not the job factor where the largest deficiency in need fulfillment lies on for bank employees.
	H ₁	‘Chances of promotion’ is the job factor where the largest deficiency in need fulfillment lies on for bank employees.

RESEARCH METHODOLOGY

For assessing the effects of need fulfillment deficiencies on employee’s motivation, a survey was conducted in two types of commercial bank in Bangladesh. The researcher chose generation wise 3 private banks: Islami Bank Bangladesh Limited (1st Generation), Dutch-Bangla Bank Bank Limited (2nd Generation) and Jamuna Bank Limited (3rd Generation) and 3 state owned banks: Sonali Bank Limited (1st Generation), Basic Bank Limited (2nd Generation), and Bangladesh Development Bank Limited (3rd Generation). The branches of these banks were selected from two Divisions of Bangladesh, Dhaka and Khulna. The sample consisted of 408 respondents where 50% from private commercial banks and other 50% from the state owned commercial banks. These employees were surveyed through convenience sampling with structured questionnaire to collect the primary data and the collected data were analyzed using the Statistical Package for the Social Sciences (SPSS) software. For secondary data, the researcher used journals, books, newspapers, magazine, banks’ websites, internet etc. Tests were conducted with 5% level of significance. For the present study, 12 specific job factors were taken into consideration which are related to the employee motivation i.e., job security, chances of promotion, sympathetic supervision, opportunity for development of skills and abilities, freedom or work, open communication, participation in decision making, chances for learning new things, co-workers friends, praise or reward, chances for doing worthwhile work, and knowledge of work.

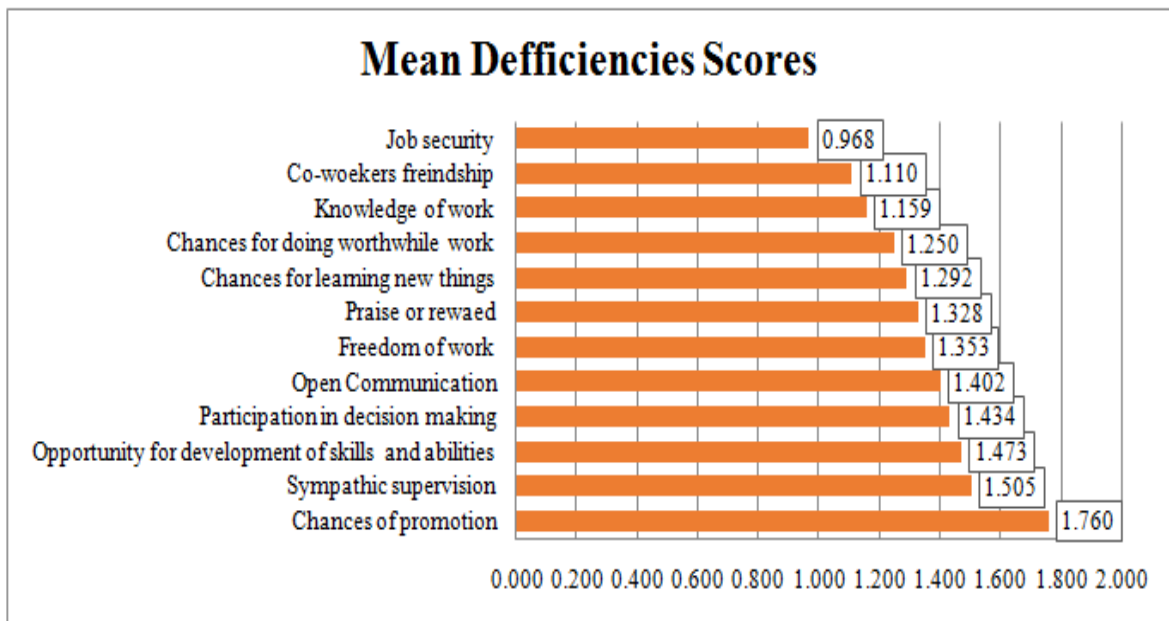
DATA ANALYSIS AND FINDINGS

The collected data were analyzed to fulfill the objectives of the study. The results of different tests are presented below:

Table 2: Mean Deficiencies in Fulfillment of needs for different Aspects of Job of the Employees of Private and State-Owned Banks taken Together (N=408)

Job Factors	Mean Deficiencies Scores
Chances of promotion	1.760
Sympathetic supervision	1.505
Opportunity for development of skills and abilities	1.473
Participation in decision making	1.434
Open communication	1.402
Freedom of work	1.353
Praise or reward	1.328
Chances for learning new things	1.292
Chances for doing worthwhile work	1.250
Knowledge of work	1.159
Co-workers' friendship	1.110
Job security	0.968

The result shows in Table-2 and Figure-1 that the largest deficiency lies in chances of promotion and the second largest in sympathetic supervision. On the other hand, the smallest deficiency lies in job security and second smallest in co-worker's friendship. However, opportunity for development of skills and abilities, participation in decision making, open communication, freedom of work, praise or reward, chances for learning new things, chances for doing worthwhile work, and knowledge of work are the in the middle from largest to smallest.



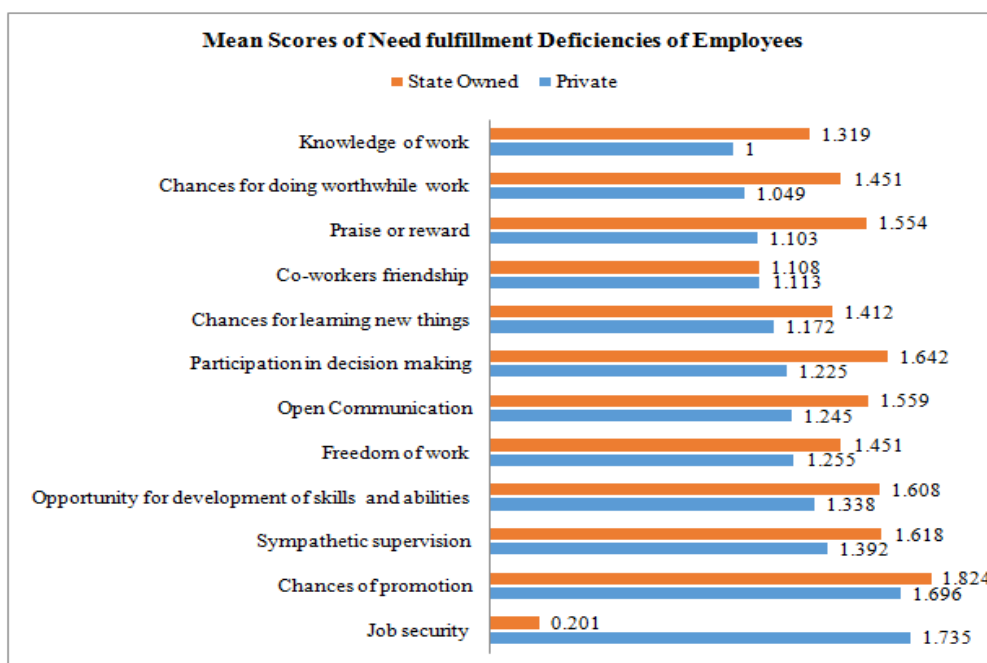
Source: Table 2

Figure 1: Mean Deficiencies in Fulfillment of needs for different Aspects of Job.

Table 3: Mean Scores and Rank Orders of different need Fulfillment Deficiencies for different Job Factors of the Employees of Private and State-Owned Banks

Job Factors	Private			State-owned		
	Mean Scores	Rank Orders	SD	Mean Scores	Rank Orders	SD
Job security	1.735	1	0.793	0.201	12	0.752
Chances of promotion	1.696	2	1.094	1.824	1	0.774
Sympathetic supervision	1.392	3	0.861	1.618	3	0.702
Opportunity for development of skills and abilities	1.338	4	0.87	1.608	4	0.948
Freedom of work	1.255	5	0.844	1.451	8	0.832
Open Communication	1.245	6	0.627	1.559	5	0.75
Participation in decision making	1.225	7	0.708	1.642	2	0.885
Chances for learning new things	1.172	8	0.918	1.412	9	0.823
Co-workers friendship	1.113	9	0.974	1.108	11	0.634
Praise or reward	1.103	10	0.833	1.554	6	0.838
Chances for doing worthwhile work	1.049	11	0.649	1.451	7	0.744
Knowledge of work	1.000	12	0.688	1.319	10	0.554

In Table-3 and Figure-2 need deficiencies of the employees in the private banks were compared with those of the employees in the state owned banks for each of the 12 items (Job security, Chances of promotion, Sympathetic supervision, Opportunity for development of skills and abilities, Freedom of work, Open Communication, Participation in decision making, Chances for learning new things, Co-workers friendship, Praise or reward, Chances for doing worthwhile work, Knowledge of work) related to employees’ job. It appears from the results in Table-3 that the largest deficiency in need fulfillment of the employees of private banks was in the desire for job security. On the other hand, it appears that the largest deficiency in need fulfillment of the employees of state owned banks was in the area of chances of promotion.



Source: Table 3

Figure 2: Mean Scores of need Fulfillment Deficiencies of Employees in Private and State-Owned Banks.

Table 4: Inter Correlations among Motivation and Need Fulfillment Deficiencies for different Factors Related to Employees' Job (N=408)

	1	2	3	4	5	6	7	8	9	10	11	12	13
Motivation	1												
Job security	-.201**	1											
Chances of promotion	-.294**	.461**	1										
Sympathetic supervision	-.298**	.522**	.596**	1									
Opportunity for development of skills and abilities	-.124*	.572**	.333**	.474**	1								
Freedom of work	-.211**	.473**	.592**	.611**	.463**	1							
Open Communication	-.266**	.374**	.473**	.325**	.311**	.601**	1						
Participation in decision making	-.256**	.605**	.459**	.602**	.661**	.626**	.402**	1					
Chances for learning new things	-.106*	.503**	.453**	.564**	.751**	.547**	.317**	.627**	1				
Co-workers' friendship	-.107*	.290**	.776**	.632**	.247**	.501**	.368**	.353**	.415**	1			
Praise or reward	-.254**	.596**	.471**	.528**	.531**	.491**	.233**	.677**	.637**	.493**	1		
Chances for doing worthwhile work	-.211**	.579**	.426**	.565**	.750**	.534**	.378**	.617**	.698**	.416**	.621**	1	
Knowledge of work	-.226**	.484**	.541**	.535**	.354**	.652**	.614**	.567**	.408**	.609**	.559**	.545**	1

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

*. Correlation is significant at the 0.05 level (2-tailed).

The results in Table 4 revealed the following significant correlations:

- Motivation has significant negative correlations with need fulfillment deficiencies in job security, chances of promotion, sympathetic supervision, opportunity for development of skills and abilities, freedom of work, open communication, participation in decision making, chances for learning new things, co-workers friendship, praise and reward, chances for doing worthwhile work, and knowledge of work.
- Job security has positive correlations with need fulfillment deficiencies in chances of promotion, sympathetic supervision, opportunity for development of skills and abilities, freedom of work, open communication, participation in decision making, chances for learning new things, co-workers friendship, praise and reward, chances for doing worthwhile work, and knowledge of work.
- Chances of promotion has positive correlations with need fulfillment deficiencies in sympathetic supervision, opportunity for development of skills and abilities, freedom of work, open communication, participation in decision making, chances for learning new things, co-workers friendship, praise and reward, chances for doing worthwhile work, and knowledge of work.
- Sympathetic supervision has positive correlations with need fulfillment deficiencies in opportunity for development of skills and abilities, freedom of work, open communication, participation in decision making, chances for learning new things, co-workers friendship, praise and reward, chances for doing worthwhile work, and knowledge of work.
- Opportunity for development of skills and abilities has positive correlations with need fulfillment deficiencies in freedom of work, open communication, participation in decision making, chances for learning new things, co-workers friendship, praise and reward, chances for doing worthwhile work, and knowledge of work.
- Freedom of work has positive correlations with need fulfillment deficiencies in participation in open communication, participation in decision making, chances for learning new things, co-workers friendship, praise and reward, chances for doing worthwhile work, and knowledge of work.
- Open communication has positive correlations with need fulfillment deficiencies in participation in decision making, chances for learning new things, co-workers friendship, praise and reward, chances for doing worthwhile work, and knowledge of work.

- Participation in decision making has positive correlations with need fulfillment deficiencies in chances for learning new things, co-workers friendship, praise and reward, chances for doing worthwhile work, and knowledge of work.
- 'Chances for learning new things' has positive correlations with need fulfillment deficiencies in co-workers friendship, praise and reward, chances for doing worthwhile work, and knowledge of work.
- Co-workers friendship has positive correlations with need fulfillment deficiencies in praise and reward, chances for doing worthwhile work, and knowledge of work.
- Praise and reward has positive correlations with need fulfillment deficiencies in chances for doing worthwhile work, and knowledge of work.
- Chances for doing worthwhile work has positive correlations with need fulfillment deficiencies in knowledge of work.

TESTED HYPOTHESES IN THE LIGHT OF FINDINGS

It may be mentioned that total 2 hypotheses were framed in consonance with the objectives of the study. The results are discussed below against each hypothesis:

Hypothesis - 1

- Ho: There is no significant relationship of need fulfillment deficiencies for different job factors with motivation of the bank employees.
- H₁: There is significant relationship of need fulfillment deficiencies for different job factors with motivation of the bank employees.

It is observed (Table-4) that the perceived degree of need fulfillment deficiencies for each of the 12 specific factors related to employees' job has significant negative correlations with the levels of motivation of the employees (private and state owned bank taken together, N=408). Nine out twelve correlations were highly significant at 1% level of significance and rest three correlations were significant at 5% level of significance. Therefore, null hypothesis (Ho-1) has been rejected and alternative hypothesis (H₁-1) has been accepted. So, it has been proved that there is a significant relationship between the perceived degree of need fulfillment deficiencies for different job factors of all the bank employees and the level of motivation of those employees. This means that the higher the degree of need fulfillment deficiency for each of the twelve job related factors (i.e., job security, praise or reward, freedom of work, opportunity for development of skills and abilities, co-worker's friendship, opportunity for participation in decision making, chances for promotion, open communication, knowledge of results, chances for doing worthwhile work, chances for learning new things, and sympathetic supervision) the lower the level of employee's motivation. On the other hand, the lower the degree of need fulfillment deficiency for each of the twelve specific factors, the higher the level of motivation of the employees.

Hypothesis - 2

- Ho: Chances of promotion is not the job factor where the largest deficiency in need fulfillment lies on for bank employees.

- H₁: Chances of promotion is the job factor where the largest deficiency in need fulfillment lies on for bank employees

It is appeared from the results (Table-2 and Figure-1) that the largest need deficiency of all the respondents (N=408) in different job related factors are chances of promotion ($\bar{x}=1.760$); sympathetic supervision ($\bar{x}=1.505$); opportunity for development of skills and abilities ($\bar{x}=1.473$); the first, second and third largest need fulfillment deficiency respectively. The moderate in need fulfillment deficiencies are participation in decision making ($\bar{x}=1.434$); open communication ($\bar{x}=1.402$); freedom of work ($\bar{x}=1.353$); praise or reward ($\bar{x}=1.328$); chances for learning new things ($\bar{x}=1.292$); chances for doing worthwhile work ($\bar{x}=1.250$) respectively. However, smallest deficiency in need fulfillment appeared in the areas of job security ($\bar{x}=0.968$); co-workers' friendship ($\bar{x}=1.110$); knowledge of work ($\bar{x}=1.159$) respectively. Therefore, null hypothesis (Ho-2) has been rejected and alternative hypothesis (H₁-2) has been accepted.

Thus, it follows that employees seem to be concerned with the satisfaction of all their needs. The importance of the employees attach to different factors may vary but it does not mean that they are indifferent to the satisfaction of relatively less important ones.

Major Findings of the Study

- Need fulfillment deficiencies for each of the 12 specific factors related to job of the employees has significant negative correlations with Motivation. This means that the higher the degree of need fulfillment deficiency for each of the twelve job related factors the lower the level of employee's motivation and vice versa (Table-4).
- The largest deficiency in need fulfillment of all the respondents (private and state owned taken together N= 408) was chances of promotion (1.760) and the smallest deficiency was found in job security (0.968) (Table-2, Figure-1).
- Need deficiencies of the employees in the private banks were compared with those of the employees in the state owned banks for each of the 12 items related to employees' job. It is appeared from the results that the largest deficiency in need fulfillment of the employees of private banks was in the desire for job security. On the other hand, it is appeared that the largest deficiency in need fulfillment of the employees of state owned banks was in the area of chances of promotion (Table-3 and Figure-2).

CONCLUSION & RECOMMENDATIONS

The economy of Bangladesh has become an emerging tiger in Asia. The contribution of service sector to the GDP is notable. The dominance of the banking sector highlights the crucial importance in resource mobilization and economic growth of the country. There are some key issues that make obstruction to fulfill these bank employees' satisfaction. Based on the findings of the present study, the researcher outlined here some recommendations to reduce the employees' need deficiencies for their higher motivation and performance, and the ultimate growth of the country's economy:

- Bank authority should have very specific performance appraisal system and predefined criteria regarding employee promotion. Here, Bangladesh Bank can provide a clear and precise guideline to both the banks, private as well as state owned to ensure smooth and timely promotional and career development opportunity for the employees.

- Job security is one of the most important factors of employee motivation of both private and state owned banks. The private bank employees feel less secure in their job compare to the state owned bank employees. So, the policy makers of these banks could develop policy to ensure the job security by changing termination policy, and amending existing rules or passing new rules as and where necessary to motivate their employees.
- Bank authority should provide behavioral training to the supervisors to develop their attitude to the junior colleagues.
- Branch managers could provide on the job training facility to their employees so that they can learn new things and enhance their knowledge to work themselves.
- Branch managers should create an environment so that employees can communicate openly and participate in decision making without any fear.
- Bank authority as well as branch management can initiate yearly or monthly basis performance based praise and reward policy for the employees to enhance their motivation.
- Bank Management should arrange some sorts of social activities like annual sports, picnic, music etc. to build friendship and team among the employees.

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