



Employee Satisfaction and Retention of Stanbic Bank Head Office in Accra, Ghana

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Abstract: The study explores the organisational factors correlates that influence job satisfaction and employee retention. Specifically, the study examined the level of job satisfaction of the employees of Stanbic Bank; analyse the determinants of job satisfaction of the employees of Stanbic Bank; examine the effect of job satisfaction on employee retention; and recommend strategies that can be used to improve job satisfaction and maintain employee retention at the head office of Stanbic Bank. The study employed quantitative methodology. Data was collected through the administration of questionnaire to 130 employees of the bank. Moreover, linear and multiple regression were used to examine the cause and effect relationship between job satisfaction and retention. It emerged from the study that better remuneration is the factor most considered by employees of Stanbic Bank Ghana's head office to have the paramount influence on their satisfaction on job. Again, employees cited compensation as the factor to influence their retention or turnover, followed by career growth and development. It is recommended that Human Resource Managers strike a meaningful balance between compensation and opportunities for career advancement as these are the major turnover factors. Also, the management of the Stanbic Bank should improve upon their extrinsic motivations such as pay, promotions and reward since it really affects the job satisfaction of the employees.

Keywords: Employee Satisfaction, Retention Stanbic Bank, Human Resource Management.



1. INTRODUCTION

Background to the Study

In a technologically driven world, the continuous advancement of information technology has raised the issues concerning the relevance of human resources. Even in the face of technological advancement in modern business management, human resources continue to be an integral part of organizations as employees continue to be the life-blood of any organization. One of the importance of human resources stems from the ability of employees to make discretionary and informed decisions which are essential in the economic liberalization and globalization era giving them competitive advantage over other resources (Sattar & Ahmed, 2014).

It is the solitary obligation of any well-meaning establishment's Human Resource Department, to enlist and select the appropriate human resources for the organization making the workforce of any organization its most essential and dynamic resource. For any organization to be deemed a successful one, the human resources of that organization plays a salient role which cannot be overemphasized enough. They are the main architects of ensuring the achievement of organizational goals. Employee retention is a crucial part of organizational success. High employee turnover ratio or flyaway of talent employee is capable of bringing loss to the organization making employee retention a necessity in order to ensure key employees stick to an organization (Kanwal & Majid, 2013).

Employee retention can be ensured through job satisfaction which depicts the contentment of employees as regards their job. Job satisfaction is a crucial element of overall satisfaction in life and tilts more towards a psychological and emotional reaction to a job. It is quite evident that workers in any organization who boast of improved if not greater job satisfaction are usually not absent from work, post a lower attrition rate, are more productive at work, show more commitment and loyalty to their organizational and are more likely to be have a general satisfaction to life (Kanwal & Majid, 2013). Job satisfaction worldwide has always been known to be influenced by countless elements among which includes pitiable remuneration and other perks, toxic working atmosphere, dissatisfaction, maltreatment, difficult work schedules, a deficiency of appreciation, safety on the job, issues relating to career advancement and many others (Nazim, 2008).

Employee retention has always been seen as a deliberate attempt at ensuring that the continuity of a business is intact with staff committing to an organization's course. Human Resource Departments are to ensure that human resource planning is taken more seriously, job requirements are more clearer, sifting through applicants and interviewing them are properly conducted, job descriptions are moderately challenging to the employee, compensation and working conditions are quite attractive and broadly competitive and the organization brands and positions itself such that it is able to retain talented employees that they attract. A proper interplay of all these factors ensures that employees are able to give off their utmost best and develop their full potentials, building on their already acquired knowledge and skills which essentially propels an organization's competitiveness (Mosadeghrad, et al., 2008).

One of the most challenging tasks of the Human Resource Department however, is the ability to ensure that talented and proficient employees do not exit from the organization,



irrespective of the perks out there. Through the various studies conducted around the topic of employee retention, it has come to light that retention is made up of myriads of salient factors that needs to be handled tactfully which includes adequate compensation of staff for effectively carrying out their roles and duties, promoting and safeguarding a congenial rapport between subordinates and their superiors and also guaranteeing a hearty and secured environment. One critical opposition to the ever growing competitive working environment in organizations these days, is the issue of employee turnover, which never gets off the table and impacts organizations negatively in terms of training costs, time lost in recruitment and selection among others (Nyamekye, 2012).

This particular academic exercise, seeks to scrutinize the elements that define employee job satisfaction and carefully look into employee retention as in the case of the head office of Stanbic bank and suggest enable recommendations on ways to ensure that iemployee turnover is reduced and in effect improve the retention of employees.

Statement of the Problem

During recruitment and training, organizations invest a lot of resources for employees to make them able or corporate ready. The retention of employees is significant and crucial in Human resource management. Retention of the best most desirable employees is a key challenge to every organization as it is prone to imake detrimental losses in the event of high employee turnover ratio seriously impacting organizational performance and growth. Employee retention is important iand as a function comprises the activities of rewarding employees for performing their job effectively; ensuring harmonious working relation between employees and managers; and maintaining a safe healthy work environment (Cascio, 2006). Costs of employee turnover impact on organizational performance and growth, thus making employee retention one of the big challenges to the organizations.

In order for an organization to achieve its goals there is the need to retain key employees which is one of the biggest challenges in today's business world. This has given rise to concerns such as the position of the bank on the application of fair HR practices ipertaining to the retention of key employees, the rate of employee turnover, the isatisfaction iof iemployees iwith itheir ijobs and the application of employee retention strategies (Kanwal & Majid, 2013). There have been many insightful studies conducted on the topic of retaining employees. With Stanbic Bank as a case study and connections to other worldwide research studies, this article aims to fill a void in the literature by providing a Ghanaian banking industry perspective.

2. RESEARCH METHODS

The purpose of this research was to examine how satisfied workers at Accra's Stanbic Bank felt about their jobs, and how likely they were to stay with the bank. The research used a quantitative method with an explanatory design. Using the sample size estimation table developed by Krejcie and Morgan (1970), 130 of the possible 200 employees were selected using a stratified sampling strategy. Information was gathered by means of a questionnaire, and then analyzed with the help of Statistical Product for Service Solution using both descriptive statistics (frequencies, percentages, means, and standard deviations) and inferential statistics (Pearson correlation and regression).



3. RESULTS AND DISCUSSIONS

Descriptive Statistics of Demographic Characteristics

In this section, we describe the people who filled out the survey. A total of 130 persons answered the survey. These individuals came from the Stanbic Bank corporate offices' Procurement and Marketing, Finance and Banking, Operations, Travel and Diaspora, and other divisions. The survey participants were asked to identify themselves by gender, number of years of work, and type of employment. This was done in light of research that has found that both intrinsic and extrinsic elements contribute to an individual's level of happiness on the job. Table 1 displays the collected data on the demographics of the respondents.

Table 1: Demographic Characteristics

	Variables	Frequency	Percent
Sex	Male	52	40.0
	Female	78	60.0
	Total	100	100.0
Years of Work	1-3 years	15	11.54
	4-6 years	37	28.46
	7-9 years	27	20.77
	10 years and above	51	39.2
	Total	130	100.0
Employment Type	Permanent Staff	100	76.92
	Contract Staff	30	23.08
	Total	130	100.0

Source: Adjei (2020)

According to the sample size, the majority (78 out of the 130 respondents) came from the Finance and Banking Department. The aforementioned department is the nerve center of the company. It is the department primarily involved in the delivery and provision of superior financial products and packages which is core business of the company. The rest are the auxiliary staff of the company were drawn from the remaining departments. These departments provide support to the Banking and Finance Department. It has been discovered that the socio-demographic characteristics of workers have a substantial bearing on both the degree to which they are satisfied with their jobs and whether or not they want to quit their jobs. In the study "Demographic Characteristics Predicting Employee Turnover Intentions," Hayes (2015) came to the conclusion that there was a statistically significant association between an employee's age, income, and intention to leave their current position. However, the same could not be said for an employee's education level, age, sex, or length of service.

The research conducted by Tabatabaei et al. (2013), on "Relationship between Job Satisfaction and Demographic Variables among Pars Ceram Factory Employees in Iran," lends credence to the discovery that was discussed earlier. The research uncovered correlations that were statistically significant between the age, sex, and education levels of the respondents. This does not align with content theories such as Herzberg's Two-Factor Theory, which is regarded as the most applicable model to research employee contentment in the workplace (Kim, 2004). According to the theory, there are two components that contribute to an individual's level of

contentment or discontentment with the work that they do. According to Herzberg and colleagues (1959), the level of satisfaction experienced by workers is determined by two distinct groups of factors: "hygiene" issues and motivators. Motivators can include, but are not limited to, recognition, the job itself, development, and progress. Hygiene elements include things like business policies, supervision, compensation, security, status, interpersonal interactions, and working environment.

In light of the information presented above, the researcher plans to investigate whether or not the socio-demographic characteristics of respondents play a significant effect in the work satisfaction and/or retention of respondents. The following information pertains to the demographic data of the respondents. Out of 130 respondents, 40% were males whereas 60% were females. Furthermore, 11.5% have served between 1-3 years, 28.5% between 4-6 years, whereas 20.8% and 39.2% have served between 7-9 years and 10+ years respectively. Averagely, respondents have spent 4 years in their current job. Again, 100 respondents representing 76.9 % indicated their employment status as permanent, whereas the remaining 30 representing 23.1% were on contract.

Level of Job Satisfaction of the Employees of Stanbic Bank

Objective one sought to identify the level of job satisfaction of the employees of Stanbic Bank. There were five statements raised under employee satisfaction, responses from these questions were analysed to form a composite. A binary index was formed out of this composite to determine the level of satisfaction of the employees of Stanbic Bank. The result is presented in Figure 1.

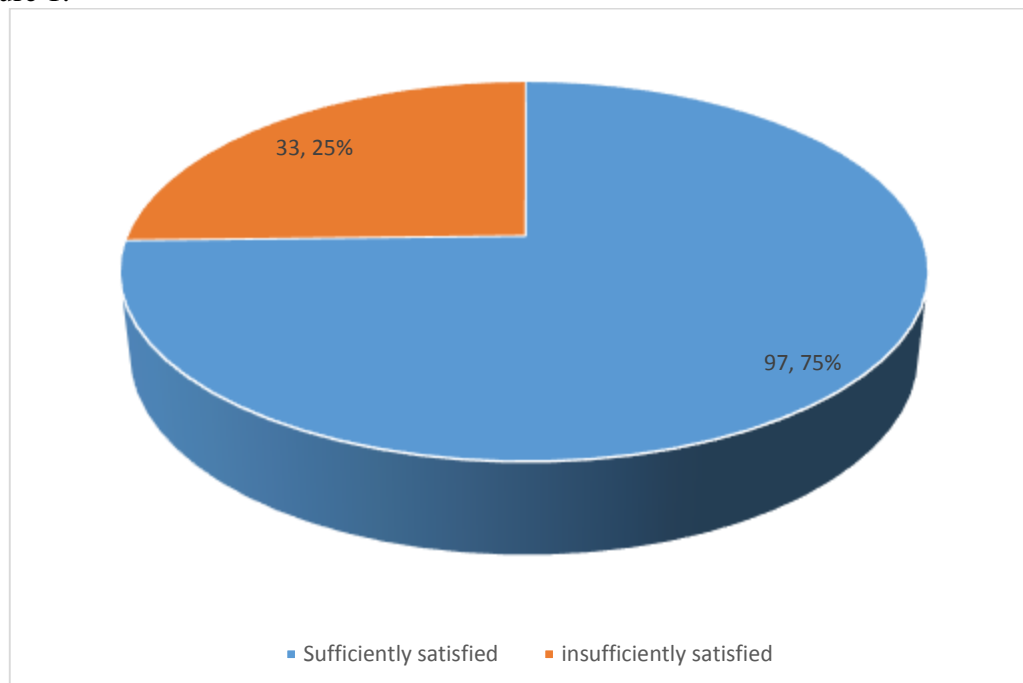


Figure 1: Level of Satisfaction of Employees

Source: Adjei (2020)



According to Figure 1, 97 of the respondents were highly or sufficiently satisfied while 33 of the respondents were not. This means that majority of the respondents were sufficiently satisfied despite few of the respondents who were not.

Determinants of Job Satisfaction

Second objective was to assess the determinants of job satisfaction. It was to examined how the various factors influence job satisfaction in one way or the other. Data gathered were first examined to see whether the independent variables were highly correlated or not or have the problem of multicollinearity (Table 2).

Table 2: Multicollinearity of the Variables

Variable	VIF	Tolerance
Pay	0.895	1.124
Promotion	0.784	1.741
Reward	0.861	1.354
Co-worker relationship	0.798	1.247
Nature of work	0.901	1.105
Communication	0.774	1.141

Source: Adjei (2020)

From Table 2, the test of multicollinearity can be assessed using the Tolerance and the VIF. Since the Tolerance value of all the independent variables (pay, promotion, reward, co-worker relationship, nature of work and communication) is greater than 1.0, it means that there is no multicollinearity between the independent variables. A VIF of less than 10 means also indicate no multicollinearity.

Table 3: Model Summary

Model	R	R square	Adjusted R Square
1	0.78	0.72	0.68

Source: Adjei (2020)

From Table 3, the R-value of 0.78 indicates the relationship between the dependent variable and then independent variable. The R-value means that there is a strong positive relationship between determinants and job satisfaction. However, the factors caused 0.68 or 68% variation in the job satisfaction. Thus, remaining 32% of the variation is caused by other factors that were not considered in the model.

Table 4: ANOVA^a

Source	Df	SS	MS	F-value	Prob.
Factor	1	5.651	8.924	12.74	0.002
Error	5	124.14	12.58		
Total	6	129.79			

Source: Adjei (2020)

a. Dependent Variable: Retention



- b. Predictors: Pay, Promotion, Reward, Co-worker relationship, Nature of work, Communication

Table 4 shows that F-stat of 12.74, p=0.002 as a result. It depicts whether variations in the dependent variable can be explained by the regression model or equation. Due to sig value of 0.002, we fail to reject the null hypothesis. This means that variations in job satisfaction are explained by the independent variables (pay, promotion, reward, co-worker relationship, nature of work and communication).

Table 5: Coefficients

Predictor	SE Coefficient	t-statistics	Prob.
Constant		18.147	0.001
Pay	3.012	9.85	0.014
Promotion	2.147	7.81	0.000
Reward	0.857	6.97	0.007
Co-worker relationship	0.541	3.67	0.021
Nature of work	-1.741	1.55	0.55
Communication	0.578	8.64	0.001

Source: Adjei (2020)

- a. Dependent Variable: Job satisfaction

Table 5 presents on the various contribution or influence of the various factors or determinants of job satisfaction. It shows that all the factors affect job satisfaction with the exception of nature of work which has a negative effect on job satisfaction. However, there was no significant effect of nature of work on job satisfaction. On pay, it was found that there was a significant positive effect ($\beta=3.102$, $t=9.85$, $p< 0.005$) of pay on job satisfaction. Thus, when employees are paid well and on time, it influences their job satisfaction which in the long run is expected to influence the retention of the employees.

With regards to promotion, it was found that there was a significant positive effect ($\beta=2.147$, $t=7.81$, $p< 0.005$) of pay on job satisfaction. This means that when employees are promoted on time and based on experience and performance not favouritism or politics, it goes a long way to influence the satisfaction as well as the retention of the employees. On reward, there was a significant positive effect ($\beta=0.857$, $t=6.97$ $p< 0.005$) of reward on job satisfaction. This means that when employees are rewarded for higher performance or good job done, it goes a long way to influence the satisfaction as well as the retention of the employees.

Regarding co-worker relationship, there was a significant positive effect ($\beta=0.541$, $t=3.67$, $p< 0.005$) of co-worker relationship on job satisfaction. This means that when employees have good relationship among employees in the bank, it goes a long way to influence the satisfaction as well as the retention of the employees. On nature of work, there was an insignificant negative effect ($\beta=-1.741$, $t=1.55$, $p> 0.005$) of nature of work on job satisfaction. This means that when employees have peace of mind, good leadership and workload, it affects job satisfaction negatively, though this effect was not statistically significant. Communication is key for effective and efficient output. However, it was among the least considered factors that influence job satisfaction ($\beta=-0.578$, $t=8.64$, $p< 0.005$). Thus,



when there is effective and good communication among employees, it really affects their job satisfaction in a positive manner.

Among the factors, pay, promotion and reward as well as communication affect job satisfaction respectively high. Nevertheless, the least contributing factor was co-worker relationship and communication. This means that most of the employees' job satisfaction is affected by extrinsic form of motivation as proposed by the Herzberg (1966) theory of motivation.

Relationship between Job satisfaction and Employee Retention

Third objective was to examine if there is any relationship between job satisfaction and employee retention as well as examining the cause and effect relationship between them if any. The data was analysed using a liner regression and the result is presented in Table 6.

Table 6: Effect of Job Satisfaction on Employee Retention

Predictor	Coefficient	SE Coefficient	t-statistics	Prob.
Constant	11.102		7.033	0.000
Job satisfaction	8.0214	3.201	3.124	0.012

Source: Adjei (2020)

R = 0.76 Adjusted R² = 0.70

a. Predictions: (Constant), Job satisfaction

From Table 6, the R-value of 0.76 indicates the relationship between the dependent variable and then independent variable. The R-value shows that there is a moderate positive relationship between job satisfaction and employees' retention. Moreover, the coefficient value (t=3.14, p < 0.005) shows that there is a positive effect of job satisfaction on retention.

Strategies that can be used to improve upon Job Satisfaction

This objective sought to explore strategies and measures to improve upon job satisfaction in order to maintain employee retention at the head office of Stanbic Bank. Data were gathered from the respondents and the result is presented in Table 7.

Table 7: Strategies to Improve upon Job Satisfaction

Strategy	% of agreement	Mean
Better payment packages	93%	4.85
Better benefits and rewards	89%	4.66
Career growth and development	84%	4.43
Effective Communication	82%	4.45
Favourable working conditions	75%	4.30
Good relationship between management and employees	78%	4.21

Source: Adjei (2020)

Overall, an average of 93% indicated better compensation as the chief deciding strategy to improve upon the job satisfaction of employees in order to prevent their exit from their existing job, followed by benefits and rewards, career growth and development. The



overwhelming percentage for better compensation package could be as a result of the dependency ratio in Ghana which stands at 67.96 % (World Bank, 2019). The aforementioned is in tandem with the factors affecting job satisfaction as acknowledged in the field data of employees gathered by researchers such as Abdullah et al. (2011) and Locke, (1976) who indicated factors such as remuneration and benefits as the topmost determinants of job satisfaction. However, this is at variance with a survey of the factors that influence employee retention in manufacturing firms in Nairobi conducted by Njoroge (2007). The study reported 93.8% pointing to an improved career progress and opportunities as the reason they would contemplate most in exiting their current employer, followed by better pay package.

Moreover, majority of the respondents strongly agreed that effective communication and favourable working conditions as well as good interpersonal relationship and rapport between employees and top management are effective strategies to improve upon job satisfaction of the employees.

4. CONCLUSIONS

After a carefully and systematic observance of the explanatory research method, the following conclusions can be draw out of the findings of the study: Employees of Stanbic Bank of head office in Ghana were satisfied with their job. There were favourable working conditions, their workload were good for them and they were recognized by their management body as part of the company and their decisions were considered. Also, pay, promotions, co-worker relationship, rewards and benefits, and communications influence job satisfaction. Moreover, job satisfaction influence retention of employees. Therefore, higher job satisfaction causes higher retention rate of employees in Stanbic Bank of Ghana. Lastly, strategies to improve upon job satisfaction included; better payment packages, better benefits and rewards, effective communication and favourable working conditions as well as good interpersonal relationship and rapport between employees and top management.

Recommendations

Based on the conclusions and findings of the study, the following suggestions are put forward for consideration:

- The management should improve upon their strategies in order to improve upon job satisfaction of the employees
- The management of the Stanbic Bank should improve upon their extrinsic motivations such as pay, promotions and reward since it really affects the job satisfaction of the employees.
- The management of Stanbic Bank should take issues of job satisfaction at heart since it affects retention rate of employees.
- In light of the foregoing, the findings of this study are crucial for human resource managers in developing strategies to retain employees and address issues with job satisfaction. Human Resource Managers are urged to find a balance between pay and promotion chances to reduce employee turnover.
- Other researchers are free to investigate additional retention-related aspects. Finally, a qualitative study could be conducted to better understand the elements that contribute to employee satisfaction and retention.



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