

A Comparative Study on Job Satisfaction among Public and Private Sector Bank Employees

Abstract

The research study aims at measuring and comparing the job satisfaction of bank employees of public (SBI) and private sector (AXIS) bank. The data was collected from 120 respondents, out of which 60 was from SBI and 60 from AXIS. The collected data was analyzed using T test through SPSS software. The research study result concluded difference in the job satisfaction of employees of the banks relating to the HRA, LTC and various other benefits, job security, employee retention. However there existed no difference in the job satisfaction of employees regarding salary, pay increments, autonomy at job, working hours, amenities and various other statements.

Keywords: Bank, Public Sector Bank, Private Sector Bank, Job Satisfaction.

Introduction

Aristotle – “Pleasure in the job puts perfection in the work”

The above quote of Aristotle justifies that if organizations wish to get best from their employees’ they need to focus on employees’ level of job satisfaction. In the field of organization behaviour, job satisfaction is the most repeatedly studied variable as it guides the employee behaviour and thereby influence the functioning of the organization. Job satisfaction as defined by Locke in 1975 is “Job satisfaction is pleasurable or positive emotional state which results from the one’s job evaluation or one’s experience”. The main dimension that influences the job satisfaction of an employee at workplace are work itself, pay, promotion, supervision, work group and working conditions. Large numbers of theories have been developed in the area of job satisfaction. To name some well known theories Maslow’s hierarchy of needs theory, Herzberg Two Factor Theory, Alderfer’s ERG, Mc Clelland Theory of Needs, Vroom’s Expectancy Theory, The Steady State Theory of Job satisfaction, Discrepancy Model of Job Satisfaction, Job Characteristics model.

Banks have important role to play in country’s economic development. Today the activities performed by bank has expanded from getting the customers to retention and providing varied products and services such as e- payment, online banking, ATM services, telebanking etc. Bank as defined in Banking Regulation Act, 1949 as financial institution that accepts money from the public and carry out the function of providing loan or withdrawable by drafts or cheques or investment on demand or otherwise. With the increase in competition and mergers in banking industry too, it becomes very much important to measure the job satisfaction of bank employees.

Public Sector bank

The banks in which more than 50% of the shares are of the government of the country is known as Public sector banks. The State Bank of India (SBI) is public sector bank providing banking and financial services. It is headquartered in Mumbai Maharashtra. It was founded on 1st July, 1955 by parliament act.

Private Sector bank

Private sector banks are the banks that are owned by private shareholders and are managed by elected board of directors. In India, Axis bank is the third largest private sector bank. It is headquartered at Mumbai in India and its operations started in 1994.

Review of Literature

J Annammal, R. Indirajith (2016) made comparison between women employees of selected public and private sector bank of Thiruvapur



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district with regard to their job satisfaction. Women employees of both the banks were satisfied with the nature of work, salaries & other allowances paid and amenities provided to them.

Dr. R. Sundharaman, A. Chandrasekar (2015) study revealed that the public sector bank employees were more satisfied with the salary, recognition for the achievement of task, job security and the kind of job they did than private sector bank employees.

Vishal kumar, Savita (2014) compared job satisfaction of public and private sector bank employees. The variables of job satisfaction under the study were compensation and benefits, recognition and rewards, culture, company image, employees' role, job security, performance appraisal, training and development. The study concluded no significant difference in job satisfaction of private and public sector employees towards various elements of job satisfaction except job security.

Nawab Ali Khan, Suhalia Parveen (2014) examined and compared the job satisfaction of employees of ICICI (private sector bank) and Canara Bank (public sector bank). The study revealed that employees of private sector bank were highly satisfied with compensation & various benefits and promotion than public sector bank. Employees of public sector bank were highly satisfied with job security than private sector bank employees.

Suman Devi, Ajay Suneja (2013) compared job satisfaction among private and public sector bank employees. The study found difference between public and private sector bank regarding pay increments, training and development. Employees of private sector banks were found to be more satisfied with pay revision and increments. The result of the study found no difference in the job satisfaction among the bank employees regarding various aspects like employee participation, relations with co-workers.

Sallu Sehgal (2012) compared job satisfaction of AXIS and UCO Bank employees in Shimla. The study concluded that there was no much difference in the level of job satisfaction of both private sector and public sector bank as employees of both the banks were equally satisfied with their job

Data Analysis & Interpretation

Table no. 1: Demographic profile of Respondents

| Sr. No. | Demographic Profile | | Public sector Bank SBI | Private Sector Bank AXIS | Total |
|---------|---------------------|---------------|------------------------|--------------------------|-----------|
| 1 | Gender | Male | 42 (70) | 36 (60.0) | 78 (65.0) |
| | | Female | 18 (30) | 24 (40.0) | 42 (35.0) |
| 2 | Age | Below 25 | 09 (15) | 22 (36.7) | 31 (25.8) |
| | | 25-35 | 26 (43.3) | 25 (41.7) | 51 (42.5) |
| | | 35-45 | 16 (26.7) | 09 (15.0) | 25 (20.8) |
| | | 45-55 | 03 (5.0) | 04 (6.7) | 07 (5.8) |
| | | Above 55 | 06 (1.0) | 00 (0.0) | 06 (5.0) |
| 3 | Marital Status | Married | 45 (75.0) | 35 (58.3) | 80 (66.7) |
| | | Unmarried | 14 (23.3) | 25 (41.7) | 39 (32.5) |
| | | Other | 01 (1.7) | 00 (0.0) | 01 (0.8) |
| 4 | Qualification | Up to HSC | 02 (3.3) | 04 (6.7) | 06 (5.0) |
| | | Graduate | 35 (58.3) | 33(55.0) | 68 (56.7) |
| | | Post Graduate | 23 (38.3) | 23 (38.3) | 46 (38.3) |

except with certain factors i.e. job security, salary. Male employees in both the banks were more satisfied than the female.

Research Methodology

Research methodology includes:

Objectives of the Study

1. To determine the extent of job satisfaction of employees in selected Private sector bank (AXIS) and Public sector bank (SBI).
2. To make comparative study of selected Private (AXIS) and Public (SBI) sector bank employees regarding job satisfaction.

Hypothesis

H₀: There is no significant difference in the employees' level of job satisfaction of selected public and private sector bank.

Research Design

Descriptive research design is used in the study.

Methods of Data Collection

Secondary data

Secondary data was collected by referring various journals, books and websites.

Primary Data

Structured non disguised close ended questionnaire was used to collect the primary data.

Sampling Decisions

The sample population of the research study covered of 120 bank employees, out of which 60 were of private sector (AXIS) and 60 of public sector bank (SBI).

Research Instrument

In the research study structured non disguised close ended questionnaire was used.

The questionnaire comprised of demographic profile of the respondents and three dimensions of job satisfaction namely characteristics of job, conditions at work place and compensation and other benefits received by employees.

Tools used for Data Analysis

SPSS software package was used to analyse the data. Mean and T Test were used to determine the difference in job satisfaction of public and private sector employees.

| | | | | | |
|-------|------------|--------------|-----------|-----------|-----------|
| 5 | Experience | Below 5 yrs | 24 (40.0) | 30 (50.0) | 54 (45.0) |
| | | 5-10 yrs | 23 (38.3) | 11 (18.3) | 34 (28.3) |
| | | 10-15 yrs | 01 (1.7) | 14 (23.3) | 15 (12.5) |
| | | 15-20 yrs | 03 (5.0) | 05 (8.3) | 08 (6.7) |
| | | Above 20 yrs | 09 (15.0) | 00 (0.0) | 09 (7.5) |
| Total | | | 60 | 60 | 120 |

Table no. 2: Job Characteristics

| STATEMENTS | SBI | | AXIS | | Overall | | T-Value | P-Value |
|--|------|-------|------|------|---------|------|---------|---------|
| | Mean | SD | Mean | SD | Mean | S.D. | | |
| I am satisfied with the job as it is motivating and interesting. | 3.92 | .787 | 4.02 | .624 | 3.97 | .709 | -.771 | .442 |
| My work is challenging. | 4.02 | .770 | 3.90 | .796 | 3.96 | .782 | .816 | .416 |
| I am satisfied with the opportunity I receive to show my abilities in the job. | 3.97 | 1.025 | 4.18 | .701 | 4.08 | .881 | -1.352 | .179 |
| I am satisfied with the autonomy received in doing my job. | 3.93 | .800 | 3.90 | .602 | 3.92 | .705 | .258 | .797 |
| I am satisfied with the work I perform. | 4.10 | .858 | 3.93 | .778 | 4.02 | .820 | 1.115 | .267 |

T test was used to examine the difference in the level of job satisfaction regarding characteristics of the job between SBI (public) and Axis bank (Private). The result of T test has revealed that there is no

significant difference in the job satisfaction of employees relating to job characteristics. For all the statements the P value is greater than 0.05, hence t value is insignificant.

Table no. 3: Salary & various other Benefits

| STATEMENTS | SBI | | AXIS | | Overall | | T-Value | P-Value |
|---|------|------|------|------|---------|------|---------|---------|
| | Mean | SD | Mean | SD | Mean | S.D. | | |
| Salary | 3.88 | .825 | 3.68 | .624 | 3.78 | .735 | 1.497 | .137 |
| LTC, HRA, low interest loans, conveyance and various other financial incentives received gives me satisfaction. | 3.87 | .911 | 3.50 | .597 | 3.68 | .788 | 2.609 | .010 |
| I am satisfied with my pay revision and increments. | 3.57 | .927 | 3.67 | .601 | 3.62 | .780 | -.701 | .485 |
| Old age and retirement benefits are satisfactory. | 3.77 | .789 | 3.87 | .536 | 3.82 | .673 | -.812 | .418 |

The result of test revealed that there is no difference in job satisfaction regarding salary and various other benefits received by public sector and private sector bank employees except HRA, LTC and

low interest loans and other financial incentives. The Employees of public sector bank are more satisfied than that of private sector.

Table no. 4: Conditions at Work Place

| STATEMENTS | SBI | | AXIS | | Overall | | T-Value | P-Value |
|--|------|-------|------|-------|---------|-------|---------|---------|
| | Mean | SD | Mean | SD | Mean | S.D. | | |
| Job security in my organization gives me satisfaction. | 4.28 | .613 | 3.92 | .334 | 4.10 | .525 | 4.068 | .000 |
| My organization retains its best employees. | 4.03 | 1.025 | 3.45 | .649 | 3.74 | .903 | 3.726 | .000 |
| My work place makes me feel safe and secure. | 4.10 | .796 | 4.02 | .504 | 4.06 | .665 | .685 | .495 |
| I am satisfied with working hours of my organization. | 3.53 | 1.228 | 3.67 | 1.174 | 3.60 | 1.198 | -.608 | .544 |
| Sufficient amenities are provided by my organization. | 3.82 | .965 | 4.07 | .578 | 3.94 | .802 | -1.721 | .088 |
| Members of the organization work like team | 3.83 | .977 | 4.05 | .649 | 3.94 | .833 | -1.431 | .155 |
| Peers are friendly and respect each other. | 4.03 | .823 | 4.25 | .600 | 4.14 | .725 | -1.648 | .102 |
| I am satisfied with the support and consultation received in the organization. | 4.02 | .833 | 4.27 | .578 | 4.14 | .725 | -1.909 | .059 |

| | | | | | | | | |
|--|------|------|------|------|------|------|--------|------|
| Peers appreciate the individual contributions. | 3.90 | .915 | 4.27 | .516 | 4.08 | .762 | -2.703 | .008 |
|--|------|------|------|------|------|------|--------|------|

The result of T test showed that the dissimilarity in the mean score of private and public sector bank is significant in case of three statements: job security, retaining its best employees, employees is appreciated for their contribution by the peers. In the case of other statements there is no difference in the job satisfaction of employees regarding work conditions.

Findings and Suggestions

1. The study found significant difference between SBI and AXIS bank regarding HRA, LTC, low interest loans and various other financial incentives. The mean score of SBI (3.87) and AXIS (3.50) reveals that employees of SBI are more satisfied than that of AXIS.
2. The study also found significant difference between public and private sector bank regarding three aspects of conditions at work place namely job security, employee retention and appreciation received from peers for contribution. The mean score reveals that employees of public sector bank are highly satisfied with the job security and employee retention than that of private sector bank. While private sector bank employees are highly satisfied with the appreciation received from the peer from individual contributions than that of public sector bank. For remaining statements there was no significant difference between AXIS and SBI bank employees.
3. There was no differentiation between AXIS and SBI employees regarding various aspects of job characteristics. It means that employees of both public (SBI) and private (AXIS) sector bank have equal level of job satisfaction.

Suggestions

1. Both public and private sector bank should conduct the survey on employee job satisfaction and dissatisfaction at regular interval to develop pragmatic and dynamic policies for the growth of organization.
2. Private sector bank should focus on the job security, retention of its best employees and providing LTC, HRA and various other financial incentives as the employees have low level of job satisfaction in these aspects.
3. Public sector bank should concentrate on the employee appreciation when they contribute to the organization. As employees of public sector bank are less satisfied with the given aspect.

Conclusion

The success of any organization depends on its employees. Thus it becomes extremely important for the organization to find out whether the employees are satisfied or not. The study intended at determining and comparing the job satisfaction of Private (AXIS) and Public (SBI) sector bank employees. The result of the study concluded that there exists difference in the level of job satisfaction of employees. Public sector bank employees were highly satisfied with job security, employee retention, HRA, LTC and financial incentives received by the employees. Employees of private sector were more satisfied with appreciation for the individual contribution than that of public sector bank employees.

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