



## Impact of Compensation Level Practices and Training & Development on Job Satisfaction and Job Performance in Banking Sector of Pakistan

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**Abstract:** This study conducted an investigation on compensation and training that affects employee performance, with attention to the mediating role of job satisfaction in the banking industry of Rawalpindi and Islamabad, Pakistan. Self-consistency theory being considered, the study is underpinned by the dynamics that prevail between compensation and training and their effects on job satisfaction and subsequently upon job performance. The use of the quantitative survey method applied structured questionnaires to 256 employees, who returned them at a response rate of 74.85%. Compensation level practices and training and development positively influence job satisfaction. Indeed, it significantly mediates between two variables and job performance; but, compensation level practices and training and development boost job satisfaction, which enhances job performance. And job satisfaction completely mediates the relationship between compensation and performance, mediation is also confirmed with training and development practices. The results suggest that organizations should concentrate on the employee satisfaction through adequate compensations besides effective training programs that will cause improved performance outcomes. Adding on to literature, this research will contribute the knowledge gaps regarding the interplay of these factors within a developing country context and could have policy implications for decision-makers, HR professionals, and further researchers. Practical implications indicate that organizations must have supportive work environment and continually engage in revisiting training initiatives to meet employee needs to drive superior organizational performance. Future studies are recommended to consider further variables which may have a relation with employees' job performance and extend the dynamics of job satisfaction.

**Keywords:** Compensation level practices, training & development, job satisfaction, job performance

### 1. Introduction

There are a number of tactics for organizational success, whereas enhancement in employee satisfaction level is the best way to acquire desired performance (Babatunde, Issa, Saliu, Babafemi, Abdurraheem & Otonokwu, 2021; Indrayani, Nurhatisyah, Damsar & Wibisono, 2024; Yee, 2018). The job satisfaction and performance both depend upon monetary values against work done and training programs for individuals (Chaudhary & Bhaskar, 2016; Kowang, 2023). Job performance of employees has been dependent on their satisfaction or dissatisfaction at work while, the adjustments in knowledge and skills of the individuals are the basic requirements for performance improvements of employees and firms' productivity (Saleh, 2018). Therefore, training has anticipated coaching about positive and significant changes in skills, knowledge and attitudes of employees as well as for improvement of work quality. From an organizational point of view, training and development escorts to develop productivity while educating more optimistic approaches toward profit (Ojo, Olufunmilayo & Adeyinka, 2022; Ramya, 2016).

The trained workforce knows about that they can get satisfaction from their job more and more if they retained themselves inside the organization for a longer period. Compensation is an essential tool for job performance, motivation and encouragement of employees (Irshad, 2016; Tumi, Hasan & Khalid, 2022). It creates interest of employees in the job because they know about that best work produces valuable monetary values. Job satisfaction is a set of thoughts for work and involves cognitive, behavioral and affective elements about work related aspects like pay and career path etc, whereas, job performance is an executed role of employees in work with reference to specified organizational work standards (Akinyemi, George & Ogundele, 2022; Yee, 2018). The purpose to write this paper is to check out the impact of compensation level and training and development on job performance. It also intends to recognize job satisfaction's mediatory role.

The research gap represents that there is an important association between compensation and job performance had considered in earlier researches (Hameed, Ramzan, Zubair, Ali, & Arslan, 2014; Irshad, 2016; Mamdani & Minhaj, 2016). However, only some researches elaborated the relationships amongst compensation and employee job satisfaction in view of performance. The organizations are not receiving satisfactory and desired employee job performances while on the other end employees are not taking desired level of job satisfaction from their organizations. Therefore, it is a necessity to determine job satisfaction as a mediation context between the compensation level of employees and job performance (Aziez, 2022; Teck & Amna, 2011; Obasan, 2012). Even training and development has not investigated extensively in earlier findings in the framework of the job performance of employees as well. Even though studies regarding compensation and training had produced significant enhancements in developed countries' human resources, however, still an extensive level of research work has need of in developing nations particularly in the Pakistani context.

This study is based on the self-consistency theory which is mainly emphasizing the individual employee in this discipline of thinking, mental fulfillment, ideas, and rewards. The study also has to establish the mediating role of job satisfaction. According to the self-consistency theory, there exist the employees' self-helping strategies for maintaining employment consistency. This study will examine the relationship of job performance with human resource practices (compensation level, training and development) or the relationship is not there, but job satisfaction does moderate the relationship between job performance and independent variables like training and development and compensation level.

### **1.1 Rationale & Contributions**

It has acknowledged as a competitive edge to produce satisfactory and desired job performance from workforce for every kind of enterprise. The value is execution of important practices for employees to obtain desired outcomes (performances) moreover find responses from them as label satisfaction. The thoughts about satisfactory work conditions as well as other essential benefits such as; competitive monetary values against work and career path can be likely to enhance general performance of the organizations. A prerequisite for every business is to generate satisfaction in workers and receive the desired level of performances. Particularly for global and multinational businesses where competitive type surroundings are present, the exercise of these valuable practices would be properly compatible.

Particularly the contribution of this research work will be useful for methodology, literature, policy makers, HR practitioners and future researchers. For methodology perspective, the management would be directed on what type of methods should be accentuated by them in an organization for the enlargement job performance. For a literature point of view, the findings of this research work will redound about the payback of organizations that performance of the workers plays vital role in overall organizational performance of this present era. Form a policy makers' perspective, the larger demand for high skillful workers with valuable expertise justifies the requirement for other efficient techniques, to keep the worker more satisfy on their jobs for value full performance. It will facilitate the policy makers to construct policies about compensation level variations and training and development programs, for workers. For HR practitioners, the management applying recommended approaches derived from the conclusion of this research paper will be capable to get desired, satisfactory and best performance from the employees. From the researchers' perspective, this paper will help them to discover other significant areas in employee's performances and satisfaction.

### **1.2 Research Questions**

What is the impact of Compensation level practices on employee job satisfaction?

What is the impact of employee training & development practices on employee job satisfaction?

3. Does job satisfaction mediate the relationship between Compensation level practices and employee job performance?
4. Does job satisfaction mediate the relationship between employee training & development practices and employee job performance?

### **1.3 Research Objectives**

- a) To determine the impact of Compensation level practices on employee job satisfaction.
- b) To determine the impact of employee training & development practices on employee job satisfaction.
- c) To determine the mediation effect of job satisfaction between compensation level practices and employee job performance.
- d) To determine the mediation effect of job satisfaction between employee training & development practices and employee job performance.

## **2. Literature Review and Framework**

### **2.1 Compensation level and Job Satisfaction**

Compensation is considered as one of the basic components of job satisfaction (Adeoye & Fields, 2014; Nadaf, 2018; Nurlina, 2022). Compensation is also an important tool to determine the value of job satisfaction level in employees. Agency theory stated that there are some conflicts about the risk between the shareholders or stockholders and top-level management of the organization, therefore a necessity of the organization to compensate top level management by shares for satisfaction (Ross, 1973). Therefore, compensation plays an important role for job satisfaction of the workforce (Memon, Khahro, Memon, Memon & Mustafa, 2023; Teck & Amna, 2011). Furthermore, satisfied employees always pay more efforts for the organization, because they need to get rewards in a financial manner (Afolashade, Jimoh, Raji, Fowowe-Ogunmilugba, Oduola & Adewuyi, 2024; Rashid & Shireen, 2013). Similarly, compensation is considered as a core element for retention, satisfaction and attraction of workers that are committed to their tasks within the organization. Higher value of turnover, moonlighting and absenteeism are considerable consequences of low job satisfaction in result of inadequate compensation level (Khan, Aslam, & Lodhi, 2011; Alam & Md, 2012; Majumder, 2012; Nadaf, 2018). Finally, compensation helps the management to grasp efficient and experienced employees in the enterprise. Money has considered as a universal ingredient for motivation as well as for creation of special relationships between employees and organizations.

H<sub>1</sub>: Compensation level practice is positively related to employee job satisfaction.

### **2.2 Compensation level Practices, Job Satisfaction and Performance**

The performance of an employee is the consequence of job satisfaction, if proper monetary values have been given to employees so, it will lead to satisfaction and performance (Inayat & Jahanzeb Khan, 2021; Jalagat, 2016; Adeoye & Fields, 2014). Poor or good satisfaction has an effect on job performance (Siramiati, Surachman, Hadiwidjojo, & Rohman, 2016). A responsibility and ability of an organization, contribute to its workers for their accomplishment of tasks and to realize their performance called compensation, a factor to affect job satisfaction (Darma & Supriyanto, 2017). Compensation produces job satisfaction among employees, they feel that the organization is satisfying the needs, the result will be better performances from them (Syahreza, Lumbanraja, Dalimunthe, & Absah, 2017). Management wants to acquire and retain a highly skilled workforce. The job performance level depends upon the satisfaction level, whereas compensation has been declared as a valuable instrument for behavior and productivity (Mabaso & Dlamini, 2017; Okolocha, Akam & Uchehara, 2021). The satisfied employees are vital for growth and effectiveness because they can contribute better job performances; compensation is one of the ingredients for job satisfaction (Adeoye & Fields, 2014; Aziez, 2022).

H<sub>1a</sub>: Job satisfaction mediates the relationship between compensation level practices and job performance.

### **2.3 Training and Development, and Job Satisfaction**

An orderly and planned process that builds up the knowledge, sharpen the skills and constructs job related attitudes of employees through the use of modern ways and continuous learning for experience and performance improvement called training and development (Saleh, 2018). According to Hamdia & Phadett (2011) effective training programs are valuable and produce motivation and satisfaction in employees. Therefore, the training programs should design with keeping in view of objectives, satisfaction and needs of employees (Amir & Amen,

2013; Aruldoss, Berube Kowalski, Travis & Parayitam, 2022). Continuous training programs for workers are essential to get satisfied workforce (Iqbal, Ijaz, Latif, & Mushtaq, 2015; Laing, 2021). Training programs should depend upon the information, skills and competency improvements via teaching (off the job training) and practical experiments (on the job training) on the job. The result will be more satisfied employees (Mousavi Davoudi & Allahyari, 2013). The training programs are not only conducted for the development of employees; therefore, these programs help an enterprise to produce satisfied workforce (RAHAMAN & Uddin, 2022; Ramya, 2016). Employees who have attended training programs could have more job satisfaction level, rather than untrained ones (Khan, Abbasi, Waseem, Ayaz, & Ijaz, 2016). Investments in training programs are important concerns for valuable returns on human capital, employee retention and job satisfaction (Terera & Ngirande, 2014; Pinnington, Mir & Ai, 2024).

H<sub>2</sub>: Employee training & development practice is positively related with job satisfaction of employees.

#### **2.4 Training and Development, Job Satisfaction and Performance**

Training should be considered as an essential ingredient for job related skills enhancement of employees also for job satisfaction and performance (Manzoor, Sadozai, & Jan, 2016; Nguyen, 2020; Raza, Afridi, & Khan, 2017). Training is a tool to enhance the performance of both employee and organization also employee job satisfaction (Amir & Amen, 2013). There is a valuable influence of training for better job performances of employees through various channels such as: learning, innovation and satisfaction (Demiral, 2017; Khan, Raya & Viswanathan, 2022). Consistent focus on employee training & development always has significant influence on employee job satisfaction and job performance as well (Raza, Afridi, & Khan, 2017). The training is a necessity of any department, whereas, it relates the development of behavior systematically and employee achievements required to improve performance and job satisfaction (Mansour, Naji, & Leclerc, 2017). Training is a function that contains the procedures of learning experience activities, whereas, the aim to increase and influence performance as well as other behaviors like knowledge and satisfaction (Anwar & Shukur, 2015). The job performance refers to the result of actions in terms of quality, which attained by skilled workers, also who can present their performance in all types of situations (Latham, 2023; Said, Mori, Bidrul, Ali, Yusuf, & Mat, 2016).

H<sub>2a</sub>: Job satisfaction mediates the relationship between training & development and job performance.

#### **2.5 Compensation Level Practices and Job Performance**

An organization needs to think about competitive compensation level for employees to get desired and effective performances (Kang & Lee, 2021; Iskandar, Ahmad, & Martua, 2014; Dayanandan, 2017; Calvin, 2017). A physical need that motivates the employees towards performance called compensation, which is an output of employee in consequence of job performed (Priatna, Indriyani & Roswinna, 2020; Uwizeye & Muryungi, 2017). There are five elements of job performance, such as planning for the job, monitor the workforce, development considerations, rating the employees and rewards both in terms of financial and non-financial (Amir & Amen, 2013). Compensation is an organized approach to provide monetary values to workers in exchange for performing work (Dayanandan, 2017; Persada & Nabella, 2023). Compensation is also a best way to enhance job performance (Yamoah, 2013). Calvin (2017) argued that the employees are rewarded by compensation both in terms of financial and non-financial, when recognized by management and others while performing in an organization. Chepchumba & Kimutai (2017) found that compensation is an important issue in keeping and attracting the employees. Inadequate rewards decrease job performance. Siramiati, Surachman, Hadiwidjojo and Rohman (2016) argued that compensation has been considered as a reward, also associated with job performance improvements and are an instrument of scientific management technique.

H<sub>3</sub>: Compensation level practice is positively related to the employee's job performance.

#### **2.6 Training and Development, and Job Performance**

In order to face changing technology, customer needs, competition, business environment and globalization so, the organizations must develop and train their employees as per needs and standards for better performance (Salah, 2016; Sony, Antony & Mc Dermott, 2023). Training significance is the thoughtful involvement designed at

accomplishing the learning necessity for promoting performance of employees (Bayraktaroglu & Cickusic, 2014; Ramya, 2016; Al Qudah, Yang, & Anjum, 2018). The aspiration of training is to enhance an employee's skills, knowledge, and change in an attitude and behavior, according to work need along with request for learning abilities on behalf of the routine work (Raza, Afridi, & Khan, 2017). If the firm wants to take the market advantage competitively so, there are the needs for investment in training and education of human resources (Bayraktaroglu & Cickusic, 2014; El Nemar, El-Chaarani, Dandachi & Castellano, 2022). Training is coaching, aiming and leading to modify an employee's attitude or behavior and defined as efforts planned, which are aimed for necessary and valuable increase in employee skills (Salah, 2016). As training is a systematic process of behavioral change in employees positively to job performance (Al Qudah, Yang, & Anjum, 2018). Earlier Viswesvaran and Ones (2000) stated that, to plan training programs for employees, it is necessary to assess their weaknesses and strengths hence, these programs are designed for improvement in their job performances. Obi-Anike and Ekwe (2014) articulated that the training has been considered as a method for productivity enhancement in employees as well as communication of organizational goals.

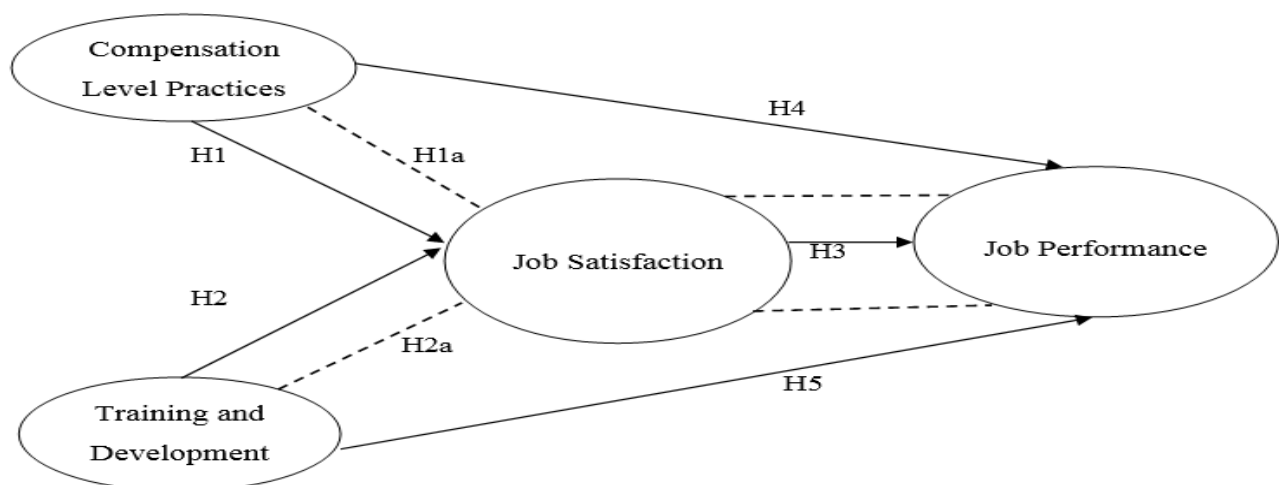
H4: Employee training & development practice is positively related with job performance.

### 2.7 Job Satisfaction and Job Performance

The performance is influenced by job satisfaction (Bangun, Theresia, Lahuddin, & Ranti, 2018; Hajjali, Kessi, Budiandriani, Prihatin & Sufri Omar, 2022; Salessi, & Urteaga, 2017). Employees would like to acquire valuable job satisfaction from the employer for performance (Nadaf, 2018; Shaju & Subhashini, 2017). Highly satisfied employees can communicate very well with other employees, time and responsibilities' management and give job performance effectively with better presence and positive emotions at workplace (Givaki, Davoudi, Manzari, & Katigarie, 2017). Eskandari and Gorji (2018) articulated that job performance is interrelated to some social and psychological factors like job satisfaction, environment, leadership, commitment and positive attitude. Job satisfaction is one of the factors of job performance (Estiningtyas & Darmanto, 2018). The employees, who have more trust on employers, know about the customs of an organization, the positive social interaction among values and strong introduction about any sanctions could be more satisfied and better performers (Thomas L. , 2015; Silva, Moreira & Mota, 2023). Omar, Salessi and Urteaga (2017) have pointed out that when the management facilitates the employees; provide a comfortable environment for handling of both work and family so, the employees develop effective attitudes towards work, satisfaction and job performance. Shaju and Subhashini (2017) found that job satisfaction is such an emotional trait, whose contribution is the relative significant concept of job performance. The organization wants to enhance employee obligations and creates a personal achievement sense for better job performance (Latham, 2023; Mousavi Davoudi & Allahyari, 2013).

H<sub>5</sub>: Job satisfaction is positively related to employee job performance.

### 2.8 Theoretical Framework



### 3. Methodology

#### 3.1 Data Collection Method

A quantitative research survey method was used in this research. A questionnaire was adopted to collect the data from the employees of banking sector of Rawalpindi and Islamabad cities of Pakistan. Survey research is a method of research that involves the use of questionnaires for data collection about behaviors, preferences and thoughts of people (Bhattacharjee, 2012). The researcher has distributed 342 questionnaires along with gift hampers to employees. On the second visit of researcher, the respondents have given 256 responses. The response was 74.85 percent. The response rates similar to 60 percent for the common researches are supposed to be the purpose for researchers (Fincham, 2008). The SPSS 24.0 version and SMART-PLS 3 has utilized for data analysis.

#### 3.2 Instrument and Measures

All the questionnaires have extracted from previously developed scales, which have published in articles and journals already. All the questionnaires about every variable have designed according to five-point Likert scale. Six questions have extracted to measure Job performance (Masood, 2010). To measure the impact of compensation on job performance, six questions was extracted (Absar, Sikder, & Nimalathan, 2010). Five questions were extracted to measure training and development (Abeba, Mesele, & Lemessa, 2015). Seven questions have extracted to measure Job satisfaction (Scott & Peter, 1997).

### 4. Final Measurement Model Results

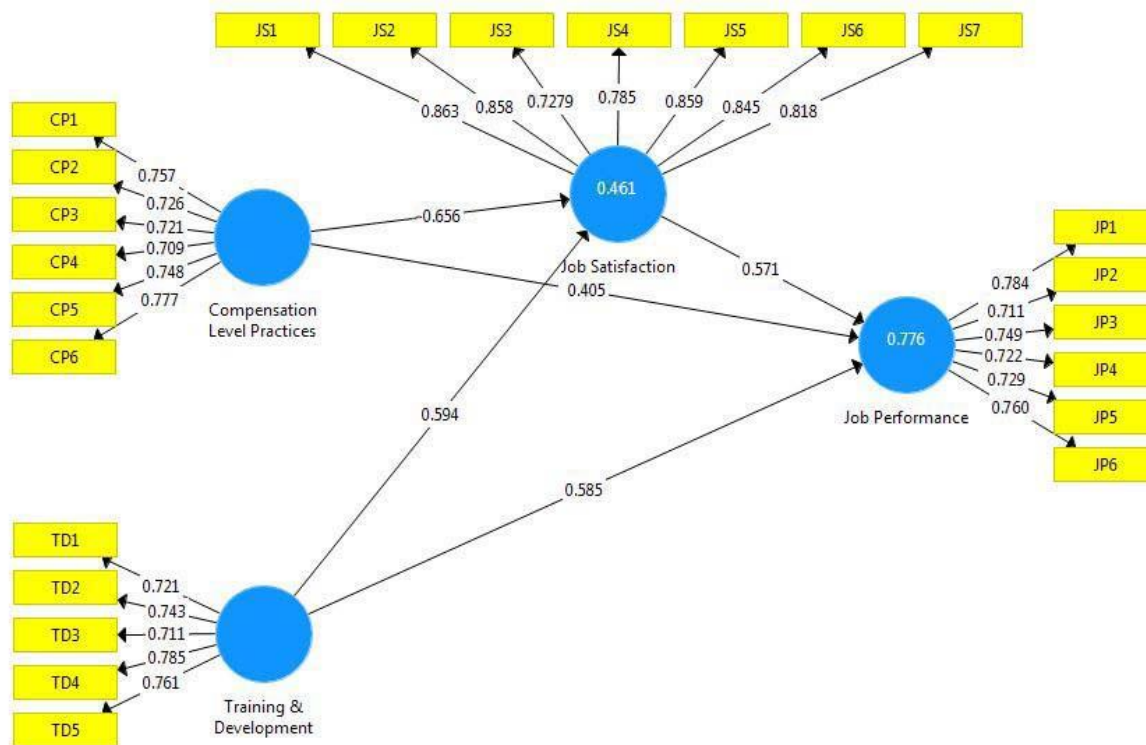


Figure 1 Final Measurement Model

#### 4.1 Validity and Reliability Analysis

The results in Table 1 summarize satisfactory validity and reliability across the constructs assessed. The Compensation Level Practices construct has a Cronbach's Alpha of 0.777, which is an acceptable measure of internal consistency, and it has an average variance extracted of 0.622 with a composite reliability of 0.799, thus confirming proper construct validity (Hair et al., 2019). Although the Training and Development construct is strongly reliable as evident by Cronbach's Alpha of 0.851, its AVE of 0.619 and CR of 0.821 are said to only demonstrate moderate construct validity (Fornell & Larcker, 1981). Cronbach's Alphas of 0.732 and 0.751 for Job Satisfaction and Job Performance, respectively, with their AVEs of 0.666 and 0.604, as well as CRs of 0.733 and

0.805, would also prove reliability and the construct integrity of both constructs (Legate et al., 2023). Thus, these results generally support the reliability of measurement and validity for further analysis by the constructs themselves.

Table 1: Construct Validity and Reliability

Constructs	Cronbach Alpha	rho_A	CR	AVE
Compensation Level Practices	0.777	0.735	0.799	0.622
Training & Development	0.851	0.789	0.821	0.619
Job Satisfaction	0.732	0.722	0.733	0.666
Job Performance	0.751	0.740	0.805	0.604

#### 4.2 Discriminant Validity

Results for Table 2 and Table 3 confirm that the constructs measured were distinct enough from each other. Based on the Fornell-Larcker Criterion, the square root of the Average Variance Extracted for each construct is greater than the inter-construct correlations, thus a strong discriminant validity was at play (Fornell & Larcker, 1981). For instance, Compensation Level Practices construct has a square root AVE of 0.744 which is larger than all the correlations with other constructs like Job Satisfaction: 0.345 or Job Performance: 0.299.

Further, the HTMT Criterion results also show this difference as all the HTMT ratios are below the threshold limit set of 0.85. The maximum HTMT ratio found between Job Satisfaction and Job Performance is 0.711 (Henseler et al., 2015). So, these results confirm that the constructs are well differentiated and effective for further analysis.

Table 2: Fornell-Larcker Criterion

Constructs	Compensation Level Practices	Training & Development	and Job Satisfaction	Job Performance
Compensation Level Practices	<b>0.744*</b>			
Training & Development	0.591	<b>0.781*</b>		
Job Satisfaction	0.345	0.566	<b>0.738*</b>	
Job Performance	0.299	0.343	0.588	<b>0.801*</b>

Table 3: HTMT Criterion Results

Constructs	Compensation Level Practices	Training & Development	and Job Satisfaction	Job Performance
Compensation Level Practices	<b>0.611*</b>			
Training & Development	0.357	<b>0.672*</b>		
Job Satisfaction	0.348	0.478	<b>0.701*</b>	
Job Performance	0.322	0.311	0.499	<b>0.711*</b>

### 4.3 Direct Hypothesis Result

The results in Table 4 provide empirical support to all the hypothesized relationships within the structural model by demonstrating criticality of the relationships between the constructs. Hypotheses H1 and H2 reveal the positive contribution that Compensation Level Practices and Training and Development would have to Job Satisfaction, respectively, at T-values of 12.734 and 9.545, respectively ( $p < 0.05$ ). Other impacts include Job Satisfaction on the side of Job Performance, and in this regard, H3 is proven to have a T-value of 6.472 ( $p < 0.05$ ). Compensation Level Practices, H4, and Training and Development, H5, both have positive impacts on Job Performance having T-values of 8.035 and 10.717, respectively ( $p < 0.05$ ).

Table 4: Direct Hypothesis Results of Structural Model

HYP	Hypothesis	T-value	P Values
H1	Compensation Level Practices → Job Satisfaction	12.734	0.000
H2	Training & Development → Job Satisfaction	9.545	0.000
H3	Job Satisfaction → Job Performance	6.472	0.000
H4	Compensation Level Practices → Job Performance	8.035	0.000
H5	Training & Development → Job Performance	10.717	0.000

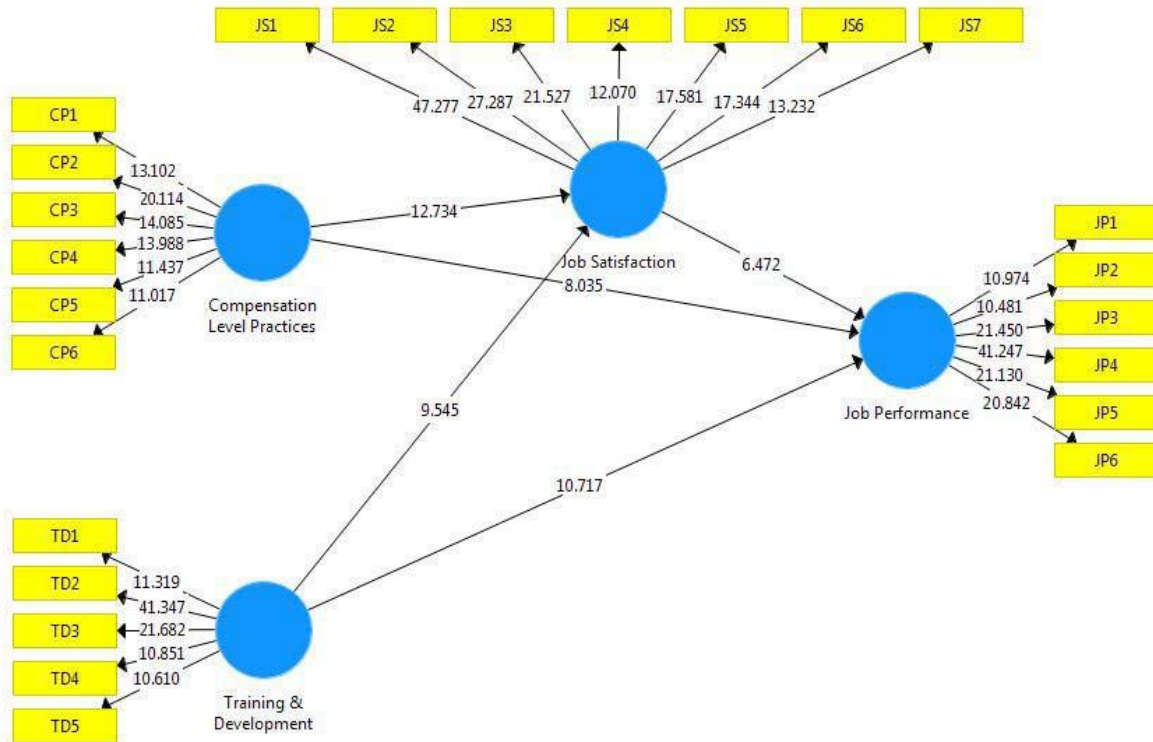


Figure 2 Direct Hypothesis

#### 4.4 Mediation Analysis

The mediation results for the hypotheses appear in Table 5. Significant mediation occurs for both hypotheses. For H1a, the relationship between Compensation Level Practices and Job Performance is fully mediated by Job Satisfaction with a T-value of 9.223 ( $p < 0.05$ ), which indicate an indirect enhancement of Job Performance through increased Job Satisfaction due to Compensation Level Practices. Similarly, H2a suggests that Training and Development influences Job Performance via Job Satisfaction because it has a T-value of 8.689 ( $p < 0.05$ ). The outcome means that the mediation role performed by Job Satisfaction was significant and, hence, its strength in enhancing results regarding performance within the organizational context. Figure 2 illustrates the structural model that also indicates that it had significant mediation paths.

Table 5: Mediation Results of Structural Model

	Hypothesis	T-value	P Values
H1a	Compensation Level Practices → Job Satisfaction → Job Performance	9.223	0.000
H2a	Training & Development → Job Satisfaction → Job Performance	8.689	0.000

Table 6: Hypothesis Summary

Hypothesis	Supported/Rejected
<i>H1: Compensation level practice is positively related to employee job satisfaction.</i>	<i>Supported</i>
<i>H1a: Job satisfaction mediates the relationship between compensation level practice and job performance.</i>	<i>Supported</i>
<i>H2: Employee training &amp; development practice is positively related with job satisfaction of employee.</i>	<i>Supported</i>
<i>H2a: Job satisfaction mediates the relationship between training &amp; development and job performance.</i>	<i>Supported</i>
<i>H3: Compensation level practice is positively related to the employee's job performance.</i>	<i>Supported</i>
<i>H4: Employee training and development practice is positively related with job performance.</i>	<i>Supported</i>
<i>H5: Job satisfaction is positively related to employee job performance.</i>	<i>Supported</i>

#### 4.5 Discussion

This study emphasized the need to measure such factors as pay scale, training and development opportunities, and job performance, alongside other predictors of job satisfaction. The self-consistency theory parameters absorb job satisfaction as a critical mediating variable between dependent variables job performance, which would ultimately depend on such variables as training and development and remuneration level and job satisfaction. From the multivariate analysis, it was originated that human resource practices (compensation level and, training and development) are considerably expressive or forward conspirators for the job performance of employees. As the relationship of (compensation level and training & development) with job performance hypotheses 3 and 4 were supported.

Employees feel that compensation level and training & development in an organization must be compatible, attuned, standardized with the latest knowledge, and relevant to the genuine exertion of employees, and then the workforce will exert satisfactory job performance. Moreover, from foundation to finish, the operations (compensation level and training & development) as per the workforce's satisfaction level would generate and enhance the emotional affection of employees with the enterprise. Human resource practices (compensation level and training and development) are practically offered and denoted the managers about a clear road map. By following current study's findings, these will not just be the benefits of employees but strengthening and evolution of performance.

The result of the study proves that there is a positive relationship of compensation level practice with job satisfaction (H-1), which is consistent with the study's findings (Ashraf, 2020; Mabaso & Dlamini 2021; Permadi, Landra, Kusuma & Sudja, 2018). It has also found that training & development has significant and positive relationship with job satisfaction (H-2), which is consistent with previous study (Demiral, 2017). And it was found that there is significant mediating relationship of job satisfaction between employee compensation level practice and employee's job performance and H1a, was accepted. This finding is also in line with Herzberg's two-factor theory that implies economic incentives are the prime motivators of job satisfaction through efforts to tackle the employees' immediate needs of Herzberg 1966. Besides, the fact that H2a was found positive mediating relationship of job satisfaction between training & development and employee job performance which was consistent with the previous studies. The hypotheses (H-3) with respect to the impact of job satisfaction on job performance was accepted (Buntaran, Andika & Alfiyana, 2019; Riyanto, Endri & Herlisha, 2021). And H-4 and

H-5 showed significant and positive direct impact of compensation level practice and training & development on job performance (da Cruz Carvalho et al., 2020; Bayraktaroglu & Cickusic 2014). This consistency indicates that interaction between these factors can be highly context-dependent and subject to influences factors. This study's findings collectively contribute to the richer understanding of how compensation, training, job satisfaction, and performance all interact with one another. Directions for future research are also provided from this paper, as are practical implications relevant to the management of organizations.

It was originated that job satisfaction is considered as valuable mediation. Hence, hypotheses 1, 1a, 2, 2a, 3, 4 and 5 are significantly correlated and accepted.

#### **4.6 Managerial Implications**

In the modern era, it becomes a necessity of the banking sector to bring above said considerations into its culture because it is the basic desire of every human to do the job in motivated and satisfied culture. Thus, this type and nature of culture will produce a greater level of confidence in the workforce. As the business environment and functions are, changing day by day due to innovations and strategies, so the banking sector should update their training programs, enhance the existing ones and create new ones for getting better job performances. If the employee knows about each point and style of work with the help of training programs designed by the organization, this will produce satisfaction in an employee and the performance level will increase. Hence, this research paper finds that to train the low performer employees will be better. The management should create a motivational environment because a motivated and satisfied employee can become a valuable asset for the organization. The employees should be compensating competitively and according to their need's assessment, both financial and non-financial benefits can become useful tricks for better job performance.

#### **4.7 Future Research Recommendations**

Although the focus of the current study was on finding relationships between direct and indirect paths, and although a moderating study is much needed along with other kinds of additional research that can narrow down the practical gap in systematic evaluation, further research in additional mediators beyond job satisfaction could be procedural justice, human capital, empowerment strategies, motivation, and techniques for empowerment. The study should be done considering the future performance and job satisfaction standards. Future research on the subject of work success should focus on those independent factors, since other independent factors may influence the improvement in the performance.

#### **5. Conclusion**

The findings of performance management reflect that the competitive level of compensation and an effective and regular training are significantly and optimistically associated with the desired job performance of an enterprise. So, all banks must be aware of the desires of the employees and the desires must be acceptable professionally. Hence, the results propose that the banking sector should compensate and trained the employees and management because, the trained and well compensated management will produce satisfaction, and stress-free work environment by training. The organization can get better job performances, when the employees are getting desired compensation and need based training.

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