

# The effects of employee motivation and job satisfaction



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A study of this research is on the effects of employee motivation and job satisfaction to CIMB Bank Berhdad. CIMB Bank Berhdad is a bank that CIMB Group is Malaysia's second largest financial services provider and one of Southeast Asia's leading universal banking groups. Formerly known as Bumiputra-Commerce Holdings Berhad, it has been listed on the Main Board of Bursa Malaysia, the nation's stock exchange since 1987.

As at 20 November 2009, CIMB Group was the third largest company on Bursa Malaysia with a market capitalisation of approximately RM46.6 billion. CIMB Group is also the majority shareholder of Bank CIMB Niaga in Indonesia, and the single largest shareholder of CIMB Thai in Thailand. (CIMB, 2010)

CIMB Group offers a full range of financial products and services, covering corporate and investment banking, consumer banking, treasury, insurance and asset management. We operate our business on a dual banking basis through three main brand entities - CIMB Bank, CIMB Investment Bank and CIMB Islamic - giving customers a choice of both conventional and Islamic solutions. (CIMB, 2010)

As a regional universal bank, CIMB Group serves everyone from all walks of life in Malaysia and throughout the region, including large regional corporations, domestic listed companies, entrepreneurial start-ups, high net worth individuals, pensioners and children. With total staff strength of 36,000, the Group reaches 58% of the ASEAN population, representing 80% of ASEAN's gross domestic product. Our retail network of 1,150 branches is the largest in the Southeast Asian region. (CIMB, 2010)

Headquartered in Kuala Lumpur, CIMB Group's main markets are Malaysia, Indonesia, Thailand and Singapore, countries in which we have full universal banking capabilities. Our presence in 11 countries covers South East Asia and major global financial centres, as well as countries with which our South East Asian customers have significant business and investment dealings. (CIMB, 2010)

In addition, we extend our regional reach and range of products and services through strategic partnerships. Our partners include the Principal Financial Group, Aviva plc, Allianz Malaysia Berhad, AIA Berhad, Sun Life Financial, Mapletree Capital Management, Bank of Tokyo-Mitsubishi UFJ, Standard Bank plc, Daishin Securities, the Kanoo Group, Malaysia Airlines, International Currency Exchange, EDS, Petronas Dagangan, Proton, Pos Malaysia, 7-11, Singer Malaysia and many more. (CIMB, 2010)

## **Problem Statement**

This research on CIMB BANK BERHAD is will identify the factor that affects of employee motivation and job satisfaction to CIMB BANK BERHAD. And to further identify the effects of these strategies.

## **Objectives of the research**

These objectives are paying attention to the problems and objectives that are selected to clarify the intended information and also be able to derive specific information that are not limited by the previous questions.

This study intended to get the suitable data to help in building the proper assessment. This includes:

To determine methods that CIMB BANK BERHAD practice to inspire or motivate their employees.

To determine the accomplished strategies by CIMB BANK BERHAD in giving job satisfaction to their employees.

To create an appropriate solution for CIMB BANK BERHAD problems.

## **Scope of the Study**

The scope of the study is relied on the employees of CIMB BANK BERHAD.

This focuses on determine which factors create desirable influence to their employees towards satisfaction. And to know what factors of independent variables that could have the greatest impact on employees satisfaction.- studying the factors that lead to employees loyal with CIMB BANK

## **Significance of the Study**

This research was created to comprehend the significant factors of employees' fulfillment to enable efficiency, quality, service, and loyalty to CIMB BANK.

## **Definition of Terms**

Job Satisfaction

Employee Motivation

Herzberg's motivation-hygiene theory

Maslow's hierarchy of needs

## **Research Hypothesis**

### Hypothesis 1

H1: This study shows that adequate salary or monetary income plays a major role in allowing employees to be satisfied in their jobs.

H0: There is no significant relationship between salary and job satisfaction

### Hypothesis 2

H1: This study shows that work recognition plays a role to have a sense of importance and motivates employees to work diligently.

H0: There is no significant relationship between work recognition and job satisfaction.

### Hypothesis 3

H1: This study shows giving professional growth to employees such as trainings, seminars, etc. allows employees to have mental growth which they apply to their daily duties as employees.

H0: There is no significant relationship between professional growth to employee's creativity and development.

## **Literary Review**

### **Herzberg's Motivation-Hygiene Theory**

Let me rephrase the perennial question this way: How do you install a generator in an employee? A brief review of my motivation-hygiene theory of job attitudes is required before theoretical and practical suggestions can be

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offered. The theory was first drawn from an examination of events in the lives of engineers and accountants. At least 16 other investigations, using a wide variety of populations (including some in the Communist countries), have since been completed, making the original research one of the most replicated studies in the field of job attitudes. The findings of these studies, along with corroboration from many other investigations using different procedures, suggest that the factors involved in producing job satisfaction (and motivation) are separate and distinct from the factors that lead to job dissatisfaction. Since separate factors need to be considered, depending on whether job satisfaction or job dissatisfaction is being examined, it follows that these two feelings are not opposites of each other.

The opposite of job satisfaction is not job dissatisfaction but, rather, no job satisfaction; and similarly, the opposite of job dissatisfaction is not job satisfaction, but no job dissatisfaction. Stating the concept presents a problem in semantics, for we normally think of satisfaction and dissatisfaction as opposites - i. e., what is not satisfying must be dissatisfying, and vice versa. But when it comes to understanding the behavior of people in their jobs, more than a play on words is involved. Two different needs of human beings are involved here. One set of needs can be thought of as stemming from humankind's animal nature - the built-in drive to avoid pain from the environment, plus all the learned drives that become conditioned to the basic biological needs. For example, hunger, a basic biological drive, makes it necessary to earn money, and then money becomes a specific drive.

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The other set of needs relates to that unique human characteristic, the ability to achieve and, through achievement, to experience psychological growth; in the industrial setting, they are the job content. Contrariwise, the stimuli inducing painavoidance behavior are found in the job environment.

The growth or motivator factors that are intrinsic to the job are:

achievement, recognition for achievement, the work itself, responsibility, and growth or advancement. The dissatisfaction avoidance or hygiene (KITA) factors that are extrinsic to the job include: company policy and administration, supervision, interpersonal relationships, working conditions, salary, status, and security.

A composite of the factors that are involved in causing job satisfaction and job dissatisfaction, drawn from samples of 1, 685 employees, is shown in the figure Factors Affecting Job Attitudes below. The results indicate that motivators were the primary cause of satisfaction, and hygiene factors the primary cause of unhappiness on the job. The employees, studied in 12 different investigations, included lower level supervisors, professional women, agricultural administrators,

men about to retire from management positions, hospital maintenance personnel, manufacturing supervisors, nurses, food handlers, military officers, engineers, scientists, housekeepers, teachers, technicians, female assemblers, accountants, Finnish foremen, and Hungarian engineers.

They were asked what job events had occurred in their work that had led to extreme satisfaction or extreme dissatisfaction their part. Their responses are broken down in the exhibit into percentages of total " positive" job

events and of total “negative” job events. (The figures total more than 100% on both the “hygiene” and “motivators” sides because often at least two factors can be attributed to a single event; advancement, for instance, often accompanies assumption of responsibility.) To illustrate, a typical response involving achievement that had a negative effect for the employee was, “I was unhappy because I didn’t do the job successfully.” A typical response in the small number of positive job events in the company policy and administration grouping was, “I was happy because the company reorganized the section so that I didn’t report any longer to the guy I didn’t get along with.” As the lower right-hand part of the figure shows, of all the factors contributing to job satisfaction, 81% were motivators. And of all the factors contributing to the employees’ dissatisfaction over their work, 69% involved hygiene elements. The term job enrichment describes this embryonic movement. An older term, job enlargement, should be avoided because it is associated with past failures stemming from a misunderstanding of the problem. Job enrichment provides the opportunity for the employee’s psychological growth, while job enlargement merely makes a job structurally bigger. Since scientific job enrichment is very new, this article only suggests the principles and practical steps that have recently emerged from several successful experiments in industry.

## **Maslow’s Hierarchy of Needs**

Abraham Maslow developed the Hierarchy of Needs model in 1940-50’s USA, and the Hierarchy of Needs theory remains valid today for understanding human motivation, management training, and personal development.

Indeed, Maslow’s ideas surrounding the Hierarchy of Needs concerning the



responsibility of employers to provide a workplace environment that encourages and enables employees to fulfil their own unique potential (self-actualization) are today more relevant than ever. Abraham Maslow's book *Motivation and Personality*, published in 1954 (second edition 1970) introduced the Hierarchy of Needs, and Maslow extended his ideas in other work, notably his later book *Toward A Psychology Of Being*, a significant and relevant commentary, which has been revised in recent times by Richard Lowry, who is in his own right a leading academic in the field of motivational psychology.

Abraham Maslow was born in New York in 1908 and died in 1970, although various publications appear in Maslow's name in later years. Maslow's PhD in psychology in 1934 at the University of Wisconsin formed the basis of his motivational research, initially studying rhesus monkeys. Maslow later moved to

New York's Brooklyn College. Maslow's original five-stage Hierarchy of Needs model is clearly and directly attributable to Maslow; later versions with added

motivational stages are not so clearly attributable. Maslow's Hierarchy of Needs has been extended through interpretation of Maslow's work by other people, and

these augmented models and diagrams are shown as the adapted seven and eight-stage Hierarchy of Needs models below. There is some uncertainty as to how and when these additional three stages (six, seventh and eighth - '

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Cognitive', 'Aesthetic', and 'Transcendence') came to be added, and by whom, to the Hierarchy of Needs model, and many people consider Maslow's 'original' five-stage Hierarchy Of Needs model to be the definitive (and perfectly adequate) concept.

Each of us is motivated by needs. Our most basic needs are inborn, having evolved over tens of thousands of years. Abraham Maslow's Hierarchy of Needs helps to explain how these needs motivate us all.

Maslow's Hierarchy of Needs states that we must satisfy each need in turn, starting with the first, which deals with the most obvious needs for survival itself.

Only when the lower order needs of physical and emotional well-being are satisfied are we concerned with the higher order needs of influence and personal development.

Conversely, if the things that satisfy our lower order needs are swept away, we are no longer concerned about the maintenance of our higher order needs.

Maslow's original Hierarchy of Needs model was developed between 1943-1954, and first widely published in *Motivation and Personality* in 1954. At this time the Hierarchy of Needs model comprised five needs. This original version remains for most people the definitive Hierarchy of Needs.

1. Biological and Physiological needs - air, food, drink, shelter, warmth, sex, sleep, etc.

2. Safety needs – protection from elements, security, order, law, limits, stability, etc.

3. Belongingness and Love needs – work group, family, affection, relationships, etc.

4. Esteem needs – self-esteem, achievement, mastery, independence, status, dominance, prestige, managerial responsibility, etc.

5. Self-Actualization needs – realising personal potential, self-fulfillment, seeking personal growth and peak experiences.

Abraham Maslow created the original five level Hierarchy of Needs model, and for many this remains entirely adequate for its purpose. The seven and eight level ‘ hierarchy of needs’ models are later adaptations by others. Arguably, the original five-level model includes the later additional sixth, seventh and eighth (‘ Cognitive’, ‘ Aesthetic’, and ‘ Transcendence’) levels within the original ‘ Self-Actualization’ level 5, since each one of the ‘ new’ motivators concerns an area of self-development and self-fulfilment that is rooted in self-actualization ‘ growth’, and is distinctly different to any of the previous 1-4 level ‘ deficiency’ motivators. For many people, self-actualizing commonly involves each and every one of the newly added drivers. As such, the original five-level Hierarchy of Needs model remains a definitive classical representation of human motivation; and the later adaptations pMaslow’s Hierarchy of Needs is an excellent model for understanding human motivation, but it is a broad concept. If you are puzzled as to how to relate given behaviour to the Hierarchy it could be that your definition of the behaviour needs refining. For example, ‘ where does ‘ doing things for fun’ fit <https://assignbuster.com/the-effects-of-employee-motivation-and-job-satisfaction-essay-samples/>

into the model? The answer is that it can't until you define 'doing things for fun' more accurately. You'd need to define more precisely each given situation where a person is 'doing things for fun' in order to analyse motivation according to Maslow's Hierarchy, since the 'fun' activity motive can potentially be part any of the five original Maslow needs.

Understanding whether striving to achieve a particular need or aim is 'fun' can provide a helpful basis for identifying a Maslow driver within a given behaviour, and thereby to assess where a particular behaviour fits into the model perhaps serve best to illustrate aspects of self-actualization.

Michael Carey makes a strong statement about the role of individuals and teams within a growing organization. "All entrepreneurial businesses need the drive and vision of one individual to make them happen; but I've never seen a successful business that solely depends on one person to be successful". Recognizing and accepting the necessity for change is an important step in successful management.

Various leading international financial publications including Best Debt House, Best Equity House & Best M&A house from Euromoney, Best Local Investment Bank, Best Local Brokerage and Best Overall Country Research from FinanceAsia. The company has also finished its spot in the region of human resources, with CIMB charming the National Human Resource Excellence Award in 2002. A year preceding the collection determined to merge its internal process by centralize the human possessions function in its place of having person HR departments in the group's subsidiary. With an

long-drawn-out, federal HR Department, there was a urgent need to tap on technical

innovation to get better commerce process and prepared efficiencies. This encouraged CIMB to organize eHR, an electronic human resources workflow answer urbanized on the Microsoft platform by Microsoft Gold Certified associate, Mesiniaga Bhd. Up till then, the process in the HR section were basically physically driven. Other key challenge which CIMB faced after that were complexity in track the status of staff needs and application; lack of addition between a range of department ensuing in replication of try and data-entry errors; not there forms and ever growing storage space required for hardcopy forms. prior to the foreword of eHR, the HR Department had to overhaul about 800 users on a daily basis for a variety of HR-related form and needs. Because these forms and requirements were handled physically and paper-based, it took a huge deal of time to procedure. With manpower predictable to augment in the coming years, the circumstances would only get more urgent.

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As the information from the paper forms were not keyed into any electronic system, each time any staff information was required, it had to be physically retrieved from the files. For managers, this meant they had no efficient way to find out how many of their staff were on leave or who had gone for training. “ We spent a lot of time digging for information from the files, and then checking and verifying records with the users,” says Hamidah Naziadin, Director of Corporate Resources Division, Commerce International Merchant Bankers Bhd. “ Our mission at that time was also to change HR’s role from a very traditional administrative one to become more like a strategic partner. And

how are we going to move ahead if we are going to be continually bogged down by all this?" Hamidah asks. " We needed a system which could empower HR staff, making them a whole lot more efficient," she says. Hamidah adds that empowerment comes from having " information at your fingertips" and being able to analyze the information to make better and faster decisions. the HR Department had to service about 800 users on a daily basis for various HR-related forms and requests. Because these forms and requests were handled manually and paper-based, it took a great deal of time to process. With manpower expected to

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speedy growth came the need to improve its credit risk scorecards ability. CIMB Bank chosen SAS to improve its interior risk scorecard growth capability for a quicker level of new credit risk scorecards. During the first stages of the merger, the bank needed to put together all the client data in a consistent format. Obtainable credit scorecards were to be recalibrated to improved gauge and rank credit to help fuel commerce growth. The scorecard modeling process also had to be simplified to allow experts, such as business analyst, to do information without request help from the IT department. The bank required scorecard modelers to have additional time to focus on create models that help it grow and stay gainful “ The Dagang Net - CIMB Bank Collaboration in DutyNet produced a homegrown Malaysian product that is set to put Malaysia on the map of echnological advancement. As the country that entered its 50th year of independent nationhood, Malaysia looks to become a competitive global player in all areas of economic growth” said Abdul Halim Othman, Head, Government Relationship Management, CIMB Bank. DutyNet has spurred interest in ASEAN, which is now looking at individual National Single Window (NSW) where traders from any originating ASEAN country will be able to make duty payments to RMC via Dagang Net’s financial services payment gateway. RMC has a vision of becoming a worldclass Customs administration. In this respect, RMC’s mission it to:

- collect duties and taxes efficiently
- promote the development of trade and industrial sectors through

continuous Customs facilitations



- enhance legal compliance, safeguard economic, social and security

Interests increments. beneath the preparation module, employees can view online the list of education programs obtainable for them and make a ask for for the pertinent training course. To ease the managerial burden of the HR staff, the eHR answer promote the self- repair idea. workers are buoyant to inform their individual information themselves, plus the change completed by means of the organization is automatically reorganized. They can also right of entry the classification to hit upon out about accessible accommodation loan scheme and whether they meet the criteria for it. workers can now access the online employee manual any time and from anywhere with Internet right of entry. Making change to the manual is no longer a annoyance as it is easily efficient online compare to before when alteration have to be on paper out and isolated to employees. As the answer interface with the company's secretarial system, claim for items such as checkup and activity operating cost will be right away updated into the office scheme. And this eliminates the require to re-key in the information into the plan. " So it cuts down a lot of needless paper work and reduce the possible for mistake in information entry," said by Kamariah Mohd. Anxious with meeting its anticipated load of 750 users performing simultaneous online transactions, CIMB-GK embarked on the first phase of its implementation with Borland SilkPerformer, an enterprise-tool for software application performance and load testing. Pleased with the hassle-free implementation, Mr Rahardja said, " We have a terrific working relationship with Borland. We are very pleased with the Borland team, whose professionalism,

responsiveness and excellent customer support delivered a smooth-sailing and successful implementation.” “ When we needed help, we received almost immediate assistance from the Borland product experts.” The implementation was completed on time and within budget, with the system going live in May 2008.

## **Theoretical framework**

Figure 2

The image above explains that if a company gives employees the freedom for growth and sufficient salary, more often than not employees attain job satisfaction and renders loyalty.

Figure 2

## **Population & sample, data collection, data analysis**

The researcher visited the different libraries for journals, articles and studies needed for the research. The researchers gathered time-series data from different Banking institutions to assure of its validity and consistency. The researchers would also gathered different news and articles regarding the past events that involves or has consistent customer interaction as its main issue. It would tackle evidences of how proper services, awareness serves as the means affect the profit and increase the margin for more clients. The researcher has also researched data of the banks that have similar situations with CIMD The researcher would gather data from 2007-2009 to be able to assure consistency and reliability.

This study will take place within CIMB BANK BERHAD in Malaysia.

Participants will be selected according to their desire to participate in this study. Narrative data will be generated from all researched studies such as journals, articles, academic references, etc. The data analysis will

Quantitative research enables the researcher to generate new theories from gathering descriptive data about the research topic. Quantitative research process involves the result of a certain procedure. The type of qualitative research studies undertaken are ethnographical, which refers to the description of a phenomenon from a cultural group or society, grounded theory, which focuses on real life settings and phenomenological which describes different experiences. Quantitative research is used to identify the specific effect which leads to using statistical evidence and appropriate statistical tools. It is also used for intervention studies and randomized control trials, which is the gold standard, observational and cohort studies.

The quantitative approach is applicable to smaller sample group to generate rich data. Hopkins (2008) defined quantitative research method in the following words, " In quantitative research your aspire is to settle on the relationship flanked by one thing (an independent variable) and another (a dependent or outcome variable) in a population. Quantitative research design are either evocative (subjects usually measured once) or new (subjects measured before and after a treatment). A evocative study establish only relations between variables." Hopkins (2008) defined quantitative research method in the following words, " In quantitative research your aspire is to settle on the relationship flanked by one thing (an independent variable) and another (a dependent or outcome variable) in a

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## **Research methodology**

The agreed consumers of CIMB BANK BERHAD to answer the semi-interviews are two medical practitioners, general managers, homemakers, and two college students. They were chosen purposively for the reason of this study. A designed questionnaire for semi-interview was utilized for collection of data from the participants. Below are the selected questions asked during the interview.

The questions consisted of the following broad sections; and approach through the services proved by CIMB BANK BERHAD and information and insight about dissimilar aspect of their services. These selected interview questions were created to identify how CIMB BANK BERHAD conduct their sevice and how much they aim to satisfy their financial needs. Since they interact with such with the representatives of CIMB BANK BERHAD first had, they are the most suitable subjects for this study. I have incorporated their family's views on this and how they respond to the participant views. Their family's wer3e included since they are also consumer body. These participants were invited through the accumulated list of consumers that participant in their Customer Satisfaction Survey (CSAT). 30 participants were invited however, only eight responded. Each participant went through semi-interview for 30 minutes.

A previous meeting was made with the participants. Accordingly the participants were briefed and were given a schedule as to when the official interview will occur.

Both Doctors, in this study, have the same qualifications below:

More than a year as customers of CIMB SDN BHD-MALAYSIA

Above 25 years old

Has active profession

Both homemakers have the same qualifications:

More than a year as customers of CIMB SDN BHD-MALAYSIA

Above 18 years old

No source of income except their spouse

Both Students have the same qualifications:

Dependent on their parents regarding financial needs

Above 18 years old

Both general managers have the same qualifications

Has control and jurisdictions on the profit of their industry

Above 25 years of age

Apart from the consumers of CIMB, this study has interviewed employees, upper management to discuss several questions in regard to the services they render.

During the interviews the doctors, general managers, and homemakers were willing to answer the questions. The students, in the other hand, were at times reluctant to answer some of the questions. The students must have thought their answers weren't accurate.

### **Limitation and scope of the study**

A form from HR department had to be filled detailing the research project and once approved by Human Resource manager, it will be forwarded back to the researchers' university for approval. Once approved, further permission would have to be sought for the research project by filling out forms from the Ethics committee. Also the researcher will require the permission from the CIMB BANK BERHAD board.

The limitations of this project would be of financial assistance and the participation of the patients. Participants may not be willing to participate and share their information. While financial assistance may have denied assistance.

The participants are initially invited verbally. If willing, the patient signed a waiver that he/she approved the participation of this program.

The participant will have the option not to disclose certain information if requested

## **Finding & discussion**