

HUMAN RESOURCE MANAGEMENT PRACTICES AND JOB SATISFACTION AMONG BANK EMPLOYEES IN THANJAVUR DISTRICT, TAMILNADU

R. Indirajith

M.Com, M..B.A, M.Phil, Ph.D ,

Associate Professor of Commerce , Thiru.Vi. Ka. Government Arts College Tiruvarur, Tamilnadu.

Abstract:

The banking industry in India has undergone a radical change in the last two decades. Now the banking has become too open and competitive. Survival of the fittest is the order of the day. Customer service has become quite important in the present day situation as competition is increasing among the banks. Every one is trying to woo the same customer. Retaining the existing customers and attracting new ones has become very difficult for Indian banks. This can easily be overcome by effective human resource management policies and practices. Hence, the study aims to analyze the impact of human resource management practices and job satisfaction in Indian banking sector in the study area. The result of the study reveals that there is a positive relationship between HRM practices and job satisfaction of the employees in public and private sector banks.

KEYWORDS:

Human Resource Management, Job satisfaction, Bank Employees,

INTRODUCTION

In the globally competitive and challenging business scenario, the success of the Indian industry besides other factors will be to a great extent influenced by how it manages its human resources who make things happen. The traditional man management practices have undergone a sea change. The changes in the market scenario have necessitated the Indian industry to look inward for the development of human resources. If the Indian organizations are to develop and maintain their competitive edge, the potential value of the employees needs to be increased by enhancing and linking their skills and capabilities in tune with the contemporary requirements of the market. The human resource management is a function which is mainly concerned with people at work and with their relationship within the organization. It is the resource which plans, allocates and provides for all other resources in organizations. Most of the organizations have sidelined the Human Resource Management function owing to lack of immense knowledge about the importance involved in the successful handling of that function. An organization can flourish by chalking out well-meditated strategic implementation plan for using information technology in making human resource function globally competitive.

STATEMENT OF THE PROBLEM

The banking industry in India has undergone a radical change in the last two decades. Now the banking has become too open and competitive. Survival of the fittest is the order of the day. Customer service has become quite important in the present day situation as competition is increasing among the banks. Every one is trying to woo the same customer. Retaining the existing customers and attracting new ones has become very difficult for Indian banks. This can easily be overcome by effective human resource management policies and practices. Hence, the study aims to analyze the perception of the employees about human resource management practices and job satisfaction in Indian banking sector in the study area.

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OBJECTIVES

The specific objectives of the study are to analyze the perceptions of the employees about effectiveness of human resources management practices and to study the relationship between human resource management practices and job satisfaction of employees in the sample units.

METHODOLOGY

The study was conducted in Thanjavur District of Tamilnadu. The study has made use of survey method of research to achieve the objectives. A sample of 235 employees is drawn on the basis of stratified random sampling method from three public sector banks namely Indian bank, Indian overseas bank, and State bank of India and three private sector banks namely City Union Bank Ltd., ICICI Bank Ltd and ING Vysya Bank were purposively selected for the study. The data required to carry out objectives of the study were collected both from the primary and secondary sources.

RESULT AND DISCUSSION

The study aims to analyze the perception of the employees about human resource management practices and job satisfaction in Indian banking sector in the study area. The higher perception leads to higher satisfaction. The overall perception of the respondents about the human resource management practices of the study units is analyzed in table 1.

**TABLE 1
OVERALL PERCEPTION ABOUT HUMAN RESOURCE MANAGEMENT**

Category	Public Sector Banks		Private Sector Banks		Combined	
	Mean score	Mean score (%)	Mean score	Mean score (%)	Mean score	Mean score (%)
Officers	422.89	48.89	475.74	54.99	436.11	50.42
Clerical staff	313.29	36.22	302.04	34.92	310.66	35.91
Sub staff	252.15	29.14	273.00	31.56	257.00	29.71
Average	336.92	38.95	355.79	41.13	341.41	39.47

Source: Primary data

Table 1 shows the overall perception of the respondents about human resource management practices of the public and private sector banks in the study area. The average mean score obtained by the respondents in respect of overall human resource management practices was 39.47 per cent. The officers have obtained the mean score of 50.42 per cent and clerical staff and sub staff have secured 35.91 per cent and 29.71 per cent respectively. Among the respondents in the public sector banks, officers have secured the mean score of 48.89 per cent, clerical and sub staff have acquired the mean score of 36.22 per cent and 29.14 per cent respectively. In case of private sector banks, the officers have got the mean score of 54.99 per cent, which is higher than that of the officers in public sector banks. The clerical staff and sub staff have secured the mean score of 34.92 per cent and 31.56 per cent respectively.

It is understood from the table that the clerical and sub staff have more or less similar perception about the overall human resources management practices. It is also inferred from the table that in public and private sector banks officers have high degree of perception about overall human resource management as compared to clerical and sub staff.

LEVEL OF PERCEPTION

The perception of the respondents has been classified into three levels viz., high, moderate and low to find out the effectiveness of human resource management practices of the selected banks. It has been taken for the present study that, if the overall score of a respondent exceeds 70 per cent, the perception of the respondents is high. On the other hand a respondent will be viewed as having a low perception, if the overall score falls below 50 per cent. If the overall score obtained by a respondent falls between 50 per cent and 70 per cent, it will be viewed as an indicator of a moderate perception about human resource management practices of study units. The higher level of perception leads to higher level of satisfaction.

The level of perception of the respondents about human resource management practices is shown in table 2.

TABLE 2
LEVEL OF PERCEPTION ABOUT HUMAN RESOURCE MANAGEMENT PRACTICES

Category	No. of Respondents								
	Public Sector Banks			Private Sector Banks			Combined		
	Low	Moderate	High	Low	Moderate	High	Low	Moderate	High
Officers (N= 57+19)	34 (59.65)	16 (28.07)	07 (12.28)	05 (26.32)	11 (57.89)	03 (15.79)	39 (51.32)	27 (35.53)	10 (13.16)
Clerical staff (N=89+27)	55 (61.80)	24 (26.97)	10 (11.23)	17 (62.96)	08 (29.63)	02 (07.41)	72 (62.07)	32 (27.59)	12 (10.34)
Sub staff (N=33+10)	22 (66.67)	07 (21.21)	04 (12.12)	06 (60.00)	03 (30.00)	01 (10.00)	28 (65.11)	10 (23.26)	05 (11.63)

Source: Primary data (Figure in the bracket is percentage to total)

Table 2 reveals that all the officers, clerical and sub staff have low perception about overall human resource management practices of the both public and private banks. Similarly irrespective of category, all the respondents in public sector banks have low perception. In private sector banks majority of the officers have expressed moderate perception while clerical and sub staff have revealed low perception. It can be inferred from the table that all the employees in the public sector banks have dissatisfied with the overall human resource management practices. In private sector banks, officers have moderate satisfaction, clerical and sub staff have experienced low satisfaction with the overall human resource management practices of the banks.

In order to analyze whether there is any significant relationship between the perception of the public and private sector banks respondents, a null hypothesis is framed and tested with the help of t-test.

Null hypothesis

There is no significant difference in the level of perception of the respondents between the public and private sector banks about overall human resource management practices.

TABLE 3
DESCRIPTIVE STATISTICS-OVERALL HUMAN RESOURCE MANAGEMENT PRACTICES

Category	Count	Mean	S.D	t-value	Result
Officers and Clerical staff	76	25.33	14.57	0.6823	Not significant
	116	38.67	30.55		
Officers and Sub staff	76	25.33	14.57	1.0060	Not significant
	43	14.33	12.09		
Clerical staff and Sub staff	116	38.67	30.55	1.2827	Not significant
	43	14.33	12.09		
	51	17	6.56		

Source: compiled by the researcher

It is inferred from table 3 that there is no significant difference between level of perception about overall human resource management practices among the employees in the public and private sector banks. It implies that the employees in the public and private sector banks have similar perception about overall human resource management practices.

To find out whether there is any significant difference between individual demographic variables such as sex, age, educational qualification, designation, experience and income of the respondents and their level of perception, a null hypothesis is framed and tested with the help of ANOVA test.

Null hypothesis: There is no significant difference between individual demographic variables and the level of perception about overall human resource management practices of the public and private sector banks. The result is given in table 4.

**TABLE 4
ANOVA TEST**

		SS	df	MS	F	Significance
Sex and level of perception	Between sample	3201.33	2	1600.67	5.83	Not significant
	With in sample	825.50	3	275.17		
	Total	4026.83				
Age and level of perception	Between sample	2134.22	2	1067.11	7.67	Not significant
	With in sample	834.67	6	139.11		
	Total	2968.89	8			
Educational qualifications and level of perception	Between sample	2134.22	2	1067.11	1.86	Not significant
	With in sample	3444.66	6	574.11		
	Total	5578.88	8			
Experience and level of perception	Between sample	2134.22	2	1067.11	3.48	Not significant
	With in sample	1840.67	6	306.78		
	Total	3974.89	8			
Income and level of perception	Between	1600.67	2	800.34	60.91	*Significant
	Within	118.25	9	13.14		
	Total	1718.92	11			

* Significant at 5per cent and 1per cent level of significance

The result of the ANOVA test reveals that there is no significant difference between sex and level of perception, age and level of perception, education and level of perception, experience and level of perception and there is a significant difference between income and level of perception about overall human resource management practices.

JOB SATISFACTION

The mean score obtained by the respondents about overall job satisfaction is shown in the table 5.

**TABLE 5
MEAN SCORE FOR OVERALL JOB SATISFACTION**

Category	Public Sector Bank		Private Sector Bank		Combined	
	Mean score	Mean score (%)	Mean score	Mean score (%)	Mean score	Mean score (%)
Officers	82.23	57.10	81.63	56.69	82.08	56.99
Clerical staff	60.37	41.92	77.56	53.86	63.51	44.10
Sub staff	32.84	22.81	58.90	40.90	38.91	27.02
Average	66.28	46.03	75.61	52.50	68.50	47.57

Source: primary data

It is understood from the table 5 that the all respondents in public and private sector banks have secured an average mean score of 47.57 per cent in respect of job satisfaction. Out of 235 respondents officers have secured a mean score of 56.99 per cent, clerical and sub staff have obtained 44.10 per cent and 27.02 per cent respectively. Among the respondents in public sector banks, officers have secured a mean score of 57.10 per cent, clerical and sub staff have obtained 41.92 per cent and 22.81 per cent respectively. In case of private sector banks, officers have secured 56.69 per cent and clerical and sub staff have obtained 53.86 per cent and 40.90 per cent respectively. It can be inferred from the table that the private sector banks respondents have higher perception about overall job satisfaction when compared to public sector banks

respondents.

LEVEL OF JOB SATISFACTION

The overall level of job satisfaction of the respondents in the public and private sector banks in the study area is presented in table the 6

**TABLE 6
LEVEL OF JOB SATISFACTION**

Category	No. of Respondents								
	Public Sector Banks			Private Sector Banks			Combined		
	Low	Moderate	High	Low	Moderate	High	Low	Moderate	High
Officers (N=57+19)	04 (07.02%)	37 (64.91%)	16 (28.07%)	03 (15.79%)	11 (57.89%)	05 (26.32%)	07 (09.21%)	48 (63.16%)	21 (27.63%)
Clerical staff (N=89+27)	49 (55.06%)	25 (28.09%)	15 (16.85%)	04 (14.81%)	16 (59.26%)	07 (25.93%)	53 (45.69%)	41 (35.34%)	22 (18.97%)
Sub staff (N=33+10)	25 (75.75%)	04 (12.12%)	04 (12.12%)	06 (60.00%)	03 (30.00%)	01 (10.00%)	31 (72.09%)	07 (16.28%)	05 (11.63%)

Source: Primary data

Note: Figure in the bracket is percentage to total

It is understood from the table 6 that out of 235 respondents in the public and private sector banks, majority of the officers have experienced moderate job satisfaction, 46 per cent and 35 per cent of the clerical staff have low and moderate level of job satisfaction and 72 per cent of the sub staff have revealed low job satisfaction. Among the respondents in the public sector banks, majority of the officers have revealed moderate job satisfaction and majority of the clerical and sub staff have expressed low satisfaction. In private sector banks, majority of the officers and clerical staff have experienced moderate job satisfaction while majority of the sub staff have expressed low job satisfaction.

To find out whether there is any significant difference between the respondents in the public and private sector banks and their level of job satisfaction, a null hypothesis is framed and tested with the help of t' test.

Null hypothesis:

There is no significant difference in the level of job satisfaction between the respondents of public and private sector banks

**TABLE 7
DESCRIPTIVE STATISTICS-OVERALL JOB SATISFACTION**

Category	Count	Mean	S.D	t-value	Result
Officers and Clerical staff	76	25.33	20.84	0.8865	Not significant
	116	38.67	15.63		
Officers and Sub staff	76	25.33	20.84	0.7510	Not significant
	43	14.33	14.47		
Clerical staff and Sub staff	116	38.67	15.63	1.9788	Not significant
	43	14.33	14.47		

It is inferred from the table 7 that there is no significant difference between level of job satisfaction of employees in the public and private sector banks. It implies that the employees in the public and private sector banks have same level of job satisfaction.

To find out whether there is any significant difference between individual demographic variables

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such as, sex, age, educational qualification, designation experience and income of the respondents and the level of job satisfaction a null hypothesis is framed and tested with the help of chi-square test.

Null hypothesis:

There is no significant difference between demographic variables (sex age, educational qualification, designation experience and income) and the level of job satisfaction of the respondents in the public and private sector banks. The result is given in table 8.

**TABLE 8
CHI-SQUARE TEST RESULT**

Demographic variable	Chi-Square Test – Value	Table value 5 % level	Table value 1 % level	H ₀ Accepted / Rejected	Significance
Sex	20.1	5.99	9.21	Rejected	**Significant
Age	25.6	9.49	13.28	Rejected	**Significant
Educational qualification	15.2	9.49	13.28	Rejected	**Significant
Experience	13.5	9.49	13.28	Rejected	** Significant
Income	12.2	12.59	16.81	Rejected	**Significant

** Significant both at 5per cent level and 1per cent level.

The result of the chi-square test revealed that the calculated value of chi-square is much more than the table value at 5 per cent and at 1 per cent level of significance. Hence the null hypothesis is rejected and it can be concluded that there is a significant difference between individual demographic variables such as sex, age, educational qualification, designation, experience, income and level of job satisfaction experienced by the public and private sector employees in the study area.

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To analyze the relationship between human resource management practices and job satisfaction of the employees in this organization, a null hypothesis is framed and tested with the help of chi-square test.

Null hypothesis:

There is no significant positive relationship between Human Resource Management practices and job satisfaction of employees in public and private sector banks. The result is shown in table 9.

**TABLE 9
χ² TEST**

Bank	Variable	χ ² Value	H ₀ Accepted / Rejected	Significance
Public Sector Bank	Human resource management and job satisfaction	5.22	Rejected	**Significant
Private Sector Bank	Human resource management and job satisfaction	10.34	Rejected	**Significant

Table Values at 5per cent level 4.30 and at 1 per cent level 9.93;
** Significant both at 5per cent level and 1per cent level.

Table 9 shows that the calculated value is greater than table value. Therefore, the null hypothesis is rejected, hence it is concluded that there is a positive relationship between HRM practices and job satisfaction of the employees in public and private sector banks.

CONCLUSION

The result of the study reveals that both in the public and private sector banks combined together,

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all the officers, clerical and sub staff have low perception about overall human resource management practices of the banks. Similarly, irrespective of category, all respondents in public sector banks have low perception. In private sector banks majority of the officers have expressed moderate perception while clerical and sub staff have revealed low perception. It indicates that all the employees in the public sector banks have dissatisfied with the overall human resource management practices. In private sector banks, officers have moderate satisfaction, clerical and sub staff have experienced low satisfaction with the overall human resource management practices of the banks.

The analysis of the level of job satisfaction revealed that the majority of the officers in the public sector banks have moderate job satisfaction and majority of the clerical and sub staff have expressed low satisfaction. In private sector banks, majority of the officers and clerical staff have experienced moderate job satisfaction while majority of the sub staff have expressed low job satisfaction. The study further reveals that there is a positive relationship between HRM practices and job satisfaction of the employees in public and private sector banks.

It is pertinent to mention here that the face of banking is changing rapidly. The Indian banking industry is not just passing through transition, but also undergoing a transformation process. Competition is going to be tough and with financial liberalization under the WTO, banks in India will have to benchmark themselves against the best in the world. For a strong and resilient banking and financial system, therefore, banks need to go beyond peripheral issues and tackle significant issues like improvements in profitability, efficiency and technology, through implementation efficient human resource management practices and by improving level of job satisfaction of employees.

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R. Indirajith

M.Com, M..B.A, M.Phil, Ph.D , Associate Professor of Commerce , Thiru.Vi. Ka. Government Arts College Tiruvarur, Tamilnadu.