

Study of Job Satisfaction of the Employees of Private Sector Banks

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Abstract: It can be said that job satisfaction is largely a matter of an individual comparing his/her job and life expectations with those being offered. In shaping such job expectations, there are economic considerations (e.g. compensation and retirement benefits) and occupational and family considerations (professional satisfaction, job satisfaction, advancement opportunities, relocation, etc.). One of the biggest preludes to the study of job satisfaction was the Hawthorne studies. These studies (1924–1933), primarily credited to Elton Mayo of the Harvard Business School, sought to find the effects of various conditions (most notably illumination) on workers' productivity. These studies ultimately showed that novel changes in work conditions temporarily increase productivity (called the Hawthorne Effect). It was later found that this increase resulted, not from the new conditions, but from the knowledge of being observed. This finding provided strong evidence that people work for purposes other than pay, which paved the way for researchers to investigate other factors in job satisfaction. Banking sector is one of those sectors which is not only the backbone of the whole economic system but also one of the biggest employment providers. The study is conducted in the private sector banks of Greater Noida with the objective to bring out clearly the level of job satisfaction, various components of job satisfaction, their correlation with the overall job satisfaction. Simple tabulation is used to comprehend the data as clearly as is possible.

Key words: Job satisfaction, Private sector, Banks

I. Introduction

Job satisfaction is a subjective indicator that indicates how contented an individual feels while performing his/her duties. It is subjective in the sense that it cannot be defined by a single measurement alone. It is the amount of pleasure or contentment associated with a job. If you like your job intensely, you will experience high job-satisfaction. If you dislike your job intensely, you will experience job dissatisfaction. Job satisfaction is an individual's emotional reaction to the job itself. It is his attitude towards his job.

Hoppack introduced the term 'Job satisfaction' in 1953 in his book on job-satisfaction. Hoppack defined job satisfaction as 'any combination of psychological, physiological and environmental circumstances that make a person say I am satisfied with the job.' The definition is vague in so far as there are many parameters used by Hoppack.

According to Weiss and Cropanzano (1996), job satisfaction represents a person's evaluation of one's job and work context. This definition is still being debated. It captures the most popular view that job satisfaction is an evaluation and represents both belief and feelings.

It is an appraisal of the perceived job characteristics and emotional experience at work. Satisfied employees have a favourable evaluation of their job, based on their observations and emotional experiences. Saleh (1981) states that job satisfaction is a feeling which is a function of the perceived relationship between all that one wants from his job/life and all that one perceives as offering or entailing. The emphasis here is on all that one wants, whether it is important for self-definition or not. Luthans (1989) states that job satisfaction is a pleasurable, or positive emotional

state resulting from the appraisal of one's job, or job experience, and is the result of the employee's perception of how well the job provides those things which are viewed as important.

Locke (1976) states that job satisfaction is a collection of attitudes about specific facets of the job. Employees can be satisfied with some elements of the job while being simultaneously dissatisfied with others. Different types of satisfaction will lead to different intentions and behaviour. An employee might complain to the supervisor when dissatisfied with low pay but not with coworker dissatisfaction. Overall job satisfaction is a combination of the person's feeling towards the different facets of job satisfaction.

He argues that the more important factors conducive to job satisfaction are mentally challenging work, equitable rewards, supportive working conditions, and supportive colleagues. One can also add the importance of good personality--job fit and an individual's genetic disposition (some people are just inherently upbeat and positive about all things including their job).

Employees are concerned with their work environment for both personal comfort and how it facilitates doing a good job. People get more out of work than merely money or tangible achievements. For most employees, work also fills the need for social interaction. Not surprisingly, therefore, having friendly and supportive co-workers leads to increased job satisfaction.

1.1 Factors Responsible for Job Satisfaction and Job Dissatisfaction: Employees tend to prefer jobs that give them opportunities to use their skills and abilities and offer a variety of tasks, freedom, and feedback on how well they are doing. Jobs that have too little challenge create boredom, but too much challenge creates frustration and a feeling of failure. Under conditions of moderate challenge, most employees will experience pleasure and satisfaction (Katzell, Thompson, and Guzzo, 1992).

Employees want a fair unambiguous pay system and promotion policies. Satisfaction is not linked to the absolute amount one is paid; rather, it is the perception of fairness. Similarly, employees seek fair promotion policies and practices. Promotion provides opportunities for personal growth, more responsibilities, and increased social status. Individuals who perceive that promotion decisions are made in a fair and just manner are likely to experience satisfaction from their jobs (Witt and Nye, 1992).

The matching of job requirement with personality characteristics is best articulated in Holland's (1985) personality--fit theory. Holland presents six personality types. These are realistic, investigative, social, conventional, enterprising, and artistic. He proposes that satisfaction and the propensity to leave a job depends on the degree to which individuals successfully match their personalities to an occupational environment. Studies to replicate Holland's conclusions have been supported by many researchers (for example, Feldman and Arnold, 1985).

Sinha (1958) studied the job satisfaction prevalent in Indian offices and manual workers, and analysed the causative impacts on satisfaction and dissatisfaction. 'Interesting work', 'social status' and 'boss' were found as crucial factors contributing to satisfaction whereas inadequate salary and lack of security were regarded as important factors causing dissatisfaction. Clerical employees were found to be lower in their satisfaction, indicating a reverse tendency to what is usually observed, that is, increase in satisfaction with occupational level.

Fair promotional policies in any organisation become their foundation of growth. When an employee gets fair promotion, which is generally based on his true assessment, he gets a type of recognition, and hence, increases his job-satisfaction. Kalleberg and Mastekaasa (2001) examined the impact of intra-organisational (resignations and layoffs) and inter-organisational (promotions and downward commitment) job mobility on changes in job satisfaction and organisational commitment. They found that promotions increase employee's perceptions of the quality of their job and thereby enhance both their satisfaction and commitment. Resignations increase job satisfaction, whereas layoffs have no effect on satisfaction.

It is observed that uncertainty of production is a common problem in the organisations. Although production is based upon pre-planning, but in spite of planning, uncertainty of production cannot be avoided. It is very important to find the linkage of production uncertainty with job satisfaction. Wright and Cerdery (1999) investigated the relationship between job control and affective outcome (job satisfaction and intrinsic motivation) varies with the level of production uncertainty.

The qualification of an employee must match his job, if he feels that his qualification is not matched with his job, naturally he will be dissatisfied. Johnson and Johnson (2000) investigated the effects of perceived over qualification on dimensions of job satisfaction, using the relative deprivation theory. The cross-sectional results supported the hypothesis and suggested that perceived over qualification has a negative effect on job satisfaction.

Some demographic variables, for example, age, race, and employment status, have been found as important factors in determining level of job satisfaction (Sinacore, 1998).

It has been investigated that group level task interdependence, increases the feeling of belongingness and coordination among employees and hence increases the degree of job satisfaction (Vander, Emans, and Van DeVliert, 2001).

It has been observed that routine jobs are boring and they create a type of boredom and monotony. On the other hand, when jobs are challenging in nature, they create an environment of satisfaction. Findings of Jonge, Dollard, Dormann, LeBlance (2000) provide renewed empirical support for the view that high-strain job (high demand, low control) are conducive to ill health (emotional exhaustion, health complaints). Further, it appears that active job (high demands, high control) give rise to positive outcome (job challenge, job satisfaction).

Organisational politics is a vital part of an organisation. Vigoda (2000) stated that perception of organisational politics was found to have negative relationship with job attitudes (job satisfaction and organisational commitment), a positive relationship with intention to leave the job (exit), and a stronger positive relationship with negligent behaviour (neglect). A weak negative relationship was found between perception of organisational politics and employee's performance as reported by supervisors.

When an organisation cares for its employees, it definitely gets their support in reward. Organisational investment in employee's well being results in the higher satisfaction in employees. Taylor (2000) suggested that job satisfaction is directly related to company's investment in employee's well being.

Sprigg, Jackson, and Parker (2000) examined the consequences of implementing a common form of teamworking and the effects of interdependence and autonomy in particular interdependence as a moderator of the relationship between autonomy and employee's well being. Results showed that higher job-related strain cause lower job satisfaction.

Style of leadership also plays an important role in determining level of job satisfaction. Foels, Driskell, Muller, and Salas (2000), using a meta analytic integration of research evidence to address the paradox, reveal that there was a significant tendency for groups experiencing democratic leadership to be more satisfied than groups experiencing autocratic leadership.

Increased upward communication and its reward also results in job satisfaction. Avtgis (2000) indicated that people who reported increased communication and high reward in communication also reported greater relational satisfaction and greater perceived organisational influence.

II. Banking Sector in India

After 1969, commercial banks are broadly classified into nationalised or public sector banks and private sector banks. The State Bank of India and its associate banks along with another 20 banks are public sector banks. The private sector banks include a small number of Indian scheduled banks, which have not been nationalised, and branches of foreign exchange banks. After 1991, the banking scenario has been changed completely. The impact of globalisation and privatisation has affected work culture of both, public sector and private sector banks. These are witnessing a fundamental shift in working attitude and work style due to open economy and increased competition.

III. Research Methodology

3.1 Statement of problem: Study of job satisfaction amongst the employees of private sector banks in Greater Noida

3.2 Objectives of the study:

- a) To understand the measure of job satisfaction amongst the private sector banks
- b) To identify various components contributing towards the job satisfaction
- c) To find the correlation between different variable and overall job satisfaction
- d) To understand the factors leading to job dissatisfaction

3.3 Sampling: Subjects of the present study were selected from managerial and non-managerial staff of private sector banks from Greater Noida. Three private sector banks were selected for the study namely HDFC Bank, ICICI Bank, and Axis Bank. A total of 45 subjects were selected randomly from these banks for the study.

3.4 Measurement of Job Satisfaction: Job satisfaction was measured using five point Likert scale. A single item on five-point rating scale ranging from highly dissatisfied to highly satisfied was taken. These items were, (1) Communication & information flow, (2) Interpersonal relationship, (3) Credit / value to work, (4) The job itself, (5) Degree of motivation for the job, (6) Career Opportunities, (7) Job security, (8) Involvement & identification with organizational Goals (9) Nature of supervision, (10) Innovation & Technology, (11) Kind of tasks required to be performed, (12) Extent of personal growth & development, (13) Conflict resolution, (14) Association of job with individual aspiration and ambition, (15) Participation in decision making, (16) Degree of skill utilization, (17) Flexibility & independence, (18) Organizational climate, (19) Overall Compensation (20) Infrastructure

IV. Data Analysis

Data has been analysed using simple statistical tools. It can be categorised into three sections. Section 1 deals with the demographic profile of the respondents, section 2 deals with the descriptive statistics of the twenty variables of the job satisfaction and section three deals with the correlation between the variables and total job satisfaction.

Table 1: Demographic Profile of respondents

Demographic Factor	Variable	Percent
Age	25 years and below	20.0
	25-30 years	53.3
	30-35 years	13.3
	35-40 years	6.7
	Above 40 years	6.7
Gender	Male	37.8
	Female	62.2
Marital Status	Married	46.7
	Single	23.3
Income	1-2 Lacs	31.1
	2-3 Lacs	37.8
	3-4 Lacs	17.8
	4-5 Lacs	4.4
	More than 5 Lacs	8.9

Table 2: Descriptive statistics of Job satisfaction

Variables	Variables Codes	Mean	Standard Deviation
Communication & information flow	VAR001	3.58	.66
Interpersonal relationship	VAR002	3.93	.86
Credit / value to work	VAR003	3.67	.83
The job itself	VAR004	3.73	.84
Degree of motivation for the job	VAR005	2.82	1.01
Career Opportunities	VAR006	3.58	.84
job security	VAR007	2.27	1.05
Involvement with organizational goals	VAR008	3.38	.61

Nature of supervision	VAR009	3.24	.98
Innovation & Technology	VAR010	3.60	.99
Kind of tasks required to be performed	VAR011	2.71	1.04
Extent of personal growth & development	VAR012	3.09	.73
Conflict resolution	VAR013	2.96	1.02
Association of job with individual aspiration and ambition	VAR014	3.64	.74
Participation in decision making	VAR015	3.20	1.16
Degree of skill utilization	VAR016	3.31	.60
Flexibility & independence	VAR017	3.42	1.05
Organizational climate	VAR018	2.89	1.01
Overall Compensation	VAR019	2.80	1.22
Infrastructure	VAR020	3.53	.59
	Total Job Satisfaction (TJS)	65.36	9.01

Table 3: Frequency of Satisfied & Dissatisfied respondents with response to various components of job satisfaction

S. No.	Variable Codes	Satisfied*	%	Dissatisfied*	%
1	VAR001	24	53.33	21	46.67
2	VAR002	39	86.67	6	13.33
3	VAR003	27	60.00	18	40.00
4	VAR004	32	71.11	13	28.89
5	VAR005	28	62.22	17	37.78
6	VAR006	28	62.22	17	37.78
7	VAR007	14	31.11	31	68.89
8	VAR008	20	44.44	25	55.56
9	VAR009	20	44.44	25	55.56
10	VAR010	29	64.44	16	35.56
11	VAR011	27	60.00	18	40.00
12	VAR012	36	80.00	9	20.00
13	VAR013	15	33.33	30	66.67
14	VAR014	32	71.11	13	28.89
15	VAR015	25	55.56	20	44.44
16	VAR016	13	58.89	32	71.11
17	VAR017	36	80.00	9	20.00
18	VAR018	28	62.22	17	37.78
19	VAR019	24	53.33	21	46.67
20	VAR020	30	66.67	15	33.33
	TJS	29	64.44	16	35.56

TJS: Total Job Satisfaction

*The above calculation of satisfied and dissatisfied number of respondents is based on mean and standard deviation. We get satisfied value by adding standard deviation in the mean and dissatisfied by subtracting standard deviation from the mean.

Table 4: Correlation between various components and overall job satisfaction

S. No.	Variable Codes	r
1	VAR001	.560
2	VAR002	.616
3	VAR003	.618
4	VAR004	.053
5	VAR005	.288
6	VAR006	.017
7	VAR007	.540
8	VAR008	.530
9	VAR009	.731
10	VAR010	.722
11	VAR011	.637
12	VAR012	.590
13	VAR013	.540
14	VAR014	.182
15	VAR015	.450
16	VAR016	.495
17	VAR017	.565
18	VAR018	.629
19	VAR019	.763
20	VAR020	.457

V. Findings

The range of job satisfaction was between 20 to 100. It was divided into two broad categories. 20 to 60 signified low job satisfaction and comprised of 31.11% of respondents. On the other hand the score from 60 to 100 signified high job satisfaction and comprised 68.89% of respondents. In terms of mean score and standard deviation, 64.44% respondents are satisfied while 35.56% respondents are dissatisfied from their job.

Factors that are responsible for dissatisfaction (mean value less than 3) are degree of motivation for the job, job security, kind of tasks required to be performed, conflict resolution, organizational climate and overall compensation. Of all these factors maximum dissatisfaction comes from job security with mean value of 2.07 and standard deviation 1.05. Respondents are satisfied from all other variables.

Employees of private sector banks perceive that their jobs are not secure. In private sector banks, the environment is highly competitive and job security is based on performance and various other factors. Though it is true that this environment provides a challenging job profile, it also creates a less secure environment. Industriousness, dedication, devotion, and commitment are not enough to secure a job. The high level of performance of an individual is also based on various factors. These may be market situation, existence of competitor, and government policies. Where these factors are adverse in nature, performance automatically suffers. During this period, employees feel insecure, this reduces overall job satisfaction.

In terms of correlation between different variables and overall job satisfaction, all variables show positive correlation. It implies that job satisfaction has positive linear dependence with the other variable. Least correlation is identified with career opportunities ($r=.017$), followed by the job itself ($r=.058$), and association of job with individual aspiration and ambition($r=.182$). Highest degree of correlation is found with nature of supervision ($r=.731$), innovation & technology ($r=.722$) and overall compensation ($r=.763$).

Increasing Job Satisfaction Level of Employees of Private Sector Banks

It has been found that 64.44% employees of private sector banks are satisfied while 35.56% respondents are dissatisfied from their job. The main causes of dissatisfaction are skill utilization, job security and conflict resolution. To increase their satisfaction, private sector banks need to improve job security. Noer (1993) had observed that layoff threats are one of the greatest blows to employee loyalty, even among those whose jobs are not immediately at risk. They even have to improve their methods of conflict resolution and have to better utilize the skills of their employees. It can be achieved through the implementation of more effective grievance handling mechanism and better placement of employees on the job.

Parnes, Nestal, and Andrisani (1973) observed that long tenure of working in organisations increases the job satisfaction of employees. The Indian middle class is very protective towards family members, so private sector banks must launch special schemes to safeguard the interests of family members of employees. This may be education facilities for children, pension schemes for employees, accommodation for employees, gratuity, and other retirement benefits.

VI. Conclusion

In the light of the findings, job security is one of the most important ingredients of job satisfaction. Secure job environment enhances the degree of job satisfaction. Management must create an environment of job security among employees. Indians work with emotions, so any legal job contract will not motivate them. Instead, there should be a psychological or emotional bond between employees and the organisation.

Due to the different social, economic and cultural backgrounds, the hire and fire system is not effective in India. In fact, Indian culture is neither individualistic nor collective, rather it is "Karm" (according to Indian mythology it is do your duty, don't worry about results) oriented. Indians always accept effective leadership. So when management can provide effective leadership and a secure job environment, Karm (job duty) will be in the right direction.

Apart from job security, management must provide job stability. There should be a challenging environment. The job structure should comprise horizontal as well as vertical growth. The job should provide enough scope for the employees in terms of promotion and transfer.

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