

# Supervision and other Determinants of Employee Morale: The Case of Banco De Oro Branches in Batangas City and Bauan, Philippines

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**Abstract** - *A company's work force is one of its greatest resources. Without employees, companies would not be able to implement strategies or realize growth. This research study determined the employees' level of morale with respect to bank's style of supervision and in terms of other determinants such as nature of work, salaries/wages and benefits/incentives, placement and promotion and communication channels. Further, it determined the relationship of the demographic profile and level of morale of the employees of BDO Batangas City and Bauan Branches. Descriptive-correlation type of research was used to describe the level of morale among the respondents and to evaluate the extent of relationship of the respondents' demographic profile variables and their level of employee morale.*

*Results revealed that most of the workforces of the bank are in the early phase of their career and there are only few middle aged employees because most of the employees in this age category were already promoted. The level of morale is high in terms of bank's style of supervision and in terms of other employee morale determinants. Moreover, the socio demographic profile variables of the respondents except gender and civil status influence the level of their morale in terms of the supervision the bank has. Their socio demographic profile variables also influence the level of their morale in terms of other employee morale determinants.*

**Keywords** – *Supervision, Employee Morale, Banco de Oro, nature of work, salaries, benefits*

## I. INTRODUCTION

In today's marketplace, attracting and retaining good employees is a top priority in both large and small organizations. It is widely believed that employees are the company's most valuable assets. For small-business owners, key employees add a great deal of value to their business. Because the contributions are so essential and irreplaceable, it isn't surprising that business owners find it helpful to spend some time looking at ways to protect this most important asset. Great employees are hard to come by, so when organizations have a few good ones on their team, they need to let them know that they appreciate them so that they will stick around for the long haul.

Keeping high-performing employees has become a top priority for today's organizations. Managers, supervisors, and team leaders play the greatest role in employee satisfaction or dissatisfaction. Today's employees want challenging and meaningful work, opportunities to learn and grow, the sense of being part of a group, and a good boss.

In every organization, people are working within a subtle environment of attitudes. Each employee has attitudes that range over the entire spectrum of human behaviour. All managers have constant concern for the morale of the group, which they lead. However, considerable confusion prevails over the use of the term morale because of variation in defining characteristics of the term. Some researchers make distinction between job satisfaction and morale, while others do not make this distinction. Some researchers take job satisfaction and morale as individual's concern; some others take job satisfaction as individual phenomenon and morale as group phenomenon from one point of view, morale may be regarded essentially an individual matter.

Supervision focuses primarily on the management of people. For many people, being a supervisor provides a variety of satisfying experiences. Throughout the foreseeable future, supervisors will have to understand and deal with many complex environmental factors and trends. Therefore, some major demographic and society factors and trends are likely to affect the supervisory

management position. While every supervisor is responsible for managing numerous resources, unquestionably the most important, overriding aspects of supervision is the management of people. Therefore, the nature of the workforce should be of vital concern to the supervisor who plans for the future. Finding and develop[ing] qualified people have always been among the most important supervisory responsibilities. However, the traditional challenges of attracting and retaining the most qualified employees may be superseded by the more acute challenge to the supervisors of leading and motivating an increasingly changing workforce.

Morale is basically a group phenomenon. It describes the level of favorable or unfavorable attitudes of the employees collectively to all aspects of their work the job, the company, their tasks, working conditions, fellow workers, superiors, and so on. Attitudes express what the individuals think and feel about their jobs. The emphasis is on how the employees feel, denoting the strong emotional elements associated with attitudes.

BDO, a full-service universal bank in the Philippines, is just like any other organizations that would like to retain its productive employees as much as possible. There are generally two goals of the bank when it comes to their supervisory style; productive and efficient service of their employees. Both goals have positive effects in retaining its leading position in the banking industry. It is a style that shows to be very demanding in terms of formal compliance of the bank's standard operating procedures. Alternatively, a style that appears more oriented towards cooperation and proximity, by stimulating a learning process on safe and sound management practices, which could result in the bank's upholding credential of finding ways to reach out and help their clients.

The present study was designed to investigate the correlation of the demographic profile and level of employee morale of the employees of Banco De Oro Batangas City and Bauan Branches. With the abovementioned discussions, the researcher believes that it is very important for the management of the bank to know the determinants of their employee morale to keep the productive employees that can help promote the bank's mission.

## II. OBJECTIVES OF THE STUDY

This study determined the relationship of the demographic profile and level of morale of the employees of BDO Batangas City and Bauan Branches.

Specifically, this study has the following objectives: to describe the demographic profile of the respondents in terms of gender, age, marital status, length of service in the bank, highest educational attainment and monthly income; determine the employees' level of morale with respect to bank's style of supervision; to determine the employee's level of morale in terms of other determinants such as nature of work, salaries/wages and benefits/incentives, placement and promotion and communication channels; to test the significant relationship between the respondents' demographic profile variables and their level of employee morale in terms of bank's style of supervision and other determinants of employee morale and propose measures to enhance and boost the employee morale of BDO Batangas City and Bauan Branches.

**Ho:** There is no significant relationship between the respondents' demographic profile variable and their level of employee morale.

## III. REVIEW OF LITERATURE

Generally speaking, a direct relationship tends to exist between high productivity and high morale. Under conditions of poor morale, favourable output is difficult to sustain for long periods. Profits are usually adversely affected when poor morale reduces productivity. Lower profits can mean fewer wage gains in the future. Clearly, for high morale to affect productivity favourably, it must be accompanied by reasonable managerial direction and control (Drafke 2006).

According to Noe (2008), at the organizational level, turnover results in lowered work unit performance, which, in turn, harms the firm's financial performance. This casual chain is especially strong when the organization is losing its top performers.

One might expect that an employee's first response to dissatisfaction would be to try to change the conditions that generate the dissatisfaction. This can lead to supervisor subordinate confrontation, perhaps even a conflict, as dissatisfied workers try to bring about changes in policy or upper level personnel (Noe, 2008). Organizations must try to ensure that good performers want to stay with the organization and those employees whose performance is chronically low are encouraged or forced to leave. Both of these challenges involve employee turnover, that is, employees leaving the organization. When the employees initiate the turnover (often when the organization would prefer to keep them) it is voluntary turnover. Employees may

leave to retire or to take a job with a different organization (Noe, 2007).

Supervisors play a critical role in implementing many HRD programs and processes. The Immediate supervisor plays an important role in the employee's work life, delegating task and responsibilities, setting expectations, evaluating performance and providing feedback, rewards and discipline. Even with the shift toward greater use of teams, including more self-directed work teams, supervisors continue to play a critical role in the success of most organizations (Werner, 2006). The rewards the supervisor uses should be linked to employee performance. Unfortunately, employees seldom see a clear link between good job performance and a higher pay. If there is a connection, employees should be aware of it and understand it. Another means of connecting rewards to performance is in the way supervisors express praise. Linking reward to the achievement of realistic objectives is a way to help employees believe they can attain desired rewards (Certo, 2008).

According to Griffin (2010), organization itself is the primary factor that affects the morale of its employees. The organization influences the workers' attitude about their jobs. The public reputation of an organization may build up for better or worse depending upon the attitude of its employees. The nature of work, the worker is expected to perform also affects his attitude towards the job. This ultimately affects his morale. If the employee is only expected to perform routine jobs, he will feel bored or alienated. Repetition of the same task again and again makes the working situation worse for the employees.

The nature of the work the worker is expected to perform also affects his attitude towards the job as well as his morale. If the employee is expected to perform routine or specialized jobs, he will feel bored and alienated (Kreitner, 2007). Historically, work has tended to become increasingly specialized and routinized, whereas the worker has become progressively better educated. Many behavioural scientist contend that workers' current values and attained levels of education have led them to expect considerably more than just high pay and material prosperity from their work (Drafke, 2006).

In the study of Keijzers (2010), he concluded that high performance can be reached when the organization provides certain job characteristics. Further, there exist a self-reinforcing circular relationship between the performance, satisfaction and motivation of an

employee. This means that the nature of work affects the performance and motivation of an employee.

The pay individual receives in return for the work they perform is usually the major source of their financial security. Hence, pay plays a vital role in a person's economic and social well-being. Employees may see compensation as a return in an exchange between their employee and themselves, as an entitlement for being an employee of the company or as a reward for a job well done. Compensation can be all of these things (Mikovich, 2008).

A fair and equitable pay system can help prevent turnover. An employee who is underpaid relative in employees in other job with similar skills may leave if there is an inviting alternative job available. An awareness of employee problems and dissatisfaction may provide a manager with opportunities to resolve them before they become so severe that employees leave. The HR Perspective discusses findings that inadequate rewards may lead to voluntary turnover, especially with employees such as sales people, whose is tied directly to performance (Mathis, 2009).

A person's satisfaction with the pay received affects overall job satisfaction. Employees who are not satisfied with their pay may not perform to their full potential. Some employees who are dissatisfied with their pay may leave the organization voluntarily (Werner, 2006). Career planning and internal promotion can help an organization keep employees, because if individuals believe they have no opportunities for career advancement, they may leave the organization (Mathis, 2009). Promotions are advancements into positions with greater challenges, more responsibility and more authority than the previous job. Promotions usually include pay increases (Noe, 2008).

Studies of managers and supervisors show that they spend 70 – 80 percent or more of their time directly communicating with others in meetings, on the telephone, online or informally while walking around. Consider the management functions of organizing, planning, leading and controlling, communication is essential in performing these. Moreover, the emerging supervisor role of teacher, leader, and coach depends heavily upon effective communication (Mosley, 2008).

Thomas (2006) noted in his study that there is interesting correlation between morale issues and managers' communication and actions. In this study, the researcher explained that the managers involvement were important because they could suggest and offer some ideas on appropriate management techniques. Thus, the study illustrated that communication between

managers and staffs is a factor that affects employees' morale. Lee, et. al. (2012) found that staff burnout and low morale were the biggest trends and issues of the Illinois Park and Recreation Association (IPRA) members.

#### IV. METHODS

##### Research Design

This research study determines the demographic profile of BDO Batangas City and Bauan Branches employees and their level of morale. It also aims to provide a description of relationship between the respondents' demographic profile variables and their level of morale; hence, the researcher uses the descriptive correlation method of research in analysing the collected information.

The approach is descriptive so as to describe the level of morale among the respondents and correlation to evaluate the extent of relationship of the respondents' demographic profile variables and their level of employee morale.

##### Participants

**Table 1.** Distribution of Respondents by Branches

BDO Branches	N	%
SM City	23	25%
Pallocan West	4	4.35%
Rizal Avenue	16	17.39%
P.Burgos	14	15.22%
Kumintang Batangas	12	13.04%
Bauan	13	14.13%
Puregold Calicanto	10	10.87%
<b>Total</b>	<b>92</b>	<b>100%</b>

The researcher employed all regular rank and file employees of BDO Batangas City Branches as respondents. Given the records provided by the secretary of BDO Batangas Area Head, there are 92 regular rank and file employees as of March 2013 from different branches of BDO in Batangas City particularly in BDO SM City Branch, BDO Pallocan-West Branch, BDO Rizal Ave. Branch, BDO P.Burgos Branch, BDO Kumintang Batangas Branch, BDO Bauan Branch and BDO Puregold Calicanto Branch. The managers down to officer level and non-regular employee are not included in this study. Regular employees refer to those who have been appointed to a permanent position after completing the trial service period while rank and file employees refer to those non-executive and non-managerial employees of the bank.

##### Instruments

Part I is a Personal information questionnaire that determines the socio-demographic profile of the respondents such as gender, age, marital status, length of service in the bank, highest educational attainment and monthly income.

Part II is designed to determine the level of employees' morale with 44 statements that focus on the bank's style of supervision and other employee morale determinants such as nature of work, salaries/wages and benefits/incentives, placement and promotion and communication channels, as shown in table 2 above.

To determine the individual level of employee morale, a Likert scale type will be used with the following assigned values: Scale 5 with "strongly agree" verbal interpretation, scale 4 with "agree" verbal interpretation, scale 3 with "moderately agree" verbal interpretation and scale 2 and 1 with "disagree" and "strongly disagree" verbal interpretation respectively.

##### Procedure

Prior to the gathering of the data, the researcher requested permission from the Area Head of BDO Batangas for the distribution of the questionnaires. After the permission was granted, the questionnaires were distributed to all rank and file employees of respective branches. To ensure that the said questionnaires were properly distributed to the respondents and retrieved as soon as possible, the researcher asked the assistance of the immediate supervisor of the employees of the particular branch.

##### Data Analysis

The data collected were tabulated, interpreted and presented in tables. The following statistical tools were used in order to analyze the gathered data:

1. Frequency Distribution and percentage. This was used to describe the socio-demographic profile of the respondents in terms of gender, age, marital status, length of service in the bank, highest educational attainment and monthly income.
2. Weighted mean and ranking. These were used to find out the levels of employee morale among BDO Batangas City and Bauan Branches employees.
3. Coefficient of correlation or Pearson's r. This was used to determine the significant relationship between the respondents' socio-demographic variables and level of employee morale.

The scale used to interpret the result of the data gathered: 4.50 – 5.00 = Strongly Agree S(A); 3.50 – 4.49 = Agree (A); 2.50 – 3.49 = Moderately Agree (MA); 1.50 – 2.49 = Disagree (D); 1.00 – 1.49 = Strongly Disagree (SD)

**V. RESULTS AND DISCUSSION****Table 3. Percentage Distribution of the Respondents' Profile (N = 92)**

Profile Variables	f	%
<b>Age</b>		
20 – 25 years old	43	46.70
26 – 30 years old	41	44.60
31 – 35 years old	8	8.70
<b>Sex</b>		
Male	6	6.50
Female	86	93.50
<b>Civil Status</b>		
Single	47	51.10
Married	45	48.90
<b>Highest Educational Attainment</b>		
Master's Degree Holder	2	2.20
Bachelor's Degree Holder	90	97.80
<b>Length of Service in the Bank</b>		
1 – 3 years	45	48.90
3 – 5 years	40	43.50
6 – 8 years	7	7.60
<b>Monthly Income</b>		
11,000 – 15,000	73	79.30
16,000 – 20,000	19	20.70

Table 3 shows the frequency and percentage distribution of the respondents according to their socio-demographic variables such as age, sex, civil status, highest educational attainment, length of service in the bank and monthly income.

In terms of age, most of them fall on the age bracket of 20 to 25 years old followed by 26 to 30 years old with 44.70 and 44.60 percent, respectively. The least among the age group was 31 to 35 years old with 8.70 percent only. This shows that most of the workforces of the bank are in the early phase of their career. There are only few middle aged employees because most of the employees in this age category were already promoted.

As to gender distribution, it was observed that the study was dominated by female since it obtained the highest frequency of 86 or 93.50 percent over male which only got frequency of 6 or 6.50 percent. This shows that majority of the bank's employees were female which could be explained that the organization prefers female front liners whom they believe are more approachable and composed because of their feminine side.

The study also revealed that there is an almost equal distribution of single and married employees which

compromised a frequency of 47 or 51.10 percent and a frequency of 45 or 48.90 percent respectively. This shows that the bank is not particular whether their employees are single or married just as long as they are productive enough in their respective assignment.

As to their highest educational attainment, bachelor's degree holder obtained the highest percentage of 97.80 percent, while master's degree holder only compromise 2 or 2.20 percent. This result reveals that the bank adheres to the qualification standards of the bank where all of the positions require a college degree or higher.

The table further reveals that 45 out of 92 respondents have 1 to 3 years service in the bank, followed by 40 respondents with 3-5 years of service or 43.50 percent while those in 6-8 years service ranked last with 7 respondents or 7.60 percent. It could be interpreted that the majority of the bank's employees are on their prime years because those who have been in the service for more than 6 years were either promoted or they have chosen to resign.

The data on monthly income shows that 73 of the respondents fall on the bracket income of Php11000-15000, which is 79.30 percent of the respondents and the remaining 19 respondents fall on the bracket income of Php16000-20000 which obtained only 19 percent of the respondents.

According to Werner (2006), for all the concern with positive relationships and interesting work, it is important to keep in mind that employees definitely care about their earnings. A job is the primary source of income and financial security for most people. Pay also is an indicator of status within the organization and in society at large, so it contributes to some people's self-worth. For all these reasons, satisfaction with pay is significant for retaining employees. Thus, pay structure is potentially an important incentive-tool in the hands of the bank policy makers including those of the BDO Batangas Branches.

As seen from the result in table 4, the over-all assessment of the respondents on the level of morale in terms of bank styles supervision was 4.32 and verbally interpreted Agree. Among the items mentioned, "I respect my boss" was the only item rated strongly agree since it obtained the highest weighted mean score of 4.51. This means that the bank employees show respect to their boss. Employees believed their bosses greatly do their responsibilities in ways that make them earn their trust.

**Table 4. Employees' Level of Morale with respect to Bank's Style of Supervision (N = 92)**

Level of Morale	WM	VI	Rank
1. There is a harmonious relationship between the immediate head and his subordinates	4.39	A	3
2. Employees are encouraged to perform at their best.	4.29	A	10
3. The immediate supervisor and the subordinates work hand-in-hand to achieve the organization's goals and objectives.	4.22	A	15
4. Subordinates are treated fairly by the immediate head.	4.23	A	14
5. The immediate head is confident to delegate responsibility and authority to his subordinates.	4.30	A	8.5
6. I receive appropriate recognition for my contributions	4.21	A	16
7. My supervisor cares and responds to issues that are important to me	4.26	A	13
8. My managers and supervisors are willing and available when I require support.	4.28	A	11
9. The organization's leadership is positive and supportive.	4.36	A	5
10. I respect my boss.	4.51	SA	1
11. The management consistently enforces banking rules and policies	4.33	A	6.5
12. Superiors delegate work to their subordinates effectively	4.30	A	8.5
13. Management maintains discipline among employees	4.43	A	2
14. There is a strong leadership among managers.	4.38	A	4
15. Managers lead by example.	4.33	A	6.5
16. Supervisors treat his/her subordinates with respect.	4.27	A	12
<b>Composite Mean</b>	<b>4.32</b>	<b>A</b>	

Meanwhile, other items were all rated agree, as "Management maintains discipline among employees", "There is a harmonious relationship between the immediate head and his subordinates", "There is a strong leadership among managers" and "The organization's leadership is positive and supportive" topped on the ranked with 4.43, 4.39, 4.38 and 4.36 respectively. These results indicate that the employees agree that there is harmonious relationship between the managers and employees. The respondents also agreed that their managers have a strong leadership are positive and also supportive.

Even though all were positively assessed, the three (3) items which obtained the lowest mean value of, 4.23, 4.22 and 4.21 are "Subordinates are treated fairly by the immediate head", "The immediate supervisor and the subordinates work hand-in-hand to achieve the organization's goals and objectives" and "I receive appropriate recognition for my contributions". In successful organization, managers should give more importance in treating their employees fairly. Also, supervisors and employees must work more in unity to achieve the organization goals. When a supervisor gives time on recognizing the contributions of the employees, the employee's morale boost even more.

The above result supported the study of Rao in 2010 that the actions of managers exert a strong influence over the morale of the workforce Fair treatment, equitable rewards and recognition for good work affect morale greatly. Workers feel comfortable when they work under a sympathetic caring leader in

place of one who is authoritarian, dictatorial and dominating

According to Hilgert (2001), supervisors will have to become true professionals with a growing professional perspective. Supervisors will have to develop as innovators and idea people. They must look to the future with a professional awareness of the trends influencing human behavior and observe how these trends impact the management of people in a complex society.

Table 5 illustrates the over-all assessment of the respondents on the level of morale in terms of nature of work was 4.15 and verbally interpreted Agree.

**Table 5. Employees' Level of Morale in terms of Nature of Work (N = 92)**

Level of Morale	WM	VI	Rank
1. My work responsibilities are reasonable.	4.18	A	2
2. My work gives me a feeling of accomplishment	4.13	A	5
3. I know how my job fits and why it's important.	4.20	A	1
4. My organization is a good place to work.	4.17	A	3
5. My duties and responsibilities are clearly defined.	4.16	A	4
6. I enjoy the work that I do.	4.05	A	6
<b>Composite Mean</b>	<b>4.15</b>	<b>A</b>	

Among the items mentioned, "I know how my job fits and why it's important" was the only item that

obtained the highest weighted mean score of 4.20 and verbally interpreted Agree. This means that employees knew the importance of their job and how their job fits to them.

Even though all were positively assessed, the item “I enjoy the work that I do” got the lowest weighted mean score of 4.05. This indicates that meaningful, enjoying and satisfying job is important for the employees and this will keep their morale high.

According to Kreitner (2007), if the employee is expected to perform routine or specialized jobs, he will feel bored and alienated. Repetition of the same task again and again makes the working situation worse for the employees. Morale is a direct function of the conditions in the workplace. Clean, safe, comfortable and pleasant work conditions are morale boosters

Table 6 illustrates the level of morale in terms of salaries, wages and benefits. As seen from the result, the over-all assessment of the respondents on the level of morale in terms of salaries, benefits were 3.68 and verbally interpreted Agree.

**Table 6. Employees’ Level of Morale in terms of Salaries/Wages and Benefits/Incentives (N = 92)**

Level of Morale	WM	VI	Rank
1. Salary for the current position is well-compensated.	3.67	A	3.5
2. The bank’s benefits meet the needs of employees.	3.77	A	1
3. Apart from the benefits provided by law, employees receive other company-initiated benefits	3.63	A	6
4. The company has several policies relative to the granting of benefits and incentive to employees.	3.65	A	5
5. I am happy with my pay level and paid fairly for my contribution.	3.67	A	3.5
6. My compensation is fair for the work that I do.	3.68	A	2
<b>Composite Mean</b>	<b>3.68</b>	<b>A</b>	

Among the lists, the item “the bank’s benefits meet the needs of employee” got the highest score with a weighted mean of 3.77. This indicates that employees are satisfied with the benefits that the bank is providing them. Furthermore, Banco De Oro provides various benefits and incentives to its employees such as health care insurance, grocery allowance, medical allowance,

death benefit, bonuses, separation and retirement benefits.

According to Noe (2005), pay plans are typically used to energize, direct, or control employee behaviour. Employees who are not satisfied with their pay may not perform to their full potential.

Table 7 describes the level of morale in terms of placement and promotion.

**Table 7. Employees’ Level of Morale in terms of Placement and Promotion (N = 92)**

Level of Morale	WM	VI	Rank
1. There is an existing policy with regards to the placement and promotion of employees.	4.15	A	3.5
2. Employees are usually promoted based on performance.	4.20	A	1
3. Favoritism is not a factor in the promotion of employees	4.10	A	6
4. Promotion comes from within the organization.	4.18	A	2
5. There is consistency in the basis of qualification for placement and promotion of employees.	4.15	A	3.5
6. I have opportunities at work to learn and grow.	4.11	A	5
<b>Composite Mean</b>	<b>4.15</b>	<b>A</b>	

It can be noted that respondents agree in all items and obtained a composite mean of 4.15 which verbally interpreted over-all as agree. The item “employees usually promoted based on performance” ranked first with a weighted mean of 4.20 followed by “promotion comes from within the organization” with a weighted mean of 4.18. Items such as there is an existing policy with regards to the placement and promotion of employees and there is consistency in the basis of qualification for placement and promotion of employees both obtained a weighted mean of 4.15. Though respondents agree that they have opportunities at work to learn and grow and favoritism is not a factor in the promotion of employees, they obtained the least weighted mean of 4.11 and 4.10 respectively.

It can be noted from the table above that employees are usually promoted based on performance and favoritism is not a factor in the promotion of employees. Hence, placement and promotion of employees can influence the respondent’s morale.

Table 8 shows the level of morale in terms of communications channels. As seen from the result, the over-all assessment of the respondents on the level of morale in terms of communication channels was 4.33 and verbally interpreted Agree.

**Table 8. Employees' Level of Morale in terms of Communication Channels (N = 92)**

Level of Morale	WM	VI	Rank
1. There is a free flow of communication from the management to the rank-and-file workers, and vice-versa	4.20	A	3.5
2. Employees are encouraged to participate in planning and decision-making	4.20	A	3.5
3. Management holds regular meetings with employees	4.29	A	2
4. Employees are well-informed about the latest updates in bank	4.35	A	1
5. There are bulletin boards in different bank offices where announcements and office memoranda are being posted	4.17	A	5
6. I receive regular and helpful feedback on my performance.	4.11	A	6
<b>Composite Mean</b>	<b>4.22</b>	<b>A</b>	

Among communication channels list in the table, "employees are well-informed about the latest updates in bank" ranked first with a weighted mean of 4.35. This indicates that the management always makes sure that their employees are well-informed about the latest updates in the bank.

Even though all were positively assessed, the item "I receive regular and helpful feedback on my performance" got the lowest weighted mean score of 4.11. This indicates that the managers should give more regular and helpful feedback on the performance of their employees.

Table 9 describes the overall level of morale of bank employees in terms of other determinants, with a composite mean of 4.05 and is verbally interpreted as agree. This shows that bank employees agreed that they possessed a positive and high level of morale towards the bank they are working in. Among the other employee morale determinants mentioned, communication channel obtained the highest weighted mean of 4.22.

**Table 9. Summary of Employees Level of Morale in terms of Other Determinants (N = 92)**

Level of Morale	WM	VI	Rank
1. Nature of Work	4.15	A	2.5
2. Salaries/Wages and Benefits/Incentives	3.68	A	4
3. Placement and Promotion	4.15	A	2.5
4. Communication Channels	4.22	A	1
<b>Composite Mean</b>	<b>4.05</b>	<b>A</b>	

This reflected that there was a good flow of communication between the management and the bank's employees as management holds regular meetings with employees. According to Thomas (2006), maintaining open channels of communication improves the relationship between supervisor and employee, consequently improving performance and job satisfaction. The items nature of work and placement and promotion both obtained a weighted mean of 4.15 which was verbally interpreted as agree. This showed that bank employees agreed that they knew why their job fits and why it's important and they knew that employees were usually promoted based on performance. According to Kreitner (2007), the nature of the work the worker is expected to perform affects his attitude towards the job as well as his morale. Also, Noe (2008) said that opportunity for promotion determines a worker's level of satisfaction and affects the worker's morale. The item salaries/wages and benefits/incentives obtained the lowest weighted mean of 3.68 and ranked the lowest but still was verbally interpreted as agree. This showed that the employees morale in terms of salaries/wages and benefits/incentives was high because they agreed that the bank's benefits and incentives met their needs. According to Mikovich (2008), employees may see compensation as a return in an exchange between their employee and themselves, as an entitlement for being an employee of the company or as a reward for a job well done.

As seen from the result in table 10, it was found out that there is a significant relationship on the level of employee morale in terms of bank's style of supervision when correlated to the respondents' age (0.002), highest educational attainment (0.010), length of service in the bank (0.046) and monthly income (0.017) since the obtained p-values were all less than 0.05 level of

significance and the computed eta values indicates a moderate positive correlation.

**Table 10. Relationship Between the Respondents' Demographic Profile Variables and their Level of Employee Morale in terms of Bank's Style of Supervision**

Demographic Profile	eta	p-value	I
Age	0.359	0.002	S
Sex	0.065	0.540	NS
Civil Status	0.044	0.675	NS
Highest Educational Attainment	0.269	0.010	S
Length of Service in the Bank	0.259	0.046	S
Monthly Income	0.249	0.017	S

Legend: Significant at p-value < 0.05; NS-Not Significant; S-Significant; I-Interpretation

This only means that the respondents' level of morale is affected by the above mentioned variables. It can also be shown that the older the employees are, the higher their educational level, the more employees are new to the company and the higher the income is, the

higher their level of morale in terms of bank's style of supervision. This could be because as you get older, you get more experience, as you get higher educational level, you see things intelligently, as you are new to company, the more excitement and enthusiasm you have, and as you receive higher income, the higher you value yourself and your work. Thus, the null hypothesis of no significant relationship among the socio demographic variables age, highest educational attainment, length of service in the bank, monthly income and employee morale in terms of bank's style supervision is rejected. This means that employee's morale in terms of bank's supervision varies according to employee's age, their highest educational attainment, their length of service in the bank and their monthly income.

Also, based on the results, the socio demographic variables sex and civil status has no significant relationship to the level of employee morale in terms of the bank's style of supervision, thus accepting the null hypothesis of there is no significant relationship between the sex and civil status socio demographic variables and the level of employee morale in terms of the bank's style of supervision.

**Table 11. Relationship Between the Respondents' Demographic Profile Variables and their Level of Employee Morale in terms of Other Determinants**

Demographic Profile	Nature of Work			Salaries/Wages and Benefits/Incentive			Placement and Promotion			Communication Channels		
	eta	p-value	I	eta	p-value	I	eta	p-value	I	eta	p-value	I
Age	.389	*001	S	.316	*.009	S	.410	*.000	HS	.318	*.009	S
Sex	.064	.546	NS	.062	.557	NS	.005	.965	NS	.154	.142	NS
Civil Status	.147	.162	NS	.124	.239	NS	.091	.389	NS	.001	.989	NS
Highest Educational Attainment	.207	*.047	S	.168	.109	NS	.219	*.036	S	.145	.167	NS
Length of Service in the Bank	.244	.066	NS	.249	*.057	NS	.333	*.005	S	.206	.144	NS
Monthly Income	.262	*.012	S	.316	*.002	S	.372	*.000	HS	.214	*.040	S

Legend: \*Significant at p-value < 0.05; HS = Highly Significant; S = Significant; NS = Not Significant

Based from the table 11, the computed p-value of age (0.001), highest educational attainment (0.047) and monthly income (0.012), shows significant relationship on the level of morale in terms of nature of work

because they obtained less than 0.05 level of significance. This was also supported by the obtained eta values which indicate association. Thus, the null hypothesis of no significant relationship between socio

demographic profiles variables such as age, highest educational attainment and monthly income and level of morale in terms of other determinants like nature of work is rejected. The result only shows that the respondents' nature of work is affected by their age, highest educational attainment and their monthly income.

In terms of salaries/wages and communication channels, it was observed that there is a significant relationship that exist on age and monthly income since the resulted eta values shows correlation as well as the reported p-values which were less than 0.05 level of significance. Thus, the null hypothesis of no significant relationship between socio demographic variables in terms of age and monthly income and level of employee morale in terms of other determinants like salaries/wages and communication channels is rejected, This means the respondents' level of employee morale

in terms of other determinants like salaries/wages and communication channels is affected by their age and monthly income.

With regards to placement and promotion, result reveals that it was statistically significant on the respondents' age, highest educational attainment, length of service and monthly income since the obtained p-values were less than the alpha level, and thus the hypothesis of no significant relationship between the socio demographic profile in terms of age, highest educational attainment, length of service, monthly income and employees level of morale in terms of other determinants like placement and promotion is rejected. This means that the said socio demographic profile of the respondents and their level of morale in terms of other determinants like placement and promotion are highly correlated.

**Table 12. Proposed measures to enhance and boost employee morale.**

Areas of Employee Morale	Objectives	Program/Activities	Responsible
<b>1. Supervision</b>	To improve and give more emphasis on the approachable but still style of supervision	-Develop managerial training program that will groom high potential leaders.	Human Resource Department
<b>2. Nature of Work</b>	To execute a more efficient performance among the employees.	-Conduct 360-degree feedback to get how employees feel about their respective manager's supervision -Streamline the formulation and implementation of job responsibilities.	Human Resource Department
<b>3. Compensation</b>	To develop a new salary scale for the employees of the bank.	-Conduct benchmarking from other banks.  -Develop a committee that will study the present situation and assess possible future compensation improvement.	Human Resource Director
<b>4. Promotion and Recognition</b>	To develop strategies that will efficiently recognize and promote highly potential leaders.	-Develop monetary reward plan to reward and promote employees when they receive their degree or an additional certification.	Human Resource Director
<b>5. Communication</b>	To enhance the openness of atmosphere in the company	-Encourage more active participation of employees in the formulation and achievement of the bank's goal and mission by conducting regular meetings and updates.	Manager

## VI. CONCLUSION

Majority of the employees of the bank are on their prime years, female, single, college graduates, have gained 1 to 3 years in the bank and have Php 10000 to Php 15000 range of salary. The employees' level of morale in terms of the bank's style of supervision is high. The employees' level of morale in terms of other determinants like nature of work, salaries/wages and benefits/incentives, placement and promotion and communication channels are all high. The socio demographic profile variables of the respondents, except gender and civil status, influence the level of their morale in terms of the bank's style of supervision. The socio demographic profile variables of the respondents influence the level of their morale in terms of other employee morale determinants such as nature of work, salaries/wages and benefits/incentives, placement and promotion and communication channels are all high. A proposed program to enhance and boost employee morale of BDO Batangas Branches has been formulated.

## VII. RECOMMENDATION

The management of BDO may continuously review and enhance its existing policies most especially with regards to compensation. The bank may still improve its overall management effectiveness and focus on the great benefit for their employees as they are its greatest asset. The management may consider conducting an extensive job pricing of positions to ensure that employees take pride and be satisfied with their present job. The proposed program to enhance and boost the level of employee morale of the bank could be implemented and evaluated thereafter. A follow up study may be conducted using other variables.

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