

Job satisfaction between the employees of private banks management essay

[Finance](#), [Banks](#)



A happy and satisfied workman is an asset of any organization and they devote much concern, dedication and creativity to their work. And of course bank employees are not an exception. An attempt has been made to study job satisfaction level among the public and private sector bank employees is one of the major objective of this study. This research finding is based on the responses obtained with the help of questionnaire from the selected sample of 172 from public and private bank employees within the Lucknow city in the month of July & August, 2012. This research paper not only analyzes the level of satisfaction among bank employees but also tries to find out associations with different demographical variables. It was found that level of job satisfaction among both the bank employees more or less same. Due to their small sample size and restricted research area the findings of this study cannot be generalized, therefore, it is suggested that further research needs to be conducted on large sample to validate our findings

KEY WORDS: Job Satisfaction, Job Satisfaction Survey, Bank Employees.

INTRODUCTION

Job satisfaction is a core element of employee's behavior which not only affects the individual behavior but also benefited the goal of organization. Actually satisfied employees are more committed to their work. Job satisfaction comes from the variety of ways. Some employees satisfied with their pay structure or compensation, some are with nature of job, promotion, supervision, colleagues, benefits etc. A satisfied employee is free from work stress and they become more productive.

Job satisfaction becomes a major concern for most of the organization. Good organization tries to find out the different approaches regarding employee's satisfaction. Management periodically review responses of their employees on the various function of HR and organizational policy and suggest innovative measures for their satisfaction.

Getting satisfaction from the job it not only concern or effort of management. Individual employee is also responsible for job satisfaction, if, he become more self-aware and learns self aptitudes, ability, values, preferences and interests and be prepared to expressive where they can best contribute and what is important to them.

LITERATURE REVIEW

The term job satisfaction refers to the attitude and feelings people have about their work. Positive and favorable attitudes towards the job indicate job satisfaction. Negative and unfavorable attitudes towards the job indicate job dissatisfaction (Armstrong, 2006).

Satisfied employee is inclined to be more industrious, inspired, and dedicated to their work (Syptak et al., 1999). Job satisfaction was proved to be an important construct in emotional and psychological employees' well-being (Klassen, Usher & Bong, 2010)

Vroom in his definition on job satisfaction focuses on the role of the employee in the workplace. Thus he defines job satisfaction as affective

orientations on the part of individuals toward work roles which they are presently occupying (Vroom, 1964).

Hoppock defined job satisfaction as any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say I am satisfied with my job (Hoppock, 1935). According to this approach it was clear that job satisfaction is not only influenced by external factors, it remains something internal that has to do with the way how the employee feels.

Job satisfaction can be defined also as the extent to which a worker is content with the rewards he or she gets out of his or her job, particularly in terms of intrinsic motivation (Statt, 2004).

Job satisfaction is a combination of positive or negative feelings that workers have towards their work. Every employee brings some needs, experience and expectation with them when he or she joins any organization and job satisfaction represents the extent to which expectations are and match the real awards. Job satisfaction is closely linked to that individual's behaviour in the work place (Davis et al., 1985).

Job satisfaction is not only concern for employees but it is more important for employers. When employee get satisfied with their work and organization and become more productive. Brown (1996) notes that some employers have found that satisfying or delighting employees is a prerequisite to satisfying or delighting customers.

Research Methodology

From the above literature review of job satisfaction, we formulate few objectives of research which will help and guide us for smooth conduction of research and these are:

To find out the differences in the level of job satisfaction between employees of private and public sector banks.

To study the impact of different variables on the various factors affecting the overall job satisfaction.

To give suggestions to the banking sector about the factors influencing level of employee satisfaction in the organization as it in turn influences the productivity and services to the nation.

The research design opted for present study was descriptive in nature. Data were collected from both the primary as well as secondary. Primary data were collected through questionnaire JSS (Job Satisfaction Survey) by Spector. Non- probability convenient sampling was used present study. The samples were drawn from 200 employees of private and public sector banks each in Lucknow City. Formerly JSS were given to a population of 200 employees, out of this 172 questionnaire were duly completed and returned, giving 86% return rate. The JSS has been tested for reliability and validity across different studies (Spector, 1997). The JSS was used for the present study as it has been proven to be a reliable and valid instrument (Spector,

1997). It assesses nine facets of job satisfaction as well as overall satisfaction. The nine facets are listed in the Table 1 below:

Table No.: 1- Dimensions of Job Satisfaction

Facet	Description
Pay	Satisfaction with pay and pay raises
Promotion	Satisfaction with promotion opportunities
Supervision	Satisfaction with immediate supervisor
Fringe Benefits	Satisfaction with fringe benefits
Contingent rewards	Satisfaction with rewards (not necessarily monetary) for good performance
Operating conditions	Satisfaction with rules and procedures
Co-Workers	

Satisfaction with co-workers

Nature of work

Satisfaction with type of work done

Communication

Satisfaction with communication within the organisation

Source : Spector (1997, p. 8)

Statistical Package for Social Science (SPSS) version 16. 0 was used to analyze the data. The 36items in the instrument were loaded into SPSS 16. 0 for analyzing using descriptive statistics table no. 3 and frequency Tables as shown in Tables no. 2 respectively. Z-test and Chi-square test are used for testing stated hypothesis:

Hypothesis:

H 1: There is difference in the level of job satisfaction between public and private sector bank employees.

H 2: There is a relationship between demographical variables and job satisfaction amongst bank employees.

DATA ANALYSIS

Demographic characteristic of respondent were shown in the Table2. From the total number (172) of respondents 51% (n= 88) public and 49% (n= 84)

private sector banks employees majority of respondent are male 65% (n= 112) and female are 35% (n= 60). From the frequency distribution presented in Table 2, it may be depicted that a total of 17 of the 172 cases (10 %) in the sample are less than 25 years of age. It can thus be seen that the majority of the bank employees in the sample 65% (n= 111) fall into the age category 26 - 35. And 25% (n= 44) respondent fall under the category of 36 -45. The details of tenure of sample are categories into five parts, less than 5 years of experience having 67 (40%), 6 - 10 are 52 (30%), 11 - 15 are 35 (20%) and rest of 16 -20 and more than 21 years having 5% each. Number of dependents on the respective employees also influence the satisfaction level among the employees from the sample it may be deduced that 70% (n= 120) employees having 1 or 2 dependents in their family, 25% (n= 75) having 3 or 4 and only 5% (n= 9) employees having none of the dependent. With regard to sector of bank majority of respondents 88 (51%) are in public sector and rest of them in private sector 84 (49%).

Table No.: 2- Frequency Distribution of Demographic Characteristics

Characteristics

Frequency

Gender

Male

112

Female

60

Age

Less than 25

17

26 - 35

111

36 - 45

44

Tenure

Less than 5

67

6 - 10

52

11 - 15

35

16 - 20

9

More than 21

9

Marital Status

Married

78

Unmarried

94

Number of Dependent

None

9

1 - 2

120

3 - 4

43

Banking Sector

Public Sector

88

Private Sector

84

Job Satisfaction Survey

Descriptive statistics in the form of arithmetic means and standard deviations were computed for the various dimensions assessed by the Job Satisfaction Survey (JSS). The results are presented in Table no. 3

Table No.: 3- Descriptive statistics for the dimensions of job satisfaction for Public and Private Sector Banks

Variables

Total Norms by

P. Spector*

Mean Score of the Present study (Public Sector Bank) n = 88

Mean Score of the Present study (Private Sector Bank) n = 84

Mean

SD

Mean

SD

Mean

Pay

11. 1

2. 6

16. 1

4. 12

14. 35

Promotion

12

1. 9

16. 62

3. 10

15. 15

Supervision

19. 2

1. 5

16. 27

2. 93

19. 17

Fringe Benefits

14. 2

2. 2

15. 71

2. 94

14. 60

Operating Condition

13. 5

2. 2

11. 85

2. 17

11. 46

Contingent Rewards

13. 7

2. 0

16. 01

3. 17

14. 56

Nature of Work

19. 2

1. 3

15. 15

3. 34

15. 06

Co-worker

19. 2

1. 1

17. 47

3. 29

17. 81

Communication

14. 4

1. 8

14. 78

3. 71

16. 90

Total Job Satisfaction

136. 6

16. 6

139. 96

28. 77

139. 06

*Norms based on 8113 individuals from 52 samples (Spector, 1997).

The arithmetic means of all the dimensions of job satisfaction (pay, promotion, supervision, benefits, contingent rewards, operating procedures, coworkers, nature of work and communication) among the public sector bank employees assessed by JSS vary from a mean of 11. 85 to 17. 47 and among private bank employees vary from mean 11. 46 to 19. 17 When measured against the norm tables for the JSS conducted by Spector (1997), it can be seen that the employees at the both sector bank in Lucknow city where the current research was undertaken, indicated high level of satisfaction with the various dimensions assessed by the JSS.

The mean values obtained for the public sector bank indicated that most employees experienced average to above average satisfaction with pay, promotion, supervision, contingent reward and co-worker, the rest of the

dimensions fringe benefits, operating condition, nature of work and communication were experienced as less satisfactory.

Private sector bank employees are most satisfied with the supervision, followed by co-workers, communication and promotions. They seem, however, to be least satisfied with their operating condition, pay, benefits, rewards and nature of work.

The standard deviation for the overall level of job satisfaction of public bank employees is also not high (28.77), indicating that most respondents are close to the mean on this dimension as compared to private bank employees (45.66). In simple words, level of job satisfaction is normally distributed among the employees of public banking sector as compared to private bank employees where few or more employees overall level of job satisfaction is extremely high or low.

Hypothesis Testing:

H 1: There is difference in the level of job satisfaction between public and private sector bank employees.

Taking the null hypothesis that there is no difference in the level of job satisfaction between public and private sector bank employees,

Ho: $\mu_1 = \mu_2$ and Ha: $\mu_1 \neq \mu_2$

$Z = \frac{X_1 - X_2}{\sqrt{\hat{\sigma}_1^2/s_1 + \hat{\sigma}_2^2/s_2}}$ n_1 n_2

n_1

For testing hypothesis we shall use z-test for difference in means assuming the populations to be normal:

.....(1)

$$Z = \frac{139.96 - 139.06}{\sqrt{\frac{(28.77)^2}{288} + \frac{(45.66)^2}{288}}}$$

$$= \frac{0.90}{\sqrt{9.4 + 24.81}} = 0.154$$

Since the population variances are not known, we have used the sample variances, considering the sample variances as the estimates of population variances.

.....(2)

As H_a is two sided, we shall apply a two-tailed test for determining the rejection region at 5 percent level of significance which come to as under, using normal curve area table: $R: |z| > 1.96$

The observed value of z is 0.154 which falls in the acceptance region and thus we accept H_0 and conclude that there is no difference in the level of job satisfaction of public sector bank employees and private sector bank employees differ significantly.

H_2 : There is a relationship between demographical variables and job satisfaction amongst bank employees.

For testing second hypothesis Chi-square test is been used whether relationship exists between the demographic variables such as gender, age,

tenure of service, marital status and number of dependents and job satisfaction among bank employees. The results of this test are tabulated under Table no. 4

Table No.: 4- Results of Chi-square Test

**Association Between
Calculated Chi-Square Value
Degree of Freedom
Table Value
Result**

Gender and Job Satisfaction

0. 91

1

3. 841

Rejected (No Association)

Age and Job Satisfaction

33

3

7. 815

Association Exists

Tenure and Job Satisfaction

17. 9

4

9. 488

Association Exists

Marital Status and Job Satisfaction

32. 5

1

3. 841

Association Exists

No. of Dependent and Job Satisfaction

12. 2

3

7. 815

Association Exists

DISCUSSION

Results of current study is quiet interesting because earlier studies and most of the research proven that there is a difference between satisfaction level of private and public sector banks employees satisfaction level at job. This study states some relevant and astonishing fact about satisfaction level like by the arithmetic mean of both the banks employee satisfaction level is high as comparison to Spector JSS there is very little difference between both the banks.

The components of job satisfaction are relatively changed between two banks. Public sector bank employees are more satisfied with their pay, promotion and co-worker but less satisfied with operating condition, nature of work and communication. In contrast to them, private bank employees are most satisfied with supervision, co-worker and communication but less satisfied with their pay and benefits.

By the analysis of standard deviation of both the banks it was concluded that level of job satisfaction is normally distributed among the employees of public banking sector as compared to private bank employees. It signifies, that in public sector bank employees more or less felt same level of satisfaction with job but in private sector bank employees standard deviation is high its means that employees having either extremely high or low level of job satisfaction.

For testing both the hypothesis Z-test are used where result shown that there is no difference in the level of job satisfaction between the both banks employees and it was also supported by the analyzed arithmetic mean. Yes,

defiantly the components of job satisfaction are differing in between both the banks employees but the level of job satisfaction is more or less same. One of the major reasons behind this may be the working environment and pressure of top management to do more business in this current competitive market. Today's customers are much aware about banking services and banks trying to attract these customers which create a competition between banks. And of course this competition induces pressure among employees.

Second hypothesis is based on the demographical variables such as gender, age, marital status, number of dependent in family and tenure of service. As results of Chi-square predict that male and female both having the same level of job satisfaction. Its mean some other factor apart from only gender will influence the satisfaction level. Other demographical variables (age, tenure, marital status and no. of dependent in family) having association with job satisfaction.

RECOMMENDATION

Study shows that job satisfaction level is already above average but this satisfaction is not normally distributed among all employees. So management should try to find out various ways like:

Supervisor or senior treat their subordinates equally, so no one take undue advantage from their senior.

Performance appraisal should be fair and transparent.

Homogeneity in decision regarding employees' behavior.

Proper delegation of work as par the caliber of the concern employee.

Adequate pay structure, bonus, increment (for private sector banks).

Informal meeting or parties make more effective communication among employees (especially in public sector banks employee)

LIMITATION

Current study based on non-probability sampling method, so it becomes a chance that certain group of employees may have been under-presented.

Study restricted to Lucknow city only.

Sample size for study was relatively small and it may not represent the true population.