

## **Job Satisfaction a Tool for Performance Management– A Case Study of Banking Sector**

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### **Abstract**

Job satisfaction is the combination of different circumstances like psychological, physiological and environmental which leads to individual's satisfaction or dissatisfaction with their job. The degree of satisfaction can be determined by the ratio between what one has and what one want. Job satisfaction may also be viewed as the pleasurable emotional state resulting from the perception of one's job, as job values provided may be compatible with one's needs.

Performance Management includes activities which ensure that goals are consistently being met in an effective and efficient manner. Performance management can focus on the performance of an organization, a department, employee, or even the processes to build a product of service, as well as many other areas.

Banks are an important building block of our financial system, so the performance of this institution plays a dominant role in improving the industrial effectiveness. The aim of this study is to analyze the current HR practices at Indian banking sector and evaluate its impact on the performance of the employees and judge the level of satisfaction. The study would assist the administrators of the banks in creating conducive working environment so as to increase the level of job satisfaction hence, improved performance. The researcher would use the correlation technique as statistical tool to analyze the results. The study will be done at Agra district.

**Keywords:** Job Satisfaction, Performance Management, working environment.

## 1. Introduction

The term job satisfaction among employees is a common concern in world. Other than to earn a salary, the other pulling factor why people seek employment is because of job satisfaction. This is also the reason why people change jobs or work environment. Some employees prefer doing the same thing over and over again and will not seek new responsibilities, while others find it boring to perform monotonous functions. Because individuals has a different set of personalities that's why the requirements of peoples also differ consequently. Problems like absenteeism, low productivity, and high employee turnover in workplace are the common concern among entrepreneurs. The present study is an effort to study the present management practices in relation with job satisfaction among employees and its effect on productivity. To find out the reason of productivity issues in organization is also the focus of the study.

## 2. Purpose and Objectives of the Study

The purpose of the study is to know the existing status of job satisfaction level of the employees in banking industry in context to the different management practices being adopted by the banks in Agra District. In addition, the study will also give the factors which may affect the increasing or decreasing level of job satisfaction. To understand about this study the following research objectives were formulated:

- To determine the current status of management practices in different public sector banks.
- To describe the overall level of job satisfaction among the employees.
- To suggest the techniques and tools to increase the satisfaction level of faculty members.
- To study the conceptual framework of job satisfaction in order to get better understanding of the topic.

## 3. Literature Review

The link between job satisfaction and job performance is one of the most studied relationships in industrial/organizational psychology. Meta-analysis (Judge, Thoresen, Bono, & Patton, 2001) has estimated the magnitude of this relationship to be  $\rho = .30$ . With many potential causal models that explain this correlation, one possibility is that the satisfaction-performance relationship is actually spurious, meaning that the correlation is due to common causes of both constructs.

There is the Hawthorne's notion of job satisfaction and performance "happy worker is a productive worker" and Organ's correlation between job performance and job satisfaction through organizational citizenship behavior leading to the conclusion.

Herzberg (1957) over 50 years ago popularized the idea of when any employee is satisfied with their job then they would do well in their job resulting in maximum production for the company. Companies expect highest productivity form their employees by performing at soaring levels.

#### **4. Research Methodology**

The present study is a scientific and systematic search for pertinent information regarding the satisfaction of supervisory level employees at different public sector banks. For this analysis a structured questionnaire was constructed. The population for this study comprised of the managerial staff of public sector banks from Agra district who responded to the questionnaire on job satisfaction. The sample was randomly selected and it comprised of 100 managers.

In order to know the perception of respondents for the implementation of various management practices in various public sector banks, the responses are collected on 5 point likert scale in which

- 5 shows that bank always follow this practice.
- 4 shows that banks frequently exercise this practice,
- 3 shows that organizations are not much concerned about such practice but sometimes they follow it,
- 2 shows that organization rarely follow the practice ,
- 1 shows that organization has never exercised such kind of management practice.

#### **5. Hypothesis**

To fulfill the above given objectives, following hypothesis were considered

- Job satisfaction has a direct impact on the efficiency and the working of the employees.
- Job satisfaction has a direct bearing on the profit of the organization.
- Job satisfaction of an employee in any organization has a long term beneficial effect for the organization.

#### **6. Data Analysis & Findings**

The data was collected through a structured questionnaire and analyzed with the help of correlation analysis. The tables below shows the various parameters used for the analysis and its relative mean.

**Table 1:** Analysis For Current Management Practices.

<b>S. No</b>	<b>Parameters</b>	<b>Mean</b>
1	The delegation of authority and responsibility to subordinates is practiced.	3.2
2	The organization uses the recognition system to highlight the achievements of teammates	2.6
3	Organization offers career, training and development opportunities to employees	2
4	Does organization have a consistent, timely and fair method for evaluating individual performance?	3.1

5	Do you ever feel any discretion regarding the promotion	3.1
6	Deliberate structures of roles are designed and maintained for the people to work efficiently	3.3
7	Organization practices any measures/methods to maintain good relation with employees	2.5
8	Do you perceive the organizational policies fair?	2.92
9	Organization promotes innovation	2.2
10	Supervisors acts effectively as a leader/trainer/coach	3.88
	Combined mean	2.88

For knowing the current status of management practices in organization ten parameters were used. The mean score of the respondents for the delegation of authority is 3.2 which mean that superiors frequently delegate their work to their subordinates, shows good implementation of this practice. The response for the recognition system to highlight the achievements of teammates 2.6, response for, offers career, and training and development opportunities to employees is 2 shows rare implementation of such practices in the organization, and the mean score of 3.1 against having a consistent, timely and fair method for evaluating individual performance shows that organization sometimes follow such practice.

The mean score for feeling any discretion regarding the promotion 3.1 shows that professionals sometimes feel discretion regarding their promotion which is not a sign of good management practice.

**Table 2:** Analysis of professional's job satisfaction.

S. No	Parameters	Mean
1	Job security	4.2
2	Comprehensive benefit package for employees	3.3
3	Competent salary	3.5
4	Growth opportunity	3.8
5	Good working environment	3.7
6	Organization follows fair reward system	3.4
7	Organization follow appropriate training method	3.7
8	Challenging work assignment	3.1
	Combined Mean	3.5875

The responses related to Deliberate structures of roles are designed and maintained for the people to work efficiently is 3.3 shows that response is between sometimes to frequently shows that organization follow this practice regularly ; mean score of 2.5 shows the perception of professionals for Organization practices any measures/methods to maintain good relation with employees, the mean score of 2.9 shows the perception of professionals for the fair management practice while the mean score for exercising innovative management practice is 2.2 which means organization

is not able to exercise these practices properly as the response is between rarely to sometimes reflect poor to moderate implementation of these practices in the organization .

The combined mean 2.88 shows poor to moderate implementation of these practices in the organization.

The table reveals the responses of professionals against the parameters of job satisfaction.

Response of respondents against having job security is 4.2 which denote high level of job security. Response for comprehensive benefit package is 3.3, also indicates the agreeableness of professionals for this. Mean score of having competent salary in the organization 3.5, while the score of 3.8 and 3.7 against having growth opportunities and good working environment also shows the good implementation of such practices. While the mean score of 3.4, 3.7, 3.1 against fair reward system, having appropriate training method and assigning challenging work assignments also shows moderate level of satisfaction among employees.

The combined mean of 3.5 also shows moderate to good level of job satisfaction among employees.

Correlation Analysis studies the joint variation of two or more variables for determining the amount of correlation between two or more variables. In order to study the correlation between various variables like the responses of respondents on the parameters of current management practices, job satisfaction

The score of correlation between current management practice and job satisfaction is 0.275571 which shows low level of correlation, which means that current management practices and job satisfaction among employees are not related. This can be further depicted from the table that productivity issues among the employees and current management practices are negatively correlated though the level of correlation is somehow between low to moderate means higher the current management practices lower the productivity issues among employees.

The score of correlation between job satisfaction and productivity problems is - 0.58515 showing moderate correlation between the variables means if job satisfaction is higher than productivity issues will be lesser and vice-versa.

**Table 3:** Correlation analysis among the variables for Management Practices.

	<b>Current Management Practices</b>	<b>Job Satisfaction</b>	<b>Productivity Problems</b>
<b>Current management practices</b>	1		
<b>Job satisfaction</b>	0.275571	1	
<b>Productivity problems</b>	-0.35469	-0.58515	1

The table below shows the correlation analysis between the various variables of job satisfaction and **Table 4: Correlation analysis among the variables of job**

**satisfaction** productivity problems. The score of correlation reveals that all the factors of job satisfaction are found moderate to high correlation with each other. Only job security and growth opportunity are found low correlation as more growth means more risk to present position. On the other hand competent salary is also negatively correlated with job security with the score of -0.17005 though the correlation is found to be low. It denotes when people strive towards the high salary, the risk for the present position is comparatively high hence there is a low possibility of scored job and vice-versa.

	<b>Job security</b>	<b>Comprehensive benefit package for employees</b>	<b>Competent salary</b>	<b>Growth opportunity</b>
Job security	1			
Comprehensive benefit package for employees	0.624172	1		
Competent salary	-0.17005	0.431477	1	
Growth opportunity	0.412875	0.412875	0.677647	1

## 7. Findings

Based on mean score it is found that job satisfaction level among employees is moderately good as the score of combined mean is 3.5.

Mean score 2.88, shows poor to moderate implementation of these practices in the organization. Result reveals that people are not fully satisfied with the practices currently carrying by management which definitely affects the performance of the professionals in the organization, which ultimately have negative impact on the performance of employees.

Based on the mean score of 4.02, 4, 4.3 it is found that job stress, discouraging work culture and deficient training system score high in this regard. Hence these three factors are found responsible for causing productivity problems in organizations.

The mean score of 2.9, 2.6 and 2.4 against overview of banking, professional skills and business communication shows that organization has less emphasis on these module and organization need to pay attention on these module for getting better response from the employees in terms of productivity.

While the mean score against regulatory environment, customer services and against retail banking is 4.02, 4.32, 4.18 respectively shows strong emphasis of organizations on these module means organizations are doing good in this regard.

The score of correlation between current management practice and job satisfaction is 0.275571 which shows low level of correlation, which means that current management practices and job satisfaction among employees are not related with each other.

The score of correlation between productivity issues among the employees and current management practices are negatively correlated though the level of correlation is somehow between low to moderate means higher the current management practices lower the productivity issues among employees.

The score of correlation between job satisfaction and productivity problems is - 0.58515 showing negatively moderate correlation between the variables means if job satisfaction is higher than productivity issues will be lesser and vice-versa.

## **8. Scope and Limitations of the Study**

The Bank has undergone a dramatic transformation from the single window concept to automatic cheques transaction. Due to massive competition the employees of the public sector banks feel dissatisfied with some or the other reasons. Due to this job dissatisfaction among the employees of the public sector banks, it becomes mandatory for the government to create an environment at par with the private banks

To meet the competitive edge, the study was done to find out the factors which are responsible for the job dissatisfaction among the employees of the public sector banks. Redesigning new ways to organize work, new team concepts, tools and methodologies supports the concept of job satisfaction among the employees of the banks which will in turn, create a breakthrough improvement. Satisfied employees tend to be more productive, creative and committed to their employers.

The two main limitations, which the researcher encountered during the study, are:

- Availability of relevant literature depending on the willingness of the zonal and regional offices of different public sector banks to share the information.
- Reliability of information supplied by the people.

## **9. Conclusion & Suggestions**

The analysis indicated that, with regard to work place environment, the workers were neither Satisfied nor dissatisfied, majority of the employees felt that inadequate time for the family commitments and the analysis has provided the conclusion that the sample employees in public sector banks at India are only moderately satisfied with the job and job content and the work environment. The score of correlation between the various factors of job satisfaction reveals that all the factors of job satisfaction are found moderate to high correlation with each other showing a direct proportionate relationship with the performance management.

With the study we can give the following suggestions to the banking industry :

- Salaries & job specifications is to be according to abilities and work experience.
- Rewards for their hard work helps in increasing the satisfaction level and improving work culture of the organization.
- To enrich their knowledge & skills in various activities of their bank, imparting of training is essential.

- However there are certain factors, which considerably contribute towards dissatisfaction of the employees. Factors like proper promotion, transfer policy, grievance re-dressal, and performance appraisal system need action on the part of the authorities to help the employees dissatisfied in their job. Therefore the study suggests the suitable changes should be made in the personnel policy

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