



Job satisfaction in the banking sector: A study of selected commercial public sector banks in Surat city

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Abstract

In this new era of globalisation and privatisation banks are facing an increasingly competitive environment and with threats from private banking institutions and non-banking institutions operating under different kinds of regulation has provided Public Sector Banks with different opportunities as well as challenges. One of the most important assets of bank is the use of human resource effectively. The success of the banks to the large extend depends upon the level of job satisfaction of the employees. Job satisfaction is also important for reduction in employee's turnover ratio. The aim of the paper is to find out job satisfaction in banking sector especially for public sector banks in Surat City. Two large public sector banks in terms of number of branches in Surat City are selected for the study viz. State Bank of India and Bank of Baroda. The primary data is collected from bank employees by preparing structured questionnaire. Convenient sampling is adopted and opinion is taken from the employees on five-point Likert scale. Selected statistical techniques like chi-square test, correlation have been applied to analyse the data. The result indicates that the employees of selected public sector banks are satisfied with their jobs in Surat City.

Keywords: bank employees, human resource, job satisfaction, public sector banks, turnover intention

1. Introduction

It is always of greater interest to know why an individual works and at which level he/she is satisfied with the job as an individual spend major part of his life in work. Job satisfaction refers to an individual's positive emotional reactions to a particular job. It is an affective reaction to a job which results from the person's comparison of actual outcomes with those that are desired. For any organisation human resource is an important resource of organisation and in today's world a success of any organisation depends majorly on human resource of that organisation. Motivated employees are considered to be the real asset of the organisation. Satisfied and motivated employees will make an extra effort and will contribute more positively to the efficiency of their organisation and also will be more committed towards their organisation. On the contrary, low job satisfaction amongst the employees is also one of the reasons in any organization, due to which work slows down, employees remain absent and sometimes employees may leave the organization also. Job satisfaction is also important for reduction in employee's turnover ratio. Thus, in present technological era satisfaction of employees in every organization is important to build up an efficient and inspired workforce and maintaining low labour turnover.

2. Problem Statement

Banking sector is the most important sector of the economy of our country. For the developing country like ours, banking services and financial services play a very important role for the development of the country but banking in India for past few decades had been working liberally. In today's era of

computerisation and competition, development of skill, expertise, competence, knowledge of employees to deal with various situations is inevitable. To cope up with the competition, banks have gone computerised, thus reducing the labour force. To survive banks are now pushing the employees to work efficiently and increase their productivity. Thus, for nationalised banks currently job satisfaction is the major concern. Job satisfaction survey is the best way to know the employees job satisfaction in the current job situation. Keeping in view the above discussion, the main problem of the study is derived that "Are employees satisfied with their job in Selected Commercial Public Sector Banks in Surat City".

3. Review of literature

Numerous studies have been conducted on job satisfaction with different variables to know its impact job satisfaction of employees working in public and private organization and revealed different findings.

Ngee (2009) ^[1] studied on factors influencing job satisfaction in Malaysian Universities and concluded that the major sources of job satisfaction for faculty members are identified to be policy, administration and salary. He found personal achievement, personal growth, interpersonal relations, recognition, responsibility, supervision, the work itself, and the overall working conditions were relevant sources of dissatisfaction.

Nadia (2010) ^[2] conducted a study on the relationship between work motivation and job satisfaction and found that there was a positive correlation between work motivation and job satisfaction.

Mbah and Ikemefuna (2012) [3] analysed job satisfaction and employees' turnover intentions in Nigeria, Lagos state and found that specifically job satisfaction reduces employees' turnover intention and standard pay structure, conducive nature of work and efficient supervision not only as strategies to reduce employees' turnover but also as the company retention strategy.

Islam *et al.*, (2012) [4] studied on job satisfaction and morale of commercial banks in Bangladesh and found that morale and job satisfaction played a vital role in overall performance of the employees in the workplace. They also determined that social status, supportive colleagues and feeling secure about the job were the top three best reasons for working in the banks.

Yoganandan and Sathya (2015) [5] investigated on job satisfaction in State Bank of India in Namakkal district. The research concluded that most of the male employees working in SBI in Namakkal district were not satisfied with their salary and it was suggested that the management needed to increase the salary and recruit more number of female employees for the job. The study also found that the employees had good relationship with their co-workers and top level management.

Sailaja and Naik (2016) [6] studied job satisfaction among employees of selected public and private sector banks in Rayalaseema, Andhra Pradesh. It was found that salary of employees, performance system, promotional strategies, employees' relationship with management and other co-employees, training and development program, work burden and working hours were the factors important for enhancing job satisfaction of bank employees.

After introspection of the research studies of the previous

years, it is observed that varied variables affect job satisfaction of employees. Factors such as promotion, supervision, fringe benefits, contingent rewards, operating conditions, co workers, nature of work, communication, training, work environment, job stress, etc. were found to be the important determinants of job satisfaction and are also considered for further study. It is also observed that the studies also revealed the fact that job satisfaction determinants differ from time to time and also from firm to firm.

4. Objectives of the study

The aim is to determine the job satisfaction level of employees among selected commercial public sector banks in Surat City. Other specific objectives are as follows.

- a. To compute the level of job satisfaction of employees in public sector banks.
- b. To trace the association between job satisfaction and turnover intention.

5. Research Hypothesis

In addressing these objectives it is hypothesized that:

- 1. H₀- Employees of selected public sector banks are not satisfied with their job.
- 2. H₀-There is no significant association between job satisfaction and turnover intention of the public sector bank employees.

6. Theoretical Framework

In the light of the aforesaid literature review and objectives, following research model has been developed:



Fig 1: Research Model

7. Methodology

The study designed is descriptive in nature. It is designed with a view to investigate the satisfaction level of two public sector bank employees' viz. State Bank of India and Bank of Baroda. State Bank of India and Bank of Baroda are selected as sample of the study on the basis of highest number of branches than other public sector banks in the city. Convenience sampling is used to collect the data from employees. Primary data is collected from total of 329 samples, 190 respondents from

SBI and 139 respondents from Bank of Baroda at various locations in Surat City for further analysis.

A structured questionnaire is prepared and distributed to bank employees through personal visits of banks. Questionnaire is designed into two parts. First part covers questions on demographical factors of respondents like age, marital status, education, total service experience, designation, etc. The second part of the questionnaire consists of total 13 statements based on following factors: : promotion, supervision, fringe

benefits, contingent rewards, co-workers, communication, and work environment to know satisfaction of respondents towards their job. Employees are asked to give their responses on five-point Likert Scale (1-Strongly Disagree, 2-Disagree, 3 Neutral 4 Agree 5 Strongly Agree). Target employees for the sample include officers and clerks.

The data is analyzed through SPSS v.16. Various statistical tools such as frequency distribution and percentage analysis is used to analyse overall job satisfaction among public sector banks. Regression is used to measure the extent to of job satisfaction level. To compute the association between job satisfaction and turnover intention chi-square test and co-relation is used.

8. Data Analysis and Interpretation

The demographic profile of bank employees and main findings of the study are discussed under the sub-heads. The demographic profile of bank employees surveyed is presented in Table 1.

Table 1: Demographic Profile of the Respondents

Sr. No	Demographic Variables	PSBs	Percent (%)
Age			
1	21-30	135	41.0
	31-40	70	21.3
	41-50	53	16.1
	51-60	67	20.4
	Above 60	4	1.2
	Total	329	100.0
Gender			
2	Male	204	62.0
	Female	125	38.0
	Total	329	100.0
Marital Status			
3	Married	266	80.9
	Unmarried	61	18.5
	Widow/Widower	2	.6
	Total	329	100.0
Educational Qualification			
4	SSC	12	3.6
	HSC	9	2.7
	Graduate	199	60.5
	Post Graduate	104	31.6
	Other	5	1.5
	Total	329	100.0
Experience			
5	Below 5 yrs	114	34.7
	5-10 yrs	74	22.5
	11-15 yrs	23	7.0
	16-20 yrs	22	6.7
	21-25 yrs	18	5.5
	Above 25	78	23.7
	Total	329	100.0
Annual Salary			
6	1,20,000 - 2,40,000	28	8.5
	2,40,001 - 3,60,000	61	18.5
	3,60,001 - 4,80,000	58	17.6
	4,80,001 - 6,00,000	44	13.4
	Above 6,00,000	138	41.9
	Total	329	100.0

Table 1. shows that maximum number of respondents i.e. 41% are of the age group 21-30 followed by 21.3% belonging to the age group of 31-40, whereas majority of the respondents are male with 62% followed 38% female respondents. 80% of the respondents are married. Education qualification of the respondents revealed that majority of the bank employees are either graduates or post graduates with 60.5% and 31.6% respectively. Table 1. also reveals that 57.2% employees in public sector banks have experience less than 10 years. It can also be seen that majority of the employee earn handsome annual salary above Rs. 6,00,000.

8.1 Level of Job Satisfaction in Public Sector Bank Employees

To measure job satisfaction level among employees of public sector banks in Surat City hypothesis is developed and frequency distribution and percentage analysis is carried out on the data.

Hypothesis

H₀: There is no job satisfaction among employees of public sector banks.

H₁: There is job satisfaction among employees of public sector banks.

Table 2: Job Satisfaction

Type of Bank	Mode
Public Sector Bank	4.00 (Agree)

Interpretation: The value of mode as can be seen in the Table 2. is 4 (Agree). Thus, null hypothesis is rejected and it can be interpreted that employees of public sector banks are moderately satisfied with their job.

Table 3: Frequency of Employees Job Satisfaction Level

Job Satisfaction Level	Frequency	Percent (%)
Strongly Disagree	6	1.8
Disagree	17	5.2
Neutral	70	21.3
Agree	181	55.0
Strongly Agree	55	16.7
Total	329	100.0

Interpretation: Table 3. shows that out of total 329 respondents, maximum number of 181 respondents i.e. 55 percent are satisfied with their job and only 6 respondents i.e. 1.8 percent are such whose satisfaction level is very poor. There is huge gap in the number of satisfied and dissatisfied employees.

8.2 Relationship amongst job satisfaction and turnover intention of the Public Sector Bank Employees

H₀: There is no significant association between job satisfaction and turnover intention of the public sector bank employees in Surat City.

H₁: There is significant association between job satisfaction and turnover intention of the public sector bank employees in Surat City.

Table 4: Overall Job Satisfaction and Turnover Intention

		Turnover Intention		Total
		No	Yes	
Overall Job Satisfaction	Strongly Disagree	1	5	6
	Disagree	7	10	17
	Neutral	36	34	70
	Agree	134	47	181
	Strongly Agree	47	8	55
Total		225	104	329

Interpretation: It can be clearly seen in the Table 4., that out of total 329 respondents, 181 are satisfied and 55 are highly satisfied with their present job. Majority of satisfied i.e. 134 and highly satisfied i.e. 47 employees don't have the intention of leaving the job. But very few employees i.e. 47 satisfied employees and 8 highly satisfied employees still have the intention of changing their organization.

Table 5: Chi-Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	32.639	4	.000
Total Number of respondents	329		

Interpretation: In Table 5., the significant value of chi-square test is 0.000 which is less than level of significance 0.05. Therefore, the null hypothesis is rejected and it is proved that there is a significant relationship between job satisfaction and turnover intention of the public sector bank employees. As it is proved that there is a significant relationship between job satisfaction and turnover intention of the public sector bank employees, and to know the type of relation which exists between job satisfaction and turnover intention correlation test is used.

Table 6: Correlation between Job satisfaction and Turnover intention

		Value
Interval by Interval	Pearson's R	-.309
Ordinal by Ordinal	Spearman Correlation	-.300
Number of respondents		329

Interpretation: From Table 6., it can be concluded that there is negative relationship between job satisfaction and turnover intention. Hence, it can be said that if the satisfaction level of employees increases there will be reduction in the rate of employee's turnover in the banks.

9. Conclusion

It was found from the reviewed literature that factors like promotion, supervision, fringe benefits, contingent rewards, co-workers, communication, and work environment are important for job satisfaction of bank employees. In the present study, it can be concluded from the analysis that employees of selected public sector banks in Surat City are moderately satisfied at their job with respect to the factors under study. The findings of the study also revealed that there exists some association between job satisfaction and turnover intention of employees as majority of the satisfied and highly satisfied employees are happy at their current workplace and don't have the intention of shifting to other similar organizations.

10. References

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