

Job Satisfaction of Employees in Banking Sector of Nepal: A Case study of NMB Bank

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Abstract

Introduction

In the competitive business environment, Banking sector presents more challenges to employee as the job requires long working hours and determined work talent. NMB Bank being one of the pioneers in banking sector of Nepal has set its own standard to enhance productivity in financial service sector. Hence, employees of NMB bank satisfaction matters a lot for overall organizational success.

Objective

This research aims to analyze job satisfaction among employees of NMB Bank, specially evaluating training, job security, work environment and salary as key factor.

Design

The research adopts quantitative research design. More than 80 employees working in NMB Bank inside several branches within Kathmandu valley are selected through convenience sampling method for study. Primary data is collected from them through the structured questionnaire method and secondary data are collected through bank reports, journal and reliable online portals. Data is analyzed using SPSS software using Pearson correlation and multiple regression are used to reach conclusion and prove hypothesis.

Findings

The study found that employees is moderately satisfied with their jobs. It highlights the need of working environment for motivating employee. Training, Job security and salary has been the key element of satisfaction among employees which reveals the positive response in NMB Bank. Although, salary, training and job security are marked as key element of job satisfaction but, mixed level of reactions from employees are collected in working environment.

Practical Implications

The research highlights the need and effectiveness of working environment in banking sectors and shows the factors of improvement on NMB banks. The key concern raised by employees are work load management and good teamwork. Hence, bank can adopt effective policies in future mitigating the factors highlighted in research to enhance its productivity in long run.

Originality/Value

Research is entirely based on primary data collected from employee of NMB Bank and present the original work. It presents the actionable insights for management and contributes on literature of employee satisfaction in Nepalese commercial banks.

Keywords

Job Satisfaction, NMB Bank, Employees, Training, Job Security, Working Environment, Salary

Introduction

Tactful management of Human Resources is the most vital challenge that prevails in the success of the banking sector. In the era of competitiveness, the success of the banking sector depends upon the management of an organisation's employees (Ghimire & Agarwal, 2025). Especially in the banking sector, where one-to-one interaction with customers is always mandatory, there is a need for employees who are capable of handling challenges with a smile. It is well-known that bank employees generally have to work long hours and have to satisfy their customers through quality service. So, managing employees in such a demanding situation is not an easy task. The key factor that can motivate these highly professional employees to provide quality service is thorough job satisfaction. Job satisfaction helps employees with self-motivation, ensuring institutional success (Nugraha, Wolor, & Yohana, 2022).

Job satisfaction is the essence for overall organizational development and is one of the integral components of service sector. Bank being service sector has to deal with customers on one-an-one basis which further emphasizes the importance of job satisfaction in banking sector (Chauhan, 2019). Job satisfaction generally means a emotional connection with work. But, Job satisfaction not only limits to management of emotional connectivity, it is assurance of reaction from employee about their job and relates to working environment, work culture and practices prevailing in the organization. It is very crucial aspects of human resource management as unhappy employee cannot provides his 100% on productivity of organization (Mishra & Bhattarai, 2025).

In context of NMB Bank, customer-centric approach with modern banking facilitation has been its standards from decade long operation in Nepal. Hence, employee job satisfaction marks as one of the basic elements of its core value. NMB has always driven by the employee first model that highlights and adopts the problem of employees as its own. Hence, it has basically focused on key factors like training, job security, working environment and salary with current Nepalese standards for enhancing job satisfaction among employee.

Objective of the Study

The objective of the study on the title **Job Satisfaction of Employees in NMB Bank: A Case study of NMB Bank** are as follows:

- To analyze job satisfaction of employees in NMB Bank.
- To evaluate training in NMB Bank.
- To access Job security in NMB Bank.
- To know working environment and salary in NMB Bank.

Hypothesis of the Study

The hypothesis of the study on the title **Job Satisfaction of Employees in NMB Bank: A Case study of NMB Bank** are as listed below:

H₁: There is significant relationship between Job satisfaction and training in NMB Bank.

H₂: There is significant relationship between Job Satisfaction and job security in NMB Bank.

H₃: There is significant relationship between Job Satisfaction and working environment in NMB Bank.

H₄: There is significant relationship between Job Satisfaction and salary in NMB Bank.

Literature Review

For this research, independent and dependent variables are identified after through study of numerous research explaining job satisfaction levels in various service-related organization. Study tries to connect the context of NMB bank's organizational work culture to present operational realities as it is. So, Job satisfaction is studied as dependent variable and Training, Job Security, Work Environment and Salary are studied as independent variables.

Dependent Variable

Job Satisfaction

Job satisfaction means an emotional state resulting from pleasurable job experience and job appraisal (Tran & Tran, 2023). It shows the extent to which employee like or dislike their job in banking industry. Banking sector is highly praised industry in Nepal. Its ethical standards and high-end expectation made banking job an eye-candy for many young talents. However, banking sector is service oriented industry, which requires constant focus under high pressure work environment resulting higher retention ratio among employees (Chalise, 2021). To mitigate turnover ratio, Human resource department has to constantly provide motivational programs for improving service quality (Adhikary, 2019).

Various research has indicated that job satisfaction is a multi-dimensional construct influenced by several internal and external factors (Thomson & Sikawa, 2023). For NMB Bank, understanding the driving factor for employee job satisfaction, results the enhancement in customer interaction that has been the key of its service quality since its establishment. Studies conducted in recent years had revealed the positive and direct connection between job satisfaction and employee loyalty for organization that leads to increment of commitment form employee and low rate of absenteeism. To sum up, it is clear that job satisfaction results the achievement of institutional goals.

Independent Variable

Training

Training is a process of enhancing the employee's knowledge, skill and competencies through systematic process for performing their work effectively. In this globalized world, technology has transformed the banking sector. With this rapidly transforming tech-savvy service sector, banking organization can keep it ahead of competitors only if its employees are constantly been trained as per necessity (Subedi & Bhandari, 2024).

Studies have shown that training and job satisfaction are directly associated with each other (Pant, et al., 2024). Research also shows that employees who have access to adequate training achieve higher level of satisfaction and are likely to remain in organization for longer time (Lama, Aryal, Budhathoki, Shakya, & Shrestha, 2024). Training increases self-efficacy that is major factor for building confidence among employees (Koirala, Timsina, & Koirala, 2024). In context of NMB Bank, Timely training program and regulatory financial software knowledge has become contributing factor for boosting employee morale.

Job Security

Job security refers the assurance that employees can retain on their current without fear of layoffs, organizational change and downsizing that may lead to unemployment. In banking industry, merger, acquisitions and redundancies are prominent factors (Khatri, 2025). These changes impact employee's performance as they are uncertain about their current job security. So, job security is one of the major components for job satisfaction in banking sector (Gnawali, 2024).

The survey conducted on banking sectors has shown that job security is one of the key factors of job satisfaction (Subedi, Kafle, Kushwaha, & Khanal, 2024). Job insecurity negatively affects the employee performance as it creates the climate of fear among employee. Conversely, secure job likely helps employee to be more focused on their work and helps to fulfill their organizational commitment independently (Bhatt, Basnet, & Karkee, 2026). In NMB Bank, employees are frequently been upgraded to perform their work effectively by necessary training and motivational programs. Hence, NMB has maintained its standard of upgrading employees rather than terminating and hiring new talents time and again.

Working Environment

Working environment refers to the physical, psychological and organizational cultural conditions of the workplace. It is immensely related with safety, support and working context of organization which play pivotal role on retention of employee (Birchall, 2026). The supportive work environment is strong predictor of job satisfaction.

Research has explained that positive working environment enhances the level of job satisfaction (Bhargava & Choudhary, 2025). The studies conducted in banking industry has shown that longer working hours and work under highly pressurized environment of banking sector is only possible if working environment of banks are stressless (Lelo, 2024). The well-resourced physical and psychological environments therefore are basics of job satisfaction among banking employees. The positive work environment is characterized by team connectivity, fair and equitable treatment among co-workers, open communication channels, tech-friendly environment and sense of belongingness (Npueng, Kim, Rakangthong, Ru-Zhuae, & Issayeva, 2025). Within NMB Bank, these all aspect have been taken care by management and regulatory checking is done to ensure the positive work environment.

Salary

Salary commonly also known as remuneration or compensation refers to the monetary payment paid as nominal or real wages, allowances, bonuses and benefits to employees for the labour they have done in organization. Universally, it is widely known facts that salary is the key factor of job satisfaction (Kanir, Gunu, & Gwadabe, 2023). It is directly corelated with satisfaction. Equity theory of 1965 by Adams states that salary is factors of comparison among employee and can cause instant dissatisfaction resulting to resignation if not handle properly by HR department (Patel, 2025).

Early research has revealed that salary is the factor of attracting talents in initial stage of hiring and can also be the factor of retention of employee is adjusted with the changing dimension of industry (Halder, 2024). In banking sector, employees affirm competitive and fair pay scale which is one of the significant aspects of job satisfaction (Maharjan, 2022). However, salary is not only the driving factor in banking industry, as factors like job security, training and work environment also play vital role (Luitel & Humagain, 2025). For NMB Bank, Salary backed by factors such as work environment, job security and training is taken care of, which has likely become the fundamentals of job satisfaction.

Methodology and Data Collection

Researcher use quantitative method for collecting data. Measuring instruments Likert scale is used to measure the level of job satisfaction of the employees of NMB Bank as a primary sources of data collection. The responses of respondents are categorized into five group and given scaling 1. Extremely Agree, 2. Agree, 3. Neutral, 4. Disagree, 5. Extremely Disagree. The data is collected from 7 branches of NMB Bank in Kathmandu Valley. Total population on NMB Bank are 115 out of which 80 sample sizes are chosen from managerial level.

Data Analysis Tools

The collected data is tabulated and processed using SPSS software. The statistical tools used in this study. The questionnaire is divided into two section. The first section is the survey related to the demographic study of the participants. The second part includes the response related to the dependent variable i.e. job satisfaction and independent variable i.e. training, job security, working environment and salary.

Reliability and Multi-Collinearity Test

The reliability test is conducted through Cronbach's alpha to assess the consistency of the employees responses on NMB Bank. The multi-collinearity between job satisfaction, and independent variables i.e. Training, Job Security, Working Environment and Salary is performed to identify tolerance and VIF value using SPSS Software

Table 1 Reliability Test

Variables	Cronbach's Alpha	Tolerance	VIF
Job Satisfaction	0.760	0.413	3.654
Training	0.839	0.354	2.657
Job Security	0.718	0.482	2.765
Working Environment	0.768	0.321	2.543
Salary	0.854	0.435	2.143

In the following table, the reliability of questionnaire is checked through Cronbach's Alpha test. The Cronbach's value for Job Satisfaction, Training, Job Security, Working Environment and Salary is 0.760, 0.839, 0.718, 0.768 and 0.854 respectively which represent that all the variables are reliable. Variation Inflation Factor is less than 5 and tolerance value for all variables exceed 0.2 which meets the acceptable limits.

Instrumental Validation

Pretesting procedure is established to check the validity of the questionnaire. During the process the questionnaire is distributed to HR and top-level management in one branch to ensure the contents are clear and understandable. According to the respondent some changes are made and distributed to all three branches of NMB Bank in Kathmandu valley.

Correlation Analysis

It shows job satisfaction of employees in NMB bank which relates to independent variable i.e. training, job security, working environment and salary.

Table 2 Correlation Analysis

Correlations						
		Job Satisfaction	Training	Job Security	Working Environment	Salary
Job Satisfaction	Pearson Correlation	1	.327**	.340**	.260*	.284*
	Sig. (2-tailed)		.003	.002	.020	.011
	N	80	80	80	80	80
Training	Pearson Correlation	.327**	1	.382**	.345**	.301**
	Sig. (2-tailed)	.003		.000	.002	.007
	N	80	80	80	80	80
Job Security	Pearson Correlation	.340**	.382**	1	.416**	.489**
	Sig. (2-tailed)	.002	.000		.000	.000
	N	80	80	80	80	80
Working Environment	Pearson Correlation	.260*	.345**	.416**	1	.261*
	Sig. (2-tailed)	.020	.002	.000		.019
	N	80	80	80	80	80
Salary	Pearson Correlation	.284*	.301**	.489**	.261*	1
	Sig. (2-tailed)	.011	.007	.000	.019	
	N	80	80	80	80	80

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

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

Table 2 presents the correlation between the dependent variable job satisfaction and independent variable salary, working environment, training and job security. The computed coefficient between the variable is statistically significant at 5% of significant level. The study revealed that independent variable i.e. job security has the highest correlation coefficient of .340 and training has the second highest correlation of .327 which means there is positive correlation between job satisfaction with job security and training. Although salary and working environment has average result i.e. 2.84 and 2.60, it is significant and there is positive correlation between job satisfaction with salary and working environment. Based on this correlation analysis it is concluded that job satisfaction is positively linked with all independent variables.

Regression Analysis

The study is about job satisfaction of employees in NMB bank. The independent variables is salary, working environment, training and job security. This table represents the regression analysis between dependent and independent variables based on the data obtained from 80 respondents

Table 3. Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.423 ^a	.179	.135	3.52966

a. Predictors: (Constant), Salary, Working Environment, Training, Job Security

The value of R is 42.3%, R Square is 17.9% and adjusted R square is 13.5% which represents relationship between dependent variables and independent variables. Rest 57.7%, 82.1% and 86.5% in R value, R square value and adjusted R square value is affected by other variables which are not included in the study.

Table 4. Regression Coefficient

Coefficients ^a		Unstandardized Coefficients		Standardized Coefficients	
Model		B	Std. Error	Beta	t
1	(Constant)	4.145	4.514		.918
	Training	.274	.164	.196	1.671
	Job Security	.223	.172	.169	1.294
	Working Environment	.110	.142	.091	.770
	Salary	.173	.176	.119	.983

a. Dependent Variable: Job Satisfaction

Table 4 represents the regression analysis between job satisfaction as a predictor with independent variables. The results show significant level at 5%, if the p-value is below 5% it is statistically significant. Training scores .099 which is less than .5%, Job security scores .200 which is less than .5%, working environment scores .643 which is more than .5%, salary scores .329 which is less than 5%. Training, job security and salary is statistically significant to job satisfaction. Working environment is not statistically significant to job satisfaction as it is more than 5% significant level.

$$\begin{aligned} \text{Job Satisfaction (JS)} = & 4.145 + .274 \text{ Training} \\ & + .223 \text{ Job Security} \\ & + .110 \text{ Working Environment} \\ & + .173 \text{ Salary} \end{aligned}$$

Consequently, based on the linear equation training has the most significant influence on the job satisfaction on NMB bank. An increase in one unit in training increase .274 units in job satisfaction followed by job security and salary with .223 and .173 units respectively. Working environment has lowest coefficient and has also the non-significant relationship with job satisfaction.

Summary of Hypothesis Testing

Table 5. Hypothesis Summary

Hypothesis	Remarks
H ₁ : There is significant relationship between Job satisfaction and training in NMB Bank.	Accepted
H ₂ : There is significant relationship between Job Satisfaction and job security in NMB Bank.	Accepted
H ₃ : There is significant relationship between Job Satisfaction and working environment in NMB Bank.	Rejected
H ₄ : There is significant relationship between Job Satisfaction and salary in NMB Bank.	Accepted

Discussion

The study concluded that the training, job security and salary has the significant relationship with job satisfaction. Employees receive effective and relevant training facilities for their professional development. The knowledge towards good leadership is also increased through better training opportunities. Employees in NMB bank gain greater confidence and commitment towards the job as the employees are found less fear in losing the job. There is better focus and positive attitude towards the job. The fair and satisfactory salary makes employees feel valued and financially secure and have higher job satisfaction through less stress. Most of respondents are negative response towards the working environment and has an insignificant relationship with job satisfaction. Lack of

support in workplace create dissatisfaction and conflict in work. NMB Bank can create a positive working environment and good leadership with employees.

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