

The Impact of monetary and Non-Monetary Rewards on Job Satisfaction.

” A case study of Saudi bank in Qassim”

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Abstract:

This study is conducted for the purpose of examining the impact of incentives on Job satisfaction of Saudi banks in Qassim in the Kingdom of Saudi Arabia. Many factors are responsible for change in employee's performance such as environment, performance appraisal systems, training and opportunity of development, and rewards, is the most important aspect. The primary data has been gathered through a questionnaire distributed to 120 employees in banks using the Internet. The statistical analysis and tests of data has been done through SPSS, involving descriptive analysis, correlation analysis factor analysis, reliability and multiple regression analysis. According to the results of the analysis, a significant relation is observed between the financial and non-financial incentives and the job satisfaction of employees. When these relations are compared, the result is that the attitudes towards financial incentives have a stronger effect on job satisfaction than the attitudes towards non-financial incentives.

Key Words: Monetary Rewards, Non-Monetary Rewards, job Satisfaction, Commercial Banks.

ملخص:

تجري هذه الدراسة بغرض دراسة أثر الحوافز على الرضا الوظيفي للبنك السعودي في القصيم في المملكة العربية السعودية. في بيئة الأعمال التنافسية الحالية، الشركات المصرفية تواجه الكثير من التحديات ومن بين هذه المسائل، الحصول على حق الموظفين والإبقاء عليهم واحد من الأهم. وبالإضافة إلى ذلك، اليوم، يقاس الاستفادة الموارد البشرية ليكون واحداً من أهم مزايا أي منظمة؛ ومن أجل الحصول على النتائج بأعلى كفاءة وفعالية من الموارد البشرية، الدافع للموظف ضروري جداً. وفي الواقع، سوف يعمل الموظفون بأعلى مستوياتها عندما يشعرون يأملون في أن عملهم الشاق يكافأ من قبل المدراء، في هذا الصدد، تتوفر العديد من العوامل التي تغير أداء الموظفين مثل البيئة، ونظم تقييم الأداء، التدريب والفرصة للتنمية، والمكافآت، هو الجانب الأكثر أهمية. جمعت البيانات الأولية من خلال استبيان الذي تم توزيعه على ١٢٤ من العاملين في المصارف باستخدام شبكة الإنترنت. لقد أنجز التحليل الإحصائي واختبارات للبيانات من خلال SPSS، التي تشمل التحليل الوصفي وتحليل عامل تحليل الارتباط، والموثوقية وتحليل الانحدار المتعدد. ومن تحليل وتفسير البيانات التي يتم جمعها، اختتام الباحث أن المكافآت النقدية والمكافآت غير النقدية تؤثر على الرضا الوظيفي.

Chapter1

INTRODUCTION

1.1 Background of the study.

Enterprises of various kinds, commercial or service, etc. seek to reach their profitability, strategic and other objectives. Human resources are one of the most important methods used to reach the target. The keys to achieving the goals of an organization and staying competitive is the job satisfaction. The critical component in any organization is the employee; and the improvement of the employees. In any organization, rewards play an important role in building and sustaining the commitment among employees that ensures a high standard of performance and workforce constancy (Wang et al. 2004). The critical component in any organization is the employee; and by improving the employee's performance at the workplace, organizations can successfully compete. (Altrasi,2014)

The subject of incentives has attracted the attention of many management practitioners, owing to the importance of incentives and their impact on workers ' behaviour. Incentives of all kinds, both monetary and non-monetary, are one of the most important, positive and independent variables of employment, and incentives are categorized into two types: physical incentives. These are financial rewards, gifts, grades and extraordinary bonuses that are granted to the employee for a distinguished job or a clear effort to promotion of the facility and the second part is the moral motivation and consists of the words and letters of praise and thanks and appreciation.

Saudi Arabia is exposed to many of the challenges of our time in the context of economic circumstances, especially in recruiting young people and providing them with a stimulating career environment. The State has encouraged work in the private sector to relieve the government sector. This has led to a growing demand for Saudis to work in and out of the private sector Banks, in this search I wanted to unravel the ambiguity of your work environment and the extent to which employees are satisfied with the incentives and functional environment.

1.2 The problem statement.

Existing research formulated and compiled in the West shows that employee benefits provided by an employer form the foundation of a worker's motivation. Most organizations in Saudi Arabia are facing a low job satisfaction and an increase in staff turnover, lack of job commitment, absence from work and job discontent.

In this study the researcher attempts to know the extent of the effectiveness of the material and moral incentives granted by the Saudi banks to their employees to motivate them to achieve the objectives of the work and also the extent of the satisfaction of the employees of the Bank of Saudi Arabia about the monetary and non-monetary incentives granted to them.

1.2.1 Research Objectives.

The purpose of this study **is to determine factor that effect on job satisfaction of workers in Saudi banks.**

1. To Measure the effectiveness of the Monetary Rewards and non- monetary rewards that Saudi banks give to their employees in order to motivate them to achieve the objectives of the work.
2. To measure the satisfaction of Saudi Arabian bankers with Monetary Rewards and non -monetary rewards granted to them

1.2.2 Research Questions.

The research question of my work is:

1. What is the impact of different incentives on worker's satisfaction?
2. How effective are the Monetary Rewards and non - rewards that Saudi banks give to their employees to motivate them to achieve the objectives of work?

3. How satisfied are Saudi Arabian bankers about the Monetary Rewards and non-monetary rewards granted to them?

1.3 The Scope of Study.

It will enable the study to understand the views of bank staff regarding rewards and incentives that affect their job satisfaction. It would also help to identify appropriate strategies that could be used by bank managers or staff remuneration officials to enhance staff job satisfaction and increase their loyalty and effectiveness.

1.4 The Relevance of Study.

The subject of incentives is a subject that has received and is still of interest to many management scientists and researchers. because of its scientific importance in identifying appropriate incentives that make individuals work very efficiently and achieve the objectives of work with a high degree of effectiveness .as well as identifying the motives that exist to these individuals, so that the department can design a system of incentives that is full of these motivations, and achieves the required degree of job satisfaction for employees. The researcher hopes to contribute to overcoming the disadvantages of incentive systems, and hence to activate and enhance their positives. and to benefit officials in Saudi banks and to provide them with the necessary information to help them devise appropriate ways to upgrade and develop incentive systems commensurate with the needs and motivation of workers. thereby enhancing their performance and increasing their tender for their work, and ultimately enabling them to perform their roles efficiently and effectively

1.5 Importance of the study.

Management organizations that apply incentives benefit from a variety of issues that emerge through the concentration of efforts, the relevance of the work and the achievements of the staff working under its banner, and all of this is a matter for the administration to be aware of the reality of performance and productivity, and of the shortcomings and transformations Required, through attention to incentives, which contribute to an effective degree, in the statement of the calendar of these fundamental aspects within the organization administrative and will benefit the study especially the bank managers in Saudi Arabia and the results of the study can be used by

management to support the performance of its employees and to strengthen it by striving to improve the working environment.

Chapter2

2.Review of literature:

Strong evidence has been found to support the true impact of appealing incentives on the overall performance of employees in the workplace. The study conducted by Saeed et al. (2013) attempts determine the full impact of frequent evaluations of performance, benefits and incentives on the levels of enthusiasm of the worker. Self- administered questionnaires have been shared in different Pakistani banks to prove or disprove this hypothesis. 200 respondents were involved in the study and a sampling process has been used to record the results. Results of this study show that incentives offered by a company definitely plays a major role in boosting employee's motivation and will to work. Also, appraisals of good performance have been shown to have a parallel relationship with salary increment, motivation, recognition etc. It should be noted that the researchers of this study did not group the incentives into different groups; also, the age group of the selected sample size was few.

Ali et al. (2016) in his study focuses on how the overall productivity of a company is fully dependent on the efficiency of their workers. This means that workers are basically the most valuable part of any organization and proves the existence of a relationship between a company's productivity and employee satisfaction with rewards. A survey research design was used for the purpose of this study and a sample size of 100 workers from the Pakistani ordinance factory were selected. A questionnaire has been issued to the sample population and it was discovered that organizations actually pay towards the use of incentives and rewards as it was proven to play a major role in job satisfaction and the overall effectiveness of an organization.

Oni et al. (2015) in this study has focused on employee motivation and job satisfaction and divided incentives into two major groups known as monetary (salary, bonuses, profit sharing etc.) and intangible incentives like job security, development and training, recognition and appraisals, promotions etc. They have also stated that employee satisfaction goes a long way to affect the positioning of an organization in the corporate world and also gives them great competitive advantage over other companies in the same niche. This study was carried out using a descriptive surgery

method where selected firms have been used and methods of data collection were questionnaires, open ended interviews, and participant unbiased observation. A sample of 127 valid respondents selected from the managerial and non-managerial staff and data collected. It was concluded that both monetary and non- monetary rewards will boost the employee's attitude towards work. While some employees are fully focused on salaries and see it as all the motivation they need, others are more focused on the intangible benefits and will work better when they are provided.

Erbaşı et al. (2012) focuses on measuring the full effects of financial and non-financial incentives on job satisfaction. A direct survey method via the use of questionnaires has been employed and given to eleven employees working at food premises in Turkey. A field research method has been also used with a sample size of 432 people randomly selected to test the different hypotheses. The results obtained were analyzed using SPSS 15.0 program. Based on the results of the analysis, the researchers have been able to discuss several factors which affect employee satisfaction such as sex, union membership and income level. It was observed that there is certainly a relationship between financial and non- financial incentives and the overall job satisfaction of the employees. On comparison, the attitudes have been shown by employees towards the financial incentives was more intense that that show towards the non- financial incentives.

Abdullah et al. (2013) has studied the complex relationship between non- monetary incentives, employee performance and of course job satisfaction. For this research, he makes use of theoretical studies instead of experimental to support his assumptions. He finally concludes that incentives lead to job satisfaction which influence employee performance positively.

Anik et al. (2013) in his research measures how prosocial bonuses heighten employee satisfaction and teamwork. The sample size was 300 and the writer has shed light on the impact of prosocial bonuses in different forms (charity donations and expenditures) on teammates, which led to better performance in sports and sales teams located in Canada and Belgium respectively. Basically, these results prove that an adjustment to bonuses by shifting focus from self -benefits to the greater good would lead to higher performance and cooperation amongst team members. Prosocial spending can also

increase feelings of reciprocity among organization members and increase overall job satisfaction.

Head et al. (2014) focused on the study of the various effects of rewards on job satisfaction for employees in both public and private sectors of Chennai commercial banks. About 300 questionnaires were distributed in a convenience sampling method which is a form of direct instead of probability sampling. The results have showed that the degree of motivation rewards and overall employee job satisfaction has a very strong relationship with the private and public sector of commercial banks in the area.

Nabi et al (2017) has discussed the full impact of motivation on employee performance and has stated that it's about giving your employees the right dose of guidance, resources, direction and rewards to keep them inspired to do their jobs. The research method of this study was a descriptive survey using a questionnaire. Sample size was about 130 people from a targeted audience demographic and the SPSS sampling method was employed. The researchers have concluded that motivation has a huge effect on overall employee performance in the workplace.

Ims et al. (2017) in this study examines overall functional satisfaction and the many factors that influence it such as job security, recognition salary etc. With a basic and qualitative comparative study in Sri Lanka. 226 employees were chosen as the sample and a technique from Ceylon bank was used. The data was then analyzed using SPSS and it has been concluded that based on the analysis done, the employee satisfaction in government banks is a lot higher than those in private banks in Sri Lanka. Also, all variables earlier mentioned have positive relationships with job satisfaction in the banking sector of the region.

Alajlouni et al. (2015) has focused his study on the power of job satisfaction and how it affects employee performance in banks in Jordan. A survey method was used on 20 Jordanian banks with 120 participants. After the statistical analysis was completed, it was concluded that there is an obvious and significantly positive correlation between financial performance and job satisfaction.

Iwu et al. (2012) has stated that the main aim of his study is to understand how various elements of incentives or rewards affect the average Nigerian bank employee. A sample population of 200 was collected from four banks for this study. The study

specifically focuses on isolating the particular incentive dimension that the workers would find appealing or unappealing and to discover some variables such as sex, age etc. On analysis of the results, it has been revealed that job satisfaction is a major function of the strength of various incentive systems used by an organization. Also, there is a difference between the job satisfaction experienced by workers in different age groups.

Al mahayreh et al. (2015) has studied all the factors that could lead to job satisfaction on employees of Islamic banks in Jordan. The study focuses on four different factors which are; job satisfaction, job responsibilities, appraisals and relationships with fellow employees and bosses. A questionnaire has been used on a sample size of 339 workers. The results have showed a significant effect of the degree of incentives and self-esteem on job satisfaction while there were no obvious effects on the innovation level. The study then has proposed some recommendations that are crucial to the reinforcement of an innovative environment in the banks. This could be achieved by giving attention to monetary incentives and establishing units to deal with it.

Chahal et al. (2013) has focused on the study of job satisfaction in bank employees by carrying out an analysis of the different variables that are said to affect job satisfaction in employees. These variables include salary, Appraisals, employee management, development programs, relationships, working hours etc. A questionnaire system has been used on 120 employees selected from banks in the canara and NCR areas. The data has been analyzed and it was found that an increase in the factors listed above would lead to an increased level of job satisfaction amongst employees.

Pathak et al. (2015) has focused on job satisfaction among employees in commercial banks while putting factors like age, experience and gender into due consideration. This study makes use of data that is collected from a questionnaire and given to 210 selected employees in four different banks in the kathamandu metropolis area. The results have showed job security to be the most significant of all other factors that affect employee satisfaction in banks in Nepal. Other factors like salary and promotion potential, colleagues and boss relationships, work conditions, and career development opportunities have come up as the second, third and fourth most important factors affecting job satisfaction respectively.

Waqas et al. (2014) has focused on the true effects of non- monetary and monetary incentives on firm performance and overall employee engagement. The aim of this research has been to analyze and assess the relationship between the two variables. The researcher has stated that both monetary and non -monetary incentives are the tools needed to keep the employees motivated and engaged in their organizations. To test how valid this hypothesis is, a sample size of 250 people was used with a survey technique (random sampling) and quantitative approach. After analyzing the results with SPSS, it has been concluded that culturally, Pakistani employees find monetary and non -monetary incentives to be highly important for employee engagement in the workplace.

Pang et al. (2018) in his study examines the effects of employee motivation on job satisfaction and organizational performance in different shipping companies located in Taiwan. 96 questionnaires had been issued to workers participating in the survey to test this hypothesis. The results have showed that job performance and remuneration definitely have a very positive effect on different financial performance attributes such as turnover growth, return on assets etc. and also had a positive effect on non- financial attributes like service quality, customer service and overall employee productivity. Sabina et al. (2015) measures the true effect of financial rewards in the overall job satisfaction of teachers in the Kisii Sub County. A sample size of 83 respondents were used for this test and the results have showed a very positive relationship between non-monetary rewards and job satisfaction among the members of this population. The study therefore indicates that these teachers are satisfied with their pay and need to be motivated by other non- financial rewards or incentives to keep them engaged and satisfied. School administration are thereby advised to produce different criteria for rewards to keep their teachers motivated.

Chapter3

3. Research methodology

3.1 The Model.

$$y = a + b(x_1x_2x_3x_4) + u$$

y = represent the Employees' job satisfaction.

a = represent the constant variable.

x_1 = represent the reward.

x_2 = environment.

x_3 = employee training.

x_4 = Performance appraisal Systems.

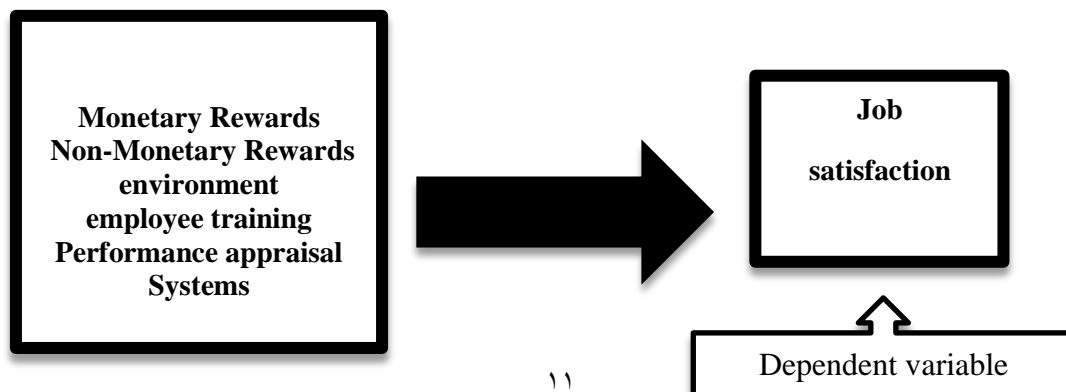




Figure 1: Theoretical framework

As shown in Figure 1, employees' job satisfaction is the dependent variable that is affected by five independent variables: monetary reward, non-monetary reward, environment, and employee training and performance appraisal system.

3. 2 Variables Definitions.

Non-monetary incentives:

are rewards that an individual experience and are directly related to the job itself. Psychological rewards are responsibility, achievement, autonomy, personal growth, challenge, complete work and feedback components of the job. Physical rewards are training, welfare services, flextime, promotions, interpersonal relationships, conducive environments, job enrichment, etc. (Falola, et al, 2014; Kinicki and Williams, 2003).

Job satisfaction:

Job satisfaction describes how contented an individual is with his or her job (Parvin and Kabir, 2011).

Job satisfaction is often assumed to be a pleasurable or positive emotional state resulting from evaluation or appraisal of one's job or job experience (Locke, 1975).

Organizational Rewards.

Organizational rewards mean all the benefits, both, financial and non-financial that an employee receives through their employment relationship with an organization (Bratton and Gold 1994,).

3.3 The Hypotheses.

Hypothesis 1: H10: there is no relationship between **Monetary Rewards** and job satisfaction of Saudi bank staff.

H1A-there is a relationship between **Monetary Rewards** and job satisfaction of Saudi bank staff.

Hypothesis 2: H20- there is no relationship between **Non-Monetary Rewards** and job satisfaction of Saudi bank staff.

H2A - there is a relationship between **Non-Monetary Rewards** and job satisfaction of Saudi bank staff.

Hypothesis 3: H30 -there is no relationship between **environment** and job satisfaction of Saudi bank staff.

H3A -there is a relationship between **environment** and job satisfaction of Saudi bank staff.

Hypothesis 4: H40 -there is no relationship between **employee training** and job satisfaction of Saudi bank staff.

H4A -there is a relationship between **employee training** and job satisfaction of Saudi bank staff.

Hypothesis 5: H50 -there is no relationship between **Performance appraisal systems** and job satisfaction of Saudi bank staff.

H5A -there is a relationship between **Performance appraisal systems** and job satisfaction of Saudi bank staff.

3.4 Research Design.

3.4.1 Type of Study.

This study is based on the descriptive analytical method. Analysis factors will use to identify the correlation matrix within the variable.

3.4.2 Extent of Researcher Interference with the Study.

This study is a causal study focused on exploring the impact of rewards on employee job satisfaction, and it is a field study that has been done in non-contrived settings, that is, in the nature environment. In order to achieve its purpose, the researcher used the questionnaire to collect data from the employees, hence, the researcher interference has been minimal.

3.4.3 Time Horizon.

The data has been collected just once, over two weeks. Thus, it is considered one-shot or cross-sectional study.

3.5 Data Collection Method.

The primary data has been obtained by questionnaire to determine the effect of Rewards and incentives on job satisfaction of Saudi Banks Employee's, we conducting a pilot study with some employees of sample Saudi banks Employee's the purpose of this Empirical study is reviewing the dimensions of Rewards and incentives on job satisfaction. Also, secondary data such as; textbooks and academic journals or published articles would be utilized for research studies.

3.6 Population.

The target area for this study is Kingdom of Saudi Arabia and the target population is all employees in commercial bank" Al rajhi – Al bilad- Alinma –Al ahli- " in Qassim in Saudi Arabia.

3.7 The Sample.

The sample is a fraction of the population; the sample size consists of 124 respondents. The sample has been selected using unrestricted or simple random sampling method.

3.8 Statistical Analysis Techniques.

Statistical Package for Social Science (SPSS) has been utilized to analyse data. Descriptive analysis has been used to describe and analyse the basic features of the

sample and measures. Correlation analysis and multiple regression analysis have been employed to achieve the objective of this study which is to discover the nature and magnitude of causal relationship between monetary and non- monetary reward and employees' job satisfaction. Cronbach's alpha and factor analysis have been used to test the validity and reliability of questions.

Chapter4

4. Data Analysis and Interpretation.

This section uses SPSS program to analysis the predetermined alternative hypotheses H1, H2, H3, H4 and H5. The function of this statistical analysis was to identify the relationship between the independent variables (Monetary reward, Non-monetary rewards, environment, employee training, Performance appraisal Systems) that affect job satisfaction. In the following the data coding table for SPSS program (see table 1).

4.1 Coding. (table1)

Variables	SPSS variables	coding	Scale type
Gender of respondents/employees	Gender	1= Male 2=Female	Nominal scale
Age of respondents/employees	Age	1= 20-30 2= 30-40 3 =40-50 4 =50&more	Scale
position of respondents/employees	Position	1=Employee 2=Executive Director 3=Director	scale
education of	Education	1=High School	Scale

respondents/employees		٢=University 3=Master 4=Doctorate	
The bank where the respondents/employees work	Bank	1= Alrajhi bank 2=Alahli bank 3=Alinma bank 4=Albiald bank	Scale
Questions about the determinants of job satisfaction	Question	1=Strongly disagree 2=Disagree 3=Neutral 4=Agree 5=Strongly agree	Scale

4.2 Demographic Profile. (table2)

		Frequency	Percent
Valid	20-30	64	51.6
	30-40	50	40.3
	40-50	10	8.1
	Total	124	100.0
Valid	Male	83	66.9
	Female	41	33.1
	Total	124	100.0
Valid	Employee	80	64.5
	Executive Director	2	1.6
	Director	32	25.8
		10	8.1
	Total	124	100.0
Valid	high school	13	10.5
	University	90	72.6
	Master	17	13.7
	Total	120	96.8
Missing	System	4	3.2
Total		124	100.0
Valid	Alrajhi	42	33.9
	Alahli	29	23.4
	Alinma	22	17.7
	Albilad	31	25.0
	Total	124	100.0
Valid	Employee	80	64.5

d	Executive Director	2	1.6
	Director	32	25.8
	Other	10	8.1
	Total	124	100.0

The table 2 above indicates that majority of the sample population (66.9%) are males, whereas the percentage of females are (33.1%). The age group of the sample suggests that employee base mostly ranges between 20 to 30 years old (51.6%) and it also detects that most of them have Bachelor degree (72.6%). The greatest number of respondents (33.9%) work in Alrajhi bank, followed by Albilad banks (25%). then Alahli bank (23.4%) and Alinma bank (17.7%).

4.3 Descriptive Analysis. (Table3)

	N	Range	Minimum	Maximum	Sum	Mean		Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic
Training	124	13.00	3.25	16.25	1355.25	10.9294	.31004	3.45243
Appraisal	124	9.33	2.33	11.67	765.00	6.1694	.21982	2.44783
Satisfaction	124	9.33	2.33	11.67	970.33	7.8253	.19854	2.21086
Environment	124	9.33	2.33	11.67	1088.00	8.7742	.18996	2.11526
Monetary reward	124	12.75	3.25	16.00	1459.75	11.7722	.20703	2.30544
Non- Monetary reward	124	8.33	2.33	10.67	695.33	5.6075	.20697	2.30472
Valid N (listwise)	124							

As shown in Table 3 the value of non- missing value (valid N) equal to 124. The mean represents the central tendency of data. and job satisfaction the mean value is 7.8253. according to Likert scale it indicates that the job satisfaction in banks is good. The mean for reward is equal to 18.2 higher than all the independent variables; this reflects nature of the work has good impact for bank employees. Standard deviation is the square root of the variance. It measures the spread of a set of N. The larger the standard deviation is, the more spread out the N are. The standard error (Std. Error) gives some idea about the variability possible in the statistic. The minimum means the smallest value of the variable which is 1 (strongly disagree) according to Likert scale and maximum is largest value of the variable which is 5 (strongly agree) according to Likert scale used.

4.4 Correlations Analysis. (Table 4)

			Correlations					
			Monetary reward	Non-Monetary reward	environment	training	appraisal	satisfaction
Spearman's rho	Monetary reward	Correlation Coefficient	1.000	.499**	.355**	.201*	.469**	.414**
		Sig. (2-tailed)	.	.000	.000	.026	.000	.000
		N	124	124	124	124	124	124
	Non-Monetary reward	Correlation Coefficient	.499**	1.000	.474**	.372**	.628**	.499**
		Sig. (2-tailed)	.000	.	.000	.000	.000	.000
		N	124	124	124	124	124	124
	environment	Correlation Coefficient	.355**	.474**	1.000	.421**	.442**	.473**
		Sig. (2-tailed)	.000	.000	.	.000	.000	.000
		N	124	124	124	124	124	124
	training	Correlation Coefficient	.201*	.372**	.421**	1.000	.367**	.337**
		Sig. (2-tailed)	.026	.000	.000	.	.000	.000
		N	124	124	124	124	124	124
	appraisal	Correlation Coefficient	.469**	.628**	.442**	.367**	1.000	.412**

	Sig. (2-tailed)	.000	.000	.000	.000	.	.000
	N	124	124	124	124	124	124
satisfaction	Correlation Coefficient	.414**	.499**	.473**	.337**	.412**	1.000
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.
	N	124	124	124	124	124	124

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

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

Table 4 indicates that the calculated p-value is greater than 0.01, therefore, the null hypothesis is accepted. This implies that there is significant relationship between monetary reward and banker job satisfaction.

Table 4 indicates that the calculated p-value is greater than 0.01, therefore, the null hypothesis is accepted. This implies that there is significant relationship between non-monetary reward and banker job satisfaction.

Table 4 indicates that the calculated p-value is greater than 0.01, therefore, the null hypothesis is accepted. This implies that there is significant relationship between environment and banker job satisfaction.

Table 4 indicates that the calculated p-value is greater than 0.01, therefore, the null hypothesis is accepted. This implies that there is significant relationship between training and banker job satisfaction.

Table 4 indicates that the calculated p-value is greater than 0.01, therefore, the null hypothesis is accepted. This implies that there is significant relationship between performance appraisal system and banker job satisfaction.

4.5 Factor Analysis.

KMO and Bartlett's Test (Table 5)		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.804
Bartlett's Test of Sphericity	Approx. Chi-Square	186.45
	Df	9
	Sig.	.000

Table.5 indicates that the value of KMO test, which equals .665, is superb since it is .above .804. Thus, the sampling adequacy is acceptable for factor analysis. According to Bartlett's Test of Sphericity, which is below 0.05 and equals 0.00, the data that have been gathered is suitable and the suitability and validity are high.

Anti-image Matrices: (Table 6)

		Non-Monetary reward	Monetary reward	Environm ent	Traini ng	apprais al
Anti-image Covariance	non-monetary reward	.510	-.171-	-.101-	-.039-	-.228-
	Monetary reward	-.171-	.697	-.109-	.003	-.076-
	Environment	-.101-	-.109-	.611	-.223-	-.081-
	Training	-.039-	.003	-.223-	.706	-.109-
	Appraisal	-.228-	-.076-	-.081-	-.109-	.544
Anti-image Correlation	non-monetary reward	.772 ^a	-.287-	-.181-	-.066-	-.432-
	Monetary reward	-.287-	.845 ^a	-.167-	.005	-.124-
	Environment	-.181-	-.167-	.818 ^a	-.340-	-.141-
	Training	-.066-	.005	-.340-	.810 ^a	-.176-
	Appraisal	-.432-	-.124-	-.141-	-.176-	.795 ^a

The Measures of Sampling Adequacy (MSA) must be above 0.5. Table 6 points that the value of each individual variable is well above 0.5, so the

MSA overall and for each variable is sufficiently large. The MSA for non-Monetary reward value is equal to 0.772 while Monetary reward is 0.845 The environment MSA value is equal to 0.818 and training is 0.810. and appraisal is.795.

Communalities (Table 7)

	Initial	Extraction
Non-Monetary reward	1.000	.667
Monetary reward	1.000	.477
Environment	1.000	.588
Training	1.000	.446
Appraisal	1.000	.641

Extraction Method: Principal Component Analysis.

Communalities represent the extent of the variance. As Table indicates, the communalities are high due to their values which are above 0.5 in all variables. 66.7% of the variance is accounted for non-monetary, 47.7 % of the variance is accounted for monetary, 58.8% of the variance is accounted for environment, while 44.6% of the variance is accounted for the training, and 64.1% for the appraisal.

Total Variance Explained (Table 8)

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings ^a
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	7.055	26.129	26.129	7.055	26.129	26.129	6.131
2	2.390	8.853	34.982	2.390	8.853	34.982	4.329
3	2.120	7.853	42.835	2.120	7.853	42.835	1.959
4	1.862	6.897	49.732	1.862	6.897	49.732	1.922
5	1.524	5.644	55.376	1.524	5.644	55.376	2.716
6	1.415	5.242	60.618	1.415	5.242	60.618	1.945
7	1.167	4.323	64.941	1.167	4.323	64.941	1.684
8	1.165	4.315	69.256	1.165	4.315	69.256	2.293
9	.991	3.671	72.927				
10	.882	3.265	76.193				
11	.792	2.934	79.127				
12	.707	2.618	81.745				
13	.597	2.212	83.957				
14	.552	2.043	86.000				
15	.499	1.847	87.846				
16	.478	1.771	89.618				
17	.433	1.605	91.223				
18	.413	1.530	92.753				
19	.376	1.392	94.145				
20	.297	1.098	95.244				
21	.265	.980	96.224				
22	.238	.883	97.106				
23	.230	.853	97.960				
24	.198	.733	98.693				
25	.152	.563	99.255				
26	.128	.475	99.730				
27	.073	.270	100.000				

Extraction Method: Principal Component Analysis.

Table 8: Total Variance Explained

When components are correlated, sums of squared loadings cannot be added to obtain a total variance. Table shows that factor 1 explains a large amount of variance, as well as the other first few factors, while the next factors interpret only small amounts of variance.

Component Matrix^a (Table 9)

	Component							
	1	2	3	4	5	6	7	8
x7	.738							
x18	.731							
x8	.727							
x16	.701							
x15	.688		.370					
x17	.677			-.361-				
x5	.677							
x6	.630	-.320-						
x22	.625							
x14	.622							.452
x21	.592							
x3	.591							
x11	.588	.332	-.356-		.316			
x20	.477		-.380-				-.325-	
x13	.465	.650						
x12	.520	.586					-.359-	
education		.469		-.412-			.327	
x4	.415	-.430-	.412			.328		
x1	.330		-.608-				.302	
position			.608					.403
bank		.354	.552			.404		
gender				-.627-	-.483-			
x2	.315			.523			.456	
age		-.463-		.481	.404			
x10				.433	-.511-			.326
x9	.351	.404		.417	-.438-			
x19			.323			-.742-		

Extraction Method: Principal Component Analysis.

a. 8 components extracted.

Table 9 presents the loadings of the eight variables on the four factors extracted.

Reproduced Covariance (Table 10)

		non-monetary reward	Monetary reward	environm ent	Traini ng	apprais al
Reproduced Correlation	non-monetary reward	.667 ^a	.564	.626	.546	.653
	Monetary reward	.564	.477 ^a	.530	.461	.553
	Environment	.626	.530	.588 ^a	.512	.614
	Training	.546	.461	.512	.446 ^a	.535
	Appraisal	.653	.553	.614	.535	.641 ^a
Residual ^b	non-monetary reward		-.055-	-.134-	-.165-	-.027-
	Monetary reward	-.055-		-.122-	-.191-	-.120-
	Environment	-.134-	-.122-		-.016-	-.140-
	Training	-.165-	-.191-	-.016-		-.114-
	Appraisal	-.027-	-.120-	-.140-	-.114-	

4.6 Reliability

Case Processing Summary (Table 11)

		N	%
Cases	Valid	124	100.0
	Excluded ^a	0	.0
	Total	124	100.0

a. Listwise deletion based on all variables in the procedure.

Table 12

Reliability Statistics

Cronbach's Alpha	N of Items
.886	22

Table 12: Reliability Statistics

Table 12 shows that the Cronbach's Alpha coefficient is above 0.7 and equals 0.886. Thus, the reliability of the scale is good and acceptable.

4.7 Multiple Regression.

Model Summary (Table 13)										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	.612 ^a	.374	.348	1.785376540031480	.374	14.122	5	118	.000	1.848

a. Predictors: (Constant), appraisal, training, Monetary reward, environment, non-Monetary reward
b. Dependent Variable: satisfaction

Table 13 indicates that the multiple correlation coefficient R is equal .612^a which points a good level of prediction of the dependent variable: employee satisfaction. Also, R square is equal .374, implying that the independent variables: Monetary reward, Non-monetary rewards, environment, employee training, Performance appraisal Systems, explain 37.4% of the variation in the dependent variable: employee satisfaction.

The regression model well-fits the data due to that adjusted R square is less than R square with a very small difference, where it equals 0.348 as shown in table 3.1. The Durbin-Watson =1.848, which is between the two critical values of 1.5- 2.5 and is close to 2. Thus, there is no strong evidence of autocorrelation problem.

ANOVA ^a (Table 14)						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	225.081	5	45.016	14.122	.000 ^b
	Residual	376.133	118	3.188		
	Total	601.214	123			

a. Dependent Variable: job satisfaction
b. Predictors: (Constant), appraisal, training, Monetary reward, environment, non-monetary reward

The F-test ratio in the ANOVA table above is high. This means the overall

regression model explains a significant amount of the variance in employee satisfaction.

Coefficients ^a (Table 15)													
Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval for B		Zero-order	Correlations		Collinearity Statistics		
	B	Std. Error				Lower Bound	Upper Bound		Partial	Part	Tolerance	VIF	
1	(Constant)	1.284	.949	1.354	.178	-.594	3.162						
	Monetary reward	.265	.084	.277	3.171	.002	.100	.431	.503	.280	.231	.697	1.435
	Non-Monetary reward	.237	.098	.247	2.424	.017	.043	.431	.516	.218	.177	.510	1.961
	environment	.180	.097	.173	1.853	.066	-.012	.373	.447	.168	.135	.611	1.638
	training	.022	.056	.034	.394	.694	-.088	.132	.309	.036	.029	.706	1.417
	appraisal	.043	.089	.048	.486	.628	-.133	.220	.419	.045	.035	.544	1.837

a. Dependent Variable: job satisfaction

As shown in table 15 the standardized coefficients Beta of the variable of the monetary reward is the highest value among the other variables and is equal 0.277, meaning that the monetary reward has a higher impact than other variables. The variable of the mission is significant where t value for the monetary reward is equal 3.171 which is also highest value among variables. Sig. = 0.000 is below 0.05, thus, the monetary reward is a significant predictor of performance.

Chapter 5

5.1 Conclusion.

The study of factor affecting job satisfaction of banking employee's in Saudi Arabia undertaken with the purpose of identifying and comparing level of job satisfaction among private banks. The study selected Monetary Rewards Non-Monetary Rewards environment, employee training, Performance appraisal Systems, as independent variables. Data were mainly collected from private banks in AL Qassim, Saudi Arabia. According to the findings of the study, that the monetary rewards and non- monetary rewards affect job satisfaction. and data has been done through SPSS, involving descriptive analysis, correlation analysis, factor analysis, reliability and multiple regression analysis, and Based on the results the study hypotheses accepted, that there is a relationship between Monetary rewards and Non-Monetary rewards, environment, employee training, Performance appraisal Systems and job satisfaction.

5.2 Recommendations.

The study recommends that:

- The organizations must provide more financial benefits to employee to Enhance the level of job satisfaction
- The bank should maintain Employee job security and an encouraging and supportive environment.
- The management must provide Necessary training for Employee
- The management must monitor the impact of rewards on the Job satisfaction of the employees.
- The administration should establish a fair evaluation system.

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