

Employee Satisfaction in the Emerging Banking Sector of Morocco

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In recent years, the Moroccan banking industry has performed very well relative to its counterparts in Africa. Using a sample of Moroccan banking employees, the factors (variables) which motivate these employees to perform on the job were examined. Based on the findings of this exploratory investigation, Moroccan banking executives should restructure their reward and benefit systems. Also, these executives need to invest in the professional development and growth of employees. Also, Moroccan banking organizations need to decentralize by allowing employees more freedom to make decisions. Finally, other motivation related variables and their impact on employee satisfaction and organizational performance are explored.

INTRODUCTION

Organizational effectiveness is tied to the performance, motivation and satisfaction of its human resources. As such, organizations, all over the globe, attempt to hire highly qualified employees, and to provide them with the operational environment, which facilitates the full utilization of their skills in pursuit of best organizational performance. However, this worthy end is not always guaranteed as some of these variables are tangible, while others are intangible.

The aim of this research is to explore the important aspects of the human resource, in the workplace, which trigger the employees' satisfaction and effective performance. Specifically, the focus of this research is on employees' motivation variables. In other words, the study examines the determinant motivational factors that impact the employees' level of satisfaction, and in turn their performance level. Such performance tends to have significant implications to organizational performance.

BACKGROUND

According to a recent study by Rekrute.com related to employees' motivation in Moroccan organizations, six out of ten were demotivated. The same study revealed that sixty-five percent (65%) of the employees surveyed pointed to the lack of any career growth opportunities and plans. Also, sixty-two percent (62%) of the surveyed employees complained of low salaries. In addition, fifty-four percent (54%) tended to have problems with their organizations. In addition, thirty-four percent (34%) noted the imbalance, which existed between their personal well-being and their professional careers. Out of these employees, twenty percent (20%) pointed out problems associated with hierarchy conflicts within their organizations. Finally, twelve percent (12%) pointed to the problem of conflictual relations associated with their colleagues (l'économiste, 2018).

Therefore, organizations need to determine the most significant factors that trigger employees' motivation, and then gauge, assess and customize these factors for each employee in order to improve performance. This makes the process of maintaining employees' high motivation and satisfaction rather challenging to management, since motivational factors are continually changing (Buford et al, 1995). In this case, banking organizations are no exception.

This research focuses on the banking industry in Morocco, which has witnessed many drastic changes since 2008. According to the World Bank (2017), lack of liquidity in the monetary market, diversity of product portfolio, including banking services to insurance and tax payment options, and the adoption of ANAPEC contracts have created a precarious situation for the banking system employees. These changes have made the work more difficult and stressful for employees in the banking sector. In this context, emphasis on the importance of employee motivation becomes a necessity rather than a luxury.

According to the IMF, the Moroccan banking industry is one of the best performers in Africa. This high performance was attributed to an aggressive strategy based on offshore investment, product diversification, and skilled workforce recruitment (World Bank, 2017). Such strategy has led to a keen competition between Moroccan banks, especially with the introduction of participative banks, which started to operate since 2017. In addition to these factors, the flexibility of the labor market in Morocco allowed the banks to recruit for one or two years, then decide either to keep the employee or not (ANAPEC contract). Therefore, placing major emphasis on employees' motivation within this sensitive sector is very much justified, as it very much impacts organizational performance. As such, studies dealing with motivation and satisfaction of employees in this important sector have significant managerial implications.

According to a recent report published in 2018 which was conducted by Oxford Business Group (OBG), the Moroccan banking sector was reported to be one of the most developed in Africa and the MENA region (OBG, 2018). In fact, Moroccan banks proved to be remarkably resilient in facing the financial crisis of 2008. Not only that these banks were able to withstand the crisis, but rather they showed the capacity to expand their activities and offerings during the years which followed. Morocco has some of Africa's largest banks. Several of these banks have become major players in the continent. This includes Attijari Wafa Bank (AWB), Banque Centrale Populaire (BCP) and BMCE Bank of Africa, among others (World Bank, 2017).

Recently the banking sector in Morocco became even more competitive, especially with the launching of the participative banks in 2017. In addition, this sector has successfully dealt with reforms aiming at changing microfinance associations' status into that of typical banks, which can collect savings and receive deposits from customers. Also, the banking sector has witnessed many reforms designed to facilitate access to loans for SMEs in order increase money supply, ensure financial system stability and sustainability (Bank Al-Maghrib, 2017). Based on the new realities of the Moroccan Banking industry, employees' satisfaction, motivation, and performance are gaining more importance. These are key employee related variables, which impact the competitiveness of the banking sectors as a whole. This provides a practical justification for the current study.

METHOD

For the purpose of this study, initial interviews with banking employees were conducted. The interviews were targeted at employees within Moroccan banks branches, which included branches in Casablanca, Mohammedia, Meknes, and Rabat. The aim of these interviews was to identify motivational factors which were important to these employees. It is to be noted here that the use of the word factors does not imply factors, such as factors extracted from factor analysis. It simply means variables.

Based on the results of the initial interviews and in consultation with a panel of experts, a survey was constructed in order to assess the degree of satisfaction Moroccan banks employees associated with motivating factor (variable). The final survey was modified few times to better reflect the variables of interests and the operational environment of the participants. The survey was rather simple based on the requests of the banks.

Sample Population

The population of interest in our study was Moroccan banks employees, specifically, those employees working in different banks' branches. In this regard, the focus on only employees within banks' branches and rather on mother banks, or microfinance companies. This was justified by the differences in the level of motivational variables in these different banking operational environments. As such, motivational variables in banking branches were viewed to be, somewhere, between those of mother banks (high salaries, rewards, benefits...), and those of microfinance companies (low salaries, rewards, benefits...). Taking operational factors into consideration, a sample size of 200 employees was set as an acceptable target given the size and nature of the population involved. In this context, the sample is relatively representative of the targeted population.

Questionnaire

The questionnaire used to gather the data for this research was composed of two short sections. The first section included some general information, which included such demographics and professional information. The questions in this section were set in a form of multiple choice questions, where the respondents were asked to select the answer most fitting their situation. These questions were designed to collect the data about the gender, age, position in the bank, number of years in the banking sector, and the level of education.

The second section of the questionnaire was designed in order to assess the key motivation variables, which were identified during the earlier interviews. In this section nine motivational factors (variables) were selected. They included Salary, Rewards and other benefits, Relationship with colleagues, Relationship with top management, recognition and appraisal, Job security, Life balance, Advancement Opportunities, and Ability to make decision. The assessment of all these variables, in addition to the overall satisfaction was carried out based on a five-point Likert-type scale.

The validity of a research instrument is based on its ability to effectively measure and assess what it was designed for while being free of biases and potential random errors (Diamantopoulos & Schlegelmilch, 2000). In order to confirm the validity of the questionnaire used in this research, a three-level checking list was followed. First, the choice of the motivational variables was based on similar studies and the practical needs of the banks. Second, the questionnaire was subjected to the examination by professional consultants working in the academic banking field, bankers, and banking employees for face validity. Finally, a pilot test (pre-test) was conducted on a sample of 22 employees and bankers. This procedure confirmed that the questionnaire practically was appropriate, for the purpose of this study.

Data Collection

The questionnaire was administrated using two methods. The first was online-based, where a link was sent to different bankers selected at random. Based on this method 116 responses were collected, of which 96 were complete and useful. The second method was based on a written traditional format. This version was sent by mail to bankers from Casablanca, Mohammedia, Rabat, and Meknes. This approach could be

considered a convenience sampling method. From this group, 100 questionnaires were obtained. Seventy-eight (78) questionnaires out of these were correctly completed.

FINDINGS AND DISCUSSION

Sample Profile

Overall, the sample consisted of 174 respondents. It included, almost, an equal number of male and female respondents. Therefore, both genders were represented in this study. Furthermore, analysis revealed no significant difference ($\alpha = .05$) among males and females with regard to the studied variables.

The majority of the respondents were from the top three banks in country. In fact, about seventy percent of the respondents were from the three major Moroccan banking groups (AWB with 23%, BCP with 19.5%, and BMCE with 28.2%). The remaining thirty percent represented the rest of the banks in the country. As such, the sample was not a true representation of the entire population, as it was not totally random in nature.

With regards to the respondents experience in the banking industry, the collected data showed that about fifty-two percent of the sample were employed in the banking sector for five fewer years. In addition about twenty-six percent had 5-10 years of experience, while about seventeen percent had an experience of between 10 and 15 years. Only five percent had an experience of more than 15 years. Therefore, the sample had relatively acceptable experience in banking.

In terms of educational background, about fifty percent of the sample held a master degree. Also, fifteen percent held baccalaureate degree. The rest had some level of college education. Therefore, most of the respondents were highly educated. In terms of the type of occupation in the bank, about fifty percent of the respondents were customer consultants. Twenty percent were cashiers. Sixteen percent were branch directors. The rest occupied other functions within the banks. Therefore, the majority of the participants had direct contacts with the customers. As such, if these employees were not highly motivated and satisfied, this could lead to negative direct impact on the interactions with the customers.

Results

Using descriptive analysis, the results revealed an insight into the level of satisfaction of the most determinant motivational factors (variables) within the Moroccan banking sector. This, in turn, allowed for uncovering the most critical variables in term of satisfaction. Table 1 shows the level of employees' satisfaction concerning the different variables of interest included in this study. The proportion of the respondents that indicated average satisfaction were disregarded. The focus was on the proportion of the respondents, who were either satisfied and highly satisfied, or dissatisfied and highly dissatisfied.

Table 1 shows that the participants that identified with dissatisfied or highly dissatisfied were relatively high, and in some cases exceeded the proportion of satisfied or highly satisfied. This should be alarming to banking officials. Rewards and other Benefits seemed to be the main variable contributing to dissatisfaction of the employees (56.3%). This variable, when combined with Salary (36.2%) were the two variables contributing to the dissatisfaction of employees the most. This means that banks might have to do more in order to improve the salaries and benefits offered to their current employees and future recruits. This might be required even if such salaries and benefits are in line with other sectors in the economy. It is to be kept in mind that banking employees are in very direct contact with customers. This might not be true in other settings. In the case where banks were hiring their employees on part-time basis, or based on short-term contract basis in order to avoid paying them reward and benefits, such practices should be reconsidered in order to improve job satisfaction and consequently job performance, especially since the employees deal with customers directly.

In either case, salary and benefits need to be part of an integrated reward system. In such system, overall salaries and benefits must be linked to performance. This needs to be communicated clearly to existing and potential employees.

TABLE 1
OVERALL LEVEL OF EMPLOYEE SATISFACTION AND MOTIVATION VARIABLES

Motivation Variables	Satisfaction Level		
	Satisfied or Highly Satisfied	Average	Dissatisfied or Highly Dissatisfied
Salary**	26.4%	37.4%	36.2%
Rewards and Other Benefits**	16.1%	27.6%	56.3%
Relationship with Colleagues	70.1%	23%	6.9%
Relationship with Top Management*	47.7%	29.3%	23%
Recognition and Appraisal**	38.4%	30%	31.6%
Job Security**	47.1%	30.5%	22.4%
Life Balance**	35.1%	32.8%	32.1%
Advancement Opportunities**	22.4%	31.6%	46%
Ability to Make Decisions**	32.8%	35.6%	31.6%

** : Major managerial action is required (system-wide changes)

* : Managerial action is highly recommended (policy and procedural changes)

The third factor with which employees were being dissatisfied or highly dissatisfied (46%) was the Advancement Opportunities variable. This finding has similar implications to management as the first two variables with regard to improving job performance of the employees through taking managerial actions. It is vital for employees of any organizations to feel that they have a future with their organization both in the short-term and long-term. Therefore, bankers are advised to offer their employees training and continuous education aimed at improving the skills and potential growth.

While the first two motivation variables in this Table were tangible in nature, the remaining seven factors were more intangible in nature. They were related to the work environment. The results show that, except for the Advancement Opportunities variables, the employees were more satisfied with the remaining six variables. For example, 70.1% indicated that they were satisfied or highly satisfied with their Relationship with their Colleagues. This finding reflects a good working environment which management can use to promote teamwork. Almost forty-eight percent of employees were satisfied, or highly satisfied with their Relationship with Top Management in their place of work. This finding is encouraging, yet room for improvement is still needed.

Job Security and Recognition and Appraisal were both important variables contributing to the relative low satisfaction of the employees in the study, with 47.1% and 38.4% of the respondents indicating satisfied and highly satisfied, respectively. These two intangible motivational variables also point to the need for more managerial efforts in order to improve the overall satisfaction level of employees. This could be accomplished with more systematic assessment procedures and policies.

The remaining two variables, Life Balance, and Ability to Make Decision showed marginally high percentage of satisfied or highly satisfied employees. However, both variables still show high percentage of dissatisfaction. Again more managerial actions are needed here. Allowing employees more freedom to make decisions is a good first step in that direction.

Overall, the result of this study indicates that the participants in this study were dissatisfied with their salary, rewards and other benefits despite being relatively satisfied with their work environment. Table 1

identifies the variables, which require system-wide changes as well as managerial actions needed in addition to other variables which require managerial actions in terms of new procedures and policies.

CONCLUDING REMARKS

Based on the findings of this study, it is recommended that Moroccan banking executives should align their performance systems with their rewards and benefits systems in order to encourage best performance. In addition, they should invest in developing the professional potential of their promising employees. In this context, giving employees more freedom to make decisions is highly recommended, as it will increase the employees' organizational loyalty and commitment. For the Moroccan banking sector to continue its progress, it must put more emphasis on the important human capital, which could make or break performance. It is to be noted that the research instrument used in this study was intended to be simple, as a first phase. It is, however, in the process of being expanded to include more detailed variables in order to be suitable for factor analysis. The refinement of the instrument should provide banking officials with more needed information, as they attempt to enhance the motivation and satisfaction of their human capital. It is to be kept in mind that the banking business is about people serving people. Therefore, Moroccan bankers are advised to foster an operational environment, where employees are more storied and willing to serve their customers with a spirit of professionalism and friendliness. This is going to require management of these banks to be willing to do things differently. System-wide changes as well as procedural changes might be needed. Without such changes, the overall performance of the leading banking sector in Africa might be a risk of declining.

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