

# Job Satisfaction and Profile of Selected Public and Private Sector Banks - Some Theoretical Issues

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Volume: 6

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Issue: 4

Month: October

### Abstract

*Job satisfaction is a general attitude which is the result of many be specified attitudes in three areas, namely specific job factors, individual characteristics, and group relationship outside the job. It is a pleasurable emotional state arising from the appraisal of one's job or another job experience, job satisfaction or dissatisfaction is a function of the perceived relationship between what one wants from one's job and what one perceives it as offering or entering. Job satisfaction is a specific subset of attitudes was held by organizational members about their jobs. It is viewed that a positive attitude toward one's work, which is global of nature, and which results from many job-related experiences an attempt is made in this chapter to discuss concepts of job satisfaction, evaluation and needs for job satisfaction, theories and factors relating to job satisfaction and importance of job satisfaction.*

Year: 2018

ISSN: 2320-4168

Received: 04.10.2018

Accepted: 30.10.2018

Published: 31.10.2018

**Keywords: Job satisfaction, job motivation, job involvement, labour welfare, working environment.**

Citation:

Azhagarasi, S & Vijayakumar, S. "Job Satisfaction and Profile of Selected Public and Private Sector Banks - Some Theoretical Issues." *Shanlax International Journal of Commerce*, vol. 6, no. 4, 2018, pp. 19–25

### Concepts of Job Satisfaction

Job satisfaction refers to a person's feeling of satisfaction with the fit of the person. It acts as a motivation to work. Here, it is not merely satisfaction, happiness, or self-contentment. It is always about the job. A job of the operational is not only an activity it is performed under a contractual agreement and for which one gets paid, but an individual in the firm get the total relationship, not the specific duties or responsibilities which might have some Satisfaction. Satisfaction means it is the simple feeling or state accompanying the attainment of any goal, the end state in feeling could accompanying the attainment of an objective. Satisfier means any stimulus, situation, or experience, which meets a need or represents a goal.

DOI:

<https://doi.org/10.5281/10.5281/zenodo.1475866>

### Introduction

Day-in and day-out people keep despite socioeconomic, cultural, and psychological impediments which have kept them subjugated over a long period. This has become possible to give educational opportunities, political awareness, urban living, and legal prevalence and measures of social reform in the last two centuries. There is a common belief even

excelling themselves by way of improving their efficiency, skills, and competencies in every sphere of life. They also venture into new avenues of economic and academic activities on an equal fitting with others and sometimes even overtaking them. They can accomplish all this

among the educated to think that people entered any profession and only to earn money. Though the need and desire to produce wealth and money are a very significant motivating factor, people, by and large, are not motivated by the mere idea of earning money alone.

Human resources play a vital role in organizational effectiveness. It doesn't matter how sophisticated and modern the business activities of an organization become, it would be difficult to sustain its growth and effectiveness to human resources are complementary to its operations. This is more important in a service industry like banking, where a continuous improvement in service is a must to meet the rising expectations of the customer. In services product, the role of the seller is pivotal in deriving the ultimate satisfaction of the customer. The same product delivered by different individuals will cast different spells on the customer, and that experience will go a long way in shaping the future relationship in banking either positively or negatively. With a positive frame of mind and marketing orientation, an employee will be in a position to anticipate customer needs and accordingly satisfy them.

The factors generating job satisfaction have broader implications for the employers, the social scientists, the policy-makers, and the employees. As the employees are the real representatives of the organization, concentration on their effective deployment and maintenance commands consideration. To be efficient and productive, the employees should be satisfied with the jobs they do. It is essential to analyze the satisfaction which an employee derives from his job.

Job satisfaction results from the exchange between the demands and expectations of an organization, and the workers' expectations, and personal objectives. Workers and organizations have relationships of reciprocity. An organization provides the means for the workers to cover a series of needs and to realize their aspirations and the workers should be provided, the organization with resources so that it may reach its objectives.

Job satisfaction is the amount of overall positive effect or feeling that individuals have toward their jobs. It says that

An individual has highly satisfied; it means that the individual generally likes and values his job

highly and feels positively toward it. Banks have become part and parcel of our life. There was a time when the dwellers of cities alone could enjoy their services. Now banks provide access to even a man, and their activities extend to areas hitherto untouched. Apart from their traditional business-oriented functions, they have come to fulfill social and national responsibilities. Banks cater to the needs of agriculturists, industrialists, and traders and all other sections of society. The banking sector is undergoing rapid change to face the challenges posed by new developments triggered by the entry of private banks and foreign banks into India. The liberalization process, initiated by the Government of India nearly one and a half decades ago, has brought about tremendous changes in the financial services sector. Within the world of banking, customer needs have changed and so have the idea about the nature of banking services. The way banks meet these needs and the framework within which they are delivered have a changed result. Banks must face a host of new phenomena ranging from regulatory issues, risk management, and new technology to globalization, consolidation, and branding banks in India. In the era of global competition, they have to concentrate on three areas for sustained development, namely technology, customer, and consolidation.

In Indian banking industry consists of mainly nationalized banks on the one hand and private, foreign, sectoral, and cooperative banks on the other hand. These industries have been undergoing an unprecedented transformation, since the Government of India adopted economic liberalization, privatization, and globalization policies in the early 1990s. The nationalized banks (public sector banks), the largest banking sector of the country so long as India was a closed economy, could not afford to remain slow moving and insensitive to global changes. The Indian banking industry is undergoing a sea change, and the impact is felt in all aspects of the business. It is thrown open to competition, and private sector banks are proving their strengths in customer service and delivery of services. A noteworthy feature of banking reforms in India is the growth of the newly licensed private sector banks, some of which have attained globally competitive standards regarding technology, services, and sophistication.

## Statement of the Problem

Human resource at present is considered to be a valuable asset of the organization. The survival of a business unit is dependent on its employees' capacity to work, willingness to perform their jobs, their motivation and above all, and their satisfaction with their present jobs. So to say, an employee's job involvement is a necessary condition to working to his optimize the capacity provided the organization creates a workable environment. Job satisfaction is an expected outcome of positive job involvement. High job satisfaction contributes to organizational commitment, job involvement, better physical and mental health, and quality of life to the employees.

The banking industry is a service-oriented industry; its workforce is a prime asset. It may be efficient or inefficient in delivering services to the customer has a direct bearing on its organizational success. The customer's perception of the organization is, therefore, largely based on the quality of services rendered by the banks. The satisfaction of the employees in their job is of paramount importance in determining the success with which organization functions.

Job satisfaction has some relationship with the mental health of the employees; it has some degree of positive correlation with the physical health of the employees. When they have job satisfaction, their performance will be high, and naturally, the involvement in the job will be more. In the environment prevailing today, it is necessary to study the job satisfaction of employees who contribute much to the development of banks as well as the customers.

Hence, the present study tries to get an insight into job satisfaction regarding pay pocket and other benefits involved with the job and job involvement of bank employees of the public and private sectors. The study tries to examine the impact of the socioeconomic background on job satisfaction, the determinants of job satisfaction, and quality of work life of the bank employees of Sivagangai district of Tamil Nadu.

Thomas and Kumar<sup>1</sup> (2000) in their article "Human Resource Management Practices in Kerala State Co-operative Bank Ltd." indicated the level of satisfaction and dissatisfaction of managers in

different aspects of their employment in the Kerala State Co-operative Bank Ltd. and found that the higher level managers were more satisfied than, the lower level managers.

Dhar and Dhar<sup>1</sup> (2000) in their study "Job Satisfaction and its Correlates: A Psychological Study of the Supervisory Staff of Sugar Mills" indicated that the locus of control and age did not affect job satisfaction. Experience played no significant role in job satisfaction. Job satisfaction was positively correlated with self-acceptance.

Susan Kim Sokoyal (2000) in his article "Personal Predictors of Job Satisfaction for the Public Sector Manager: Implications for Management Practice and Development in Developing Economy" analyzed personal characteristics. The findings were supported by the previous study which suggested that the level of job satisfaction was determined by a combination of jobs, work, and personal characteristics. Further, analysis of the findings of this study was instructive regarding management practice and development in nations like Nigeria. Finally, the global measure of job satisfaction might not capture the same realities as a conceptualization that distinguishes between extrinsic and intrinsic satisfaction using a different conceptualization of job satisfaction than the one used in this study; it could be instructive in identifying other predictor variables for job satisfaction.

Islam and Saha<sup>1</sup> (2000) in their study "Job Satisfaction of Bank Officers in Bangladesh" attempted to evaluate job satisfaction of bank officers in Bangladesh. They focused on the relative importance of job satisfaction factors and their impact on the overall job satisfaction of officers. It also investigates the impacts of bank type, work experience, age, and sex differences on the attitudes to job satisfaction. The results showed that salary, efficiency in work, fringe supervision, and coworker relation are the most used factors contributing to job satisfaction. Private bank officers had higher levels of job satisfaction than those from the public sector as they enjoyed better facilities and a supportive work environment. Work experience is found with the second factor affecting job satisfaction. Sex and age difference had relatively a lower level of impact on it. The overall job satisfaction of the bank officers was at a positive level.

Singh and Senguptal (2001) in their research on “Psychophysical Implication of Uses of Power” indicated that the respondents were quite satisfied with the nature of work, working conditions, and perks; a few are dissatisfied concerning promotional avenues. Over all, all the respondents were satisfied with their jobs.

Ellickson and Logsdon1 (2001) in their study “Determinants of Job Satisfaction of Municipal Government Employees” showed that 9 of the 11 environment variables were statistically significant factors of job satisfaction. Moreover, all the independent variables affected the dependent variable in the direction hypothesized. In contrast, only one of the three personal attributes emerged as significant predictors of job satisfaction, although the impact of gender was successfully stated in the null. All in all, 10 of the 14 independent variables in the model demonstrated the significant effects on job satisfaction concerning the sample of municipal government employees.

### Analytical Framework

In this section, an attempt has made to analyze the level of job satisfaction of the employees in public and private sector banks. The job satisfaction of the employees is measured by the score values calculated for 46 statements which are related to job satisfaction by adopting scaling techniques, namely “Likert-type scale.”<sup>1</sup>

To secure the total score for every positive statement scores was allotted in the order by 5 for “strongly agree,” 4 for “agree,” 3 for “neither agree nor disagree,” 2 for “disagree,” and 1 for “strongly disagree.”

Similarly, for every negative statement scores were allotted in the order of 1 for “strongly agree,” 2 for “agree,” 3 for “neither agree nor disagree,” 4 for “disagree,” and 5 for “strongly disagree.” All positive statements bear an odd number and negative statements even numbers in the 14 statements. This would enable the respondents to record their responses with a proper understanding of the settlements.

In this study, the job satisfaction of employees is classified into three categories, namely high level, medium level, and low level, for analytical purposes.

The level of job satisfaction has been determined by the score values calculated for 46 statements on job satisfaction by adopting the scaling technique while the score values  $^3 (\bar{X} + SD)$  and score values  $^3 (\bar{X} - SD)$  have been classified, respectively, as the high level of job satisfaction and the low level of job satisfaction, the score values in between  $(X + SD)$  and  $(\bar{X} - SD)$  have been classified as with the medium level of job satisfaction.  $\bar{X}$  and SD being the arithmetic mean and standard deviation, respectively, calculated from the score values of the 300 employees-respondents.

### Public Sector Employees

$(\bar{X} + SD) = (179.18 + 11.43) = 190.61 - 191$  and above = High-level satisfaction.

$(\bar{X} + SD) = (179.18 - 11.43) = 167.75 - 168$  and below = Low-level satisfaction.

$(\bar{X} - SD)$  between  $(\bar{X} + SD) =$  between 168 and 191 = Medium-level satisfaction.

### Private Sector Employees

$(\bar{X} + SD) (161.73 + 12.16) = 173.89 - 174$  and above = High-level satisfaction.

$(\bar{X} - SD) (161.73 - 12.16) = 149.57 - 150$  and below = Low-level satisfaction.

$(\bar{X} - SD)$  between  $(\bar{X} + SD) =$  between 150 and 174 = Medium-level satisfaction.

For testing the relationship between the employees, the socioeconomic background, and their level of job satisfaction, the Chi-square test has been employed.

For computing the Chi-square test, the following formula has been used.

Where,  

$$\chi^2 = \sum \frac{((O-E))^2}{E}$$
 with  $(r-1)(c-1)$  degree of freedom.

O = Observed frequency

E = Expected frequency

c = Number of columns in a contingency table  
 r = Number of rows in a contingency table.

The calculated value of the Chi-square is measured with the table value of the Chi-square for the given level of significance (usually at the 5% level). If at the stated level the calculated value is less than the table value, the null hypothesis is accepted, and it is rejected.

### Levels of Job Satisfaction

The levels of job satisfaction of the 300 sample respondents are gathered from public and private sector banks in Sivagangai district is given in Table 1.

It is clear from Table 1 that in the case of public sector banks, of the 150 employees, 39 (26.00%) were in the category of high level of job satisfaction, 75 (50%) came under the category of medium level

of job satisfaction, whereas 36 (24.00%) respondents had only a low level of job satisfaction.

It is clear from Table 1 that of the 150 private sector bank employees, 43 (28.7%) came under the category of high level of job satisfaction, and 37 (24.6%) came under the category of low level of job satisfaction. However, nearly 70 (46.7%) of the sample respondents from private sector banks had a medium level of job satisfaction.

**Table 1 Level of job Satisfaction**

Level of Job Satisfaction	Public Sector (%)	Private Sector (%)
	Number of respondents	Number of respondents (%)
Hight	39 (26.00)	43 (28.70)
Medium	75 (50.00)	70 (46.70)
Low	36 (24.00)	37 (24.60)
Total	150 (100.00)	150 (100.00)

**Table 2 Mean Score Values of Quality of Work Life with the Level of Job Satisfaction of Private Sector Bank Employees**

Factors	Level of Job Satisfaction		
	High	Medium	Low
Pay and its stability	2.26	1.89	2.29
Minimizing occupational stress	2.24	2.45	2.64
Organizational health programs	3.31	3.26	3.11
Alternative work schedules	3.11	3.01	3.21
Participative management	4.24	4.10	3.15
Recognition	3.26	3.36	3.29
Congenial relationship between clerks and officers	2.41	3.31	2.64
Grievance redressal procedure	3.21	3.11	2.26
Adequacy of resources	3.01	3.06	3.01
Seniority and merit in promotion	3.43	3.00	2.61
Job security	2.96	1.46	1.11
Promotional opportunities	3.16	3.11	2.64
Satisfactory working environment	3.06	3.46	3.20
Overall quality of work life	3.05	2.96	2.70

### Relationship between Quality of Work Life and Level of Job Satisfaction of Employees in Private Sector Banks

In this section, an attempt has been made to discuss the relationship between the quality of work

life and the level of job satisfaction. The mean score value of different levels of job satisfaction of the employees in private sector banks is shown in Table

From Table 2, it is seen that the mean score values are high for “participative management,” “seniority

and merit promotion,” and “organizational health programs” with a high level of job satisfaction.

The mean score values are high for “participative management,” “satisfactory working environment,” and “in the case of medium level of job satisfaction. In the case of low level of job satisfaction, the high mean score values are observed for “recognition,” “alternative work schedule,” and “satisfactory working environment.”

It could be seen that the overall quality of work life for a high level of job satisfaction is 3.05, for the medium level it is 2.96, and for a lower level of job satisfaction it is 2.50.

It has been shown that in the case of employees working in private sector banks with the highest level of job satisfaction, the highest level of internal consistency for the quality of work life is observed in the factors “recognition” and “satisfactory working environment.” In the case of medium level of job satisfaction, there is a high level of internal consistency of the quality of work life factors are “minimizing occupational stress” and “congenial relationship between clerks and officers,” respectively. Under the low level of job satisfaction, “participative management” and “recognition” show a high level of internal consistency.

## Conclusion

The public and private sector banks must conduct a job satisfaction survey at least once a year. Regular meetings should be convened to solve day-to-day problems. The employee-customer relation is very important in the banking sector. If the employees get satisfaction in their job, they will have a good relationship with the customers. Number customers have a good relationship with bank employees and the customers come into banks increasingly, most customers will deposit in the banks and the banks’ position will be high. The finding of the study revealed that there is not much difference in the level of job satisfaction between public sector banks and private sector banks, but regarding some factors such as job security, salary offered to employees, benefits given to the employees, and experience, the satisfaction level differs in both the banks. The employees at the public sector bank are also happy regarding the benefits they get such as promotions

appraisals and incentives. The analysis also shows that highly experienced employees at a public sector bank are more satisfied with their job as compared to the employees at private sector banks.

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