

# Job Satisfaction in Banking Sector: An Exploratory Analysis

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(Received on 02 January 2012 and accepted on 12 March 2012)

**Abstract** - This paper attempts to focus on job satisfaction in banking sector. The total sample covers 362 bank employees working in both public and private sector banks. To study job satisfaction, dimensions like job aspects, work environment, innovative aspects and interpersonal relations are focused. Further, variables like age, sex, marital status, qualification and type of organization are considered for the analysis. A study into relationship between the dimensions reveals that a significant relationship between dimensions under study is existed. More over dimensional-wise analysis reveals that innovative and work environment as well as job aspects and interpersonal relations are strongly correlated. While job aspects and innovative aspects were associated relatively very low, differences in opinion between the variable-wise respondents is also revealed by the study.

**Keywords:** Job Satisfaction, Banking Sector, Literature Review, Empirical Study

## I. INTRODUCTION

In any organization, role of employee is very crucial though other factors also contribute significantly to its success. Employee behavior, attitude at work directs the organization towards either positive or negative path. Work related attitudes of employees are under constant scanner by psychologists as well as social researchers. Work related attitudes mainly include job satisfaction, job involvement and commitment to organization. Among all these, job satisfaction has been given relatively higher attention by the researchers since it is presumed that other attitudes directly or indirectly contribute to this and in a way one can say “job satisfaction” is a summary reflection of these other attitudes.

Job satisfaction can be defined as a positive feeling about one's job resulting from an evaluation of its characteristics (B. M. Staw & L.L.Cummings-1996). An individual with high level of job satisfaction holds positive feelings about the job. On the other hand, one who dissatisfied holds negative feelings about it. Interestingly, job satisfaction of an employee is correlated to his attitude at work as well as his performance. Thus, every organization tries to create conducive atmosphere in the work place by various measures to satisfy their employees which in turn results in better performance.

## II. INDIAN BANKING SCENARIO

A major stepping stone in Indian banking sector had taken place with the formation of Reserve Bank of India (RBI) in the year 1935. It has been making its efforts to bring the economy in a visible success through banking sector activities in the country. Banking system in India has been playing an appreciable role in promotion of the economy through its continuous efforts. It had crossed three major milestones in its long voyage like, pre-nationalization, post-nationalization and financial reforms in the country, faced various challenges and emerged victorious. Prior to introduction of financial sector reforms in the country, the Indian banking has been carried out under traditional way.

The basic objective of financial sector reforms was to strengthen the Indian banking sector and make them internationally competitive and encourage them to play an effective role in accelerating the process of growth. Committee on Financial Sectors Reforms (popularly known as Narasimham committee) 1991, had stressed the need for strengthening of banking sector activities in the country. In pursuance of recommendations of the said committee various measures have been initiated in Indian Banking sector such as Deregulation, Prudential Measures, Competitive policies etc. Consequently, tremendous changes have been incorporated in Indian banking sector like, massive branch expansion, expansion of branch network to rural areas. Ultimately, this improved productivity of the banking sector as a whole and its operational performance. Now technology has become an integral part of banking in the country. Through technology banks in the country have been reaching its customers and meet their needs with considerable flexibility. More over, with the updated policies as well as modern operational practices, Indian banks have been able to make use of opportunities in terms of new areas and products.

In spite of the progressive trends in Indian banking for the past nearly two decades, there are certain new challenges to Indian banking have been cropped up. The customer oriented strategy is one among them. The new generation customers prefer to have several products with innovative approach, apart from traditional facilities. The entrance of foreign banks with

their versatile features in the country has been giving a threat to Indian banks. As a result, a wide gap existed between customer needs and bank services. The customers of Indian public sector banks are also seeking variety of services as offered by the foreign banks. Though a number of changes in terms of services in public sector banks have been incorporated like, Bank automation, ATMs, internet banking, yet the role of human resources in banking services is not isolated. The role of employees in promotion of banks business is pivotal and decisive. Their attitude and behavior at work reflects over the reputation as well as the business continuity of a bank. Ultimately, all these are inter-linked with employee's satisfaction towards their job. A satisfied employee could add value to the services and support the organization very well. Employees whose involvement in work is always positive yields better results. At present the customers expectations from their banks are diversified and ever increasing. The bank managements are also changing their policies and always trying to meet their customer expectations. At this juncture, the role of a satisfied bank employee is pivotal to the dynamic development of banking sector in India.

### III. REVIEW OF LITERATURE

Though a good number of works on employees job satisfaction were done by various authors in spheres. But a few of the earlier studies are reviewed in this context.

'Job Satisfaction as involving cognitive, affective and evaluative reactions or attitudes and states it is a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience' (E.A.Locke, 1976). Job satisfaction is a result of employees' perception of how well their job provides those things that are viewed as important. It is generally recognized in the field of organizational behavior field that job satisfaction is the most important and frequently studied attitude.

Bola Adekola, 2011) in their work on "Career Management as correlates for career development and job satisfaction - A case study of Nigerian Bank employees" explored the link between career planning and career management as antecedents of career development and job satisfaction, and career commitment as its outcome. A sample of 505 employees of a Nigerian Bank revealed the significant link between the variables of career planning and career management, and career development, and in turn, with job satisfaction and career commitment. Further, those organizational level initiatives like continuous guidance to the

employees to manage their careers engender positive motivation levels and can lead to employees feeling valued. In turn, those initiatives also assist in reducing the turnover rates and help increase the levels of job satisfaction in the bank.

K. R. Sowmya and N. Panchanatham (2011) have studied job satisfaction of employees in new private sector and select public sector banks specifically in the banking sector of the main metropolitan city i.e., Chennai. The researchers have applied factor analysis using principle component method to find out the different factors that affect the job satisfaction of banking sectors employees. It reveals that the employees have significant inclination towards optimistic supervisory behavior and pleasant organizational setup. Further, it is also identified that the job suitability as well as the working conditions and other interpersonal relationship among the workers are able to ascertain their level of satisfaction within the working domain.

Masud Ibn Rahman (2006) studied 'Where the Job Satisfaction of Bank Employees Lies: An Analysis of the Satisfaction Factors in Bangladesh'. This paper investigates the level of job satisfaction of bank employees in Dhaka City identifying the important factors that are associated with the overall satisfaction of bank employees. Factors including payment, healthy relationship with colleagues, sense of personal accomplishment, adequate information available to do job, ability to implement new ideas and overall job satisfaction are found important for improving job satisfaction of bank employees in Dhaka City. These factors are significantly related to the overall satisfaction of the employees. The higher the level of these factors involved, the higher the overall satisfaction likely to be. The factors that are influential have been identified following overall job satisfaction through some statistical techniques.

Muhammad Farhan Siddiqui and Dr. Nabeel Ahmad Zubairi (2010) had investigated the job satisfaction among the officers of Habib Bank Limited Karachi in connection with a proposal made by Pakistan government to privatize the nationalized banks on priority basis. The study revealed that the relationship between organizational factors like; High Commitment, Environment, Corresponding Co-worker Support, Organizational Communication, Task control and Participant Decision Making and job satisfaction on the employees of the banking ultimately lead to employees and bank client satisfaction.

Rabia Hadi and Adnan Adil (2010) have demonstrated the predictive validity of job characteristics in relation to work motivation and job satisfaction through their study, revealed a

definite pattern of correlations among job characteristics, work motivation, and job satisfaction. All job characteristics were found to be significant and positive correlate of intrinsic motivation. Skill variety, task significance, and task identity were significantly and positively related to job satisfaction. Task identity and feedback were significant and positive correlates of extrinsic motivation. Further, it is also revealed that feedback may be conceived as interference of boss in one's job responsibilities or it may have been conceived in terms of the criticism of boss on one's job performance both of which are more prevalent in our work settings as compared to positive reinforcement and appreciation of subordinate's work.

Yorkshire Bank (2009) has studied 'From Office to beach UK workers can't get no (job) satisfaction'. A survey from Clydesdale and Yorkshire Banks, looking at attitudes to work within SMEs, has revealed that 37% of workers are not enjoying their job as much as they used to across the UK, only those workers from the East Midlands, South West and Scotland feel that they are happier in their jobs. The East Midlands has shown the biggest increase in job satisfaction (40%), closely followed by the South West (39%) and Scotland (35%). Jerry M. Newman & Frank J. Krzystofiak (1993) studied Changes in Employee Attitudes after an Acquisition'. This study disclosed that Information on job characteristics, facet satisfaction, overall satisfaction, and organizational commitment were obtained from bank employees both before the announcement of the acquisition and after the acquisition. Correlation analysis and ANOVA indicated significant decline in perceived job characteristics, satisfaction, and organizational commitment after the acquisition. The nature of these changes is discussed along with recommendations for minimizing the disruptive effect of an acquisition. Alf Crossman and Bassem Abou-Zaki (2003) studied 'Job Satisfaction and Employee Performance of Lebanese Banking Staff'. This paper investigates the relationships between job satisfaction, individual job facets, socio-demographic variables and job performance in the Lebanese commercial banking sector. The results indicate that job satisfaction is not independent in all job facets and that satisfaction with one facet might lead to satisfaction with another. Female employees were found to be less satisfied with all facets except pay. Employees with lower educational qualifications were least satisfied. Self-reported job performance was found to increase with tenure. Against this background, the present study proposes to investigate employee's job satisfaction of commercial banks in

Vizianagaram town in this attempt.

#### IV. PROBLEM OF THE STUDY

The problem posed in this study is to focus on job satisfaction among bank employees. It also tries to establish the relationship among the dimensions of job satisfaction among bank employees and to focus on difference in opinion among the sample.

#### V. OBJECTIVES OF THE STUDY

1. To find the significance of relationship between the dimensions of Job Satisfaction;
2. To find relationship of the demographic and Professional Variables of bank employees with their job satisfaction.

#### VI. METHODOLOGY

##### A. Hypotheses

$H_1$  = There is no significance of relationship between the dimensions of Job Satisfaction.

$H_2$  = There is no significance of difference in opinion of the sample towards dimension of job satisfaction.

##### B. Tool Administration

The researchers have designed a tool to collect employee's perception from the sample. It consists of 25 statements covering four dimensions viz., Job Aspects - 7 items (28%), Work Environment - 6 items (24%), Innovative - 6 items (24%) and Inter Personnel aspects - 6 items (24%). Further, to collect the responses 5 - Point scaling (Likert) technique is applied by assigning five alternatives (such as., Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree). Subsequently responses were scored from 5 to 1 for analysis.

##### C. Data Collection and Sample

In order to collect the opinion of bank employees towards their job satisfaction, public and private sector banks operating in Vizianagaram town in Andhra Pradesh, India were purposively selected. In selection of the sample simple random sample is applied. The investigators have personally administered and canvassed the designed schedule among 375 Bank Employees of different banks (Public and Private sector). But finally, the study was confined to 362 employees and the remaining 13 questionnaires are retained on account of furnishing incomplete information. The Characteristics of variable wise sample are presented in Table: I.

## VII. RESULTS AND DISCUSSION

Initially, to study the relationship between the dimensions chosen for the an attempt is made with testing of null hypothesis  $H_1$  by using correlation values (Table II).

It is understood from the table II that the obtained 'r' values in respect of all the dimensions are positive but very low. The higher 'r' values are associated between the dimensions like innovative and work environment (0.53) as well as between Interpersonal Relations and job aspects (0.54). On the other hand, a weak correlation is existed between job aspects and innovative dimensions (0.29). Hence the hypothesis "There is no significance of relationship between the dimensions of Job Satisfaction" is rejected. Now restating, the accepted statement should read as "there is consistently significant relationship among various dimensions of job satisfaction". One more very valid outcome of this analysis is that all the dimensions are positively and significantly related to the overall outcome of job satisfaction in this present study.

Further, to study the significant differences in opinion of sample selected under different variables taken, an attempt is made to test the null hypothesis  $H_2$  under different dimensions of the study. From table III, it can be seen that there are significant differences in opinion between the employees under Sex, Age, Qualification, and Experience towards job aspects dimension. The obtained Critical Ratio (Cr) values are more than 1.96 which is significant at 5% LOS. Hence,  $H_2$  is rejected. While in the case of variables such as, Marital Status and Type of organization, though there is significance of difference opinion is identified, and hence, the null hypothesis  $H_2$  is accepted.

Further, mean values for the scores representing sample like, Male, age (below 40yrs), married, graduates and the employees experience below 20 yrs, reveal that those are relatively less satisfied than that of other respondents in respect of Job aspects.

It can be stated (Table IV) that there is a significance of difference in the opinion among the employees such as, sex, age, marital status and experience are statistically corroborated. The obtained CR values are more than 1.96 which are significant at 5% LOS. Hence, the hypothesis  $H_2$  is rejected. While in the case of the variables like, Qualification and Type of organization the obtained CR values are less than the 1.96 which are insignificant at 5% LOS. Thus, the hypotheses  $H_2$  is accepted.

Further, relatively lower mean values of the sample categories under study represents low satisfaction towards their job in terms of work environment such as female, age above 40 yrs, unmarried, and experience below 20 yrs.

It is understood from the table V (as revealed by mean values) in terms of innovative aspects differ, but the obtained CR values are insignificant at any level of LOS. Hence, the hypothesis  $H_2$  is accepted.

Further, it is also revealed that among the sample under study, employees like, male, age above 40 yrs, married, graduates, experienced (above 20 yrs), working in public sector banks are relatively more satisfied with respect to innovative aspects.

From the table VI, it can be stated that there is significant difference between the employee's opinion considered under age, qualifications and experience. The obtained values of Critical Ratio's are more than 1.96 at 5% LOS. Hence, the hypothesis  $H_2$  is rejected. Further, the categories like, sex, marital status and type of organizations, CR values are less than 1.96 and insignificant at 5% Los. Hence, the hypothesis  $H_2$  is accepted.

## VIII. FINDINGS AND CONCLUSION

The present study clearly shows that significant relationship is identified among the various dimensions considered for evaluation of job satisfaction of employees under study. The relationship between the dimensions like innovative and work environment as well as job aspects and interpersonal relations are relatively higher.

Further, variable wise analysis of employee's opinion towards each dimension under study reveals that:

1. Difference in opinion between male and female employees was identified in terms of their job aspects as well as work environment. Particularly, opinion survey reveals that male employees have given a very low rating towards statement on automation of operations and its impact. Like wise some amount of dissatisfaction was identified among female employees towards customer's attitude in this study.
2. In the case of work environment also, sex-wise differences in opinion were identified. More specifically, dissatisfaction is expressed by female employees to the statement "economic benefits and communication channel".



3. Where as difference in opinion was also identified in job aspects, work environment, inter personnel relations among the sample in terms of their age. Employees less than 40 years have given low rating to statement of job aspect dimension “free time to hold additional jobs”.
4. Likewise, the employees of more than 40years of age have expressed a very low satisfaction towards statement like, “post retirement benefits”, “Dealing with problems occur due to computers” and “Relationship with peers”.
5. Similarly, differences in opinion between the married and un-married employees were also revealed by the study in respect of work environment. More particularly, unmarried employees have expressed their dissatisfaction towards “recreation facilities”.
6. Where as employees under the study in terms of their qualification (graduate and post graduates) also differed in their opinion towards job aspects as well as interpersonal relations.
7. Accordingly, graduates are relatively dissatisfied with promotional avenues and Post-graduates are dissatisfied with relationship with superiors.
8. Likewise, employees on the basis of their experience showed difference of opinion in all dimensions under study “except innovative aspects”. Employees having less than 20 years of experience are dissatisfied in terms of training and orientation; working ambience, cooperation from peers.
9. Apart from all these, none of the employees irrespective of organization (public or private sector banks) have differed in their opinion towards any dimension under study.

However, the employees working in public sector banks are relatively more satisfied than those of private sector banks. Therefore the policy makers in the banking sector shall consider these factors while formulating policies, towards strengthening their human resources as it is a vehicle which determines the very existence and longevity of the banks .

TABLE I CHARACTERISTICS OF SAMPLE VARIABLE -WISE

Variable	Category of Variable	Sample Size	%
Sex	Male	296	81.76
	Female	66	18.24
	Total	362	100
Age	Below 40 years	170	46.96
	Above 40 years	192	53.04
	Total	362	100
Marital Status	Married	282	77.9
	Unmarried	80	22.1
	Total	362	100
Qualifications	Graduates	285	78.72
	Post-Graduates	77	21.28
	Total	362	100
Experience	Below 20 years	173	47.79
	Above 20 years	189	52.21
	Total	362	100
Type of Organization	Public Sector Banks	305	84.25
	Private Sector Banks	57	15.75
	Total	362	100

TABLE II SIGNIFICANCE OF RELATIONSHIP BETWEEN THE DIMENSIONS

Dimension	Job Aspects	Work Environment	Innovative	Inter-Personal Relations	Total of Job Satisfaction
Job aspects	1.00	0.45	0.29	0.51	0.43
Work Environment		1.00	0.53	0.43	0.41
Innovative			1.00	0.36	0.48
Inter-Personal				1.00	0.52
Total of Job					1.00

TABLE III JOB SATISFACTION IN JOB ASPECTS

S. No.	Category of Variable	Mean	S.D	N	C.R.
1	Male	26.13	4.23	296	2.34
	Female	28.07	6.50	66	
2	Below 40 Years Age	23.63	4.45	170	3.89
	Above 40 Years Age	25.42	4.42	192	
3	Married	24.49	4.26	282	1.12
	Unmarried	25.36	6.49	80	
4	Graduates	24.39	4.31	285	2.21
	Post-graduates	26.16	6.72	77	
5	Below 20 yrs Experience	25.66	4.28	173	2.04
	Above 20 yrs Experience	26.58	4.26	189	
6	Public Sector Banks	27.51	3.82	305	1.73
	Private Sector Banks	25.83	6.95	57	

TABLE IV JOB SATISFACTION IN 'WORK ENVIRONMENT'

S.No.	Category of Variable	Mean	S.D	N	C.R.
1	Male	23.85	3.96	296	2.57
	Female	21.92	5.78	66	
2	Below 40 Years Age	25.36	4.51	170	4.41
	Above 40 Years Age	23.57	4.65	192	
3	Married	24.71	4.05	282	2.00
	Unmarried	23.37	5.78	80	
4	Graduates	24.12	4.63	285	0.56
	Post-graduates	23.65	6.92	77	
5	Below 20 yrs Experience	25.67	4.21	173	2.09
	Above 20 yrs Experience	26.59	4.19	189	
6	Public Sector Banks	25.74	3.68	305	1.03
	Private Sector Banks	24.57	6.95	57	

TABLE V JOB SATISFACTION - 'INNOVATIVE ASPECTS'

S.No.	Category of Variable	Mean	S.D	N	C.R.
1	Male	22.76	3.83	296	1.62
	Female	21.07	6.34	66	
2	Below 40 Years Age	22.47	4.67	170	1.27
	Above 40 Years Age	23.08	4.59	192	
3	Married	26.45	3.08	282	1.25
	Unmarried	25.52	6.41	80	
4	Graduates	23.78	3.06	285	1.02
	Post-graduates	23.06	5.97	77	
5	Below 20 yrs Experience	24.45	3.98	173	1.19
	Above 20 yrs Experience	24.95	4.05	189	
6	Public Sector Banks	23.94	3.27	305	1.17
	Private Sector Banks	22.85	6.89	57	

TABLE VI JOB SATISFACTION IN 'INTER-PERSONAL RELATIONS'

S.No.	Category of Variable	Mean	S.D	N	C.R.
1	Male	27.15	5.28	296	1.30
	Female	25.26	8.78	66	
2	Below 40 Years Age	28.49	6.21	170	4.32
	Above 40 Years Age	25.72	5.93	192	
3	Married	27.93	4.25	282	0.09
	Unmarried	28.05	8.98	80	
4	Graduates	28.79	3.68	285	2.34
	Post-graduates	26.63	7.85	77	
5	Below 20 yrs Experience	25.41	4.54	173	2.52
	Above 20 yrs Experience	24.85	4.21	189	
6	Public Sector Banks	24.78	3.49	305	1.46
	Private Sector Banks	23.59	5.97	57	

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