



## African Journal of Biological Sciences



### Reward system and job performance: A Mediating Effect of Job Satisfaction

Salma Sultana  
Research Scholar,  
Limkokwing Graduate School, Cyberjaya, Malaysia

Azadah Amoozegar  
Faculty of PGC  
Limkokwing Graduate School, Cyberjaya, Malaysia

#### Abstract:

**Background and Purpose:** This study examines reward system, job satisfaction, and job performance among Bangladeshi banking executives. The banking sector's huge contribution to the economy makes it crucial for organization's effectiveness and employee well-being to understand these links.

**Design/Methodology/Approach:** In Dhaka, Bangladesh's capital, 210 bank officials from various departments were questioned for data collection. Surveys were delivered via email and in-person using convenience and purposive sampling methods. Smart PLS 4 and IBM SPSS version 27 were used to analyze the data using partial least squares-based structural equation modelling (PLS-SEM).

**Results:** The reward system has a significant positive connection with job satisfaction, suggesting that employers believe rewards affect employee pleasure. However, a statistically significant adverse relationship was found between the reward system and job performance, suggesting that rewards may not instantly boost performance. In addition, job pleasure mediates the reward system-job performance relationship. This shows how job pleasure affects employee productivity through organizational rewards.

**Conclusion:** Although it provides unique insights into Bangladesh's banking industry's reward system, job satisfaction, and job performance, this study's small sample size and cross-sectional design limit it. Future research may include longitudinal, qualitative, comparative, intervention, and mediator and moderator studies to further understand their interconnections. In general, this study shows that combining organizational rewards with employee pleasure creates a job environment that promotes good performance and company success.

**Keywords:** Reward system, Job Satisfaction, job performance.

#### Article History

Volume 6, Issue 5, 2024

Received: 22 May 2024

Accepted: 03Jun 2024

doi:10.48047/AFJBS.6.5.2024.10413-10436

## **1 Introduction**

Due to the dynamic and competitive business climate, firms are continually seeking for methods to boost employee performance and efficiency. Reward systems and job satisfaction, one of many factors that affect employee performance, have received a lot of attention from researchers and practitioners (Ahmad, S., Shafique, O. and Jamal, W.N., 2020). In Bangladesh, especially in banking, understanding the link between reward system, job satisfaction, and job performance is crucial. This is especially true given the rising number of women in this area. Bangladesh's banking industry has seen a period of upheaval and significant expansion in recent decades, contributing to the nation's economic growth (Akhter, A., 2021). Given the expanding number of female job in this industry, an organization must understand the experiences, views, and variables that affect female employees' job performance (Aktar, S., 2023). Thus, this study examines the relationship between reward schemes, job satisfaction, and job performance among Bangladeshi female bank job, focusing on job satisfaction as a mediator.

In businesses, reward programmers shape employee behavior and motivation. These methods have always recognized and rewarded people for their accomplishment (Alam, M.N., Hassan, M.M., Bowyer, D. and Reaz, M., 2020). Offering money, promotions, and other accolades typically does this. Recently, pay has become more holistic, including non-monetary rewards like flexible job arrangements, training and development, and job-life balance (Al-Fakeh, F., Padlee, S., Omar, K. and Salleh, H., 2020). Organizational leaders and human resource practitioners may learn how reward systems affect job satisfaction and job performance among Bangladeshi female bank jobers.

However, job satisfaction is multidimensional and affected by many factors. Job kind, colleague and supervisor interactions, organizational culture, and reward system fairness are these factors. Research shows a link between job satisfaction and performance (Alrazehi, H.A.A.W., Amirah, N.A. and Emam, A.S.M., 2021). Job satisfaction boosts devotion, engagement, and productivity. By studying how job satisfaction mediates the relationship between reward systems and job performance, you may learn how organizational rewards affect employee outcomes.

This study contributes to earlier research by examining these linkages in the context of Bangladeshi female bank employees, who often face unique job challenges. Understanding what affects employee job satisfaction and performance helps companies develop tailored tactics to boost employee engagement, retention, and success. This study may also influence banking industry and other human resource management practices, promoting gender-inclusive job policies and practices.

## **2 Literature Review**

### **2.1 Reward System**

In modern organizations, reward systems are vital for motivating employees, shaping their behavior, and boosting performance. Organizational reward systems can be both formal and informal. Employee efforts, successes, and contributions are recognized and encouraged by these systems (Amjad, F., Abbas, W., Zia-Ur-Rehman, M., Baig, S.A., Hashim, M., Khan, A. and Rehman, H.U., 2021). Current methods offer acknowledgment, intrinsic advantages, and personal and professional advancement. Salary, bonuses, and promotions dominated traditional compensation systems. However, contemporary methods include more benefits.

Employees work harder when they believe their efforts will produce good results and be well-rewarded. According to the Expectancy Theory, employees are driven by this idea (Assefa, M. and Kassa, E.C., 2021). The Equity Theory suggests that people compare their inputs and outcomes to those of others in similar situations and seek fairness in reward distribution. When employees see injustices, they may feel dissatisfaction and lose motivation.

Empirical reward system research has discovered several rewards. Rewards affect employee motivation, satisfaction, and performance. Many employees think that monetary prizes motivate them because they provide tangible recognition for their labor (Aziz, N., Mustafi, M.A.A. and Hosain, M.S., 2020). Non-financial advantages like praise, recognition, skill development, and a supportive job environment can influence employee attitudes and actions. Rewards are vital to employee attitudes and conduct. These intrinsic advantages can foster a sense of belonging, mastery, and autonomy in job, increasing job satisfaction and engagement.

Due to the nature of banking and the competitive market, reward systems are vital. Banks use performance-based remuneration to motivate employees to accomplish sales, customer satisfaction, and risk management goals (Begum, H., Mehtaj, M., Babu, M.A. and Khatun, M.S., 2023). However, the efficacy of reward systems may vary depending on the organization's culture, the leader's leadership style, and the organization's beliefs of fairness and transparency in award distribution. Bangladeshi female bank jobs' perspectives of reward schemes and their effects on job satisfaction and performance are seldom studied (Butt, R.S., Wen, X. and Hussain, R.Y., 2020). Understanding how female bank employees in Bangladesh perceive and experience reward systems is crucial to devising interventions and policies that promote gender equality, employee well-being, and organizational efficiency. Bangladesh's cultural and socioeconomic factors cause this. This literature study gathers information on reward schemes and employee outcomes. This will enable empirical study on these linkages among Bangladeshi female bank staff.

## **2.2 Job Satisfaction**

Employment satisfaction, a complicated and diverse concept, reflects an individual's overall evaluation of their employment and job experiences. It includes the job itself, relationships with job and supervisors, growth and advancement opportunities, and the company's atmosphere and culture (Deb, S.K., Nafi, S.M., Mallik, N. and Valeri, M., 2023). High job satisfaction is linked to many positive outcomes for people and businesses. Better job performance, engagement, dedication, retention, and well-being are these consequences.

Empirical job satisfaction research has identified several factors that affect job satisfaction. These aspects can be classified primarily by intrinsic and extrinsic characteristics (Egenius, S., Triatmanto, B. and Natsir, M., 2020). Intrinsic factors include a meaningful job environment, skill development and improvement, and the ability to contribute to organizational goals. Intrinsic aspects include job nature and meaningfulness. Extrinsic factors include employment benefits, pay, job-life balance, and supervisor and colleague relationships.

Bangladeshi female bank employees' job satisfaction, well-being, and performance are hardly studied. Understanding female employees' job satisfaction in this industry is crucial to creating interventions and policies that promote gender equality, employee engagement, and organizational success (Faroque, O., Ferdousy, S. and Rahman, M.S., 2020). This is because

female job in this area has particular challenges and opportunities. So, this literature review aims to build the foundation for empirical study on job satisfaction and related components among Bangladeshi female bank job by synthesizing job satisfaction and its determinants data.

### **2.3 Job performance**

Job performance is an essential outcome variable for businesses since it shows how well employees complete their tasks and contribute to company goals. It includes task performance, contextual performance, and counterproductive job behaviors, such as absenteeism, that detract from the organization's goals (Faroque, O., Rahman, S. and Islam, R., 2021). Organizational research has focused on job performance for decades. Scholars have studied several aspects that affect individual and group performance to better understand employee performance. According to this paradigm, job place demands like job load and time pressure and job resources like autonomy and social support affect employee well-being and performance (Gazi, M.A.I., Islam, M.A., Shaturaev, J. and Dhar, B.K., 2022).

Empirical research on employee performance has shown several causes and relationships. Personality, cognitive abilities, and motivation affect employees' ability and desire to complete job tasks (Hassan, Z., 2022). These traits are crucial to employees' job performance. Organizational factors may also affect employee performance, according to Idris, I., Adi, K.R., Soetjipto, B.E. and Supriyanto, A.S., (2020). Leadership styles, company culture, and performance management are examples.

Job satisfaction increases task, contextual, and job place effectiveness (Jannat, T., Omar, N.A. and Nazri, M.A., 2020). Job performance is heavily influenced by job satisfaction. According to Jufrizen, J. and Kandhita, E.S., (2021), happy job are more engaged, show stronger organizational citizenship practices, and are more dedicated to organizational goals. There is little study on Bangladeshi female bank job performance and how these factors job. Understanding female employee job performance characteristics is crucial to gender equality, organizational success, and sustainable development in Bangladesh (Kaur, P., Malhotra, K. and Sharma, S.K., 2020). This is especially true when more women enter the financial field. This literature review synthesizes job performance and its determinants to set the stage for empirical study on these relationships among Bangladeshi female bank personnel.

## 2.4 Development of Hypothesis

Rewards impact employee behavior, attitudes, and job performance in businesses. Prizes, whether monetary or non-monetary, incentivize good conduct and results. This suggests that reward systems affect job performance. Numerous theoretical and scientific studies support this concept. According to Khan, S.I., Haque, A. and Bartram, T., (2023), people job hard and do well. According to this hypothesis, people are driven to job well when they believe their efforts will yield desirable results and be suitably compensated. By linking effort and performance to desired rewards, reward systems drive people to job hard and achieve.

Prizes have been shown to improve employee engagement, dedication, and performance (Khatun, M., Rahman, S.N. and Khatun, M., 2023). Motivation and rewards are linked. Financial rewards like bonuses and wage hikes drive employees to job hard. Non-financial benefits like praise, recognition, and skill development can boost employees' competence, autonomy, and relatedness, which can boost job satisfaction and performance (Kristanti, F.T., Prasetyo, A.P., Indiyati, D. and Madiawati, P.N., 2021). Particularly relevant is how reward systems affect job performance for Bangladeshi female bank job, who often face unique job place challenges and possibilities. In Bangladesh's rapidly changing banking sector, understanding how reward schemes affect female employees' performance is crucial to gender equality, organizational success, and sustainable development (Kurniawan, R. and Anindita, R., 2021). Thus, reward schemes may affect Bangladeshi female bank personnel' job performance. This idea is based on theory and evidence. This hypothesis will be empirically tested in the planned research study to determine how reward systems affect Bangladeshi female bankers' performance.

H1: Reward system has a direct influence on job performance

Reward systems are the formal and informal ways companies acknowledge and reward employees. Non-financial rewards, such as recognition, praise, and prospects for professional progress, are also incorporated in these systems. These systems offer salaries, bonuses, and promotions. When they believe their efforts will yield good performance results and be suitably rewarded, people job more (Lindawati, M. and Parwoto, P., 2021). This is key to the Expectancy Theory, which says people job hard. Therefore, the distribution of rewards is a vital component in the process of motivating individuals to job to the best of their ability and meet the objectives of the business.

However, Equity Theory emphasizes perceived fairness in reward allocation. In the job place, employees assess their own inputs (such as effort and ability) and outputs (such as rewards and recognition) in comparison to those of other persons who are in comparable positions and circumstances (Manzoor, F., Wei, L. and Asif, M., 2021). Individuals may have sentiments of discontent and demotivation when they believe that there are perceived injustices in the world, such as when they believe that they are not fairly paid for their efforts in contrast to their peers (Rahman, H.M. and Raju, V., 2020).

It has been demonstrated time and over via empirical investigation that there is a good correlation between reward systems and job satisfaction. According to Osman, A.R., Hossain, M.M. and AL Mumun, A., (2022), financial rewards, which include competitive compensation and bonuses based on performance, are widely cited as crucial aspects that impact total job satisfaction from an employee's perspective. Furthermore, non-financial advantages like praise, recognition, and growth opportunities can boost employees' sense of achievement, autonomy, and contentment, which increases job satisfaction.

The influence of reward schemes on job satisfaction is particularly crucial in the context of Bangladeshi female bank employees, who may meet specific issues and opportunities in the job place (Pracoyo, N.A., Tubastuvi, N., Santoso, S.B. and Wahyuni, S., 2022). Bangladeshi female bank personnel may also confront distinct opportunities. For the goal of improving gender equality, organizational success, and employee well-being, it is vital to have a knowledge of how reward systems contribute to the job satisfaction of female job in the banking industry in Bangladesh, which is continuing to evolve and expand.

H2: Reward system has a direct influence on job satisfaction

One's overall assessment of their employment and job experiences is called "job satisfaction". This rating takes into account the job itself, connections with job and superiors, growth and advancement opportunities, and the organization's atmosphere and culture (Rahman, H.M. et al., 2023). Task identification, autonomy, and feedback may affect job psychological states, increasing job satisfaction and motivation (Rahaman, M.A., Uddin, M.S. and LATIF, W.B., 2023). This is the Job Qualities Model's core. According to the Self-Determination Theory, meeting three basic psychological needs autonomy, competence, and relatedness is essential for job satisfaction and intrinsic drive.

Empirical research has shown that job satisfaction improves performance. These two factors exhibit moderate to large relationships, indicating that happier job perform better (Rahman, M.M., 2024). Despite expectations, these two notions have weak connections. According to Rakin, S.R., Yousuf, M.B. and Rubel, M.R.B., (2020), happy job are more engaged in their job, exhibit better organizational citizenship practices, and are more dedicated to organizational goals. Longitudinal studies show that job satisfaction increases job performance (Rubel, M.R.B., Hung Kee, D.M. and Rimi, N.N., 2021). This suggests that employment satisfaction affects job attitudes, actions, and productivity.

Job satisfaction and performance are especially important for Bangladeshi female bank employees, who may face unique job place challenges (Ullah, A., Ishaque, A., Din, M.U. and Safdar, N., 2020). Understanding how job satisfaction affects female employee performance is crucial to promoting gender equality, organizational success, and employee well-being in Bangladesh's banking business.

H3: Job satisfaction has a direct influence on job performance

Reward systems including financial and non-financial rewards influence employee motivation, engagement, and job satisfaction. These systems detect and encourage desired organizational behaviors and results (Sidhu, G.K. and Nizam, I., 2020). When they believe their efforts will yield desirable results and be suitably rewarded, people job hard and perform well. This follows Vroom's 1964 Expectancy Theory. Reward systems drive employees to perform and contribute to the company's goals.

Moreover, empirical research has shown that reward systems boost job satisfaction. Money and non-monetary benefits, such as recognition and skill development, have been shown to boost job satisfaction (Siregar, Z.M.E., Nasution, A.P., Supriadi, Y. and Reresimi, M., 2023). Competitive salaries and rewards have been shown to boost employee satisfaction. When they feel appreciated and compensated fairly, employees are more satisfied with their jobs.

Thus, job satisfaction is linked to several positive consequences, including improved job performance. According to Siswanto, S., Maulidiyah, Z. and Masyhuri, M., (2021), satisfied employees are more engaged in their job, more engaged in organizational citizenship behaviors, and more committed to organizational goals. Longitudinal studies show that job satisfaction



increases job performance (Sobhani, F.A., Haque, A. and Rahman, S., 2021). These correlations show that job satisfaction mediates the reward system-job performance relationship. The theory is that employees will be happier with their jobs if they believe their company's reward structure is fair, transparent, and related to their efforts and contributions. This improves motivation and engagement, which boosts job performance.

H4: Job satisfaction mediates the association between reward system and job performance

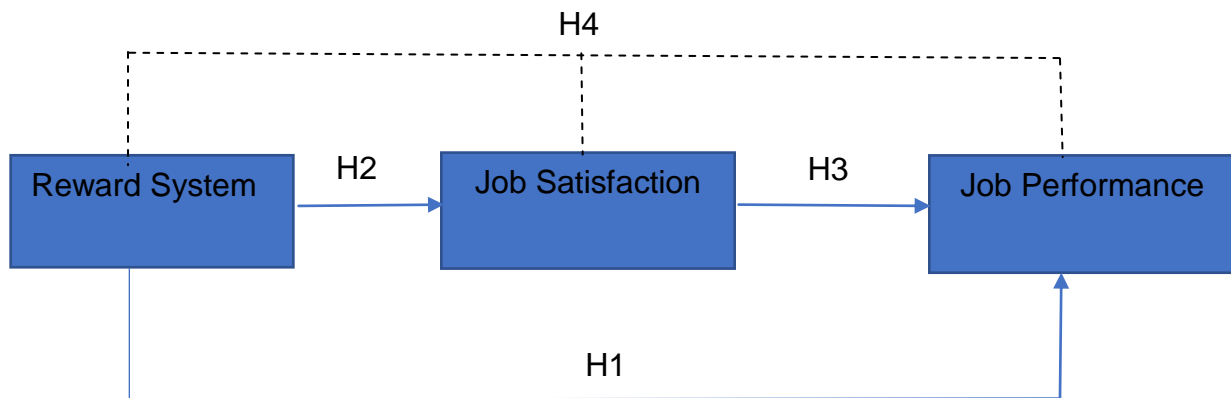


Figure 1: Hypothetical model for mediated relations

### 3 Research Methods

The present study focuses on banking executives, a major contributor to Bangladesh's economy. The intended audience was bank executives from various divisions. Purposive sampling selected banking firms in Dhaka, Bangladesh's capital. We collected data from 225 people, however only 210 were usable for research. About 210 usable responses were collected from 300 informants. Individual visits and email were used to survey respondents. The convenience sampling method makes it easier to contact potential participants. Before data collection began, respondents were informed of the survey's purpose and how to participate.

Data was analyzed using Smart PLS 4 and IBM SPSS version 27. These software tools enable statistical analysis and modelling, ensuring proper interpretation of data. Table 1 shows the respondents' gender, age, education, marital status, and years of job experience. This

information helped understand the findings and ensured that they were relevant to the Bangladeshi banking industry. This information illuminated sample population makeup. The study collected data from banking executives using a targeted approach (Li, F., Lu, H., Hou, M., Cui, K. and Darbandi, M., 2021). This strategy combined human and online communication. Modern statistical tools allowed thorough data analysis, which improved the study's reliability and validity.

Table 1 Displays the demographic information of the respondents.

Variables	Aspects	Frequencies	Percentage
Gender	Male	11	5
	Female	199	95
Age	Above 25 years	20	9.5
	25 to 30 years	110	52.4
	30 to 35 years	65	31
	35 to 45 years	15	7.1
Education,	Bachelor	18	8.6
	Masters	189	90.0
	Others	3	1.4
Marital Status	Single	40	19
	Married	170	81
Job experience	Above 1 years	22	10.5
	1 to 3 years	44	20.9
	3 to 7 years	80	38.1
	7 to 15 years	64	30.5

The demographic data in Table 1 can reveal the features of the reward systems, job satisfaction, and job performance study participants. Understanding the sample group's demographics is crucial to analyzing data and drawing meaningful conclusions. The study sample includes 95% female and 5% male. This gender distribution may represent the job gender in the examined environment or industry. Analyzing the relationship between reward systems,

job satisfaction, and job performance must account for gender. The large female representation proves this.

Most responders are 25–35 years old. In particular, 52.4% of responders are between 25 and 30, followed by 31% between 30 and 35. The bulk of replies were younger, suggesting the poll was largely taken by early- to mid-career professionals. Understanding how ageing affects reward systems and job satisfaction can reveal important insights into employee motivation and performance over a career. The majority of responders (90%) have Master's degrees, while 8.6% have Bachelor's degrees. Only 1.4% of respondents are classed as "Others," which may include persons with different educational backgrounds or credentials. The large proportion of master's degree holders suggests that a well-educated sample has specific knowledge and skills relevant to the study's major topics.

The data shows that 81% of respondents are married and 19% are single. Marital status may affect job place attitudes and actions due to its effects on personal responsibility, job-life balance, and finances. Investigating how marital status affects reward systems and job satisfaction might reveal complicated relationships between personal life and professional outcomes. Job experience is spread throughout tenure levels, with 38.1% of respondents having three to seven years and 30.5% having seven to fifteen years. The distribution shows a mix of early and mid-career job. Fewer responders have less than one year or more than 15 years of experience. Understanding how job experience affects reward systems and job satisfaction can help improve employee engagement and performance at different career stages.

In general, demographic analysis of respondents helps explain the sample makeup and interpret study findings on reward systems, job satisfaction, and job performance. These demographic indicators are essential contextual variables that can change correlations and help us understand employee behavior and organization dynamics.

#### **4 Result**

The study used partial least square-based structural equation modelling instead of regression. Sui, X., He, S., Vilsen, S.B., Meng, J., Teodorescu, R. and Stroe, D.I., (2021) say this analytical technique gives an integrated model that shows estimation robustness and accuracy.

Hair Jr, J.F., Howard, M.C. and Nitzl, C., (2020) say the PLS-SEM is the best way to quantify endogenous factors' effects on exogenous variables and find measurement errors. Hair Jr, J.F., Howard, M.C. and Nitzl, C., (2020) tested the measurement and structural models using SmartPLS4.

Table 2: Reliability and validities of the Measurement tools

Variable	CA	CR	AVE
JP	0.892	0.917	0.751
JS	0.832	0.847	0.666
RS	0.954	0.955	0.915

CA: Cronbach's alpha, CR: Composite reliability, AVE: Average variance extracted.

Our validity and reliability methodologies were tested. Kamranfar, S., Damirchi, F., Pourvaziri, M., Abdunabi Xalikovich, P., Mahmoudkelayeh, S., Moezzi, R. and Vadiee, A., (2023) provide a composite reliability (CR) test to address dependability. Convergent and discriminant validities were needed to verify validity problems (Ferreira, T., Geiser, C., Cadima, J., Matias, M., Leal, T. and Mena Matos, P., 2021). Table 2 shows that all constructs pass both validity tests, proving their reliability. The least average variance extracted (AVE=0.666) and CR (0.847) above the threshold values of 0.500 and 0.700, respectively. This is what the researchers found. The convergent validity of various measurement methods is guaranteed. We compared the square root of the average variance extracted (AVE) of each observed variable to the correlation scores of its corresponding variables to determine discriminant validity. Table 2 shows that the diagonal value, which reflects the correlation between the same measurements in the correlation matrix table, is greater than other variables. The association between these metrics is greater. Since each measuring device is discriminatory, they are all genuine (Chicco, D., Warrens, M.J. and Jurman, G., 2021).

Figure 2 shows that the reliability study's coefficient of determination R square for job performance is 0.469 and for job satisfaction is 0.492. This shows that the reward structure and job satisfaction explain 46.7 percent and 49.2 percent of job performance variance, respectively. R Square Adjusted for job performance is 46.4% and for job satisfaction is 49.0%.

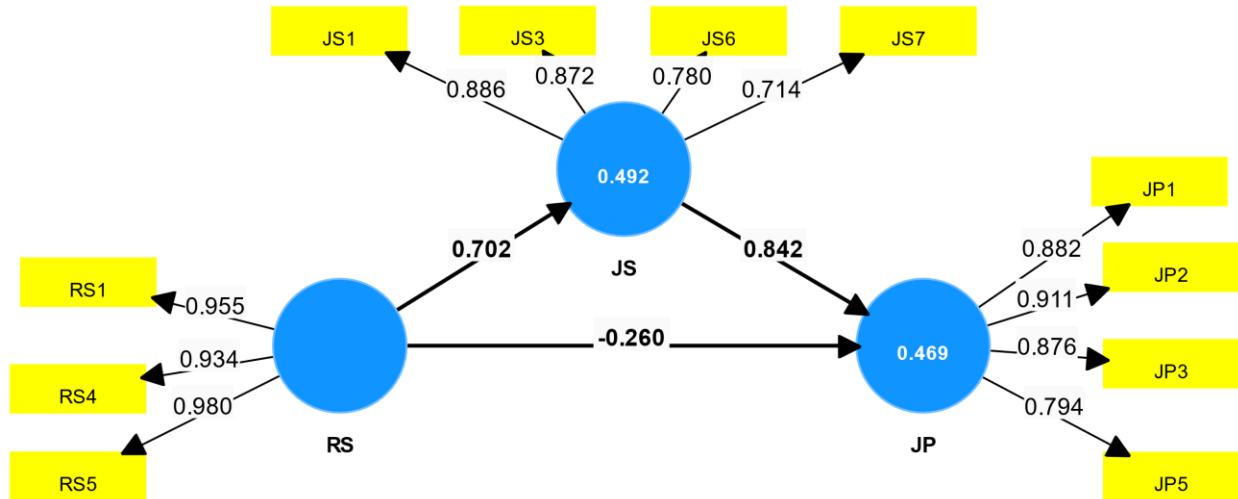


Figure 2: Cronbach’s alpha and R square

Table 3: Estimates on direct effects in an unmediated model

Hypothesis	Path Relations	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T- statistics	P values
H1	RS->JP	-0.260	-0.267	0.075	3.448	0.001
H2	RS->JS	0.702	0.703	0.038	18.362	0.000
H3	JS->JP	0.842	0.848	0.051	16.537	0.000

JS: job satisfaction, RS: reward system, JP: job performance

Table 4: Mediating effect of job satisfaction

Hypothesis	Path Relations	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T- statistics	P values
H4	RS->JS->JP	0.591	0.597	0.060	9.840	0.000

Table 3 shows the direct impacts in an unmediated model, whereas Table 4 shows how job satisfaction mediates the reward system-job performance relationship. These tables give valuable insights into the topic matter by analyzing the strength and relevance of correlations

between variables. Table 3 shows the estimated direct impacts of reward system (RS) on job performance (JP). This table also includes estimates of the direct impacts of RS on the mediator variable (job satisfaction, JS). Statistics relevant to the subject are in the table. Initial sample estimates, means, standard deviations, t-statistics, and p-values are included.

The reward system (RS) directly affects job performance (JP) by -0.260, with a t-statistic of 3.448 and a p-value of 0.001. This implies a statistically significant unfavorable relationship between reward systems and employee performance. Similar to the previous case, the reward system (RS) directly affects job satisfaction (JS) by 0.702, with a t-statistic of 18.362 and a p-value of 0.000. This shows that RS greatly affects JS. The reward system appears to positively affect job satisfaction.

Table 4 examines job satisfaction (JS) as a mediator between the reward system (RS) and job performance (JP). The route estimations from RS to JP when JS is a mediator and relevant statistical measures are supplied. The sequence RS->JS->JP is thought to indicate the reward system's indirect effect on job performance through job satisfaction. This path's t-statistic is 9.840 and p-value is 0.000, indicating high significance. This journey is estimated at 0.591. This shows that job satisfaction mediates the reward system-performance relationship.

Tables 3 and 4 detail the model's direct and mediated impacts. Despite its positive effect on job satisfaction, the reward system appears to negatively damage job performance. Job satisfaction mediates the reward system-job performance relationship, positively affecting it. These findings emphasize the need of considering direct and indirect effects when examining organizational rewards, employee satisfaction, and performance.

## **5 Discussion:**

The study concentrated on Bangladeshi banking executives because of their importance to the economy. The sample population included executives from several bank divisions in Dhaka, Bangladesh's metropolis. This was chosen via selective sampling. Data was collected from 225 people, with 210 used for analysis. Human visits and email were used to distribute questionnaires to contact potential participants. This was convenience sampling. The demographic profile of survey respondents is shown in Table 1, which provides important information. Most responders

were women, reflecting the banking industry's gender mix. The age distribution showed that most respondents were 25–35 years old, indicating that the sample was largely young professionals. Most responders had Master's degrees, indicating a highly educated job force. Respondents' marital status and career experience varied, which helped understand the sample's makeup.

Smart PLS 4 and IBM SPSS version 27 were used to evaluate the data to determine how reward schemes affect job satisfaction and performance. The partial least squares-based structural equation modelling (PLS-SEM) technique was chosen over the regression-based study due to its integrated model, durability, and estimation accuracy. PLS-SEM simplified measurement error detection and endogenous factor effects on exogenous variables. To ensure accuracy, the study's conclusions were tested for reliability and validity. Composite reliability (CR) tests and convergent and discriminant validity arguments were performed to assess reliability and validity. The findings showed that all constructs passed both validity tests, proving that the assessment methods were trustworthy and valid.

The structural model (Figure 2) revealed important relationships between variables. The reward system and job satisfaction somewhat explained 46.9% and 49.2% of job performance variance, respectively, according to R<sup>2</sup>. Job satisfaction mediated the reward system-job performance link and had a favorable effect. Tables 3 and 4 reveal more about the model's direct and mediated impacts. The reward structure had significant direct effects on job performance and job satisfaction, demonstrating its impact on organizational results, according to statistical research. The robustness of job satisfaction's mediation effect on the reward system and job performance emphasizes the importance of employee pleasure in driving performance results.

Overall, the study helped us comprehend reward structures, job satisfaction, and job performance in Bangladesh's banking business. The study provided comprehensive correlations between these elements, which had practical consequences for organization administration and policymaking. This was achieved using rigorous research methods and modern statistical techniques.

The study recognizes the role of corporate culture and leadership styles in the relationship between reward systems, job satisfaction, and job performance. Future research should investigate how varying organizational cultures and leadership styles result in employees

perceiving rewards differently and, in turn, experiencing different levels of job satisfaction and future performance. Good examples of this are culture of recognition and empowerment, or on the other hand, culture of competition or micromanagement, because of in the former case the positive effects of rewards on job satisfaction and performance performance should become stronger, and dwindle in the latter.

As the study argues, personal characteristics are contingency factors that may moderate the relationship of rewards, job satisfaction, and job performance. Future research could investigate these individual differences (e.g., personality traits, motivational orientations, and demographic factors) to understand what types of employees respond differently to these forms of reward systems. With these specific nuances in mind, one can develop reward strategies that will be compelling to the different workforce profiles.

## **6 Conclusion:**

In conclusion, this study examined reward schemes, job satisfaction, and job performance among Bangladeshi banking executives. Data were collected from 210 respondents from different bank departments in Dhaka, Bangladesh's capital. Data was collected via purposive sampling. The study endeavor used Smart PLS 4 and IBM SPSS version 27 to analyze data and validate the model. The study's findings revealed some important links between organizational rewards, employee satisfaction, and performance. Initial data showed that the reward scheme significantly improves job satisfaction. This implies that rewards influence employee job satisfaction. The study found a statistically significant unfavorable relationship between reward systems and job performance. This implies that rewards may boost job satisfaction but not performance.

The findings also strongly suggest that job satisfaction mediates the reward system-job performance relationship. A favorable reward-performance relationship was linked to job satisfaction. Job satisfaction is a key way organizational rewards affect employee productivity and performance. This study contributes to the literature by demonstrating the complex relationships between reward structures, job satisfaction, and job performance in Bangladesh's banking industry. The study informs organizational management and policymaking using rigorous research methods and sophisticated statistical techniques. These findings may be used by banking companies to create more effective reward schemes that promote employee



satisfaction and performance. Further research on various mediators or moderators of the connection between rewards, satisfaction, and performance may help us understand employee motivation and behavior in the job place.

In summary, this study shows that combining organizational rewards with employee satisfaction creates a job environment that promotes high performance and organizational success in Bangladesh's banking industry.

## **7 Theoretical Contributions and Practical implications**

This study makes three important contributions to the organizational behavior and human resource management literatures by focusing on the complexity of the reward system-job satisfaction-performance relationship. Moreover, researchers would benefit from drawing more on theoretical frameworks (e.g., expectancy theory, social exchange theory) to clarify the underlying processes through which these relationships are manifested. Moreover, cross-disciplinary views from psychology and sociology would help to provide us with a more comprehensive understanding of how the interaction between extrinsic rewards, intrinsic motivation, and organizational outcomes are shaped.

The fact that the relationship between reward systems, job satisfaction and job performance and the levers on the basis of these is expected by this study, focusing on the degree requirements should also be of interest to be relevant. organizational practice. Addressing these limitations in future research, organisations could build strategies based on the evidence that delivers the best of both organisational effectiveness and employee well-being. This could range from creating adaptable and universal reward systems, to developing a supportive organizational culture, and implementing leadership practices that promote employee motivation and engagement.

## **8 Limitations:**

To contextualize the findings and guide future research, it is necessary to note that this study has certain limitations, despite its valuable insights. The survey included 210 Dhaka banking professionals. It was a tiny sample. Despite efforts to diversify the sample, the findings may not apply to a wider population. Future studies may collect larger and more diverse samples to

increase external validity. This study employed convenience sampling, which may have caused selection bias and lowered sample representativeness. In the future, research may utilize random or stratified sampling to eliminate bias and improve generalizability.

This study used a cross-sectional design and gathered data at one time. This makes it impossible to draw causal links between variables, hence longitudinal studies are needed to identify temporal precedence and causal directions. Despite attempts to ensure the reliability and validity of the measurement equipment, common method bias and social desirability bias may have affected the results. Future research may employ many sources and approaches to improve dependability.

This study's conclusions may not apply to other business sectors or cultures because they are exclusive to Bangladesh's banking industry. Future research may examine the relationships between reward systems, job satisfaction, and job performance in various organizational and cultural contexts to better understand these processes.

## **9 Future Directions:**

The results from this study may be used to discover prospective research directions to address the restrictions and advance knowledge in this subject. Future research might examine the causal links between reward systems, job satisfaction, and job performance using longitudinal study methods. Longer-term studies can study temporal dynamics and find causal links between variables. Combining quantitative and qualitative methods, like as interviews or focus groups, may help explain how reward systems affect job satisfaction and performance. Qualitative research may reveal complicated organizational processes by capturing job subjective experiences and viewpoints.

Comparative studies across industries, organizational cultures, and geographic locations may help explain the contextual factors that affect rewards, satisfaction, and performance. Comparing data from different contexts helps researchers find universal principles and context-specific factors that affect these dynamics. Intervention studies can assess how reward system interventions improve job satisfaction and performance. Randomized controlled

trials or quasi-experimental methods can assess how reward schemes affect employee motivation and productivity.

Further research should examine other mediators and modifiers of the reward system-job satisfaction-performance relationship. The strength and direction of these encounters may be affected by corporate culture, leadership styles, and individual differences, thus more study is needed. In conclusion, addressing the limitations and pursuing the future research directions will help us understand the complex relationship between reward systems, job satisfaction, and job performance, which will lead to evidence-based practices that improve organizational effectiveness and employee well-being.

## References

- Ahmad, S., Shafique, O. and Jamal, W.N., 2020. Impact of perceived corporate social responsibility on banks' financial performance and the mediating role of employees' satisfaction and loyalty in Pakistan. *Journal of Accounting and Finance in Emerging Economies*, 6(3), pp.765-774.
- Akhter, A., 2021. The impact of emotional intelligence, employee empowerment and cultural intelligence on commercial bank employees' job satisfaction. *Banks and Bank Systems*, 16(4), p.11.
- Aktar, S., 2023. The effect of training and development methods on employee satisfaction and performance in commercial banks. *Management Dynamics in the Knowledge Economy*, 11(1), pp.30-47.
- Alam, M.N., Hassan, M.M., Bowyer, D. and Reaz, M., 2020. The effects of wages and welfare facilities on employee productivity: Mediating role of employee work motivation. *Australasian Accounting, Business and Finance Journal*, 14(4), pp.38-60.
- Al-Fakeh, F., Padlee, S., Omar, K. and Salleh, H., 2020. The moderating effects of organizational commitment on the relationship between employee satisfaction and employee performance in Jordanian Islamic banks. *Management Science Letters*, 10(14), pp.3347-3356.

- Alrazehi, H.A.A.W., Amirah, N.A. and Emam, A.S.M., 2021. The mediation effect of job satisfaction between reward system and training and development on employee retention in yemen's banking sector. *International Journal of Innovative Research and Scientific Studies*, 4(4), pp.215-228.
- Amjad, F., Abbas, W., Zia-Ur-Rehman, M., Baig, S.A., Hashim, M., Khan, A. and Rehman, H.U., 2021. Effect of green human resource management practices on organizational sustainability: the mediating role of environmental and employee performance. *Environmental Science and Pollution Research*, 28, pp.28191-28206.
- Assefa, M. and Kassa, E.C., 2021. Effect of Human Resource Management Practices on Employees' Job Satisfaction in Banking Sector. *Abyssinia Journal of Business and Social Sciences*, 6(1), pp.36-46.
- Aziz, N., Mustafi, M.A.A. and Hosain, M.S., 2020. Factors affecting job satisfaction: an exploratory analysis among public bank employees in selected cities of Bangladesh. *Asian Journal of Economics, Business and Accounting*, 20(3), pp.1-22.
- Begum, H., Mehtaj, M., Babu, M.A. and Khatun, M.S., 2023. Determinants of Employee Job Satisfaction: An Empirical Analysis of the Banking Sector in Bangladesh. *International Journal of Science and Business*, 25(1), pp.229-244.
- Butt, R.S., Wen, X. and Hussain, R.Y., 2020. Mediated effect of employee job satisfaction on employees' happiness at work and analysis of motivational factors: Evidence from telecommunication sector. *Asian Business Research Journal*, 5, pp.19-27.
- Chicco, D., Warrens, M.J. and Jurman, G., 2021. The Matthews correlation coefficient (MCC) is more informative than Cohen's Kappa and Brier score in binary classification assessment. *Ieee Access*, 9, pp.78368-78381.
- Deb, S.K., Nafi, S.M., Mallik, N. and Valeri, M., 2023. Mediating effect of emotional intelligence on the relationship between employee job satisfaction and firm performance of small business. *European Business Review*, 35(5), pp.624-651.
- Egenius, S., Triatmanto, B. and Natsir, M., 2020. The effect of job satisfaction on employee performance through loyalty at Credit Union (CU) Corporation of East Kutai District,

East Kalimantan. *International Journal of Multicultural and Multireligious Understanding*, 7(10), pp.480-489.

Faroque, O., Ferdousy, S. and Rahman, M.S., 2020. Factors affecting the job satisfaction of the employees in the private commercial banks of Bangladesh. *Journal of Management Research*, 6(1), pp.17-33.

Faroque, O., Rahman, S. and Islam, R., 2021. Job satisfaction of the banking employees of Bangladesh. *Journal of Management Research*, 21(1), pp.18-34.

Ferreira, T., Geiser, C., Cadima, J., Matias, M., Leal, T. and Mena Matos, P., 2021. The Strengths and Difficulties Questionnaire: An examination of factorial, convergent, and discriminant validity using multitrait-multirater data. *Psychological Assessment*, 33(1), p.45.

Gazi, M.A.I., Islam, M.A., Shaturaev, J. and Dhar, B.K., 2022. Effects of job satisfaction on job performance of sugar industrial workers: Empirical evidence from Bangladesh. *Sustainability*, 14(21), p.14156.

Hair Jr, J.F., Howard, M.C. and Nitzl, C., 2020. Assessing measurement model quality in PLS-SEM using confirmatory composite analysis. *Journal of business research*, 109, pp.101-110.

Hassan, Z., 2022. Employee retention through effective human resource management practices in Maldives: Mediation effects of compensation and rewards system. *Journal of Entrepreneurship, Management and Innovation*, 18(2), pp.137-174.

Idris, I., Adi, K.R., Soetjipto, B.E. and Supriyanto, A.S., 2020. The mediating role of job satisfaction on compensation, work environment, and employee performance: Evidence from Indonesia. *Entrepreneurship and Sustainability Issues*, 8(2), p.735.

Jannat, T., Omar, N.A. and Nazri, M.A., 2020. Analysing the mediating effects of job satisfaction and dissatisfaction on employee voluntary turnover intention. *Jurnal Pengurusan*.

Jufrizen, J. and Kandhita, E.S., 2021. The effect of organizational justice on employee performance by job satisfaction as an intervening variable. *Jurnal Kajian Manajemen Bisnis*, 10(1), pp.1-17.

- Kamranfar, S., Damirchi, F., Pourvaziri, M., Abdunabi Xalikovich, P., Mahmoudkelayeh, S., Moezzi, R. and Vadiiee, A., 2023. A Partial Least Squares Structural Equation Modelling Analysis of the Primary Barriers to Sustainable Construction in Iran. *Sustainability*, 15(18), p.13762.
- Kaur, P., Malhotra, K. and Sharma, S.K., 2020. Moderation-mediation framework connecting internal branding, affective commitment, employee engagement and job satisfaction: an empirical study of BPO employees in Indian context. *Asia-Pacific Journal of Business Administration*, 12(3/4), pp.327-348.
- Khan, S.I., Haque, A. and Bartram, T., 2023. Unleashing Employee Potential: A Mixed-Methods Study of High-Performance Work Systems in Bangladeshi Banks. *Sustainability*, 15(19), p.14636.
- Khatun, M., Rahman, S.N. and Khatun, M., 2023. Impact of development opportunities and compensation on employee retention: A comparative study on banking industry of Bangladesh. *European Journal of Management and Marketing Studies*, 8(1).
- Kristanti, F.T., Prasetyo, A.P., Indiyati, D. and Madiawati, P.N., 2021. Turnover intention among lecturers in private higher education: the direct impact of financial rewards and mediation of job satisfaction and effective organizational commitment. *Jurnal Aplikasi Manajemen*, 19(2), pp.282-295.
- Kurniawan, R. and Anindita, R., 2021. Impact of Perceived Supervisor Support and Rewards and Recognition Toward Performance Through Work Satisfaction and Employee Engagement in Employee Marketing Banks. *Business and Entrepreneurial Review*, 21(1), pp.171-192.
- Li, F., Lu, H., Hou, M., Cui, K. and Darbandi, M., 2021. Customer satisfaction with bank services: The role of cloud services, security, e-learning and service quality. *Technology in Society*, 64, p.101487.
- Lindawati, M. and Parwoto, P., 2021. The impact of transformational leadership and motivation on employee performance with job satisfaction as intervening variable in Indonesian

- banking industry during digital transformation. *Journal of Industrial Engineering & Management Research*, 2(4), pp.51-66.
- Manzoor, F., Wei, L. and Asif, M., 2021. Intrinsic rewards and employee's performance with the mediating mechanism of employee's motivation. *Frontiers in psychology*, 12, p.563070.
- Osman, A.R., Hossain, M.M. and AL Mumun, A., 2022. Are job satisfaction and employee commitment beneficial to organization? A new look of organizational performance. *Bank Parikrama*, 47(1-2), pp.113-139.
- Pracoyo, N.A., Tubastuvi, N., Santoso, S.B. and Wahyuni, S., 2022. Determinants of employee performance: The mediating role of job satisfaction. *International Journal of Research in Business and Social Science (2147-4478)*, 11(2), pp.144-156.
- RAHAMAN, M.A. and Uddin, M.S., 2022. The effect of promotion and job training on job satisfaction of employees: An empirical study of the SME sector in Bangladesh. *The Journal of Asian Finance, Economics and Business*, 9(2), pp.255-260.
- Rahaman, M.A., Uddin, M.S. and LATIF, W.B., 2023. Effects of Training and Development, Organizational Culture, Job Satisfaction, and Career Development on Employee Retention in Commercial Banks in Bangladesh. *The Journal of Asian Finance, Economics and Business (JAFEB)*, 10(2), pp.91-97.
- Rahman, H.M. and Raju, V., 2020. Employee turnover intention through human resource management practices: a review of literature. *International Research Journal of Multidisciplinary Scope (IRJMS)*, 1, pp.21-26.
- Rahman, H.M., Jayashree, S. and Malarvizhi, C.A.N., 2023. The Impact of Human Resources Management Practices On Turnover Intention Through Employee Loyalty: Evidence From The Bangladesh Ict Industry. *Russian Law Journal*, 11(9S), pp.197-204.
- Rahman, M.M., 2024. Assessing the relationship between organisational culture and employees' performance: a study on private banking sector in Bangladesh. *International Journal of Business Excellence*, 32(2), pp.247-271.

- Rakin, S.R., Yousuf, M.B. and Rubel, M.R.B., 2020. Socially responsible HRM and environmental performance of banking organization in Bangladesh: Mediating effect of green innovation. *International Journal of Human Resource Studies*, 10(4), pp.268-286.
- Rubel, M.R.B., Hung Kee, D.M. and Rimi, N.N., 2021. High-performance work practices and medical professionals' work outcomes: the mediating effect of perceived organizational support. *Journal of Advances in Management Research*, 18(3), pp.368-391.
- Sidhu, G.K. and Nizam, I., 2020. Coaching and Employee Performance: The Mediating Effect of Rewards & Recognition in Malaysian Corporate Context. *International Journal of Management, Accounting & Economics*, 7(1).
- Siregar, Z.M.E., Nasution, A.P., Supriadi, Y. and Reresimi, M., 2023. Does job satisfaction mediate the effect of a reward system on organizational citizenship behavior? Evidence from the public sector. *Problems and Perspectives in Management*, 21(2), pp.221-232.
- Siswanto, S., Maulidiyah, Z. and Masyhuri, M., 2021. Employee engagement and motivation as mediators between the linkage of reward with employee performance. *The journal of Asian finance, economics and business*, 8(2), pp.625-633.
- Sobhani, F.A., Haque, A. and Rahman, S., 2021. Socially responsible HRM, employee attitude, and bank reputation: the rise of CSR in Bangladesh. *Sustainability*, 13(5), p.2753.
- Sui, X., He, S., Vilsen, S.B., Meng, J., Teodorescu, R. and Stroe, D.I., 2021. A review of non-probabilistic machine learning-based state of health estimation techniques for Lithium-ion battery. *Applied Energy*, 300, p.117346.
- Ullah, A., Ishaque, A., Din, M.U. and Safdar, N., 2020. The Relationship between Employees Training and Job Satisfaction with Moderating Role of Organizational Culture. A Case of Banking Sector of KP, Pakistan. *Journal of Accounting and Finance in Emerging Economies*, 6(3), pp.857-871.