

**PSYCHOLOGICAL WELL-BEING AND JOB SATISFACTION
OF EMPLOYEES IN A FINANCIAL INSTITUTION**

Elizabeth Rothner, Hons. B Com

Mini-dissertation submitted in partial fulfilment of the requirements for the degree Magister
Commercii in Industrial Psychology at the Potchefstroom Campus of the North-West
University.

Study Leader: Dr. W.J. Coetzer

Potchefstroom

2005

REMARKS

The reader is reminded of the following:

- The references as well as the editorial style as prescribed by the *Publication Manual (5th edition)* of the American Psychological Association (APA) were followed in this dissertation. This practice is in line with the policy of the Programme in Industrial Psychology of the North-West University (Potchefstroom Campus) to use APA style in all scientific documents as from January 1999.

- The dissertation is submitted in the form of one research article. The name of the promoter appears on the research article as it was submitted for publication in a national journal.

ACKNOWLEDGEMENTS

I wish to thank those individuals who supported me, nudged and guided me to complete this research successfully.

- I owe a special debt of gratitude to Dr Wilma Coetzer, for her patience, guidance and persistence.
- Prof Ian Rothman, thank you for not allowing me to give up and for allowing me to complete this article.
- To my family, you are the best I could ever have wished for, thank you for your support, love and understanding.
- Franco you are a truly special individual, thank you for your friendship, love and support, for believing that I could do this.
- To Yvette and Adriana – your friendship and support will always be worth more than you could ever imagine.
- To my colleagues who patiently completed the very long questionnaires – without you this study would not have been possible.
- I thank God for putting all these wonderful people in my life, for leading me this far, for giving me the strength to complete this, regardless.

TABLE OF CONTENTS

	Page	
List of Tables	v	
Summary	vi	
Opsomming	viii	
 CHAPTER 1: INTRODUCTION		
1.1	Problem statement	1
1.2	Research objectives	5
1.2.1	General objective	6
1.2.2	Specific objectives	6
1.3	Research method	6
1.3.1	Literature review	6
1.3.2	Research design	7
1.3.3	Participants	7
1.3.4	Measuring battery	7
1.3.5	Statistical analysis	8
1.4	Division of chapters	10
1.5	Chapter summary	10
	References	11
 CHAPTER 2: RESEARCH ARTICLE		
	Psychological well-being and job satisfaction of employees in a financial institution	14
	References	36

	Page
CHAPTER 3: CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS	
3.1	Conclusions 42
3.2	Limitations of this study 44
3.3	Recommendations 45
3.3.1	Recommendations for the industry 46
3.3.2	Recommendations for future research 47
	References 49

LIST OF TABLES

Table	Description	Page
Research Article 1		
Table 1	Characteristics of the Participants	25
Table 2	Descriptive Statistics and Cronbach Alpha Coefficients of the MSQ, GSES, AFM and OLQ	29
Table 3	Pearson Correlation Coefficients between the MSQ, GSES, AFM and OLQ	29
Table 4	Multiple Linear Regression with Job Satisfaction as Dependant Variable (DV) and Self-efficacy, Positive and Negative Affect, and Sense of Coherence as Independent Variables (IV)	30
Table 5	MANOVAs of psychological well-being (i.e. self-efficacy, positive and negative affect, sense of coherence) and job satisfaction of biographical characteristics	32

SUMMARY

Topic: Psychological well-being and job satisfaction of employees in a financial institution

Key terms: Job Satisfaction, self-efficacy, positive and negative affect, sense of coherence

Companies, also financial institutions, realign, redesign, restructure and downsize on an ongoing basis, increasing tension in employees to survive in the work environment. Besides coping with the impact of recessions and layoffs, employees also have to cope with increased workloads and the pressures of modern life. Employment is not only a means of financial viability, but also defines individuals' identities. Job loss – or even the threat of it – can be psychologically devastating and may influence the psychological well-being of employees. This may impact their perceived job satisfaction as well. The current trend within organisations is to move towards a model that focuses on strengths, where individuals take charge of their own lives and have effective working conditions where they successfully cope and perform optimally.

The objective of this research was to determine the relationship between psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction of employees in a financial institution.

The research method for this article consisted of a brief literature review and an empirical study using a cross-sectional survey design to collect data. An availability sample ($N = 117$) was taken from employees from different levels in a financial institution. The *Minnesota Satisfaction Questionnaire* (MSQ), *Generalised Self-Efficacy Scale* (GSES), *Affectometer 2* (AFM), *Orientation to Life Questionnaire* (OLQ) and a *Biographical questionnaire* were administered. The statistical analysis was carried out with the help of the SPSS-programme. The statistical methods utilised in the article consisted of descriptive statistics, Cronbach alpha coefficients, Pearson product-moment correlation coefficients, Regression analysis and Manovas.

The results showed acceptable internal consistencies for all the constructs. Product-moment correlation coefficients showed significant positive correlations between self-efficacy, positive affect, sense of coherence and job satisfaction and significantly negative correlations

between negative affect, self-efficacy, positive affect and sense of coherence. Self-efficacy, positive and negative affect, and sense of coherence predicted 19% of the variance in job satisfaction with sense of coherence the only significant predictor of Job Satisfaction. No differences in terms of biographical characteristics in the experience of self-efficacy, positive affect, negative affect, sense of coherence and job satisfaction could be found.

Recommendations for future research were made.

OPSOMMING

Onderwerp: Psigologiese welstand en werkstevredenheid van werknemers in 'n finansiële instelling.

Sleutelterm: Werkstevredenheid, self-effektiwiteit, positiewe and negatiewe affek en koherensiesin

Maatskappye, insluitende finansiële instansies, herstruktureer, herposisioneer en verminder personeel op 'n deurlopende basis. Dit lei tot verhoogde spanning onder werknemers wat in 'n hoogs mededingende werksomgewing moet oorleef. Personeel moet die uitwerking van ekonomiese resessies en afleggings hanteer, asook die impak van verhoogde werkslading en die druk van 'n moderne leefwyse. 'n Vaste betrekking beteken vir die individu nie net inkomste nie, maar is ook bepalend vir sy identiteit. Werksverlies, of die moontlikheid daarvan, kan psigologies oorweldigend wees en kan beslis die psigologiese welsyn van die individu beïnvloed. Dit mag daarom ook 'n invloed uitoefen op die individu se ervaring van werkstevredenheid. Die huidige neiging in organisasies is om te beweeg na 'n model wat fokus op inherente sterkte, waar individue beheer neem van hulle lewens en 'n in effektiewe werksomgewings het, waar hulle alle aspekte van werk suksesvol hanteer en optimaal presteer en funksioneer.

Die doel van hierdie studie was om die verhouding tussen die psigologiese welstand (d.i. self-effektiwiteit, positiewe en negatiewe affek, en koherensiesin) en werkstevredenheid van werknemers te bepaal.

Die navorsingsmetode vir hierdie artikel is gebaseer op 'n kort literatuur-studie, asook 'n empiriese studie, waar 'n dwars-deursnee opnameontwerp gebruik is om data in te samel. 'n Beskikbaarheidsteekproef ($N = 117$) is geneem van werknemers op verskillende vlakke in 'n finansiële instelling. Die *Minnesota Tevredenheidsvraelys (MSQ)*, *Algemene Selfdoeltreffendheidsvraelys (GSES)*, *Affektometer 2 (AFM)*, die *Lewensoriëntasievraelys (OLQ)*, asook 'n *biografiese vraelys* is afgeneem. 'n Statistiese analise is met die SPSS-program uitgevoer. Statistiese metodes wat gebruik is in die voorbereiding van die artikel, behels beskrywende statistiek, Cronbach Alfa-koeffisiënte, Pearson produkmoment-korrelasiekoeffisiënte, 'n regressie-analise en Manovas.

Die resultate het aanvaarbare vlakke van interne konsekwentheid vir al die konstrunkte getoon. Produktmoment-korrelasiekoëffisiënte het beduidende positiewe korrelasies getoon tussen self-effektiwiteit, positiewe affek, koherensiesin en werkstevredenheid en beduidend negatiewe korrelasies tussen negatiewe affek, self-effektiwiteit, positiewe affek en koherensiesin. Self-effektiwiteit, positiewe en negatiewe affek en koherensiesin voorspel 19% van die variansie tussen werkstevredenheid en koherensiesin – die enigste beduidende voorspeller van werkstevredenheid. Biografiese eienskappe het geen verskille aangedui in terme van die ervaring van self-effektiwiteit, positiewe affek, negatiewe affek koherensiesin of werkstevredenheid nie.

Aanbevelings vir toekomstige navorsing is aan die hand gedoen.

CHAPTER 1

INTRODUCTION

This mini-dissertation focuses on the psychological well-being and job satisfaction of employees in a financial institution.

Chapter 1 contains the problem statement, research objectives and research methodology employed. The chapter starts out with a problem statement, giving an overview of previous related research on psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction, linking it with this research project and its research objectives. A discussion of the research method follows, with details on the empirical study, research design, study population, measuring instruments and statistical analyses.

1.1 PROBLEM STATEMENT

In an increasingly competitive global market, companies realign, redesign, restructure and downsize on an ongoing basis (Schaufeli & Greenglass, 2001), increasing tension in employees to survive in the work environment. Besides coping with the impact of recessions and layoffs, employees also have to cope with increased workloads and the pressures of modern life (Anon, 2002). Since employment is not only the means of financial viability, but also defines individuals' identities, job loss – or even the threat of it – can be psychologically devastating (Dekker & Schaufeli, 1995).

Within the financial industry, these threats are very real. The biggest issue that financial organisations have to face is to focus on how they can grow and enhance their business (Joffe, 2005) in order to survive in a very competitive market. The recent Barclays acquisition of ABSA (Anon, 2005) was in many ways a wake-up call for local banks, forcing them to increase their competition and sharpen their skills (Joffe, 2005). Not only are business growth and expansion advantageous for the organisation, but employees also appear to benefit from these created opportunities (Booyesen, 2005). As a result, organisations have a major role to play to ensure that each employee's productivity is optimised to utilise these opportunities, but also to assist the organisation in keeping its cost-to-income ratio as low as

possible, to remain competitive and to increase its return on equity and earnings per share. Organisations also have to ensure that their employees have the necessary capabilities, knowledge, skills and attributes to assist the organisation in achieving its strategy and other goals (Joffe, 2005).

The banking industry employs highly skilled and qualified individuals. Employees can perform at more optimal levels if, amongst others, they are matched successfully to positions where their skills are put to optimal use. When the need for competence, the need for belonging, and the need for autonomy are satisfied, personal well-being and social development are optimised (Ryan & Deci, 2000). Individuals in this condition appear to be intrinsically motivated, able to capitalise on their abilities and able to seek out progressively greater challenges. Conversely, individuals who lack a sense of personal power or personal efficacy will show insufficient levels of initiative and commitment (Nortjé, 2002). Various programmes such as empowerment programmes are implemented as tools to enable employees to increase their confidence and enhance their competence. As a result, employees may show higher levels of commitment, creativity, productivity, ownership and responsibility.

When employees are given the opportunity to use their initiative, extend their thinking, and explore beyond the normal boundaries, they are able to establish their true capability or potential – and as such contribute to the objectives of the organisation. Unfortunately, most individuals are raised to focus on what cannot be done (the negative), instead of on what can be done (the positive) (Strümpfer & Kellerman, 2002). The experience of stressors in the work environment can also contribute to this negative focus. In a recent investigation into the general health of staff at a local bank (Philip, 2005), it was found that managerial staff experience high levels of stress. The contributing stressors seem to be organisational change, job satisfaction, role overload, role conflict, role confusion, responsibility, accountability, and work-life balance. All these stressors may influence the psychological well-being of employees.

However, the current trend within organisations is to move away from this disempowering deficit model to a model that focuses on strengths, individuals taking charge of their own lives, and effective working conditions where people cope successfully and perform optimally. When individuals are matched successfully to positions where they are

continuously challenged and encouraged to achieve arduous goals that extend their capabilities, it may motivate them to conceive and attain greater goals. It appears that a committed and accountable workforce consistently performs at levels far beyond the norm (Wenburg, 2001). They are perceived to be proud of their organisation and their personal contribution to it, and will do whatever it takes to make the organisation a success. In view of the fact that a healthy organisation is defined as an organisation that is characterised by both financial success (profitability) and a physically and psychologically healthy workforce able to maintain a healthy and satisfying work environment and organisational culture particularly through change and market turbulence (Cooper & Cartwright, 1994), the advantages of satisfied employees cannot be overemphasised.

The positive effects of success at work may spill over into an individual's personal life and increase general satisfaction (life satisfaction) (Bessokirnaia & Temnitskii, 2002). One component that enhances these positive effects of success at work is job satisfaction. When an individual experiences job satisfaction, it may lead to higher levels of commitment, and therefore greater success at work (Hui & Lee, 2000; Testa, 2001). Job satisfaction involves several basic components, such as specific beliefs about one's job, behaviour tendencies (intentions) with respect to it, and feelings about it (Isen & Baron, 1991). It is conceptualised and operationalised as both a global construct and a multifaceted construct (Hirschfeld, 2000). According to Hirschfeld (2000), job satisfaction is the extent to which people like their job. It is a reaction to a job, which stems from the incumbent's comparison of actual outcomes with the expected outcomes (Cranny, Smith, & Stone, 1992; Rothmann & Agathagelou, 2000). Should the outcome exceed their expectations, it may lead to job satisfaction. The problem is, however, that organisations tend to focus more on dispositional factors influencing job satisfaction than on situational factors, even though both have an influence on job satisfaction (Rothmann & Agathagelou, 2000).

Job satisfaction is indirectly influenced by self-efficacy and specifically in terms of the perceptions of work attributes (Judge, Locke, Durham, & Kluger, 1998). In an environment where employees experience high levels of psychological safety coupled with high levels of accountability, their performance is optimised (Lapin, 2005). Individuals who feel more accountable in the work environment will take more ownership of their output, which leads to an overall increase in productivity (Lapin, 2005) – and therefore to job satisfaction.

Self-efficacy is defined as the belief in one's own capability to perform a task (Ballentine & Nunns, 1998). It refers to the thoughts and feelings of competence and mastery that are generated through interaction with the environment, which translate into the individual behaving in a certain way because of expectations of success (Niedinger, 1997). This may influence other parts of the individual's life, e.g. emotional well-being. An individual may, for instance, perform unsatisfactorily as a result of his/her expectations and own feelings of inadequacy, an inaccurate estimation of his/her potential. People may attribute their ineptitude to perform in a certain task to various factors – all of which could potentially affect their self-esteem. The metaphor of strength is inherent in self-efficacy (Strümpfer, 1995). Ballentine and Nunns (1998) assert that several studies (whilst not proving directionality of the relationship) proved that self-efficacy is a significant predictor of future performance – the higher the level of self-efficacy, the higher the level of task performance.

In previous research, negative relationships were also found between negative affect and job satisfaction, and positive relationships between positive affect and job satisfaction (Strümpfer, Danana, Gouws, & Viviers, 1998). Negative affectivity (NA) is defined as an intra-psychic determinant that dictates an individual's view of the world, where the individual will interpret the world and see himself/herself in unhappy and pessimistic terms (Meeks & Murrell, 2001). The affective and cognitive bias of NA seems likely to influence how people experience and evaluate their job (Strümpfer, et al., 1998). Positive affectivity (PA) is characterised by an element of positive feelings experienced across situations, by facets of sociability and social dominance and energy, venturesomeness and ambition, and is seen as a superordinate personality factor, also referred to as extraversion. Negative and positive affectivity can be regarded as relatively permanent and stable dispositions. The dispositions derive in part from genetic and early childhood influences and in part from elaboration on those developments by later development, including experiences in the work situation – as learned and socialised patterns of response (Arvey, Bouchard, Segal, & Abraham, 1989).

Another positive construct that correlates with job satisfaction is sense of coherence. Sense of coherence (SOC) is seen as a dispositional orientation that describes how people stay well and manage stress. It is believed to engender, sustain, and enhance health, as well as provide strength in other areas, such as at work (Strümpfer, et al., 1998). Strümpfer (1995) contends that SOC could be directly related to other aspects of successful living, such as effective performance of work and career effectiveness – living up to your potential. SOC underpins

Antonovsky's (1979) theory of *salutogenesis*, which refers to the origins of health (Strümpfer, 1995).

Within the South African context, and specifically the financial industry, no research could be found investigating the relationship between different psychological positive constructs, i.e. self-efficacy, positive and negative affect, sense of coherence, and job satisfaction. The objective of this research is therefore to determine the relationship between psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction of employees in a financial institution. An understanding of these relationships could provide some insight into the identification of successful candidates for vacancies within the financial institution, thus ensuring that staff members are optimally productive as a result of being successfully matched to vacancies.

Based on the above, this research will attempt to answer the following questions:

- Are the measurement instruments of job satisfaction, self-efficacy, positive and negative affect, and sense of coherence valid and reliable?
- How are psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction conceptualised in the literature?
- What is the relationship between psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction?
- Is self-efficacy, positive and negative affect and sense of coherence of employees in a financial organisation contributing to higher levels of job satisfaction?
- What are the differences between biographical information (i.e. gender, race, department, organisational level, and years of experience) in terms of psychological well-being (self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction?

1.2 RESEARCH OBJECTIVES

The research objectives are divided into a general objective and specific objectives.

1.2.1 General objective

The general objective of this research is to determine the relationship between psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction of employees in a financial institution.

1.2.2 Specific objectives

- To determine the construct validity and internal consistency of the Minnesota Satisfaction Questionnaire (MSQ), Generalised Self-Efficacy Scale (GSES), Affectometer 2 (AFM), and Orientation to Life Questionnaire (OLQ) for employees in a financial institution.
- To conceptualise psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction from the literature.
- To investigate the relationship between psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction.
- To assess whether self-efficacy, positive and negative affect and sense of coherence of employees in a financial organisation contribute to higher levels of job satisfaction.
- To examine the differences between biographical information (i.e. gender, race, department, organisational level and years of experience) in terms of psychological well-being (self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction.
- To make recommendations for future research.

1.3 RESEARCH METHOD

The research method consists of a literature review and an empirical study. The results obtained from the research will be presented in an article format.

1.3.1 Literature review

The literature review focuses on previous research on job satisfaction, self-efficacy, positive and negative affect, and sense of coherence, and the relationship between these constructs. An overview is given of the conceptualisation of these constructs in the literature, and on the

findings in terms of measuring job satisfaction, self-efficacy, positive and negative affect, and sense of coherence.

1.3.2 Research design

A cross-sectional design, with a survey as the data collection technique, was used to achieve the research objectives. Cross-sectional designs are used to examine groups of subjects in various stages of development simultaneously, while the survey describes a technique of data collection in which questionnaires are used to gather data about an identified population (Burns & Grove, 1993). Information collected is used to describe the population at that point in time. This design can also be used to assess interrelationships among variables within a population. According to Shaughnessy and Zechmeister (1997), this design is best suited to addressing the descriptive and predictive functions associated with correlational research, whereby relationships between variables are examined.

1.3.3 Participants

The study population ($N = 117$) could be defined as an availability sample of employees working in a financial institution. The sample consisted mainly of white (71,05%) males (62,28%) at middle management level (40,35%). A large percentage of the sample either has a degree (23,68%) or CA(SA) qualification (22,81%), with more than ten years' experience (44,74%) or less than three years' banking experience (30,70%).

1.3.4 Measuring battery

Four questionnaires were used in the empirical study, namely the Minnesota Satisfaction Questionnaire (MSQ) (Hirschfeld, 2000), the Generalised Self-Efficacy Scale (Schwarzer, 1992), the Affectometer 2 (AFM) (Kammann & Flett, 1983), and the Orientation to Life Questionnaire (OLQ) (Antonovsky, 1983).

Minnesota Satisfaction Questionnaire (MSQ) (Hirschfeld, 2000). The short version of this questionnaire was used to measure the job satisfaction of employees. The short version of the Minnesota Job Satisfaction Questionnaire consists of 20 items that measure satisfaction with specific aspects of the job and the work environment. According to Cook, Hepworth, Wall,

and Warr (1981), the Minnesota Satisfaction Questionnaire offers a reliable and valid measure of general job satisfaction.

The *Generalised Self-Efficacy Scale* (GSES) (Schwarzer, 1992) is a 10-item psychometric scale that is designed to assess optimistic self-beliefs to cope with a variety of difficult demands in life. The scale was originally developed by Matthias Jerusalem and Ralf Schwarzer in 1981. In contrast to other scales that were designed to assess optimism, this one explicitly refers to personal agency, i.e. the belief that one's actions are responsible for successful outcomes. In the study by Hampton and Marshall (2000), it was shown that higher scores correspond with higher self-efficacy expectations. The Cronbach reliability of the GSES in this study was 0,79. In a South African study among university students, an alpha coefficient of 0,80 was found (Van der Merwe, 2005).

Affectometer 2 (AFM) (Kammann & Flett, 1983). The AFM is a 40-item scale that measures general happiness, also referred to as sense of well-being (conceptualised as the degree to which positive feelings predominate over negative feelings). It provides a basic indication of quality of life as experienced on an emotional level. Other subscales measured with this instrument are positive affect, negative affect, as well as positive-negative affect balance. Kammann and Flett (1983) report alpha reliabilities of 0,88 to 0,93 as well as indications of validity.

The *Orientation to Life Questionnaire* (OLQ) (Antonovsky, 1983) is used to measure the construct of sense of coherence. The questionnaire consists of 29 items. It contains items measuring the three components of sense of coherence, namely manageability, comprehensibility and meaningfulness. The scale assesses an individual's global orientation towards coping. The Cronbach alphas ranged from 0,83 to 0,88 (Antonovsky, 1983). Rothmann (2000) reported an alpha coefficient of 0,89 for the OLQ, which is regarded as acceptable. In a sample of protection services members in South Africa, an alpha coefficient of 0,83 was found (Coetzer, Muller, & Van der Linde, 2005).

1.3.5 Statistical analysis

The statistical analysis was carried out with the help of the SPSS program (SPSS, 2003). Descriptive statistics (e.g. means, standard deviations, skewness and kurtosis) were used to

analyse the data. Cronbach alpha coefficients were used to determine the internal consistency, homogeneity and unidimensionality of the measuring instruments (Clark & Watson, 1995). Coefficient alpha contains important information regarding the proportion of variance of the items of a scale in terms of the total variance explained by that particular scale.

Pearson product-moment correlation coefficients were used to specify the relationship between the variables. In terms of statistical significance, it was decided to set the value at a 95% confidence interval level ($p \leq 0,05$). Effect sizes (Steyn, 1999) were used to determine the practical significance of the findings. A cut-off point of 0,30 (medium effect, Cohen, 1988) was set for the practical significance of correlation coefficients. T-tests, ANOVA and MANOVA were used to determine the differences between groups.

A multiple regression analysis was conducted to determine the proportion of variance in the dependant variable (job satisfaction) that is predicted by the independent variables (self-efficacy, positive and negative affect, and sense of coherence). The effect size (which indicates practical significance) in the case of multiple regression is given by the following formula (Steyn, 1999):

$$f^2 = R^2 / (1 - R^2)$$

A cut-off point of 0,35 (large effect (Steyn, 1999)) was set for the practical significance of f^2 .

The value of R^2 is used to determine the proportion of the total variance of the dependant variable that is explained by the independent variables. The F-test is used to test if a significant regression exists between the independent and dependent variables. Steyn (1999) suggested that effect size is used together with multiple regression, especially when working with a total population. Cohen (1988) suggested the following guidelines for effect size:

- $f^2 = 0,01$ – small effect
- $f^2 = 0,10$ – medium effect
- $f^2 = 0,35$ – large effect

1.4 DIVISION OF CHAPTERS

The chapters are presented as follows in this mini-dissertation:

Chapter 1: Introduction

Chapter 2: Research Article

Chapter 3: Conclusions, limitations and recommendations

1.5 CHAPTER SUMMARY

Chapter 1 focused on the problem statement, research objectives and research method followed in this study. This was followed by a division of the chapters that follow.

REFERENCES

- Anon. (2002). Stop burnout – before it stops your employees. *HR Focus*, 79(2), 3-4.
- Anon. (2005). Business. *Economist*, 376(8437), 7.
- Antonovsky, A. (1979). *Health, stress and coping*. San Francisco, CA: Jossey-Bass.
- Antonovsky, A. (1983). The sense of coherence: Development of a research instrument. *Newsletter and Research Report 1*, 11-22.
- Arvey, R.D., Bouchard, T.J., Segal, N.L., & Abraham, L.M. (1989). Job satisfaction: environmental and genetic components. *Journal of Applied Psychology*, 74, 187-192.
- Ballentine, K. & Nunns, C.G. (1998). The moderating effect of supervisory support on the self-efficacy work-performance relationship. *South African Journal of Psychology*, 28(3), 81-89.
- Bessokirnaia, G.P. & Temnitskii, A.L. (2002). Job satisfaction and satisfaction with life. *Sociological Research*, 40(4), 6-12.
- Booyesen, S. (2005, May). *An offer by Barclays to present a majority stake in ABSA*. <http://www.absa.co.za/absacoza/generated/files/23f78be6e99b3010VgnVCM1000003511060aRCRD/Presentation.pdf> (Retrieved 2005-08-24).
- Burns, N. & Grove, S.K. (1993). *The practice of nursing research, conduct, critique and utilization* (2nd ed.). Philadelphia, PA: W.B. Saunders.
- Clark, L.A. & Watson, D. (1995). Constructing validity: Basic issues in objective scale development. *Psychological Assessment*, 7, 309-319.
- Coetzer, W.J., Muller, P.H.E., & Van der Linde, R. (2005, June). *Work Wellness of Protection Services Members*. Paper presented at the 8th SIOPSA Congress, CSIR, Pretoria, South Africa, 8-10 June 2005.
- Cohen, J. (1988). *Statistical power analysis for the behavior sciences*. Orlando, FL: Academic Press.
- Cook, J.A., Hepworth, S.J., Wall, T.D. & Warr, P.B. (1981). *The experience of work*. London: Academic Press.
- Cooper, C.L. & Cartwright, S. (1994). Healthy mind, healthy organization – A proactive approach to organisational stress. *Human Relations*, 47(4), 455-471.
- Cranny, C.J., Smith, P.C., & Stone, E.F. (1992). *Job satisfaction. How people feel about their jobs and how it affects their performance*. New York: Lexington Books.
- Dekker, S.W.A. & Schaufeli, W.B. (1995). The effects of job insecurity on psychological health and withdrawal: A longitudinal study. *Australian Psychologist*, 30, 57-63.

- Hampton, N.Z. & Marshall, A. (2000). Culture, gender, self-efficacy, and life satisfaction: a comparison between Americans and Chinese people with spinal cord injuries. *Journal of Rehabilitation, 66*(3), 21-28.
- Hirschfeld, R.R. (2000). Does revising the intrinsic and extrinsic subscales of the Minnesota Satisfaction Questionnaire short-form make a difference? *Educational and Psychological Measurement, 60*(2), 255-270.
- Hui, C. & Lee, C. (2000). Moderating effects of organizational-based self-esteem on organisational uncertainty: Employee response relationships. *Journal of Management, 26*(2), 215-232.
- Isen, A.M. & Baron, R.A. (1991). Positive affect as a factor in organizational behaviour. *Research on Organizational Behavior, 13*, 1-53.
- Joffe, H. (2005, July 19). Banks face challenges after experiencing a 'golden age'. *The Business Day, 7*.
- Judge, T.A., Locke, E.A., Durham, C.C., & Kluger, A.N. (1998). Dispositional effects on job and life satisfaction: The role of core evaluations. *Journal of Applied Psychology, 83*, 17-34.
- Kammann, R. & Flett, R. (1983). Affectometer 2: A scale to measure current levels of general happiness. *Australian Journal of Psychology, 35*, 259-265.
- Lapin, D. (2005, August). *Culpability to Accountability*. Paper presented at a Strategic Personnel Breakfast, Parktown, Johannesburg.
- Meeks, S. & Murrell, S.M. (2001). Contribution of education to health and life satisfaction in older adults mediated by negative affect. *Journal of Aging and Health, 13*, 92-119.
- Niedinger, H. (1997). Self-Efficacy and Performance. *Journal of Dietetics and Home Economics, 25*(1), 71-72.
- Nortjé, A. (2002). Empowerment in the workplace: a competitive necessity. Part II. *Management Today, 17*(10), 42-43.
- Philip, P. (2005, March). *A healthy employee is an invaluable asset*. Paper presented at the Retail Banking Human Resources Conference, Standard Bank, Killarney, South Africa.
- Rothmann, S. (2000). *Sense of coherence, locus of control and job satisfaction*. Paper presented at the 27th International Congress of Psychology, Stockholm.
- Rothmann, S., & Agathagelou, A.M. (2000). Die verband tussen lokus van beheer en werkstevredenheid by senior polisiepersoneel [The relationship between locus of control and job satisfaction among senior police personnel]. *South African Journal of Industrial Psychology, 26*(2), 20-26.

- Ryan, R.M. & Deci, E.L. (2000). Self-determination theory and the facilitation of intrinsic motivation, social development, and well-being. *American Psychologist*, 55, 68-78.
- Schaufeli, W.B. & Greenglass, E.R. (2001). Introduction to special issue on burnout and health. *Psychology and Health*, 16, 501-510.
- Schwarzer, R. (Ed.) (1992). *Self-efficacy: Thought control of action*. Washington, DC: Hemisphere.
- Shaughnessy, J.J. & Zechmeister, E.B. (1997). *Research methods in psychology* (4th ed.). New York, NY: McGraw-Hill.
- SPSS Inc. (2003). *SPSS 12.0 for Windows*. Chicago, IL: Author.
- Steyn, H.S. (1999). *Praktiese beduidendheid: Die gebruik van effekgroottes*. [Practical significance: The use of effect sizes.] Wetenskaplike bydraes – Reeks B: Natuurwetenskappe Nr 117. Potchefstroom: PU vir CHO.
- Strümpfer, D.J.W. (1995). The origins of health and strength: From ‘salutogenesis’ to ‘fortigenesis’. *South African Journal of Psychology*, 25(2), 81-89.
- Strümpfer, D.J.W., Danana, N., Gouws, J.F., & Viviers, M.R. (1998). Personality dispositions and job satisfaction. *South African Journal of Psychology*, 28(2), 92-100.
- Strümpfer, D.J.W. & Kellerman, R. (2002). Resilience can add value to your business. *Management Today*, 18(1), 40-41.
- Testa, M.R. (2001). Organizational commitment, job satisfaction, and effort in the service environment. *The Journal of Psychology*, 135(2), 226-236.
- Van der Merwe, N. (2005). *The Relationship Between Psychological Well-Being and Academic Performance of University Students*. Unpublished master’s thesis, North-West University (Potchefstroom Campus), Potchefstroom.
- Wenburg, J. (2001). Thriving in permanent whitewater. *Management Today*, 17(7), 6-7.

CHAPTER 2
RESEARCH ARTICLE

PSYCHOLOGICAL WELL-BEING AND JOB SATISFACTION OF EMPLOYEES IN A FINANCIAL INSTITUTION

E. Rothner

W.J. Coetzer

*WorkWell: Research Unit for People, Policy and Performance, Faculty of Economic and Management
Sciences, North-West University (Potchefstroom Campus)*

ABSTRACT

The objective of this study was to determine the relationship between psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction of employees in a financial institution. A cross-sectional survey design was used. An availability sample ($N = 117$) was taken from employees from different levels in a financial institution. The MSQ, GSES, AFM and OLQ were administered. The results showed that self-efficacy, positive affect, sense of coherence and job satisfaction correlated positively with one another, while negative affect had negative correlations with the other constructs. Self-efficacy, positive and negative affect and sense of coherence predicted 19% of the variance in job satisfaction. Sense of coherence was a significant predictor of job satisfaction. No differences in terms of biographical characteristics in the experience of self-efficacy, positive affect, negative affect, sense of coherence and job satisfaction could be found.

OPSOMMING

Die doelwit van hierdie studie was om die verhouding tussen psigologiese welstand (d.w.s. self-effektiwiteit, positiewe en negatiewe affek, en koherensiesin) en werkstevredenheid van werknemers in 'n finansiële instelling te bepaal. 'n Dwarsdeursnee-opnameontwerp is gebruik. 'n Beskikbaarheidsteekproef ($N = 117$) is geneem van werknemers op verskillende vlakke in 'n finansiële instelling. Die MSQ, GSES, AFM en OLQ is afgeneem. Die resultate het getoon dat self-effektiwiteit, positiewe affek, koherensiesin en werkstevredenheid positief met mekaar korreleer, terwyl negatiewe affek negatiewe korrelasies met die ander faktore toon. Self-effektiwiteit, positiewe en negatiewe affek en koherensiesin het 19% van die variansie in werkstevredenheid voorspel. Koherensiesin is 'n betekenisvolle voorspeller van werkstevredenheid. Geen verskille ten opsigte van biografiese eienskappe kon gevind word wat betref die ervaring van self-effektiwiteit, positiewe affek, negatiewe affek, koherensiesin en werkstevredenheid nie.

In an arena of the economy where there is increased competition, with international companies entering the market and putting pressure on profit margins, companies in the financial industry are forced to look at different ways to maintain their market share. They have to drive down their cost-to-income ratios, remain profitable (and even increase profitability levels), and still maintain the ability to deliver to their shareholders (Joffe, 2005). As a result, organisations have to focus on how they can grow and enhance their business in order to survive with intense international competition and globalisation.

The recent Barclays acquisition of ABSA (Anon, 2005) was in many ways a wake-up call for local banks, forcing them to increase their competition and sharpen their skills (Joffe, 2005). In order for banks to keep their cost-to-income ratio as low as possible, to remain competitive and to increase their return on equity and earnings per share, they have to ensure that the productivity of each employee is optimised. Thus, not only do organisations have to face ongoing possibilities of realignment, redesigning, restructuring and downsizing (Schaufeli & Greenglass, 2001), but they also need to focus on the increasing pressure on employees to survive in the work environment.

Besides coping with the impact of recessions and layoffs, employees also have to cope with increased workloads and the pressures of modern life (Anon, 2002). The possibility of losing one's job – or even the threat of it due to changes in the work environment – can be psychologically devastating (Dekker & Schaufeli, 1995). Organisations need to realise this and try to create opportunities for employees through business growth and expansion (Booyesen, 2005). This can be done by ensuring that employees have the necessary capabilities, knowledge, skills and attributes to assist the organisation in achieving its strategic goals (Joffe, 2005). The sustainable and profitable growth of an organisation also comes from loyal and satisfied customers, driven by a committed workforce, produced by leaders who develop this workforce (Wenburg, 2001).

The banking industry employs highly skilled and qualified individuals. Employees can perform at more optimal levels if, amongst others, they are matched successfully to positions where their skills are put to optimal use. When the need for competence, the

need for belonging and the need for autonomy are satisfied, personal well-being and social development are optimised (Ryan & Deci, 2000). Individuals in this condition appear to be intrinsically motivated, able to capitalise on their abilities and able to seek out progressively greater challenges. They may also show higher levels of commitment, creativity, productivity, ownership and responsibility.

When individuals are given the opportunity to realise their true potential and see what they are capable of by using their initiative, extending their thinking, and exploring beyond the normal boundaries, it appears that their belief in themselves, their capabilities and their ability to add value is enhanced. Individuals who lack a sense of personal power or personal efficacy will show insufficient levels of initiative and commitment (Nortjé, 2002). Rather than focusing on what can be done (the positive), most individuals are raised to focus on what cannot be done (the negative) (Strümpfer & Kellerman, 2002). The experience of stressors in the work environment can contribute to this negative focus. Stressors found to impact on the psychological well-being of employees in a financial institution (Philip, 2005) are role overload, role conflict, role confusion, responsibility, accountability, constant organisational change, insufficient levels of job satisfaction and issues with work-life balance.

Stress has become a major problem of everyday life that threatens the individual, the organisation and societal health (Cooper & Cartwright, 1994). It can be manifested psychologically, physically and behaviourally (Lai, Chan, Ko, & Boey, 2000). There is significant evidence to suggest that chronic and high levels of occupational stress, left unchecked, may be related to a lack of mental and physical well-being, or ill health, absenteeism, stress-related injuries, employee turnover, intention to quit and specifically job dissatisfaction (Cooper & Watson, 1991; Frese, 1985; McLean, 1980; Siu, 2002; Winefield, Gillespie, Stough, Dua, & Hapuararchchi, 2002). Stress and job satisfaction are two important indicators of the work-related happiness of employees (Cropanzano & Wright, 2001).

The current trend within organisations is to move away from the disempowering deficit model focusing on stressors and pathology to a model that focuses on strengths, individuals taking charge of their own lives and effective working conditions where people cope successfully, perform optimally and maintain a good work-life balance (Milkovich & Boudreau, 1997). In view of the fact that a healthy organisation is defined as an organisation that is characterised by both financial success (profitability) and a physically and psychologically healthy workforce able to maintain a healthy and satisfying work environment and organisational culture particularly through change and market turbulence (Cooper & Cartwright, 1994), the advantages of employees experiencing job satisfaction cannot be overemphasised.

Job satisfaction

Job satisfaction is conceptualised and operationalised as both a global construct and a multifaceted construct (Hirschfeld, 2000). It involves several basic components, such as specific beliefs about one's job, behaviour tendencies or intentions with respect to one's job, and feelings about one's job (Isen & Baron, 1991). Job satisfaction is the extent to which people like their jobs (Hirschfeld, 2000). Individuals measure job satisfaction by evaluating the actual outcome of their efforts against the desired or expected outcome (Cranny, Smith, & Stone, 1992; Rothmann & Agathagelou, 2000). Should the outcome exceed their expectations, it may lead to increased job satisfaction. The problem is, however, that organisations tend to focus more on dispositional factors influencing job satisfaction than on situational factors, even though both have an influence on job satisfaction (Rothmann & Agathagelou, 2000).

It has been shown that an increase in job satisfaction will lead to increased organisational commitment (Hui & Lee, 2000; Testa, 2001). When an individual experiences job satisfaction, it may lead to higher levels of commitment, and therefore greater success at work. Positive effects of success at work may spill over into an individual's personal life and increase general satisfaction (life satisfaction) (Bessokirnaia & Temnitskii, 2002).

In an environment where employees experience high levels of psychological safety coupled with high levels of accountability, their performance is optimised (Lapin, 2005). A committed and accountable workforce consistently performs at levels far beyond the norm, as they are proud of their organisation and their personal contribution to it, and will do whatever it takes to make the organisation a success (Wenburg, 2001). Individuals who feel more accountable in the work environment will take more ownership of their output, which leads to an overall increase in productivity (Lapin, 2005) – and therefore to job satisfaction. The moral contract of the organisation with their employee should show that both the individual and his/her contribution are valued. Employees should not be exploited for the contribution that they can make.

If employees are to show commitment to their organisation, they should be willing to accept organisational goals, to work hard, and they should have the desire to stay with the organisation (Meyer & Allen, 1991). From a positive psychology perspective (Seligman & Csikszentmihalyi, 2000), such individuals could be described as engaged in their work, and they experience job satisfaction. It is likely that employees who are satisfied with their jobs are better ambassadors for the organisation and show more organisational commitment (Agho, Price, & Mueller, 1992). This can be accomplished by organisations that value the emotional aspects of their employees (Van der Merwe, 2005). Employing positive psychology in the workplace will have a positive effect, leading to an increase in productivity and optimisation of potential.

Job satisfaction is indirectly influenced by self-efficacy, in that job satisfaction is influenced by perceptions of work attributes (Judge, Locke, Durham, & Kluger, 1998). However, high levels of stress are associated with low levels of job satisfaction (Fairbrother & Warn, 2003; Terry, Nielsen, & Perchard, 1993). Judge, et al. (1998) found that individuals with an internal locus of control are likely to experience higher levels of job satisfaction, as they feel able to manage their feelings in the work environment (because they feel in charge of the situation). This was confirmed in another study (Garson & Stanwyck, 1997), where a positive correlation was found between internal locus of control and job satisfaction. In their study, Judge, et al.(1998) found a positive

correlation between job satisfaction and self-efficacy. They maintain that the way people evaluate themselves has a definite influence on their job satisfaction. Kanfer (1990) found that perceptions of competence could lead to feelings of satisfaction with a task.

With job satisfaction being related to positive constructs and the advantages of having satisfied employees, the question arises as to how to create proud employees, foster commitment and accountability in the workforce. Systematic exposure of an individual to increasingly difficult experiences of substantially difficult tasks, and building on positive qualities (Seligman & Csikszentmihalyi, 2000) could result in career and personal development (Strümpfer, 1995). Most people can learn to accept, and even seek, responsibility, and to exercise high levels of imagination and creativity in solving organisational demands (Strümpfer & Kellerman, 2002). An individual's increased perception of his/her potential, and the manifestation thereof, could lead to increased performance and productivity, and therefore to job satisfaction. In the end, exposure to such demands could lead to job satisfaction and job involvement, as well as organisational commitment – an increased ability and stamina to deal with excessive demands.

This is linked very closely with the evaluation an individual makes of his/her surroundings (Strümpfer & Kellerman, 2002), i.e. his/her assessment of job satisfaction. It is the role of the organisation to keep its workers engaged, for only then will the employees be loyal and psychologically committed to the organisation (Siu, 2002). This raises the question as to other possible factors that could increase organisational commitment, contribution and job satisfaction in the work environment. As indicated above, self-efficacy influences the experience of job satisfaction. This positive construct is perceived within this study, along with positive and negative affect, and sense of coherence as components of psychological well-being.

Self-efficacy

Self-efficacy is defined as the belief in one's own capability to perform a task (Ballentine & Nunns, 1998). It refers to the thoughts and feelings of competence and mastery that are generated through interaction with the environment, which translate into the individual behaving in a certain way because of expectations of success (Niedinger, 1997). Generalised self-efficacy is impacted by frequent situation-specific experiences of personal success (Gardner & Pierce, 1998).

The metaphor of strength is inherent in self-efficacy (Strümpfer, 1995). Ballentine and Nunns (1998) assert that several studies (whilst not proving directionality of the relationship) proved that self-efficacy is also a significant predictor of future performance – the higher the level of self-efficacy, the higher the level of task performance. Employees with low self-efficacy levels doubt their own capabilities, shy away from difficult tasks, have low aspirations and weak commitments to the goals they wish to pursue (Bandura, 1989). People with high self-efficacy tend to choose more challenging tasks to perform (Van der Merwe, 2005), they set higher goals for themselves, remain committed to them and they recover more quickly from setbacks (Schwarzer, 1999). It seems possible that the higher one's level of self-efficacy in some tasks, the higher one's positive affect associated with it (Lee & Bobko, 1994; Schwoerer & May, 1996).

Positive and negative affect

Research indicates a negative relationship between negative affect and job satisfaction and a positive relationship between positive affect and job satisfaction (Strümpfer, Danana, Gouws, & Viviers, 1998). Negative affectivity (NA) is defined as an intrapsychic determinant that dictates an individual's view of the world (Meeks & Murrell, 2001). The individual will interpret the world and see himself/herself in unhappy and pessimistic terms. The affective and cognitive bias of NA seems likely to influence how people experience and evaluate their jobs (Strümpfer, et al., 1998). Clark and Watson (1991) portrayed NA as the pervasive tendency to experience a wide variety of negative

and upsetting emotions and related to these negative emotions, they found that those with high levels of NA are likely to have a more negative self-concept, a more negative view of the world, and a tendency to view themselves and others as victims of negative events. These individuals who report higher levels of NA, are high on negative emotions at the start of any experience, they report higher levels of negative moods across situations, regardless of the type of experience. What could be perceived as normal stimuli by others are experienced as threats, problems and crises by high NA individuals. Even if working conditions change dramatically, feelings of negativity are likely to persist (Watson, Pennebaker, & Folger, 1987).

Positive affectivity (PA) is characterised by an element of positive feelings experienced across situations, by facets of sociability and social dominance and energy, venturesomeness and ambition, and is seen as a superordinate personality factor, also referred to as extraversion (Meeks & Murrell, 2001). Negative and positive affectivity can be regarded as relatively permanent and stable dispositions. The dispositions derive in part from genetic and early childhood influences and in part from elaboration on those developments by later development, including experiences in the work situation – as learned and socialised patterns of response (Arvey, Bouchard, Segal, & Abraham, 1989).

Sense of coherence

Sense of coherence (SOC) is seen as a dispositional orientation that describes how people stay well and manage stress. SOC is providing an answer to what the origins of health are (Antonovsky & Sourani, 1988) and it underpins Antonovsky's (1979) theory of *salutogenesis*, which refers to the origins of health (Strümpfer, 1995). It is believed to engender, sustain, and enhance health, as well as provide strength in other areas, such as at work (Strümpfer, et al., 1998). Attributing positive outcomes to oneself, and believing that positive outcomes will occur will increase psychological well-being (Cheng & Furnham, 2003).

SOC is described as “a global orientation that expresses the extent to which one has a pervasive and enduring, though dynamic, feeling of confidence that one’s internal and external environments are predictable and that there is a high probability that things will work out as well as can reasonably be expected” (Antonovsky, 1987). Strümpfer (1995) contends that SOC could be directly related to other aspects of successful living, such as effective performance of work and career effectiveness.

Sense of coherence is the extent to which one sees his or her world as comprehensible, manageable and meaningful (Antonovsky & Sourani, 1988). Antonovsky (1987) describes these three dimensions as follows:

- *Comprehensibility* is the extent to which individuals perceive confronting stimuli from the internal and external environments as making cognitive sense, as information that is ordered, consistent, structured and clear. Life is currently comprehensible and is expected to be so in the future. Even though great difficulties and challenges may arise, the fundamental conviction is that these situations will make sense.
- *Manageability* is the extent to which the individual perceives that the resources to his or her disposal are adequate to cope with a problem. Events are perceived as bearable, and can be coped with. These resources can be under one’s own control or under the control of others – such as friends, colleagues and God (Strümpfer, Gouws, & Viviers, 1998).
- *Meaningfulness* is the extent to which the individual feels that life does make sense emotionally. It can also be described as the emotional face of comprehensibility. Life is seen as meaningful and problems or events are seen as challenges that are worthy of emotional investment and commitment (Strümpfer, et al., 1998).

According to Antonovsky (1983), sense of coherence has a stress-buffering effect due to the influence it might have on the choice of coping strategies. Sense of coherence is not seen as a coping strategy by itself. Sense of coherence was found to have a strong link with organisational commitment (Field, Kinnunen, & Mauno, 2000). When the

perception exists that the organisational climate has worsened, sense of coherence will also deteriorate. Individuals with a strong SOC are able to interpret challenges at work as motivating, worthwhile, manageable and bearable (Rothmann, 2001). Kalimo and Vuori (1990) indicate that a strong SOC is related to competence and life satisfaction, general well-being (Feldt, 1997) and emotional stability (Mlonzi & Strümpfer, 1998). It is clear then that individuals with high levels of SOC will experience high levels of job satisfaction. Rothmann (2001) confirmed this assumption when he found a correlation of 0,50 between job satisfaction and SOC.

From the above-mentioned discussion it is evident that psychological well-being plays a vital role in every organisation and specifically in terms of the levels of job satisfaction experienced.

Based on the above discussion, the following hypotheses are formulated:

- H1: There are practically and statistically significant relationships between psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction of employees in a financial institution.
- H2: Self-efficacy, positive and negative affect, and sense of coherence are significant predictors of job satisfaction.
- H3: There are practically and statistically significant differences between the experience of psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction in terms of biographical characteristics.

METHOD

Research design

A cross-sectional design, with a survey as technique of data collection, was used to achieve the objectives of this research. Cross-sectional designs are used to examine groups of subjects in various stages of development simultaneously, while the survey describes a technique of data collection in which questionnaires are used to gather data about an identified population (Burns & Grove, 1993). This design will be well suited to the descriptive and predictive functions associated with correlational research, whereby relationships between variables are examined (Shaughnessy & Zechmeister, 1997).

Participants

The study population could be defined as an availability sample of employees working in a financial institution. A response rate of 33,40 % was achieved, of which 117 responses (100%) could be utilised.

Table 1
Characteristics of the Participants

Item	Category	Frequency (Percentage)
Gender	Male	71 (62,28%)
	Female	43 (37,72%)
Race	Black	11 (9,65%)
	Indian	12 (10,53%)
	Coloured	4 (3,51%)
	White	81 (71,05%)
Level	Junior Management	28 (24,56%)
	Middle Management	46 (40,35%)
	Senior Management	39 (34,21%)
Education/Qualification	Degree	27 (23,68%)
	Honours Degree	15 (13,16%)
	Master's Degree	21 (18,42%)
	PhD	1 (0,88%)
	CA(SA)	26 (22,81%)
	Other	19 (16,67%)
Years of experience	Less than three years	6 (5,26%)
	Four to seven years	22 (19,30%)
	Seven to ten years	25 (21,93%)
	More than ten years	51 (44,74%)
Years of experience in the bank	Less than three years	35 (30,70%)
	Four to seven years	25 (21,93%)
	Seven to ten years	5 (4,39%)
	More than ten years	31 (27,19%)

The sample consisted mainly of white (71,05%) males (62,28%) at middle management level (40,35%). A large percentage of the sample either has a degree (23,68%) or CA(SA) qualification (22,81%), with more than ten years' experience (44,74%) or less than three years' banking experience (30,70%).

Measuring battery

A *biographical questionnaire* was developed to gather information about the demographic characteristics of the participants. Information gathered included position, education, gender, race and years of experience.

Minnesota Satisfaction Questionnaire (MSQ) (Hirschfeld, 2000). The short version of this questionnaire was used to measure the job satisfaction of employees. The short version of the Minnesota Job Satisfaction Questionnaire consists of 20 items that measure satisfaction with specific aspects of the job and the work environment. According to Cook, Hepworth, Wall, and Warr (1981), the Minnesota Satisfaction Questionnaire offers a reliable and valid measure of general job satisfaction. In a South African sample of engineers in a parastatal, cronbach alpha coefficients ranging between 0,41 (Extrinsic job satisfaction) and 0,71 (Total Job Satisfaction) were obtained (Tshabalala, 2004).

The *Generalised Self-Efficacy Scale* (GSES) (Schwarzer, 1992) is a 10-item psychometric scale that is designed to assess optimistic self-beliefs to cope with a variety of difficult demands in life. In contrast to other scales that were designed to assess optimism, this one explicitly refers to personal agency, i.e. the belief that one's actions are responsible for successful outcomes. In the study by Hampton and Marshall (2000), it was shown that higher scores correspond with higher self-efficacy expectations. The Cronbach reliability of the GSES in this study was 0,79. In a South African study, an alpha coefficient of 0,80 was found (Van der Merwe, 2005).

Affectometer 2 (AFM) (Kammann & Flett, 1983). The AFM is a 40-item scale that measures general happiness, also referred to as sense of well-being (conceptualised as the degree to which positive feelings predominate over negative feelings). It provides a basic indication of quality of life as experienced on an emotional level. Other subscales measured with this instrument are positive affect, negative affect, as well as positive-negative affect balance. Kammann and Flett (1983) report alpha reliabilities of 0,88 to 0,93 as well as indications of validity.

The *Orientation to Life Questionnaire* (OLQ) (Antonovsky, 1983) is used to measure the construct of sense of coherence. The questionnaire consists of 29 items. It contains items measuring the three components of sense of coherence, namely manageability, comprehensibility and meaningfulness. The scale assesses an individual's global orientation towards coping. The Cronbach alphas ranged from 0,83 to 0,88 (Antonovsky, 1983). Rothmann (2000) reported an alpha coefficient of 0,89 for the OLQ, which is regarded as acceptable. In a sample of protection services members in South Africa, an alpha coefficient of 0,83 was found (Coetzer, Muller, & Van der Linde, 2005).

Statistical Analysis

The statistical analysis was carried out with the help of the SPSS program (SPSS, 2003). Descriptive statistics (e.g. means, standard deviations, skewness and kurtosis) were used to analyse the data. Cronbach alpha coefficients were used to determine the internal consistency, homogeneity and unidimensionality of the measuring instruments (Clark & Watson, 1995). Coefficient alpha contains important information regarding the proportion of variance of the items of a scale in terms of the total variance explained by that particular scale.

Pearson product-moment correlation coefficients were used to specify the relationship between the variables. In terms of statistical significance, it was decided to set the value at a 95% confidence interval level ($p \leq 0,05$). Effect sizes (Steyn, 1999) were used to determine the practical significance of the findings. A cut-off point of 0,30 (medium effect, Cohen, 1988) was set for the practical significance of correlation coefficients. MANOVAs were used to determine the differences between groups.

A multiple regression analysis was conducted to determine the proportion of variance in the dependant variable (job satisfaction) that is predicted by the independent variables (self-efficacy, positive and negative affect, and sense of coherence). The effect size

(which indicates practical significance) in the case of multiple regression is given by the following formula (Steyn, 1999):

$$f^2 = R^2 / (1 - R^2)$$

A cut-off point of 0,35 (large effect (Steyn, 1999)) was set for the practical significance of f^2 .

The value of R^2 is used to determine the proportion of the total variance of the dependant variable that is explained by the independent variables. The F-test is used to test if a significant regression exists between the independent and dependent variables. Steyn (1999) suggested that effect size is used together with multiple regression, especially when working with a total population. Cohen (1988) suggested the following guidelines for effect size:

- $f^2 = 0,01$ – small effect
- $f^2 = 0,10$ – medium effect
- $f^2 = 0,35$ – large effect

RESULTS

A simple factor analysis was conducted on the MSQ, GSES, AFM and OLQ to determine the factor structures. A one-factor structure was identified on the MSQ, explaining 32,59% of the total variance. A one-factor structure was identified on the GSES, explaining 40,73% of the total variance. Two factors were identified on the AFM, explaining 38,85% of the total variance. One factor was identified on the OLQ, explaining 27,17% of the total variance.

The descriptive statistics and Cronbach alpha coefficients of the *MSQ*, *GSES*, *AFM* and *OLQ* are given in Table 2.

Table 2

Descriptive Statistics and Cronbach Alpha Coefficients of the MSQ, GSES, AFM and OLQ

Item	Mean	SD	Skewness	Kurtosis	α
MSQ					
Job satisfaction	73,47	10,29	-0,24	-0,77	0,88
GSES					
Self-Efficacy	34,11	3,51	-0,60	0,40	0,83
AFM					
Positive Affect	38,01	5,70	-0,92	1,54	0,83
Negative Affect	15,35	4,47	0,43	-0,48	0,75
OLQ					
Sense of Coherence	143,93	18,61	-0,43	0,55	0,88

Table 2 shows that acceptable Cronbach alpha coefficients varying from 0,75 to 0,88 were obtained. These alpha coefficients compare reasonably well with the guideline of 0,70 (0,55 in basic research), demonstrating that a large portion of the variance is explained by the dimensions (internal consistency of the dimensions) (Nunnally & Bernstein, 1994). It is evident from Table 2 that most of the scales of the measuring instruments have relatively normal distributions, with low skewness and kurtosis.

The Pearson correlation coefficients between job satisfaction, self-efficacy, positive affect, negative affect, and sense of coherence are given in Table 3.

Table 3

Pearson Correlation Coefficients between the MSQ, GSES, AFM and OLQ

Item	1	2	3	4	5
1. Job Satisfaction
2. Self-Efficacy	0,19 [*]
3. Positive Affect	0,26 [*]	0,42 ^{**}	.	.	.
4. Negative Affect	-0,28 [*]	-0,32 ^{**}	-0,49 ^{**}	.	.
5. Sense of Coherence	0,43 ^{**}	0,52 ^{**}	0,59 ^{***}	-0,63 ^{***}	.

* $p \leq 0,05$ – statistically significant

+ $r > 0,30$ – practically significant (medium effect)

++ $r > 0,50$ – practically significant (large effect)

Table 3 shows statistically significant positive correlations (practically significant, medium effect) between job satisfaction and sense of coherence. Self-efficacy shows a statistically significant positive correlation (practically significant, large effect) with sense of coherence and a statistically significant positive correlation (practically significant, medium effect) with positive affect. Self-efficacy shows a statistically significant negative correlation (practically significant, medium effect) with Negative Affect.

Positive affect shows a statistically significant positive correlation (practically significant, large effect) with sense of coherence, and a statistically significant negative correlation (practically significant, medium effect) with negative affect. Negative affect shows a statistically significant negative correlation (practically significant, large effect) with sense of coherence.

The results of the regression analysis with job satisfaction as the dependent variable, and self-efficacy, positive and negative affect, and sense of coherence as independent variables, are depicted in Table 4.

Table 4

Multiple Linear Regression with Job Satisfaction as Dependent Variable (DV) and Self-efficacy, Positive and Negative Affect, and Sense of Coherence as Independent Variables (IV)

Variable	Parameter	Std. Err.	T	p
DV = Job Satisfaction, IV = Self-efficacy, Positive and Negative Affect, and Sense of Coherence $F = 3,08^{**}$ $R^2 = 0,19$				
Intercept	41,62	13,52	3,08	0,00
Self-efficacy	-0,14	0,30	-0,46	0,65
Positive Affect	0,04	0,20	0,19	0,85
Negative Affect	-0,00	0,26	-0,01	0,99
Sense of Coherence	0,24	0,07	3,37	0,01*

* Statistically significant – $p < 0,05$

+ $f^2 = 0,15$ – practically significant (medium effect)

++ $f^2 = 0,35$ – practically significant (large effect)

Table 4 shows that Self-efficacy, Positive and Negative Affect, and Sense of Coherence predict 191% of the variance in Job Satisfaction. Significant predictors of Job Satisfaction is Sense of Coherence.

A multi-analysis of variance (MANOVA) was used to determine differences in terms of biographical characteristics. The following formula was used to determine the practical significance of means of more than two groups (Steyn, 1999):

$$d = \frac{\text{Mean}_A - \text{Mean}_B}{\text{Root MSE}}$$

where

Mean_A = Mean of the first group

Mean_B = Mean of the second group

Root MSE = Root Mean Square Error

A cut-off point of 0,50 (medium effect) (Cohen, 1988) was set for the practical significance of differences between means.

The MANOVAs of the differences between the psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction of biographical characteristics are presented in Table 5.

Table 5

MANOVAs of Psychological Well-being (i.e. self-efficacy, positive and negative affect, sense of coherence) and Job Satisfaction of Biographical Characteristics

Variable	Value	F	df	Error df	p
Gender	0,98	0,48	1	108,00	0,79
Culture	0,84	1,17	3	276,46	0,30
Level	0,88	1,35	2	212,00	0,21
Education	0,78	1,05	5	369,27	0,40
Years of experience	0,80	1,46	3	265,42	0,12

Table 5 indicate that there are no significant differences between psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction in terms of biographical characteristics.

Based on the above-mentioned findings, Hypotheses 1 is accepted, Hypothesis 2 is partially accepted, and Hypothesis 3 is rejected.

DISCUSSION

The aim of this study was to determine the relationship between psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction of employees in a financial institution. First, a simple factor analysis was conducted on the MSQ, GSES, AFM and OLQ to determine the factor structures. A one-factor structure was identified on the MSQ, explaining 32,59% of the total variance. A one-factor structure was identified on the GSES, explaining 40,73% of the total variance. Two factors were identified on the AFM, explaining 38,85% of the total variance. One factor was identified on the OLQ, explaining 27,17% of the total variance.

Secondly, the construct validity and internal consistency of the job satisfaction, self-efficacy, positive and negative affect, and sense of coherence were determined. Cronbach alpha coefficients varying from 0,75 to 0,88 were obtained. These alpha coefficients compared reasonably well with the guideline of 0,70 (0,55 in basic research), demonstrating that a large portion of the variance is explained by the dimensions (internal

consistency of the dimensions) (Nunnally & Bernstein, 1994). Most of the scales of the measuring instruments had relatively normal distributions, with low skewness and kurtosis.

The analysis of Pearson correlations in this study showed that job satisfaction is positively related to sense of coherence. Higher levels of self-efficacy may lead to higher levels of positive affect and sense of coherence and lower levels of negative affect. Higher levels of positive affect may lead to higher levels of sense of coherence, and lower levels of negative affect. Negative affect is negatively related to sense of coherence.

Multiple regression analysis were used to determine the proportion of the total variance of job satisfaction that is explained by the rest of the variables. The results indicated that psychological well-being (i.e. Self-efficacy, Positive and Negative Affect, and Sense of Coherence) predict 19% of the variance in Job Satisfaction. Sense of Coherence is the only significant predictor of Job Satisfaction. Higher levels of sense of coherence may therefore lead to higher levels of job satisfaction.

MANOVAs were used to determine the difference between groups (i.e. gender, culture, education, organisational level and years of experience) in terms of the experience of psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction. No significant differences were obtained.

Based on the findings, Hypotheses 1 and 2 are partially accepted, and Hypothesis 3 is rejected.

RECOMMENDATIONS

With the continuous changes taking place in the financial industry, organisations should focus on optimising each employee's contribution, as it influences organisations' cost-to-income ratios, profitability, market share, and their ability to deliver to their shareholders

(Joffe, 2005). Organisations should therefore have a moral contract with their employees to ensure that the individual and his/her emotional well-being are valued as much as the contribution that the employee makes. High levels of self-efficacy will ensure that individuals choose more challenging tasks to perform (Van der Merwe, 2005), set higher goals for themselves, remain committed to these goals (Schwarzer, 1999), and that they recover more quickly from setbacks. It also seems possible that the higher one's level of self-efficacy in some tasks, the higher one's positive affect associated with it (Lee & Bobko, 1994; Schwoerer & May, 1996).

Job satisfaction is also indirectly influenced by self-efficacy, in that job satisfaction is influenced by perceptions of work attributes (Judge, et al., 1998). When an individual experiences job satisfaction, it may lead to higher levels of commitment, and therefore greater success at work. Positive effects of success at work may spill over into an individual's personal life and increase general satisfaction (life satisfaction) (Bessokirnaia & Temnitskii, 2002) and ultimately psychological well-being.

It is recommended that financial organisations provide adequate resources and encourage the use of problem-focused strategies to assist their employees to cope with a continuously changing working environment, which in turn would result in the positive evaluation of their psychological well-being and enhance their job satisfaction. Organisations should provide opportunities for employees to optimise their skills.

In terms of future research, the development of a causal model of job satisfaction of employees in a financial institution, with the inclusion of positive constructs impacting psychological well-being, needs to be tested and validated in future studies. Other positive constructs such as flow, work engagement and emotional intelligence should also be investigated in terms of their relationship with job satisfaction.

A limitation of this study is that the design is cross-sectional. As a result, no causal inferences could be drawn. Therefore, the causal relationships between variables were interpreted rather than established, and more complex forms of non-recursive linkages

could not be examined. Furthermore, the results were obtained solely by self-report measures. This may lead to a problem commonly referred to as “method variance” or “nuisance”.

Future studies on the work-related attitudes of employees in a financial institution should focus on positive, work-related attitudes and behaviours at work in longitudinal and experimental designs. Furthermore, positive constructs such as self-efficacy, positive affect, sense of coherence and job satisfaction should be further investigated in other occupations in South Africa and included in causal models. Consequently, information could be gleaned with regard to the experience of psychological well-being and job satisfaction in a positive paradigm of study, which could significantly expand research with regard to the financial industry and related industries, which was previously predominantly studied from a pathogenic paradigm. It is also important to conduct research to determine whether there are any moderators or mediators on the experience of job satisfaction. Research should also be conducted to evaluate the effectiveness of interventions to promote psychological well-being and enhance the experience of job satisfaction.

REFERENCES

- Agho, A.O., Price, J.L., & Mueller, C.W. (1992). Discriminant validity of measures of job satisfaction, positive affectivity and negative affectivity. *Journal of Occupational and Organizational Psychology*, 65, 185-196.
- Anon. (2002). Stop burnout – before it stops your employees. *HR Focus*, 79(2), 3-4.
- Anon. (2005). Business. *Economist*, 376(8437), 7.
- Antonovsky, A. (1979). *Health, stress, and coping: new perspectives on mental and physical well-being*. San Francisco, CA: Jossey-Bass.
- Antonovsky, A. (1983). The sense of coherence: Development of a research instrument. *Newsletter and Research Report 1*, 11-22.
- Antonovsky, A. (1987). *Unraveling the Mysteries of Health: How People Manage Stress and Stay Well*. San Francisco, CA: Jossey-Bass.
- Antonovsky, A. & Sourani, T. (1988). Family sense of coherence and family adaptation. *Journal of Marriage and Family*, 50(1), 79-92.
- Arvey, R.D., Bouchard, T.J., Segal, N.L., & Abraham, L.M. (1989). Job satisfaction: environmental and genetic components. *Journal of Applied Psychology*, 74, 187-192.
- Ballentine, K. & Nunns, C.G. (1998). The moderating effect of supervisory support on the self-efficacy work-performance relationship. *South African Journal of Psychology*, 28(3), 81-89.
- Bandura, A. (1989). Human agency in social cognitive theory. *American Psychologist*, 44, 1175-1184.
- Bessokirnaia, G.P. & Temnitskii, A.L. (2002). Job satisfaction and satisfaction with life. *Sociological Research*, 40(4), 6-12.
- Booyesen, S. (2005, May). *An offer by Barclays to present a majority stake in Absa*. <http://www.absa.co.za/absacoza/generated/files/23f78be6e99b3010VgnVCM1000003511060aRCRD/Presentation.pdf> (Retrieved 2005-08-24).
- Burns, N. & Grove, S.K. (1993). *The practice of nursing research, conduct, critique and utilization* (2nd ed.). Philadelphia, PA: W.B. Saunders.
- Cheng, H. & Furnham, A. (2003). Attributional style and self-esteem as predictors of psychological well-being. *Counseling Psychology Quarterly*, 16(2), 121-130.

- Clark, L. & Watson, D. (1991). General affective dispositions in physical and psychological health. In C. Snyder & D. Forsyth (Eds.), *Handbook of social and clinical psychology* (pp. 221 – 245), Elmsford, NY: Pergamon.
- Clark, L.A. & Watson, D. (1995). Constructing validity: basic issues in objective scale development. *Psychological Assessment*, 7, 309-319.
- Coetzer, W.J., Muller, P.H.E., & Van der Linde, R. (2005, June). *Work Wellness of Protection Services Members*. Paper presented at the 8th SIOPSA Congress, CSIR, Pretoria, South Africa, 8-10 June 2005.
- Cohen, J. (1988). *Statistical power analysis for the behavior sciences*. Orlando, FL: Academic Press.
- Cook, J.D., Hepworth, S.J., Wall, T.D., & Warr, P.B. (1981). *The experience of Work: A compendium and Review of 249 Measures and Their Use*. London, UK: Academic Press.
- Cooper, C.L. & Cartwright, S. (1994). Healthy mind, healthy organization – A proactive approach to organisational stress. *Human Relations*, 47, 4.
- Cooper, C.L. & Watson, M. (1991). *Cancer and stress: psychological, biological and coping studies*. New York, NY: Wiley.
- Cranny, C.J., Smith, P.C., & Stone, E.F. (1992). *Job satisfaction: How people feel about their jobs and how it affects their performance*. New York, NY: Macmillan.
- Cropanzano, R. & Wright, T.A. (2001). When a “happy” worker is really a “productive” worker: A review and further refinement of the happy-productive worker thesis. *Consulting Psychology Journal: Practice and Research*, 53, 182-199.
- Dekker, S.W.A. & Schaufeli, W.B. (1995). The effects of job insecurity on psychological health and withdrawal: A longitudinal study. *Australian Psychologist*, 30, 57-63.
- Fairbrother, K. & Warn, J. (2003). Workplace dimensions, stress and job satisfaction. *Journal of Managerial Psychology*, 18, 8-21.
- Feldt, T. (1997). The role of sense of coherence in well-being at work: Analysis of main and moderator effects. *Work and Stress*, 11, 134-147.
- Field, T., Kinnunen, U., & Mauno, S. (2000). A mediational model of sense of coherence in the work context: A One-Year Follow-up Study. *Journal of Organizational Behaviour*, 21, 461-476.

- Frese, M. (1985). Stress at work and psychosomatic complaints: a causal interpretation. *Journal of Applied Psychology, 70*, 314-328.
- Gardner, D.G. & Pierce, J.L. (1998). Self-esteem and self-efficacy within the organizational context: An empirical examination. *Group and Organization Management, 23*, 48-70.
- Garson, E.G. & Stanwyck, D.J. (1997). Locus of control and incentive in self-managing teams. *Human Resource Development Quarterly, 8*(3), 17-23.
- Hampton, N.Z. & Marshall, A. (2000). Culture, gender, self-efficacy, and life satisfaction: a comparison between Americans and Chinese people with spinal cord injuries. *Journal of Rehabilitation, 66*(3), 21-28.
- Hirschfeld, R.R. (2000). Does revising the intrinsic and extrinsic subscales of the Minnesota Satisfaction Questionnaire short-form make a difference? *Educational and Psychological Measurement, 60*(2), 255-270.
- Hui, C. & Lee, C. (2000). Moderating effects of organizational-based self-esteem on organisational uncertainty: Employee response relationships. *Journal of Management, 26*(2), 215-232.
- Isen, A.M. & Baron, R.A. (1991). Positive affect as a factor in organizational behaviour. *Research on Organizational Behavior, 13*, 1-53.
- Joffe, H. (2005, July 19). Banks face challenges after experiencing a 'golden age'. *The Business Day, 17*.
- Judge, T.A., Locke, E.A., Durham, C.C., & Kluger, A.N. (1998). Dispositional Effects on Job and Life Satisfaction: The Role of Core Evaluations. *Journal of Applied Psychology, 83*, 17-34.
- Kalimo, R. & Vuori, J. (1990). Work and sense of coherence: Resources for competence and life satisfaction. *Behavioural Medicine, 16*, 76-89.
- Kammann, R. & Flett, R. (1983). Affectometer 2: A scale to measure current levels of general happiness. *Australian Journal of Psychology, 35*, 259-265.
- Kanfer, R. (1990). Motivation and individual differences in learning: An integration of developmental, differential and cognitive perspectives. *Learning and Individual Differences, 2*, 221-239.

- Lai, G., Chan, K.B., Ko, Y.C., & Boey, K.W. (2000). Institutional context and stress appraisal: The experience of life insurance agents in Singapore. *Journal of Asian and African Studies*, 35, 209-228.
- Lapin, D. (2005, August). *Culpability to Accountability*. Paper presented at a Strategic Personnel Breakfast, Parkhurst, Johannesburg.
- Lee, C. & Bobko, P. (1994). Self-efficacy beliefs: Comparison of five measures. *Journal of Applied Psychology*, 79, 364-369.
- McLean, A.A. (1980). *Work Stress*. Reading, MA: Addison-Wesley.
- Meeks, S. & Murrell, S.M. (2001). Contribution of education to health and life satisfaction in older adults mediated by negative affect. *Journal of Aging and Health*, 13, 92-119.
- Meyer, J.P. & Allen, N.J. (1991). A three-component conceptualization of organizational commitment. *Human Resource Management Review*, 1, 61-89.
- Milkovich, G.T. & Boudreau, J.W. (1997). *Human Resource Management* (8th ed.). Chicago, IL: Irwin.
- Mlonzi, E.N. & Strümpfer, D.J.W. (1998). Antonovsky's sense of coherence scale and 16PF second order factors. *Social behaviour and Personality*, 26, 39-50.
- Moore, D.S. (1995). *The basic practice of statistics*. New York, NY: W.H. Freeman.
- Niedinger, H. (1997). Self-Efficacy and Performance. *Journal of Dietetics and Home Economics*, 25(1), 71-72.
- Nortjé, A. (2002). Empowerment in the workplace: a competitive necessity. Part II. *Management Today*, 17(10), 42-43.
- Nunnally, J.C. & Bernstein, I.H. (1994). *Psychometric theory* (3rd ed.). New York, NY: McGraw-Hill.
- Philip, P. (2005, March). *A healthy employee is an invaluable asset*. Paper presented at the Retail Banking Human Resources Conference, Standard Bank, Killarney.
- Rothmann, S. (2000). *Sense of coherence, locus of control and job satisfaction*. Paper presented at the 27th International Congress of Psychology, Stockholm.
- Rothmann, S. (2001). Sense of Coherence, Locus of Control, Self-Efficacy & Job Satisfaction. *Sajems NS*, 4(1), 41-65.

- Rothmann, S. & Agathagelou, A.M. (2000). Die verband tussen lokus van beheer en werkstevredenheid by senior polisiepersoneel [The relationship between locus of control and job satisfaction among senior police personnel]. *South African Journal of Industrial Psychology*, 26(2), 20-26.
- Ryan, R.M. & Deci, E.L. (2000). Self-determination theory and the facilitation of intrinsic motivation, social development, and well-being. *American Psychologist*, 55, 68-78.
- Schaufeli, W.B. & Greenglass, E.R. (2001). Introduction to special issue on burnout and health. *Psychology and Health*, 16, 501-510.
- Schwarzer, R. (Ed.) (1992). *Self-efficacy: Thought control of action*. Washington, DC: Hemisphere.
- Schwarzer, R. (1999). Self-regulatory processes in the adoption of health behaviors: The role of optimism, goals and threats. *Journal of Health Psychology*, 4(2), 115-127.
- Schwoerer, C.E. & May, D.R. (1996). Age and work outcomes: The moderating effects of self-efficacy and tool design effectiveness. *Journal of Organisational Behavior*, 17, 469-487.
- Seligman, M.E.P. & Csikszentmihalyi, M. (2000). Positive Psychology: An Introduction. *American Psychologist*, 55, 4-15.
- Shaughnessy, J.J. & Zechmeister, E.B. (1997). *Research methods in psychology* (4th ed.). New York, NY: McGraw-Hill.
- Siu, O.L. (2002). Occupational stressors and well-being among Chinese employees: The role of organisational commitment. *Applied Psychology: An International Review*, 51, 527-544.
- SPSS. (2003), *SPSS 12.0 for Windows*. Chicago, IL: Author.
- Steyn, H.S. (1999). *Praktiese beduidendheid: Die gebruik van effekgroottes*. [Practical significance: The use of effect sizes.] Wetenskaplike bydraes – Reeks B: Natuurwetenskappe Nr 117. Potchefstroom: PU vir CHO.
- Strümpfer, D.J.W. (1995). The origins of health and strength: from ‘salutogenesis’ to ‘fortigenesis’. *South African Journal of Psychology*, 25(2), 81-89.
- Strümpfer, D.J.W., Danana, N., Gouws, J.F., & Viviers, M.R. (1998). Personality dispositions and job satisfaction. *South African Journal of Psychology*, 28(2), 92-100.

- Strümpfer, D.J.W., Gouws, J.F., & Viviers, M.R. (1998). Antonovsky's sense of coherence scale related to negative and positive affectivity. *European Journal of Personality, 12*, 457-480.
- Strümpfer, D.J.W. & Kellerman, R. (2002). Resilience can add value to your business. *Management Today, 18*(1), 40-41.
- Terry, D.J., Nielsen, M., & Perchard, L. (1993). Effects of work stress on psychological well-being and job satisfaction: The stress-buffering role of social support. *Australian Journal of Psychology, 45*, 168-175.
- Testa, M.R. (2001). Organizational commitment, job satisfaction, and effort in the service environment. *The Journal of Psychology, 135*(2), 226-236.
- Tshabalala, M.E. (2004). *Job insecurity, Organisational Commitment and Job Satisfaction of engineers in a parastatal*. Unpublished master's dissertation, North West University (Potchefstroom Campus), Potchefstroom.
- Van der Merwe, N. (2005). *The Relationship Between Psychological Well-Being and Academic Performance of University Students*. Unpublished master's thesis, North-West University (Potchefstroom Campus), Potchefstroom.
- Watson, D., Pennebaker, J.W., & Folger, R. (1987). Beyond negative affectivity: measuring stress and satisfaction in the workplace. *Journal of Organizational Behavior Management, 8*, 141-157.
- Wenburg, J. (2001). Thriving in permanent whitewater. *Management Today, 17*(7), 6-7.
- Winefield, A.H., Gillespie, N., Stough, C., Dua, J., & Hapuararchchi, J. (2002). *Occupational stress in universities: A national survey*. Melbourne: National Tertiary Education Union.

CHAPTER 3

CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

The purpose of this chapter is to provide conclusions regarding the results of the empirical study of the research article. Conclusions are drawn with regard to the research objectives. Furthermore, limitations of the study are discussed. Finally, recommendations for the industry are made, and research opportunities that emanate from this research are presented.

3.1 CONCLUSIONS

The general objective of this research was to determine the relationship between psychological well-being (i.e. self-efficacy, positive affect, negative affect, and sense of coherence) and job satisfaction of employees in a financial institution. Based on the results, the following conclusions can be drawn:

The first objective of this study was to determine the construct validity and internal consistency of the Minnesota Satisfaction Questionnaire (MSQ), Generalised Self-Efficacy Scale (GSES), Affectometer 2 (AFM), and Orientation to Life Questionnaire (OLQ) for employees in a financial institution. Cronbach alpha coefficients varying from 0,75 to 0,88 were obtained. These alpha coefficients compared well with the guideline of 0,70 (0,55 in basic research), demonstrating that a large portion of the variance is explained by the dimensions (internal consistency of the dimensions) (Nunnally & Bernstein, 1994). Most of the scales of the measuring instruments had relatively normal distributions, with low skewness and kurtosis.

The second objective of the study was to conceptualise psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction from the literature.

Job satisfaction is defined as the extent to which people like their jobs (Hirschfeld, 2000). Individuals measure their job satisfaction by evaluating the outcome of their efforts against the desired or expected outcome (Cranny, Smith, & Stone, 1992; Rothmann & Agathagelou, 2000).

Self-efficacy is defined as the belief in one's own capability to perform a task (Ballentine & Nunns, 1998). It refers to the thoughts and feelings of competence and mastery that are generated through interaction with the environment, which translates into the individual behaving in a certain way because of expectations of success (Niedinger, 1997).

Negative affect is defined as an intra-psychic determinant that dictates an individual's view of the world, where the individual will interpret the world and see himself/herself in unhappy and pessimistic terms (Meeks & Murrell, 2001). The affective and cognitive bias of negative affectivity seems likely to influence how people experience and evaluate their job (Strümpfer, Danana, Gouws, & Viviers, 1998). **Positive affect (PA)** is characterised by an element of positive feelings experienced across situations, by facets of sociability and social dominance and energy, venturesomeness and ambition, and is seen as a superordinate personality factor, also referred to as extraversion.

Sense of coherence is described as a global orientation that expresses the extent to which one has a pervasive and enduring, though dynamic, feeling of confidence that one's internal and external environments are predictable and that there is a high probability that things will work out as well as can reasonably be expected (Antonovsky, 1987). Sense of coherence is the extent to which one sees his or her world as comprehensible, manageable and meaningful (Antonovsky & Sourani, 1988).

The third objective was to determine the relationship between psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction of employees in a financial institution. The analysis of Pearson product-moment correlations coefficients in this study showed that job satisfaction is positively related to sense of coherence. Self-efficacy is positively related to sense of coherence and positive affect, and negatively related to negative

affect. Positive affect is positively related to sense of coherence, and negatively related to negative affect. Negative affect is negatively related to sense of coherence.

The fourth objective was to determine whether self-efficacy, positive and negative affect and sense of coherence of employees in a financial organisation contribute to higher levels of job satisfaction. Self-efficacy, positive and negative affect, and sense of coherence predicted 19% of the variance in job satisfaction. The only significant predictor of job satisfaction was sense of coherence.

The final objective was to determine the differences between biographical information (i.e. gender, race, department, organisational level and years of experience) in terms of psychological well-being (self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction. No significant differences were obtained.

3.2 LIMITATIONS OF THIS STUDY

The first limitation of this study was the cross-sectional design. No causal inferences could be drawn. The relationships between variables were interpreted and not established. More complex forms of non-recursive linkages could not be examined. To deal with the limitation of the use of a cross-sectional design, prospective longitudinal and quasi-experimental research designs are needed to further validate the hypothesised causal relationships within this study.

Secondly, because of the average levels of education of the respondents, as well as the array of language and cultural groups included in the study, the interpretation of questions could have differed vastly among participants.

Thirdly, the size of the sample was a limitation to this study. Within the sample, the distinction between race, gender, levels of experience, management and qualification could not be made, due to a low representation of some of these groups.

Fourthly, the results were obtained solely by self-report measures. This may lead to a problem commonly referred to as “method variance” or “nuisance”. However, a review by Spector (1987) found little evidence of common method variance among self-report measures of the kinds of constructs studied here. Furthermore, several authors have argued that this phenomenon is not a major threat if interactions are found (Dollard & Winefield, 1998; Wall, Jackson, Mullarkey, & Parker, 1996). Another aspect to consider is that few alternative methodologies are suggested to deal with the use of self-report measures.

Fifthly, the sampling procedure created problems, and future studies could benefit from using a stratified random-sample design, which would ensure sufficient representation of the different groups in the total population, and enable generalisation of findings to the total study population. The study was initially designed to focus on managerial employees in a finance related role in a financial services institution, and other participants had to be included to increase the population size.

One language, English, being the only language used for questionnaires, represents the sixth limitation. The possibility exists that the level of English language skills of respondents speaking English as their second, third language could have influenced the results.

Another possible limitation of this study was that some employees who participated in this study might not have trusted that the information would be treated with the level of confidentiality committed to in the covering letter accompanying the questionnaires. This could have influenced some of the results, and definitely the population size.

3.3 RECOMMENDATIONS

Recommendations pertaining to the specific industry used in this study, as well as recommendations for future research, are made in this section.

3.3.1 Recommendations for the industry

It is recommended that implementation of any intervention should focus on the individual, managerial and organisational practices in order to enhance psychological well-being (i.e. self-efficacy, positive and negative affect, and sense of coherence) and job satisfaction of employees in the financial industry. The understanding of psychological well-being, and the advantages of employees with high levels of job satisfaction should be clear to all. Managers and employees should become aware of the factors that decrease their levels of job satisfaction and, as a result, also their levels of psychological well-being by focusing on the impact of job demands and a lack of job resources on the productivity of employees. This could help them become aware of the symptoms of decreasing psychological well-being and lowered job satisfaction within the work environment, and enable them to intervene before the effects become too serious.

It is important for the organisation to implement planned interventions to increase the psychological well-being of employees and to enhance their levels of job satisfaction. Interventions may be focused at three levels: primary, secondary and tertiary (Kompier & Kristensen, 2001).

First of all, primary interventions are directed at either the work situation or the coping capacity of the member. Secondly, interventions on a secondary level may be implemented to prevent employees who are already showing signs of job dissatisfaction or decreased psychological well-being from becoming alienated from the organisation and from leaving the organisation. Examples of such interventions are education about emotional intelligence, time management, conflict resolution and stress management techniques and strategies, communication and management skills and giving the employees access to coaching and mentoring programmes, employee assistance programmes and making interventions available to improve their work-life balance. Lastly, tertiary interventions are concerned with the rehabilitation of individuals who have suffered reduced well-being. Since organisations in the financial industry are currently under pressure to survive in a very competitive environment (and in view of the lower levels of job satisfaction found in this research), the organisation is advised to focus on primary interventions first.

It is also advised that the organisation focus and take note of the impact that unsatisfied and negative employees have on the production levels of the rest of the employees. Organisations therefore need to look at how to assist their employees to face the tension of surviving in a dynamic work environment. They should promote better levels of work-life balance to reduce stress levels and to enhance practices around psychological well-being and the levels of job satisfaction. Organisations need to create opportunities for employees through business growth and expansion, and should value the emotional aspects of their employees.

It is essential not only to focus on preventative intervention but also to focus on the enhancement of job satisfaction and psychological well-being within the organisation. One possible area to focus on is the positive constructs measured in this research and searching for opportunities to utilise it in the management of employees within the organisation.

3.3.2 Recommendations for future research

Despite the limitations of this study, the present findings have certain implications for future research and practice. Future studies on the work-related attitudes of employees in the financial industry should focus on positive, work-related attitudes and behaviours at work in longitudinal and experimental designs. Furthermore, positive constructs such as self-efficacy, positive affect, sense of coherence and job satisfaction should be further investigated in other occupations in South Africa and included in causal models. Consequently, information could be gleaned with regard to the experience of psychological well-being and job satisfaction in a positive paradigm of study, which could significantly expand research with regard to the financial and related industries, which was previously predominantly studied from a pathogenic paradigm. It is also important to conduct research to determine whether there are any moderators or mediators on the experience of job satisfaction. Research should also be conducted to evaluate the effectiveness of interventions to promote psychological well-being and enhance the experience of job satisfaction.

The role of emotional intelligence was not considered in this study and it would be interesting to establish the role that it plays in the framework that was considered in this study.

Role overload and induction into management roles – providing the tools to operate at the managerial level - could play a significant role in individuals' perception of their performance, as well as their success in leading and managing others. Their abilities and skills as managers and leaders in the organisation may influence the job satisfaction and psychological well-being of the staff reporting to them, as well as their own.

Based on the average education level of newly employed staff, and the related positions they are appointed to in the organisation, it would be of interest to establish whether different age groups and racial groups handle stress differently, together with the role of these factors against the framework considered in this study.

REFERENCES

- Antonovsky, A. (1987). *Unraveling the Mysteries of Health: How People Manage Stress and Stay Well*. San Francisco, CA: Jossey-Bass.
- Antonovsky, A. & Sourani, T. (1988). Family sense of coherence and family adaptation. *Journal of Marriage and Family*, 50(1), 79-92.
- Ballentine, K. & Nunns, C.G. (1998). The moderating effect of supervisory support on the self-efficacy work-performance relationship. *South African Journal of Psychology*, 28(3), 81-89.
- Cranny, C.J., Smith, P.C., & Stone, E.F. (1992). *Job satisfaction: How people feel about their jobs and how it affects their performance*. New York, NY: Macmillan.
- Dollard, M.F. & Winefield, A.H. (1998). A test of the demand-control-support model of work stress in correctional officers. *Journal of Occupational Health Psychology*, 3, 243-264.
- Hirschfeld, R.R. (2000). Does revising the intrinsic and extrinsic subscales of the Minnesota Satisfaction Questionnaire short-form make a difference? *Educational and Psychological Measurement*, 60(2), 255-270.
- Kompier, A.J. & Kristensen, T.S. (2001). Organizational work stress interventions in a theoretical, methodological and practical context. In J. Dunham (Ed.), *Stress in the workplace: Past, present and future* (pp. 19-33). London, UK: Whurr Publishers.
- Meeks, S., & Murrell, S.M. (2001). Contribution of education to health and life satisfaction in older adults mediated by negative affect. *Journal of Aging and Health*, 13, 92-119.
- Niedinger, H. (1997). Self-Efficacy and Performance. *Journal of Dietetics and Home Economics*, 25(1), 71-72.
- Nunnally, J.C. & Bernstein, I.H. (1994). *Psychometric theory* (3rd ed.). New York: McGraw-Hill.
- Rothmann, S., & Agathagelou, A.M. (2000). Die verband tussen lokus van beheer en werkstevredenheid by senior polisiepersoneel [The relationship between locus of control and job satisfaction among senior police personnel]. *Journal of Industrial Psychology*, 26(2), 20-26.
- Spector, P.E. (1987). Method variance as an artefact in self-reported affect and perceptions at work: Myth or significant problem? *Journal of Applied Psychology*, 72, 438-443.
- Strümpfer, D.J.W., Danana, N., Gouws, J.F., & Viviers, M.R. (1998). Personality dispositions and job satisfaction. *South African Journal of Psychology*, 28(2), 92-100.

Wall, T.D., Jackson, P.R., Mullarkey, S., & Parker, S.K. (1996). The demands-control model of job strain: A more specific test. *Journal of Occupational and Organizational Psychology*, 69, 153-166.