

Factors Affecting Employees Performance and Retention: A Comparative Analysis of Banking and Educational Sector of Karachi

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Abstract

This study investigated the impact of core drivers of job satisfaction including promotions, increment and bonuses, supervisor's support, career development and advancement opportunities and working conditions on two dependent variables i.e. job performance and employees retention. For this purpose a comparative study is conducted in education and banking sector of Karachi. A sample of 100 employees was collected from each sector then results were analyzed through Confirmatory Factor Analysis and Structural Equation Modeling. The results found both the education and banking sectors are different in terms of chosen human resource policies Secondly, it has been found that results are dissimilar for both sectors in terms of different hypotheses. Career development, compensation and promotions are insignificant key drivers of job satisfaction for job performance. While, working conditions, compensations and co-workers are insignificant key drivers of job

satisfaction for employees' retention. Result's implication is different for banks' managers and educational institutions' managers based on significance of coefficients however human resource policies vary in different business settings. Indeed, more the job satisfaction better chance of good employees' performance while it reduces the intention to switch and keep the human talent retained.

Keywords: Job Satisfaction, Job Performance, Employee Retention, Banking Sector, Education Sector

1. Introduction

1.1 Background to the Study

The principal reward of any organization is its monetary compensation that it gives to the employees. This monetary compensation (pay levels and pay differentials) is a crucial element for the corporate governance. It also plays a significant role in strategy implementation (Greckhamer, 2015). Workers are promoted when their output of current job and higher-level job is compared, and it is high in the higher-level job. The employees that get quick initial promotions are most likely to get the rapid subsequent promotions. This is because the employees that have been promoted in the past have already proven their ability, so their subsequent promotion is less costly (Belzil, 2018). The compensations have always been the problem of the political economy because it is very important to understand distribution of income between the factors of production (Smith, 1776; Ricardo, 1817; Marx, 1867-1883).

In today's era, wage growth is the important factor in determining the monetary policy by major central banks (Yellen, 2015; Draghi, 2017). Compensations are revenues for workers while cost for the firms. Compensations determine the welfare of workers and it also has an impact on the decision of the firm regarding allocation of factors of production (Pasimeni, 2018). Not all employees are motivated by the monetary rewards. Rather some of the employees need intrinsic motivation to perform better. Intrinsic rewards are the psychological rewards that an employee enjoys personally with the pleasure and interest in his work (Lai, 2011). Not only the monetary rewards but the non-monetary factors like relationships with co-workers and supervisors, health care insurance and nature of work also affect the employees within the organization. Co-worker's departure can have significant impact on the left over employees depending upon the nature of relationships ([Anderson & Haas, 2018](#)).

The relationship between the employee's psychological health and workplace performance is quiet sensitive and dependent on which aspect of performance is considered (Jones, Latreille, & Sloane, 2016). Researchers have studied that employees' increased performance is related to employee vigor. Those employees who act energizers for other employees, performs better and the employees who are receiver of this energy will also perform better because they will try to reciprocate this energy with extra effort and loyalty. Higher levels of motivation and persistence are associated with high task performance (Owens et al., 2016). Almost all the organizations use bonus systems to reward their employees to ensure better performance and productivity. Bonus programs are usually designed so that the employees may receive an additional amount other than their basic salary. These programs not only help to motivate the employees but to align individual goals with that of organization. The promotion process must be integrated with the career development systems so that employee turnover can be reduced (Campion et al., 2018). Performance incentives are a major factor that helps in improving the provision of the public sector employees (Singh & Masters, 2018). Performance pay and bonuses also helps the employees to improve the performance and to keep their goals aligned with the organizational goals (Behrman et al., 2015).

Not only compensation, but workplace conditions are also a main factor that contributes to job performance and satisfaction as well. Non-ergonomic and unpleasant workplace conditions are very difficult to measure and there is no specific method to analyze the cost of displeasure which is generated due to these conditions. Although the costs on the work conditions is ignored in the organizations but this significantly affects the organizational performance (Mansour, 2016). Researches have shown that in Europe work conditions have significant impact on work and mental health of the employees (Barnay, 2015). Poorly functioning work conditions have a major outcome which is depressive employees. This depression causes financial loss for employers and health loss of employees (Theorell et al., 2015).

Physical, chemical and social hazards in the workplace can result in serious injuries for the employees (Hsieh, Apostolopoulos & Sönmez, 2015). So, compensation, benefits and workplace conditions are what contribute to employee's retention and job performance. Employee retention is an emerging concept in today's era because it is a major challenge for workforce management. Its existence can be traced back to 1900 era when the industrial engineers tried to find the reasons for the employee's interest in work (Tanwar & Prasad, 2016). Employers must know the factors that are causing employees to leave the organization. Only in this way they can do effective retention of workers. HR must formulate an effective retention plan so that the reasons to leave the organization can be assessed (Tanwar & Prasad, 2016). Most of the times when employees are committed to the job and they have sense of belonging towards the job, they are least expected to get tired from their jobs. Their job satisfaction is high (Peng et al., 2014). When the employee's job or experience is appraised, he/she experiences a pleasurable and positive emotional state that can be termed as job satisfaction (Alegre et al., 2016). Job satisfaction refers to "an evaluative state that expresses contentment with and positive feelings about one's job" (Judge & Kammeyer-Mueller, 2012, p. 343). Researches have also shown that the employees that contractual or temporary employees are less satisfied from their jobs because they belong to a peripheral group who are not considered part of the corporate family (Dawson et al., 2014).

1.2 Problem Statement

Compensations (Christ et al., 2016), benefits (Singh & Masters, 2018) and work environments (Mansour, 2016), have a significant impact on the organizational and individual performance. Researches have shown that if the individuals are not paid or compensated monetarily, they do not perform their tasks that are most needed by the society (Lazear, 2018). Monetary as well as non-monetary rewards are also an important factor that motivated the employees extrinsically and intrinsically to perform better ([Anderson](#) & [Haas](#), 2018).

It is very important to retain the highly skilled, experienced and reliable employees because they are considered an asset for the organization. Researches have shown that highly motivated employees are more productive and perform better (Waiyaki, 2017) and motivation can be intrinsic as well as extrinsic or monetary (Compensation and Benefits). 22% of the employees in Great Britain say that their productivity is decreased because of their poor

financial situation (Mansour, 2016). According to a research, 90% organizations are interested in offering short-term incentives like spot awards and small group incentives to their employees so that their performance is increased (Campion et al., 2018). Not only the monetary and non-monetary rewards but work conditions are also an important factor that can affect employee's performance and satisfaction. Work injuries and chronic workplace environments can cause increased stress levels in employees which can hamper their productivity. Time loss, administrative expenses incurred on investigation of accident and the litigation expenses (legal penalties etc.) will cause serious damage to revenue of firm and employee performance as well (Mansour, 2016).

1.3 Gap Analysis

Researches showed that enhancing the employee's motivation results in better performance of employees (Kiruja & Mukuru, 2013). This implies that if employees are motivated then they perform well. Now question is that if employees are motivated by compensations, non-monetary rewards or workplace conditions so that they can enhance their performance. So, we are investigating some other factors other than monetary benefits and compensations that can contribute to performance and motivation. Employees are motivated by intrinsic rewards (Dickson, 1973) while others need extrinsic and monetary rewards (Froese, 2018) and their performance is improved. Employees can be motivated by both factors (Riggio, 2013).

The relationship of job satisfaction and performance was studied in a setting of Afghani and Pakistani Capital cities only (Gul et al., 2018). Sample comprised of the teaching staff only. We therefore analyzed the relationship with different demographics and different sample size. We took the sample from banking sector so that more generalizability may become possible. Work conditions also have a significant impact on job satisfaction and this effect was also studied earlier but the sample selection was not random (Tejeda, 2014). This created bias and hence results cannot be generalized. So, we investigated the relationship with random sampling hence there was less chances of bias. The relationship between the employee retention and compensation was studied in manufacturing and services sector of Pakistan (Khalid, 2018). Therefore, goal of this study is to examine same variables in banking industry as well. Changing the industry will help in generalizing the results to whole population. (Kossivi et al., 2016) investigated different factors that can contribute to employee's retention, but the studies lack the specific industry and the type of business from which the employees belong to. So, we are studying the specific sector and industry so that organizations know how to improve their retention capabilities.

Literature shows that motivated employees performs better and stay more loyal to the organization. Workplace conditions also have a significant impact on retaining the employees and good work conditions tends to increase the employee's performance. But sector specific studies need to be conducted so that generalizability can be achieved. Moreover, the sample size needed to be increased because small sample size can create bias.

1.4 Research Objectives

The aim of this study is to examine the effects of different dimensions of job satisfaction like compensations, co-workers, supervisors, career development, health care insurance, working conditions and increment & bonuses on the employee's performance and employee's retention. Different studies have been conducted in which the effects of compensation and working conditions were studied on performance and retention. This study has been conducted to test the significant impact of different dimensions of job satisfaction like workplace conditions on performance and retention of employees. If the employees within an organization are stressed due to compensations, work conditions, supervisors, co-workers or increments, their productivity and performance may decrease. This implies that less satisfied employees tend to leave the organization very soon and their loyalty to the organization is also at stake if they are not satisfied with their jobs because anger and frustration can affect their productivity. Satisfied employees are those employees whose jobs are being appraised by their supervisors or top management. This job satisfaction in employees in turn has a significant impact on retention and performance.

This research is aimed to study the effects of career development, compensations, co-workers working conditions, health care insurance, promotions, increment and bonuses, supervisors on job performance and employee retention.

1.5 Research Questions

What is impact of Career Development on Job Performance?

What is impact of Co-Workers on Job Performance?

What is impact of Compensations on Job Performance?

What is impact of Working Condition on Job Performance?

What is impact of Healthcare Insurance on Job Performance?

What is impact of Increment and Bonuses on Job Performance?

What is impact of Promotion on Job Performance?

What is impact of Supervisor on Job Performance?

What is impact of Career Development on employees' retention?

What is impact of Co-Workers on employees' retention?

What is impact of Compensations on employees' retention?

What is impact of Working Condition on employees' retention?

What is impact of Healthcare Insurance on employees' retention?

What is impact of Increment and Bonuses on employees' retention?

What is impact of Promotion on employees' retention?

What is impact of Supervisor on employees' retention?

1.6 Significance of Study

In contemporary organizations, adverse psychological factors and work conditions results in elevated risk of depressive symptoms so it is very important to study the workplace conditions (Theorell, 2015). Organizations need to provide better work conditions to its employees and for this reason; it needs to understand the core reasons that provoke the stress in employees (Mansour, 2016). This is because the stressed employees are less engaged, less productive and more absenteeism is observed (Dyble, 2014) and employee retention becomes difficult in case of stressed employees. Employee retention is no doubt a largest cost for organizations yet it is most unknown cost (Tanwar & Prasad, 2016). This is why we are studying the effects of compensation, benefits and work conditions on job performance and employee retention.

2. Literature Review

2.1 Compensation and Benefits

Organizations are facing a major decision-making problem whether to rewards the employees financially or non-financially so that employees can become contended and perform better. Researches have shown that financial rewards constitute almost 40% of payroll budgets. Extrinsic motivations are the monetary and financial rewards like salary increment or bonuses that are given to employees so that they can perform better for the achievement of organizational goals (Karikari, 2018). Different researchers have found that employee's motivation does not solely depend on the monetary rewards and benefits (Dickson, 1973). Researches have shown negative relationship of compensation control with job performance. Employee's behavior and performance is mainly affected by the compensation and hence we are investigating this effect on employee's performance (Christ, 2016). This means that compensations and monetary benefits have a significant impact on employee's performance and employees are retained if they are provided with full monetary benefits (Khalid, 2018). Chong & Law, 2016 conducted study in Australia and 120 employees of Australian Manufacturing Firms were surveyed. The results were in accordance to the Agency theory that due to compensation schemes, employees put their efforts and in turn effects job performance.

Researches have shown that if the individuals are not paid or compensated monetarily, they do not perform their tasks that are most needed by the society (Lazear, 2018). Another study was conducted in 10 German hospitals and data was collected from n=136 nurses. Results indicated that selective optimization with compensation helps in maintaining quality of performance so that nurses can forget the work load (Baethge, Müller & Rigotti, 2015). Data was also collected from 207 individuals from an international hospital and there was a significant and strong positive correlation between compensation and job performance (Do, 2018). LMX relationships are also partially based on the culture (Furunes, Mykletun, Einarsen, & Glasø, 2015). LMX theory is very important to determine the follower's performance and job satisfaction and is one of the major topics being studied in literature of

leadership. According to a study not only the leader-member exchange have significant impact over turn over intentions but also on the objective performance of the followers (Gutermann et al., 2017).

Researches have shown that if organizations provide healthcare insurance to their employees, employee productivity increases. According to some researchers, there exists a direct relationship between labor productivity and health care insurance while some researchers proposes that it only has indirect benefits (Devaraj & Patel, 2017). Compensation controls are often used to direct the employee's attention towards a specific task or variety of tasks. Incentives are the major factor that contributes to employee's self-interest and it motivates the employees to put more effort. A task that is not rewarded or less rewarded does not seek employee's effort and performance (Christ, Emett, Tayler & Wood, 2016). 125 under graduate students were participants in a study and results indicated that compensation controls result in lower performance (Christ et al., 2016).

A study conducted in South Asian hospital's nursing staff also showed that compensation has a significant impact on job satisfaction. 247 nurses from India, Pakistan and Sri Lanka were surveyed using questionnaires and it showed that compensation is positively associated with job satisfaction (Shah et al., 2018). A study conducted in Japan showed that merit-based monetary rewards are directly and strongly correlated to job satisfaction. In this study, 636 employees were interviewed for a period of 12 months (Froese et al., 2018).

A study conducted in services and manufacturing sectors of Pakistan showed that to enhance the employee retention, employers must increase employee's participation and compensations. 1054 employees from services and manufacturing sector of Pakistan were surveyed for this study and results indicated that if compensation is increased, employees can perform better (Khalid & Nawab, 2018). Another study shows that cut in current salary and direct benefits are positively associated with cut in job tenure. This implies that employee retention decreases if there would be a decrease in compensation and benefits. Data was collected over the period of 30 years in this study and average elasticities of job tenure were measured (Falk & Karamcheva, 2018). A review research also shows the same results that good compensation plans, benefits and rewards have a significant impact on employee retention and rewards strategies should be designed very vigilantly (Bussin, 2018).

2.2 Work Conditions

The reduced ergonomic work conditions have short and long run effects on employee's health and firm's profits (Mansour, 2016). The adverse work conditions have a significant impact on the well-being and mental health of the workers (Angerer & Weigl, 2015). A study conducted among 16926 employees who were participating in worksite wellness program in Colorado showed that workplace safety has a significant impact on performance. The chronic workplace conditions resulted in absenteeism and decreased performance. Employers must be focusing on reducing the risk of workplace injuries and promote healthy working conditions (Jinnett et al., 2017). Study conducted in US, surveyed 292 managers and employees of

online networking service. Results showed that even in adverse workplace conditions, employees' performance can increase in presence of spiritual well-being (Tejeda, 2014). In another study, 27 employees/housekeepers of Latina Hotels were interviewed and results showed that all of them were exposed to workplace hazards and poor work conditions due to which employees were stressed and performance was affected (Hsieh, 2016). In Eskisehir, metal industry employees were surveyed and critical environmental conditions were investigated. Total 92 measurements were taken and it was found that exogenous factors like poor workplace conditions contribute in decreased performance of employees (Kahya et al., 2018).

A study conducted in healthcare industry of Madhya Pradesh revealed that work conditions (Participative Climate (PC), Role Performance (RP)) have a significant impact on employee's retention. 1010 employees of different public and private hospitals were surveyed and results were analyzed (Jadon & Upadhyay, 2018). Workplace conditions are also significantly related to job satisfaction and employee's retention. 692 registered nurses working in a university hospital were surveyed and results indicated that job satisfaction increases with better workplace conditions and employee retention increases (Mizuno et al., 2018).

2.3 Job Performance and Retention

Job performance is a key performance indicator of success organizations and it is widely acceptable (Masa'deh et al., 2017). Job performance is affected by the hindrance stressors because they bring unpleasant emotions of anger and frustrations. This makes employees less motivated, less confident and disengaged (LePine et al., 2016). Job performance can be increased by implementing behavior focused strategies. These strategies help in stimulation of desirable behaviors (Breevaart et al., 2015).

Preservation of knowledge can be done by the employee retention so that the embedded knowledge of the acquired firm can be transferred to combined firm. According to a study in Tokyo, employee voluntary turnover is indirectly and positively related to job satisfaction. 636 employees were surveyed for this study and results showed that with the increase in job satisfaction, employee voluntary turnover is decreased and hence employee retention increases (Froese et al., 2018). Employee retention is associated with knowledge transfer. This is because employees who possess special knowledge are very critical for sustainable growth and getting competitive advantage (Ahammad et al., 2016). Retention basically can be described as when employees decide to work and stay in any organization. Employee retention is when organization focuses on how to keep the employees who have contributions towards the organizational success.

Job performance has been studied also in the health care industry and in nursing staff, affective commitment is positively related to the high job performance (Sharma & Dhar, 2016). Researches have shown that Job satisfaction has no significant impact on job performance. A study conducted in Ilam, Iran interviewed 208 nurses working in teaching hospitals and results found no significant relation between job satisfaction and performance

(Safarpour et al., 2018). Another study conducted in the universities of Kabul and Pakistan showed that Job satisfaction is a mediator between the PE fit and job performance. Total 56 universities took part in the studies out of which 14 were of Islamabad and 42 were of Kabul (Gul et al., 2018). 100 employees from manufacturing industry of Malaysia reported that career development (a factor of job satisfaction) is negatively associated with the employee turnover intention and employee retention is high (Chin, 2018). A study was conducted in hotel industry of Thailand in which 403 employees of thirty hotels participated. This study supported the fact that if the job satisfaction is high, employee retention would be high (Ashton, 2017).

2.4 Hypotheses

- H1: Career Development has a significant impact on Job Performance
- H2: Co-Workers have a significant impact on Job Performance
- H3: Compensations have a significant impact on Job Performance
- H4: Working Condition has a significant impact on Job Performance
- H5: Healthcare Insurance has significant impact on Job Performance
- H6: Increment And Bonuses have a significant impact on Job Performance
- H7: Promotion has significant impact on Job Performance
- H8: Supervisor has significant impact on Job Performance
- H9: Career Development has a significant impact on employees' retention
- H10: Co-Workers have a significant impact on employees' retention
- H11: Compensations have a significant impact on employees' retention
- H12: Working Condition has a significant impact on employees' retention
- H13: Healthcare Insurance has significant impact on employees' retention
- H14: Increment And Bonuses have a significant impact on employees' retention
- H15: Promotion has significant impact on employees' retention
- H16: Supervisor has significant impact on employees' retention

3. Methodology

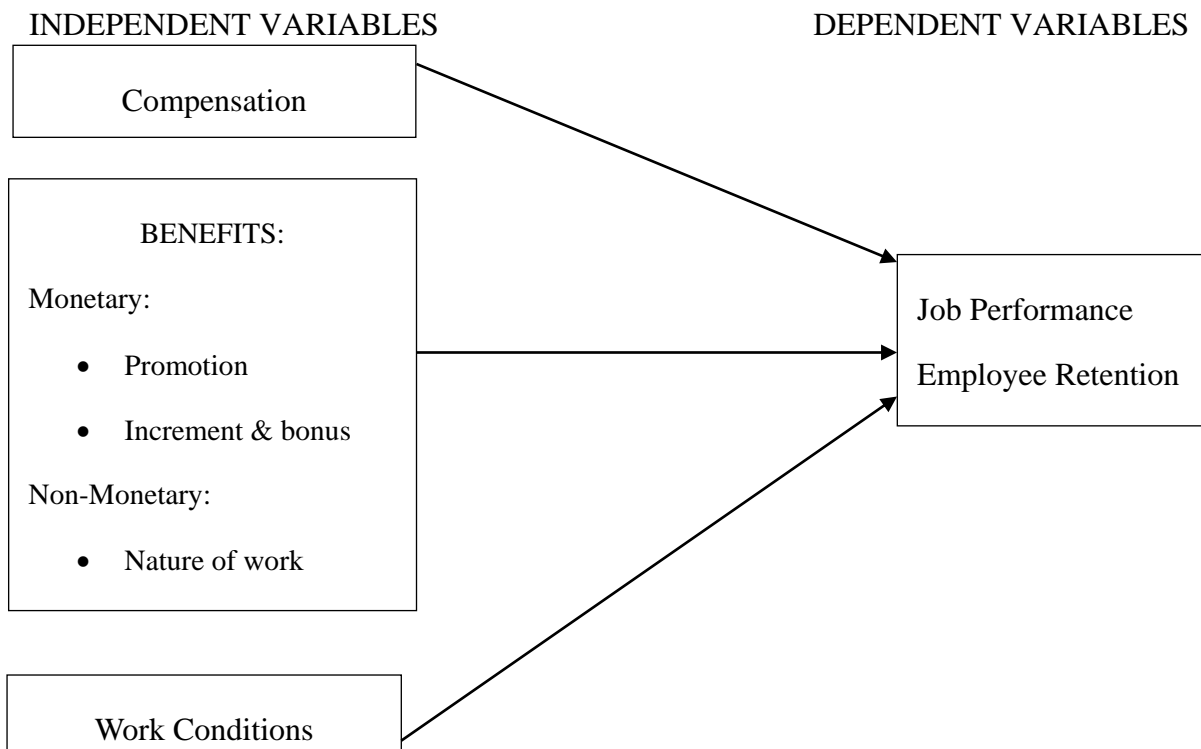


Fig. 1. Theoretical Framework

This research is conducted to study the effects of independent variables (compensation, benefits and work conditions) on dependent variables (job performance and employee retention) while taking job satisfaction as a mediator in the case.

3.1 Population and Sample

In our study, we used convenience sampling. Data was collected from banking and educational sector of Karachi. A sample of 50 respondents is enough to run a regression analysis (Williams, 2007). So, our sample consisted of 100 individuals from each sector banking and education.

3.2 Techniques and Procedures

There were 3 main sections of our questionnaire that were adapted from (Edith, Iravo, Nanusonge 2015; Koitalek 2016; Nilgun 2017; Msengeti & Obwagi 2015; Rizwan 2014). Five response alternatives were used to fill the questionnaire according to Likert-Scale (1 = Not at all or strongly agree, 2 = Little extent or Agree, 3 = Moderate extent or Not sure, 4 = Great extent or Disagree, and 5 = Very great extent or Strongly disagree) (Chin, 2018). Reliability was tested through Cronbach's Alpha (Cronbach & Shavelson, 2004). The variable value of more than 0.7 is preferred however 0.6 is also considered reliable (Chin, 2018). For Reliability analysis, confirmatory factor analysis, discriminant validity, convergent validity and Partial Least Square, Smart PLS is used.

4. Results of Study

Table 1. Descriptive Statistics (Demographic Profile)

Demographic Profile	Banks' Employees (Percentage)	Education Sector's Employees (Percentage)
Male	63%	52.0 %
Female	37%	48.0 %
Bachelor's Degree Holders	41%	11.0 %
Certificate Holders	-	5.0 %
Master's Degree Holders	53%	62.0 %
Intermediate Certificate Holders	6 %	2.0 %
PhD/MS Degree Holders	-	20.0 %
Contractual Employees	13 %	37.0 %
Permanent Employees	87%	63.0 %
1 - 5 years	61.0 %	49.0 %
10 years or above	21.0 %	29.0 %
5 - 10 years	18.0 %	22.0 %

It is posited in above table that 63 % male & 37% female respondents from banks and 52 % male & 48 % female respondents form educational institutions participated in the survey. Most of them are Bachelor's degree holders (41 % from banks) and Master's degree holders (53 % from banks and 62 % from educational institutions). In education sector, it is noted that 20% respondents are M/S or PhDs. Ratio of contractual employees (37%) is higher in education sector as compare to banks (13%). On the other hand most of the employees (61 % from banks & 49 % from education sector) hold 1- 5 years of experience.

Table 2. Descriptive Statistics (Items Mean & Std. Deviation)

Items	Banks' Employees (Percentage)			Education Sector's Employees (Percentage)		
	Mean	Std.D	S.E	Mean	Std. D	S.E
COMPENSATION						
The most important factor that makes me perform well at my job is when my salary is paid regularly.	2.91	.130	1.303	3.59	.114	1.138
My organization/ institution's pay policy helps attract and retain high performing employees	2.40	.125	1.247	2.37	.136	1.361
I am satisfied with the level of pay I receive	2.73	.125	1.254	3.62	.114	1.135
PROMOTION						
I believe that promotion is rewarded on fair basis to employees	2.79	.117	1.166	3.42	.117	1.174
The targets set for promotions are realistic and also linked with career development.	2.74	.129	1.292	3.50	.127	1.267

INCREMENT AND BONUSES						
The amount of increment and bonuses offered by organization are competitive with the market which allows me to stay in this organization.	2.47	.127	1.267	3.92	.109	1.089
The increment and bonuses provided helps to perform well on the job.	2.40	.134	1.341	3.43	.137	1.373
Overall, I am satisfied with the increment and bonus provided.	2.73	.128	1.278	3.94	.115	1.153
HEALTHCARE INSURANCE						
Health care insurance, where I work are competitive with the market.	2.75	.123	1.234	3.59	.111	1.111
Insurance benefit offered by my organization is a factor that allows me to stay in this organization.	2.44	.106	1.057	3.58	.118	1.182
My organization's insurance plan helps me to perform without any stress	2.51	.108	1.078	3.69	.116	1.161
CO-WORKERS						
The task-based assistance from my co-worker increases the positive work attitude.	2.27	.108	1.081	3.04	.122	1.222
My colleagues and I are satisfied with each other's work.	2.37	.117	1.169	2.87	.132	1.323
SUPERVISOR						
My manager/ head gives fair feedback on my performance standards	2.48	.115	1.150	2.81	.124	1.245
My manager/ head is open to suggestion which allows me to stay in this organization.	2.29	.095	.946	2.37	.124	1.244
CAREER DEVELOPMENT AND ADVANCEMENT						
Organization/ institution uses a systematic process for identifying employee development needs and implementing solutions	2.00	.082	.816	2.53	.134	1.337
Organization/ institution provides adequate opportunity for training and professional development.	2.27	.093	.930	3.21	.114	1.140
There is an equal opportunity for career development and advancement within my organization.	2.13	.091	.906	3.06	.114	1.144
WORKING CONDITIONS						
The availability of tools and equipment (including computers) in my immediate work area are adequate and helpful in performing well	2.23	.098	.983	2.34	.105	1.047
Overall, the physical conditions of my organization/ institution, location, workplace environment are	2.22	.097	.970	2.64	.124	1.243

adequate for good performance.						
On my job, I have sufficient opportunities to use my personal talents and use my initiatives.	2.22	.084	.836	2.94	.134	1.340
The Management does a good job of keeping me informed about matters affecting me.	2.35	.096	.957	3.29	.120	1.200
EMPLOYEES PERFORMANCE						
My work in this practice has met my expectations	2.67	.097	.975	2.97	.126	1.259
Overall, I am pleased with my work	2.90	.093	.927	2.85	.130	1.298
Overall, I am satisfied in my current practice	2.69	.111	1.107	2.84	.133	1.331
My performance is better than that of my colleagues with similar qualifications.	2.86	.096	.964	2.66	.125	1.249
I am satisfied with my performance because it is mostly good.	2.70	.114	1.142	2.39	.125	1.254
My performance is better than that of employees with similar qualifications in other organizations.	2.65	.105	1.048	2.63	.125	1.253
EMPLOYEES RETENTION						
I often think about quitting.	2.22	.125	1.252	3.13	.139	1.390
It is likely that I will actively look for a new job next year.	2.20	.121	1.206	2.97	.140	1.396
I often think of changing my job.	2.27	.130	1.302	2.80	.144	1.435

Above table posited that mean and std. deviation values for all core divers of job satisfaction and two dependent variables job performance and employees retention. It has been found that mean values of core divers of job satisfaction and two dependent variables job performance and employees retention for banks' employees range from 2.00 to 2.91 along with Std. Deviation values 0.84 to 1.30 however responses are within range of average score. On the other hand, mean values of core divers of job satisfaction and two dependent variables job performance and employees retention for education sectors' employees range from 1.87 to 3.94 along with std. deviation 1.05 to 1.44 however responses are dispersed widely and range below average to above average. On the other hand educational institutions' employees are more intended to switch their jobs than bank employees owing to the high mean values even data dispersion in high there.

Table 3. Sample T-Test (Compare Group Mean)

Variables of Study (Comparison)	Banks' Employees	Education Institutions Employees	Compare Mean	
			T-value	P-value
Statistics	Group Mean	Group Mean		
Compensation	2.680	3.193	1.374	.243

Promotion	2.765	3.460	4.632	.033
Increment and Bonuses	2.533	3.763	3.725	.055
Healthcare Insurance	2.566	3.620	0.175	.676
Co-Workers	2.320	2.955	1.126	.290
Supervisor	2.385	2.590	4.683	.032
Career Development And Advancement	2.133	2.933	10.39	.001
Working Conditions	2.255	2.802	11.22	.001
Employees Performance	2.255	2.723	4.041	.046
Employees Retention	2.770	2.966	0.196	.658

Table 3 posited that in response to the job satisfaction core divers promotions, increment and bonuses, supervisor's support, career development and advancement opportunities and working conditions both sectors' employees are significantly different from each other. While both sector employees also differ in their job performance scale. These results clearly indicating dynamics of education sector and banking sector differ in terms of human resource management policies.

4.1 Structural Equation Modeling

To test the study hypothesis we have used the structural equation model (SEM) whereas the testing has been gone through Smart PLS software. Moreover, to evaluate the indirect and direct effects of all the constructs the testing was done. The use of (SEM) structural equation model has been observed to be a foremost procedure that has been used below different regression models and methods (Barron & Kenny, 1986). It used to evaluate the structural relationship between exogenous and endogenous variables. It includes factor analysis and multivariate analysis. Moreover, the equation of regression targets at explaining each construct to assess the cause and effect relationship while all of the factors in the causal model could demonstrate their cause and effect at exact time. Likewise, the idea of using this model ensures to apply technique of bootstrapping which has been viewed as reasonable for both small and large sample size and does not require any kind of indirect effect (Hayes, 2013). In order to check the all direct and indirect effects, a technique has been implemented which is known as bootstrapping (Shrout & Bolger, 2002).

4.2 Measurement of Outer Model

The goal of measure of fit in the measurement model is to study about the reliability and validity of the instrument and to check its reliability and validity we perform test of convergent validity and discriminant validity in software naming Smart PLS.

4.3 Composite Reliability

Reliability of the measurement instruments was evaluated using composite reliability. All the values were above the normally used threshold value i.e. 0.70. This is the accepted reliability value range. Estimation of reliability can be done by degree of constancy that lies amongst

various variables (Hair , 2010). Below is the table of composite reliability.

Table 4. Composite Reliability

Variables	Composite Reliability
Career Development	0.816
Co-Workers	0.793
Compensation	0.734
Employee Performance	0.946
Employee Retention	0.756
Healthcare Insurance	0.814
Increment and Bonuses	0.837
Promotion	0.789
Supervisor	0.720
Working Conditions	0.816

4.4 Factor Loadings Significant

Below is the mentioned table of (CFA) confirmatory factor analysis with the loadings. Construct with the loading of .5 are consider as strong loading variables whereas the constructs with the loading of below .5 are considered as less are better to be removed from the table.

Table 5. Factor Loadings

Sector	Banks' Employees			Education Institutions' Employees			
	Constructs	Item loading	T-value	P-Value	Item loading	T-value	P-Value
Compensation	C-1	0.887	15.483	0.000	0.882	15.671	0.000
	C-3	0.753	4.949	0.035	0.856	8.445	0.000
Promotion	P-1	0.938	42.995	0.000	0.797	2.464	0.014
	P-2	0.933	39.909	0.000	0.910	3.398	0.001
Increment and Bonuses	IB-1	0.888	25.615	0.000	0.936	44.222	0.000
	IB-2	0.889	22.010	0.000	0.708	7.518	0.000
	IB-3	0.781	9.956	0.000	0.907	29.910	0.000
Healthcare Insurance	HI-1	0.751	10.782	0.000	0.903	3.572	0.000
	HI-2	0.846	24.560	0.000	0.815	3.873	0.000
	HI-3	0.856	22.235	0.000	0.872	3.689	0.000
Co-Workers	CW-1	0.923	51.410	0.000	0.902	43.019	0.000

	CW-2	0.897	25.953	0.000	0.888	21.664	0.000
Supervisor	S-1	0.785	4.897	0.000	0.919	7.387	0.000
	S-2	0.791	4.054	0.000	0.550	2.588	0.010
Career Development and Advancement	CDA-1	0.927	30.661	0.000	0.961	3.854	0.000
	CDA-3	0.910	17.905	0.000	0.888	4.287	0.000
Working Conditions	WC-1	0.787	10.708	0.000	0.762	9.759	0.000
	WC-2	0.906	36.001	0.000	0.820	11.165	0.000
	WC-3	0.702	7.981	0.000	0.887	43.321	0.000
Employees Performance	EP-1	0.862	24.197	0.000	0.898	22.452	0.000
	EP-2	0.885	28.516	0.000	0.946	46.625	0.000
	EP-3	0.889	35.843	0.000	0.923	36.344	0.000
Employees Retention	ER-1	0.930	37.049	0.000	0.915	38.061	0.000
	ER-2	0.964	93.288	0.000	0.877	23.581	0.000
	ER-3	0.955	57.237	0.000	0.944	68.705	0.000

It has been posited that that all core drivers of job satisfaction including promotions, increment and bonuses, supervisor's support, career development and advancement opportunities and working conditions of both sectors' employees loading values more than 0.70 except EP-4 (0.695) and WC-3 (0.699) for bank employees and S-2 (0.639) for education sector employees thus it supports strong loading. While to the both dependent variables job performance and employees retention loading values are more than 0.70 thus it supports strong loading also On the other hand t values for all independent and dependent variables are supported more than 1.96 for all constructs along with sig. values less than 0.05.

4.5 Convergent Validity

The table below also indicates about the reliability and validity of the interrelated variables. The notion of reliability assists to demonstrate about the consistency among the multiple variables and has been measured with the help of the PLS software. The study has been doing the reliability test by linking it with the Cronbach's alpha with the objective to measure the reliability of the scale. The present study has also followed the Cronbach approach to see the reliability of the scale which should always be higher than the value of 0.7 to ensure higher internal consistency.

Convergent validity is the level of agreement in at least two measures of a similar construct (Carmines and Zeller, 1979). Convergent validity was assessed by inspection of variance mined for each factor (Fornell and Larcker, 1981). Conferring to Fornell and Larcker (1981), if the, variance extracted value is greater than 0.5 then convergent validity is established and the result is drawn that the loadings are good but less than 0.5 are termed as less effective for the study.

Following table displays the result.

Table 6. Convergent Validity

Sector	Banks' Employees			Education Institutions' Employees		
	Cronbach's Alpha	Composite Reliability	(AVE)	Cronbach's Alpha	Composite Reliability	(AVE)
Career Development	0.816	0.916	0.844	0.696	0.769	0.627
Co-Workers	0.793	0.906	0.828	0.752	0.890	0.801
Compensation	0.734	0.803	0.674	0.677	0.860	0.755
Employee Performance	0.946	0.965	0.903	0.900	0.937	0.833
Employee Retention	0.756	0.858	0.669	0.839	0.898	0.747
Healthcare Insurance	0.814	0.890	0.729	0.817	0.891	0.734
Increment And Bonuses	0.837	0.892	0.675	0.854	0.891	0.629
Promotion	0.789	0.765	0.620	0.644	0.841	0.727
Supervisor	0.720	0.843	0.644	0.600	0.732	0.682
Working Conditions	0.816	0.916	0.844	0.770	0.865	0.682

Table 5 posited that all core divers of job satisfaction (promotions, increment and bonuses, supervisor's' support, career development and advancement opportunities and working conditions) and two dependent variables job performance and employees retention are reliable because of mentioned Cronbach's Alpha values > 0.70.

4.6 Discriminant Validity

Discriminate validity can be defined as any single construct when differs from other constructs in the model (Carmines and Zeller, 1979). Discriminate validity results are satisfactory when the constructs are having an AVE loading more than 0.5 which means that minimum 50% of variance was took by the construct (Chin, 1998). Discriminate validity is established if the elements which are in diagonal are significantly higher than those values in off-diagonal in the parallel rows and columns.

Table 7. Discriminant Validity (Banks' Employees)

	1	2	3	4	5	6	7	8	9	10
1.Career Development	0.919									
2.Co-Workers	0.543	0.910								
3.Compensation	0.576	0.588	0.821							
4.Employee Performance	0.518	0.516	0.545	0.950						

5.Employee Retention	0.534	0.518	0.530	0.563	0.818					
6.Healthcare Insurance	0.552	0.579	0.619	0.531	0.536	0.854				
7.Increment And Bonuses	0.527	0.663	0.548	0.504	0.517	0.573	0.821			
8.Promotion	0.506	0.565	0.560	0.520	0.520	0.697	0.545	0.935		
9.Supervisor	0.577	0.537	0.598	0.576	0.527	0.517	0.537	0.511	0.787	
10.Working Conditions	0.595	0.535	0.511	0.508	0.519	0.511	0.540	0.501	0.535	0.802

Table 8. Discriminant Validity (Educational Institutions' Employees)

	1	2	3	4	5	6	7	8	9	10
1.Career Development	0.726									
2.Co-Workers	0.541	0.895								
3.Compensation	0.587	0.522	0.869							
4.Employee Performance	0.559	0.616	0.574	0.913						
5.Employee Retention	0.512	0.578	0.432	0.633	0.864					
6.Healthcare Insurance	0.552	0.532	0.501	0.521	0.585	0.857				
7.Increment And Bonuses	0.529	0.601	0.478	0.604	0.611	0.587	0.793			
8.Promotion	0.531	0.625	0.554	0.620	0.490	0.592	0.592	0.773		
9.Supervisor	0.666	0.596	0.604	0.476	0.613	0.513	0.508	0.607	0.852	
10.Working Conditions	0.545	0.614	0.544	0.567	0.574	0.524	0.498	0.543	0.672	0.763

4.7 Model Fit Measures

The fitness of the model in SEM-PLS is defined by various measures such as standardized root-mean-square residual (SRMR), and the exact model fits like d_ULS and d_G, Normed Fit Index (NFI), and χ^2 (Chi-square). The model fit measures consisting the measured value

of both saturated model as well as the estimated model is reported in above Table. The saturated model assesses the correlation between all constructs. The estimated model, on the other hand, takes model structure into account and is based on total effect scheme.

Table 9. Model Fit

Fit Summary	Edu		Banks	
	Banks		Edu	
	Saturated Model		Estimated Model	
SRMR	0.117	0.099	0.117	0.100
d_ULS	6.819	3.475	6.828	3.487
d_G	2.637	2.060	2.640	2.063
Chi-Square	1267.64	1018.858	1267.92	1019.677
NFI	0.486	0.505	0.486	0.504

4.8 Hypothesis Testing

Bootstrapping is one of the key steps in PLS-SEM, which provides the information of stability of coefficient estimate. In this process, a large number of sub-samples are drawn from the original sample with replacement (Hair et al. 2016). After running the bootstrap routine, SmartPLS shows the t-values for structural model estimates derived from the bootstrapping procedure. The results of path coefficients for all the hypothesis are shown in the following table. The t-value greater than 1.96 ($p < .005$) shows that the relationship is significant at 95% confidence level ($\alpha = 0.05$). Paths showing whether the relationship between measured and latent variables are significant or not. The path diagram showed in figure 2 & 3.

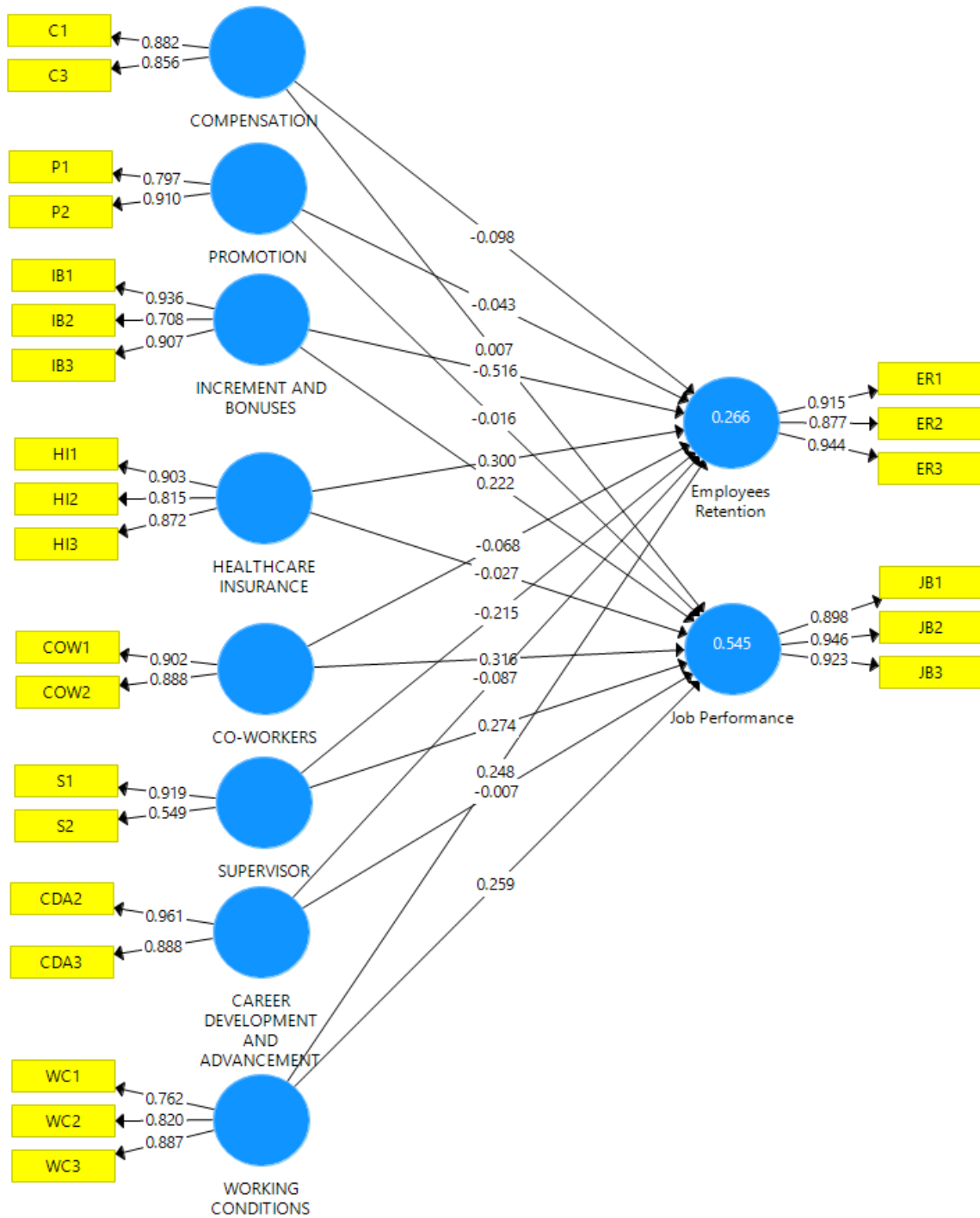


Figure 2. Education Sector's Employees

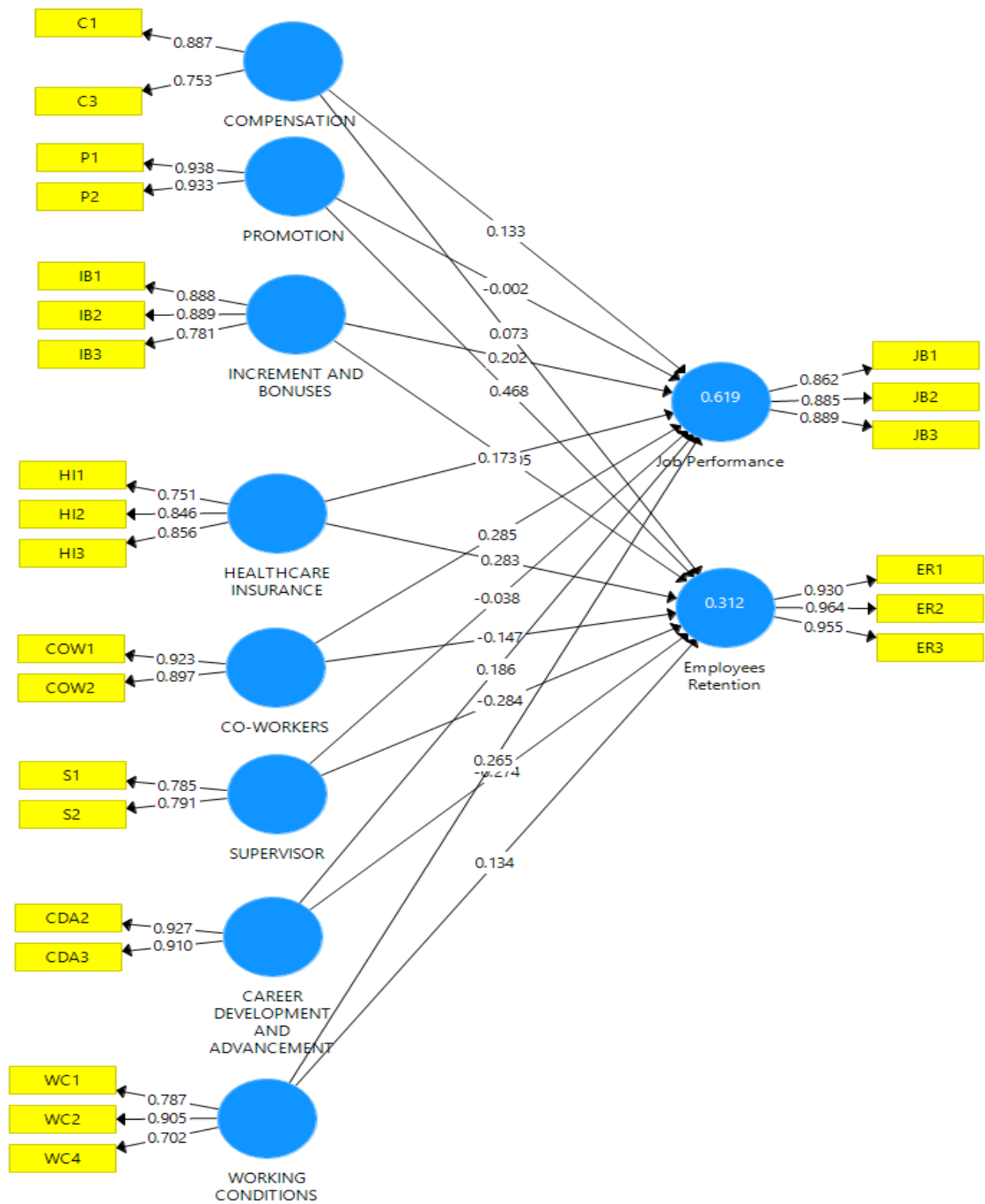


Figure 3. Banking Sector's Employees

Table 10. Hypotheses

Sector	Banks' Employees		Education Institutions' Employees	
	T –values	P –values	T –values	P –values
H1: Career Development has a significant impact on Job Performance	-1.864	0.063	0.701	0.483
H2: Co-Workers have a significant impact on Job Performance	4.374	0.000	3.236	0.001
H3: Compensations have a significant impact on Job Performance	1.394	0.164	0.278	0.781
H4: Working Condition has a significant impact on Job Performance	4.405	0.000	2.136	0.033
H5: Healthcare Insurance has significant impact on Job Performance	2.048	0.041	-0.737	0.462
H6: Increment And Bonuses have a significant impact on Job Performance	1.987	0.047	-1.440	0.151
H7: Promotion has significant impact on Job Performance	-0.046	0.963	-0.418	0.676
H8: Supervisor has significant impact on Job Performance	-0.764	0.445	2.269	0.024
H9: Career Development has a significant impact on employees retention	2.439	0.015	0.701	0.483
H10: Co-Workers have a significant impact on employees retention	1.222	0.222	-0.814	0.416
H11: Compensations have a significant impact on employees retention	-0.569	0.569	-0.551	0.582
H12: Working Condition has a significant impact on employees retention	1.079	0.281	1.338	0.181
H13: Healthcare Insurance has significant impact on employees retention	-2.417	0.016	-2.208	0.028
H14: Increment And Bonuses have a significant impact on employees retention	-2.381	0.018	-3.339	0.001
H15: Promotion has significant impact on employee's retention	-4.139	0.000	-0.416	0.677
H16: Supervisor has significant impact on Job Performance	-2.121	0.034	1.626	0.105

Above is the table which displays the results of hypothesis, the variables having relationship is positive as the p values of all variables are less than 0.05 which confirms that the variables taken for the study will have a positive impact on the supply chain performance in food industry. The T value shows there is a significant difference among the variables and the P

values depicts the decision no relation has been rejected and the alternative hypothesis have been supported on the basis of p values.

Based on results of table 6 job satisfaction core drivers including Career Development, Compensations and Promotions do not significantly affect the employee's performance in educational as well as banking sector. These relationships are insignificant with p values > 0.05. This insignificant impact of promotion on employee's performance is also in accordance with some previous researches (Malik et al, 2012). The supervisors do not have a significant impact on employee's performance due to p value > 0.05 in banking sector employees but it has significant impact on employees of educational sector due to p value < 0.05. For supervisor and employee performance, our results show that there is no significant relationship in banking sector employees due to p value > 0.05 and this also has been an ongoing area of research that whether the employees who are supported by supervisors perform well or the well-performers gets supervisor's support. These researches show that this relationship is under study and is still ambiguous (Christ et al., 2016; Sturman & Park, 2016). In our study healthcare insurance, increment and bonuses have insignificant impact on employee's performance of the educational sector but in banking sector co-workers, working conditions, healthcare insurance and increment and bonuses have a significant impact on performance of employees. Co-workers can also have a significant impact on left over employee's performance ([Anderson & Haas, 2018](#)). Our results show the same relationship that co-workers have a significant as well as positive impact on employee's performance (banking sector). Working conditions also have a significant impact on employee's performance because better workplace conditions can result in less health issues and employee's performance can increase. Our results are in accordance with the previous studies on this relationship because the better workplace conditions result in less workplace injuries and illnesses (Jinnett, 2017; Baethge, 2015). Healthcare insurance also significantly impacts the employee's performance because the employees need health insurance to perform better (Devaraj & Patel, 2017) and our results have supported our hypothesis that health care insurance significantly impact employee's performance. Employee's performance is said to have a positive relation with increment and bonuses because the employees become motivated when they get bonuses or increments and in turn, they perform better due to this monetary reward (Kiruja & Mukuru, 2013; Khalid, 2018). And our study also supports this relationship.

The challenge of employee retention can be best faced keeping in view a number of factors that also include supervisory relationships, rewards and promotion. So, this supports our two hypotheses for banking sector that supervisory support and promotions have significant (p value < 0.05) impact on employee's decisions to stay loyal to organization (Cloutier et al., 2015). Healthcare insurance and increment and bonuses have a significant impact on employee retention in both sectors (banking as well as educational). Co-workers, compensation and working conditions do not significantly (p value > 0.05) impact the employee's retention in banking as well as educational sector and it can be seen that previous literature supports this relationship. Co-workers do not have significant (p value > 0.05)

relationship with employee retention if the relationships are not good enough. It solely depends on whether both of them were having good relationships or bad ([Anderson & Haas, 2018](#)). In our study, career development, health care insurance and increment & bonuses have significant (p value > 0.05) positive relationship with employee retention in banking sector which implies that employees decide to remain loyal to the organization. Our study shows that career development and promotion have insignificant (p value > 0.05) impact on employee's retention in educational sector employees but impact is significant in banking sector employees. This is also supported by the previous literature that if employees are provided with health care insurance programs, career development practices and quarterly or biannually bonuses, they tend to stay loyal to organization (Campion et al., 2018; Humphreys, 2009; Law, 2016; Mathieu et al, 2016).

5. Conclusion

Better workplace conditions tend to significantly impact the employee performance in banking as well as educational sector. Different researches are in line with our results that not only cognitive but physical demands also play an important role in employee performance and these needs should be kept in mind at time of hiring. This is because the bad workplace conditions can cause episodes of illness and injuries with in employees that can in turn affect their productivity and performance. Human capital theory also suggests the same that when employers invest in health of employees, it can bring them improved work quality (Jinnett et al., 2017). We can conclude and our results shows the same that better workplace conditions for both sector employees (banking and educational) can result in better performances of the employees (Baethge et al., 2015). Co-workers also have significant impact on employee's performance of both sectors. Career development, compensations and promotions have insignificant impact on employee's performance of both sectors. This implies that organizations must not invest a lot of their time or resources in these three.

As far as employee's retention is considered, co-workers, compensations and working conditions do not have a significant impact on retention of employees hence we can conclude that these factors do not contribute to employee's decision of staying loyal to organization. However, health care insurance and increment & Bonuses both have positive impact on employee's retention in both sectors so we can conclude from results that a focus is needed in these two factors so that employee's retention can be increased.

5.1 Recommendations

Managers of the banking and educational sector must focus on the co-workers and working conditions so that employee's performance can be enhanced. A safety investment strategy can help the employers to get better workplace conditions and hence they can increase employee's performance (Jinnett, 2017) in banking and educational sectors. This is because better workplace conditions help in eradication of workplace injuries. Managers must also work on relationship management among their subordinates as Co-workers also have an impact on the performance ([Anderson & Haas, 2018](#)). However, employee retention cannot be

altered by improving work conditions. So, for analyzing turn over intentions, manager must consider some other factors that can help them to understand why employees may or may not remain loyal to organizations. For retention in banking and educational sector, managers can focus on increment & bonuses and health care insurance programs because they can help them to retain their employees. However, they can also focus on promotion plans for banking sector employees (Cloutier et al., 2015). Educational sector employees have no relationship of promotion with retention. Managers in banking sector must also invest their time and resources in arranging career development programs because there can be seen a significant relationship between retention and career development. Educational sector employees cannot be retained through development programs neither they can be retained by the co-worker's behaviors and attitudes. However, banking sector employees' needs health care insurance, career developments and bonuses to enhance employee retention (Campion et al., 2018; Humphreys, 2009; Law, 2016; Mathieu et al, 2016).

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