

Impact of Extrinsic Rewards on Job Satisfaction of Banking Sector Employees of Karachi Pakistan

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Abstract: In today's competitive market every organization striving to achieve competitive advantage by using employee's abilities, skills, and knowledge and to make accurate utilization of human resource banking sector offer different extrinsic rewards. Past researches proved that satisfied employees are more committed and loyal to organizations, comparatively other employees. The core intention of the research is to ascertain the impact of extrinsic rewards on job satisfaction with the mediating role of feeling of fairness and work life balance of banking sector employees of Karachi Pakistan. Data is collected through questionnaires method, for gathering primary data 135 questionnaires are distributed in different banks of Karachi Pakistan and 105 useable questionnaires are completed and returned. Descriptive analysis, multiple regression and correlation test is applied to find relationships and to test hypothesis. This research discovered that there is a constructive relationship between extrinsic rewards and job satisfaction. This study also proved that extrinsic rewards increase in feeling of fairness of employees and help them in work life balance and these variables derived job satisfaction of banking sector employees of Karachi Pakistan.

Keywords: extrinsic rewards, job satisfaction, work life balance, feeling of fairness, fringe benefits

I. Introduction

Performance and satisfaction will be changed if offered rewards would be altered (Ali, R., & Ahmed, M. S. 2009). (HUMPHREY, T 2009) indicated that rewards affect job satisfaction , job commitment ,and performance so to understanding need of employees and offering them right reward are important in administrative and professional institutes. (Rehman, M. Z., Khan, M. R., & Lashari, Z. a. 2010) indicated that there is a valuable relationship between intrinsic rewards, extrinsic rewards and employee satisfaction, but extrinsic rewards and job satisfaction has efficacious relationship comparatively.

(Jehanzeb, K., Rasheed, P. M., Rasheed, A., & Alamzeb Aamir 2012) claimed that there is worthwhile relationship between rewards , motivation and job satisfaction in banking sector employees of Saudi Arabia. (Rafiq, M., Javed, M., Khan, M., & Ahmed, M. 2012) claimed that after evaluating extrinsic rewards and intrinsic rewards with job satisfaction, extrinsic rewards are relatively more important than intrinsic rewards. (Ali, A, & Akram, M. N 2012) research affirms that a powerful relationship is found between extrinsic rewards, motivation and job satisfaction

(Nazir, T., khan, S.-u.-r., shah, S. F., & Zaman, K. 2013) claimed that UK higher education attaining competitive advantage by furnishing rewards.(Gohari, P, Kamkar, A, S. J., & Zohoori, M Hosseinipour, 2013) revealed that employees give their maximum efforts to the organization when their feeling of fairness increases due to compensate them fairly by Bosses. (Aktar, S., Uddin, M. Z., & Sachu, M. K. 2013) implied that feeling of fairness is increases in well rewarded employees and they feels they are being valued by the organization they are working for. Sarwar, S., & Abugre, J. (2013)claimed that job satisfaction increases employee loyalty and dedication towards organization and it's also recognized that the employee job dissatisfaction is recorded because of offering less pay and other incentives. (Gohari, P., Kamkar, A., Hosseinipour, S. J., & Zohoori, M. 2013) declare that demographic elements do not have an impact on job performance, but rewarding elements (pay, bonus, fringe benefits, appreciation and empowerment) have a very significant relationship with job performance.(Dr. T. Usha Priya, H., & Eshwar, M. T. 2014) agreed with past studies in which declare that banking sector employees give more worth to extrinsic reward as judge against to intrinsic rewards.

1.1.1 Problem Statement:

Employees give their maximum efforts and loyalty to the organization when they feel they are treated fairly by organization especially by offering extrinsic rewards, which help employees to work life balance. Extrinsic rewards are considered as a good tool for boosting employee job satisfaction and this research is developed to examine how extrinsic rewards impacts on job satisfaction of employees of the banking sector.

1.1.2 Research Question

- What is the impact of extrinsic rewards on feeling of fairness of employees?
- What is the impact of extrinsic rewards on work life balance of employees?

- What is the impact of extrinsic rewards on job satisfaction?

1.1.3 Objectives Of This Study

- To investigate the impact of extrinsic rewards on feeling of fairness of employees.
- To examine the impact of extrinsic rewards on work life balance of employees.
- To analyze the impact of extrinsic rewards on job satisfaction.

1.1.4 Significance Of The Study

- This research will support further studies to identify the impact of extrinsic rewards on job satisfaction which help organizations to furnish their employees with better extrinsic rewards to increase job satisfaction of employees.
- This research article could help managers in better understanding and realization of the importance of furnishing employees, extrinsic rewards and the impact of these rewards on job satisfaction.
- This research will help educational institutes in more researches and to increase awareness about the impact of extrinsic rewards on job satisfaction.

1.1.5 Limitations:

This research is confined to banking sector employees, of Karachi Pakistan and its focus exploration is on extrinsic rewards only where intrinsic rewards are not included.

II. Literature Review

Fareed, Z., Abidan, Z. U., Shahzad, F., Umm-e-Amen, & Lodhi, R. N. (2013) conducted a research to observe impact of rewards on employees job performance and job satisfaction. Questionnaires are used as a tool for data collection Population of audience consists on telecommunication sector of Okara city. Correlation and ANOVA analysis proved that there is a constructive relationship between extrinsic rewards and job satisfaction. According to research job satisfaction depend on motivation and motivation will be change through extrinsic rewards and research claimed that extrinsic rewards play conspicuous role in positive change on job satisfaction.

Khalid, K., Salim, H. M., & Loke, S. P. (2011) organized research to realize the impact of rewards and motivation on job satisfaction in water utility industry. Regression analysis is used to test the relationship between extrinsic rewards and job satisfaction. 689 employees of public and private water utility sectors participated in research. Findings of study indicated that in these sectors Malaysian employees are moderately rewarded and they are highly satisfied with their jobs. Research found that extrinsic rewards effectively influenced job satisfaction.

Nazir, T., Khan, S.-u.-r., Shah, S. F., & Zaman, K. (2013) performed article research to ascertain relationship between rewards and employees performance. Data is collected by carrying out a survey in 23 UK universities. According to research UK Higher Education gaining high competitive advantage by offering extrinsic and intrinsic rewards to faculty and makes them more satisfied and competent.

Rafiq, Javed, Khan, & Ahmed, (2012) conducted study to observe effect of rewards on job satisfaction. Data were collected from different telecom organizations call centers employees of Pakistan. By applying regression analysis research investigated that job satisfaction is significantly depended on extrinsic rewards as compare to intrinsic rewards. Research proved that when employees are furnished with financial rewards as compare to non financial rewards they become more satisfied.

Imran, A., Ahmad, S., Nisar, Q. A., & Ahmad, U (2014) conducted research to detect relationship among rewards recognition and employees job satisfaction. Multiple regression method is used to investigate the variables which applied in research. Data is collected through questionnaires which are distributed in 120 librarians and staff of Lahore Pakistan Research claimed that for proper utilization of human resource service organizations offer different rewards, incentives and recognition program. Research recommended that rewards and recognitions considered as various factors of job satisfaction and motivation.

Ali, R., & Ahmed, M. S. (2009) conducted research to identify impact of rewards and recognition programs on employee's motivation and satisfaction. Correlation analysis and Regression analysis method is used in review. Research data is collected through questionnaire from 80 employees of UNILEVER organization. Analysis of study reflects that there a statistically powerful relationship between rewards, recognition, job motivation and job satisfaction. Research recommended that whenever, the business could use the findings of this study, they revisit their current rewards and recognition program and focus the needs of different groups people with the organization.

Jehanzeb, K., Rasheed, P. M., Rasheed, A., & Alamzeb Aamir 2012. Performed study to observe impact of rewards and motivation on job satisfaction in banking sector. 568 employees were participated from both private and public banks of Saudi Arabia, regression analysis is applied to find the connection between rewards, job satisfaction and employee motivation. Study claimed that degree of rewards, job satisfaction and

motivation has a powerful relationship in banking sector of Saudi Arabia, research included that employees of banking sector prefer extrinsic rewards.

Gohari, P, Kamkar, A, S. J., & Zohoori, M Hosseinipour, (2013) performed research to observe relationship between rewards and employees performance with mediating role of job satisfaction. Review is carried out by applied Herzberg theory and Maslow's theory. Study implied that to acquire results from Human Resource with highest efficiency and effectiveness, motivation is very crucial and satisfaction play remarkable role in attaining motivation of employees.

Danish, R. Q., & Usman, A (2010) organized research to recognized impact of rewards and recognition on job satisfaction and motivation. 220 completed questionnaires are used in which employees of the industrial sector of Gujranwala participated, research claimed that statistical analysis proved different dimensions of satisfaction and motivation, are considerably correlated and rewards have an exceptional impact on motivation. Study claimed that motivated employees help organizations to gain competitive advantage and profitability, review added that periodically pay, bonuses, fringe benefits and other compensations keep employees satisfied and make them motivated.

Aktar, S., Uddin, M. Z., & Sachu, M. K. (2013) conducted study to ascertain impact of rewards on job satisfaction and employees performance. 154 complete questionnaires are filled from employees in Bangladesh. Pair sample t-test, Pearson, regression analysis and correlation analysis, proved that there is a worthwhile relationship between rewards, the employee's performance and employee satisfaction of pharmaceutical industry Bangladesh, study implied that feeling of fairness is increases in well rewarded employees and they feels they are being valued by the organization they are working for.

Ali, A., & Akram, M. N (2012) conducted research to find impact of financial reward on job satisfaction and motivation. Quantitative research method is used 186 employees participated from the pharmaceutical industry; regression analysis is implemented to find relationships, review affirms that an efficacious relationship is found between extrinsic rewards, motivation and job satisfaction. Study discloses that extrinsic rewards are offered to employees by pharmaceutical industries of Pakistan and employees are highly motivated and satisfied with their jobs.

Rehman, M. Z., Khan, M. R., & Lashari, Z. a. (2010) organized research to observe effects of job rewards on job satisfaction. 84 employees of FESCO Pakistan participated, regression analysis and moderating variable analysis is used in research, study indicated that FESCO offer attractive fringe benefits and pension plan for retired employees so these varied results in a strong relationship between satisfaction and extrinsic rewards and also proved that employees are more concerned about extrinsic rewards which are paid to them.

Sarwar, S., & Abugre, J. (2013) performed research analysis to ascertain the impact of rewards and job satisfaction on employees in the service industry, 110 questionnaires are tested and constructed from two private organizations and chi-square analysis is applied to detect a relationship, research claimed that rewards play noteworthy role in job satisfaction which resulting in increase customer loyalty and job satisfaction, observation of research is that job satisfaction increases employee loyalty and dedication towards organization.

Ozutku, H. (2012) organized study to perceive the influence of intrinsic rewards and extrinsic rewards on employee results, data is collected from 217 businesses of the turkey manufacturing sector, ANOVA analysis, MANOVA analysis and descriptive analysis are used, outcomes of research are that the implementation of extrinsic rewards and intrinsic rewards are not high in turkey manufacturing industries. Study claimed that intrinsic rewards have high impact on employee's results as compared to extrinsic rewards.

Ma, F. (2013) conducted research to observe do extrinsic conditions affect job satisfaction in the same way for all workers. Regression analysis is applied to realize extrinsic condition affect job satisfaction, research revealed that some of the subjects which are used in analysis, consider that extrinsic condition are not significant are at work but indirectly these conditions affect job satisfaction. According to research those subjects who completely ignore extrinsic conditions there is not influenced on their job satisfaction.

HUMPHREY, T (2009) performed study to realize the relationship between Reward system, organizational commitment, satisfaction and employee performance, 300 participants are selected from two Uganda universities data is collected through questionnaires. To discover relationships, correlation analysis and regression analysis is used, research indicated that rewards play considerable role in increasing job satisfaction, job commitment and job performance. According to research rewards affect all these factors, so to understanding need of employees and offering them right reward are important in administrative and profession institutes, research recommended that for building worthwhile rewards system to concern these key factors are important which are work life balance, compensation, benefits, career development and opportunities.

Zeb, A., Rehman, S. U, Gouhar Saeed, & Hamid Ullah conducted review to identify the relationship between reward and recognition and employee job satisfaction, motivational theories are used to analyze the relationship between rewards recognition and job satisfaction. Study claimed that the motivation of employees is derived by concrete rewards, incentives and recognition, and also added that extrinsic rewards, promotions, positive feedback, and recognition play important role in enhancing job satisfaction, review suggested that

organizations will achieve their objectives through job satisfaction and motivation which can be derived by rewards.

Dr. T. Usha Priya, H., & Eshwar, M. T. (2014,) performed study to observe the relationship between rewards, employee satisfaction and employee motivation in commercial banks. Used 266 questionnaires used for collecting data from four commercial banks in Chennai India. Regression analysis and correlation analysis are applied for analysis of research, study claimed that there is a sturdy relationship between rewards and job satisfaction and this study agreed with past studies in which they found banking sector employees give more importance to extrinsic rewards. According to study rewards must be furnished to attain organizational goals through boost motivation and employee satisfaction in commercial banks, research recommended to test proposed framework in a commercial bank and in service industries.

Gohari, P., Kamkar, A., Hosseinipour, S. J., & Zohoori, M. (2013) conducted review to recognize the relationship between rewards and employee performance. 77 survey questionnaires used which are filled up by tourism companies in Malaysia, coefficient analysis and ANOVA analysis is used to analyze the relationship between these variables. Study claimed that demographic elements do not have an impact on job performance, but rewarding elements (pay, bonus, fringe benefits, appreciation and empowerment) have a very significant relationship with job performance. Research recommended that the rewards should offered to employees according to their needs those employees who are financially strong they prefer intrinsic rewards.

Rahim, M. A., & Daud, W. N. (2012) organized research to find relationship between rewards and employee motivation, 133 survey questionnaire are used selected candidates are permanent and contract based employees, research claimed that reward system motivates employees to give their total efforts to achieve assigned goals, review recommended that the organization should make these kinds of pay policies and procedures which are attractive and make employee satisfied and motivated.

III. Methodology:

1.3.1 Statistical Technique Used:

In this review quantitative research method technique is used to collecting data. Data is coded by using (SPSS) statistical packages for social sciences, and descriptive statistical method (mean, mode, median and standard deviation) is used to interpret data, correlation and regression analysis is used to find relationships and to test hypothesis. Deductive approach is used in this review.

1.3.2 Primary Data:

Primary data is used in this research to examine relationship between extrinsic rewards and job satisfaction. Data is collected through questionnaires this is most inexpensive methods for gathering primary data, 135 questionnaires are distributed in different banks of Karachi Pakistan and 105 useable questionnaires are completed and returned.

1.3.3 Data Collection Techniques:

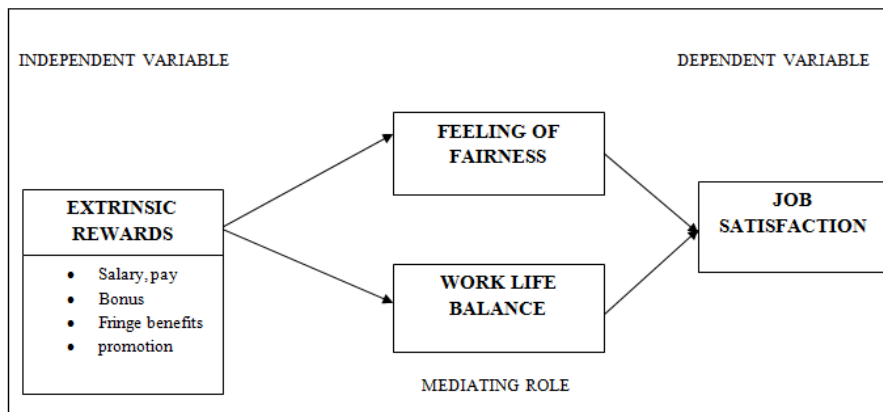
To establish this research article data is collected through using self-administrated questionnaire in which 5 point likert scale is used to measuring results easily and they are ranging as 1 strongly disagree, 2 disagree, 3 neutral, 4 agree, 5 strongly agree. Questionnaire is consisting on following dimensions:

- SALARY OR PAYMENT: examine respondents whether fairly paid or not.
- FRINGE BENEFITS: examine whether benefits are provided to them are they satisfactory
- BONUS: examine are bonuses help them in work life balance
- PROMOTION: probed they are timely promoted.
- FEELING OF FAIRNESS: whether feeling of fairness increases due to extrinsic rewards.
- WORK LIFE BALANCE: either extrinsic reward help them in work life balance.

1.3.4 Data Collection Source:

Populations of audience are consisting on banking sector employees of Karachi Pakistan. Questionnaires are filled by managers and also operational level employees, Males and females both are our respondents. Study sample size consisting of 105 respondents.

1.3.5 Theoretical Framework



1.3.6 Development Of Hypothesis

- Ho: There is no relationship between extrinsic rewards and feeling of fairness.
- H1: There is relationship between extrinsic rewards and feeling of fairness.
- Ho: There is no relationship between extrinsic rewards and work life balance.
- H2: There is relationship between extrinsic rewards and work life balance.
- Ho: There is no relationship between extrinsic rewards and job satisfaction.
- H3: There is relationship between extrinsic rewards and job satisfaction

2.1 Analysis Of Hypothesis

Table: 1 Presenting Descriptive Statistics Of Hypothesis#1

Descriptive Statistics							
	N	Minimum	Maximum	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error
happy with salary	105	1.00	5.00	3.1905	.91036	-.312	.236
feeling of fairness increase	105	1.00	5.00	3.3714	.95331	-.540	.236
Valid N (listwise)	105						

Table: 2 Presenting Correlations Of Hypothesis#1

Correlations			happy with salary	feeling of fairness increase
happy with salary	Pearson Correlation		1	.305**
	Sig. (2-tailed)			.002
	N		105	105
feeling of fairness increase	Pearson Correlation		.305**	1
	Sig. (2-tailed)		.002	
	N		105	105

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

Table: 3 Presenting Model Summary Of Hypothesis#1

Model summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.305	.093	.085	.91213

Table: 4 Presenting ANOVA Of Hypotheses #1

Model	Sum of Squares	df	Mean Square	F	Sig
1 Regression	8.820	1	8.820	10.601	.002 ^a
Residual	85.694	103	.832		
Total	94.514	104			

Table: 5 Presenting Coefficient Of Hypothesis#1 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.351	.326		7.214	.000
happy with salary	.320	.098	.305	3.256	.002

Table: 6 Presenting: Descriptive Analysis Of Hypothesis #2 Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error
happy with fringe benefits	105	1.00	5.00	3.1048	.98960	-.214	.236
help me in work life balance	105	1.00	5.00	3.5429	.86634	-.768	.236
Valid N (listwise)	105						

Table: 7 Presenting Correlation Analysis Of Hypothesis #2 Correlations

		happy with fringe benefits	help me in work life balance
happy with fringe benefits	Pearson Correlation	1	.202 ^{**}
	Sig. (2-tailed)		.039
	N	105	105
help me in work life balance	Pearson Correlation	.202 ^{**}	1
	Sig. (2-tailed)	.039	
	N	105	105

Table: 8 Presenting Model Summary Of Hypothesis#2 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.202 ^a	.041	.032	.85256

Table: 9 Presenting ANOVA Of Hypothesis#2
ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	3.191	1	3.191	4.391	.039 [*]
Residual	74.866	103	.727		
Total	78.057	104			

Table: 10 Presenting Coefficients Of Hypothesis#2
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.993	.275		10.878	.000
	happy with fringe benefits	.177	.084	.202	2.095	.039

Table: 11 Presenting Descriptive Analysis Of Hypothesis #3

	Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Skewness	Std. Error
pay policy is fair	105	1.00	5.00	3.2571	.93056	-.538	.236
increase satisfaction	105	1.00	5.00	3.8381	1.06630	-.931	.236
Valid N (listwise)	105						

Table: 12 Presenting Correlation Analysis Of Hypothesis#3
Correlations

		pay policy is fair	increase satisfaction
pay policy is fair	Pearson Correlation	1	.236 [*]
	Sig. (2-tailed)		.015
	N	105	105
increase satisfaction	Pearson Correlation	.236 [*]	1
	Sig. (2-tailed)	.015	
	N	105	105

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

Table: 13 Presenting Model Summary Of Hypothesis#3

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.236 ^a	.056	.047	1.04115

Table: 14 Presenting Anova Of Hypothesis#3

ANOVA ^b					
Model		Sum of Squares	df	Mean Square	Sig.
1	Regression	6.595	1	6.595	.015 [*]
	Residual	111.652	103	1.084	
	Total	118.248	104		

Table: 15 Presenting Coefficients Of Hypothesis#3
coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	2.957	.372		7.958	.000
	pay policy is fair	.271	.110	.236	2.467	.015

Table 16: Presenting Questionnaire Reliability Statistics

Reliability Statistics	
Cronbach's Alpha	N of Items
.729	19

Table 17: Presenting Hypothesis Results

HYPOTHESIS	P-VALUE	RESULTS
Ho: There is no relationship between extrinsic rewards and feeling of fairness.	.002	Rejected
Ho: There is no relationship between extrinsic rewards and work life balance.	.039	Rejected
Ho: There is no relationship between extrinsic rewards and job satisfaction.	.015	Rejected

2.2 Empirical Results And Findings

Above Table: 1 Presenting Descriptive Analysis Of Hypothesis #1

Table 1 of descriptive analysis show that the mean values of independent variable extrinsic reward are 3.1905 and mean value of dependent variable feeling of fairness is 3.3714 which means our mostly respondents agree that the extrinsic reward increase in their feeling of fairness.

Above Table: 2 Presenting Correlation Analysis Of Hypothesis #1

In Table 2 correlation show that there is a very week positive relationship between extrinsic rewards and feeling of fairness of employees and sig value is $.002 < 0.01$, so therefore our null hypothesis is rejected and our Alternative hypotheses is accepted at 0.01 significant level.

Above Table: 3 Presenting Model Summary Of Hypothesis#1

In table 3 model summary show that the R square Value of extrinsic reward is .093 respectively Which means that here is a one unit change in independent variable extrinsic rewards, may cause 9.3% change in dependent variable feeling of fairness.

Above Table: 5 Presenting Coefficient Of Hypothesis#1

REGRESSION FUNCTION: (dependent variable) feeling of fairness= $2.351 + .320$ extrinsic rewards
 If one unit changes in (independent variable) extrinsic rewards then the (dependent variable) feeling of fairness in employees will increase by .320 units. In table 5 coefficient show that the beta coefficients is .305 it's mean that if one unit increase in independent variable extrinsic rewards then the dependent variable feeling of fairness increase by .305 units.

Above Table: 6 Presenting Descriptive Analysis Of Hypothesis #2

Table 6 of descriptive analysis show that the mean values of independent variable extrinsic reward are 3.1048 and mean value of dependent variable work life balance is 3.5429 which means mostly respondents agree that extrinsic rewards help them in work life balance.

Above Table: 7 Presenting Correlation Analysis Of Hypothesis #2

Table 7 correlation show that there is a moderate positive relationship between extrinsic rewards and work life balance of employees and sig value is $.039 < 0.05$, so therefore our null hypothesis is rejected and our Alternative hypotheses is accepted at 0.05 significant level.

Above Table: 8 Presenting Model Summary Of Hypothesis #2

In table 8 model summary show that the R square Value of extrinsic rewards is .041 in that order. Which means that here is a one unit change in independent variable extrinsic rewards may cause 4.1% change in dependent variable work life balance of employees.

Above Table: 10 Presenting Coefficients Of Hypothesis #2

REGRESSION FUNCTION: (dependent variable) work life balance = $2.993 + .177$ extrinsic rewards
 If one unit increase in independent variable extrinsic rewards then dependent variable work life balances of employees change by .177. In Table 10 coefficients show that the beta coefficients is .202 it's mean that if one unit increase in independent variable extrinsic rewards then the dependent variable work life balance increase by .202 units.

Above Table: 11 Presenting Descriptive Analysis Of Hypothesis #3

In Table 11 descriptive analysis shows that the mean values of independent variable extrinsic reward are 3.2571 and mean value of dependent variable job satisfaction is 3.8381 which mean respondents agree that extrinsic reward increase their job satisfaction level.

Above Table: 12 Presenting Correlation Analysis Of Hypothesis#3

In Table 12 correlation show that there is a weak positive relationship between extrinsic rewards and job satisfaction and sig value is .015 <0.05, so therefore our null hypothesis is rejected and Alternative hypotheses is accepted at 0.05 significant level.

Above Table: 13 Presenting Summary Of Hypothesis #3

In table 13 model summary show that the R square Value of extrinsic rewards is .056 respectively Which means that here is a one unit change in independent variable extrinsic reward, may cause 5.6% change in dependent variable job satisfaction.

Above Table: 15 Presenting Coefficients Of Hypothesis #3

REGRESSION FUNCTION: (dependent variable) job satisfaction= 2.957+.271 extrinsic rewards
If one unit increase in independent variable extrinsic rewards then dependent variable job satisfaction of employees change by .271. Table 15 show that the beta coefficients is .236 it's mean that if one unit increase in independent variable extrinsic rewards then the dependent variable job satisfaction increase by .236 units.

Above Table 16 Presenting the Reliability Statistics

5 point likert scale is used to measuring results easily and they are ranging as 1 strongly disagree, 2 disagree, 3 neutral, 4 agree, 5 strongly agree. No of item were 19 and their reliability is .725 which show in table 16.

IV. Conclusion

Extrinsic rewards play very considerable role in boosting employees' job satisfaction. Extrinsic rewards like fringe benefits, bonuses, and salary help employees to work life balance and employees feel that they are treated fairly in the organization and their feeling of fairness increases and these key factors increase job satisfaction of employees. When employees are furnished with financial rewards as compare to non financial rewards they become more satisfied.

Data is collected through questionnaires, 135 questionnaires are distributed in different banks of Karachi Pakistan and 105 useable questionnaires are completed and returned. Descriptive analysis, multiple regression and correlation test is applied to find relationships and to test hypothesis.

This research proved that extrinsic rewards have a positive impact on job satisfaction of banking sector employees of Karachi Pakistan. Feeling of fairness and work life balance these key factors play positive role between extrinsic rewards and job satisfaction. Banking sector Employees of Karachi Pakistan are moderately rewarded but still there is required to furnish them with more extrinsic rewards like fringe benefits and bonuses to increase their satisfaction level. This study also identify that when employees perform well they expect more extrinsic rewards from organization.

V. Recommendations

This study recommended that banking sector organizations should make attractive extrinsic rewards procedures and policies which help employees in work life balance and also increase in their feeling of fairness. Through these key factors organizations will easily able to boost their employee's job satisfaction level. This study recommended that to find out relationship between extrinsic rewards and job satisfaction in future researches they should use some key factors between them for example organizational commitment, employee's commitment, and career growth. This research recommended that banking sector organizations should furnished employees with extrinsic rewards according to their needs and enhances employee's job satisfaction.

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