CHAPTER-III
RESEARCH METHODOLOGY

This chapter comprehends on various aspects of research methodology namely statement of problem, objectives of the study, hypotheses, scope of the study, sources of the data, sample design and sample size, statistical techniques applied to analyze the data, limitations of the study, and chapter scheme. These aspects are described as follows:

3.1 STATEMENT OF THE PROBLEM

In a globalization environment, the challenges faced by banks are multiple. In banking led system economy, profitability of commercial banks engages the centre stage in offering a sound, prudent, safe, and sustained banking system. That is precisely the reason why every year and quarter after quarter, corporate sector and society at large is curious to watch how the banks are performing, more in terms of their profitability that has the potential to create stakeholders value.

Further, with the rising competition, changing needs of customers, their ambitions and expectations, the banks have to continuously upgrade their technologies. With the help of technological innovations, now the banks are providing different type of services such as credit cards, debit cards, delivery channels (ATM, phone banking, internet, and mobile insurance) and investment products. Banks have to understand the changing needs of customer and create value so that they can be able to make strong customer relationship. Besides competition, regulatory authorities are also emphasizing on banks to maintain transparency in pricing and terms of offer, bring technologically superior products and develop a strong distribution channel to ensure inclusion of economically weaker sections also. All these are becoming big challenge for public sector banks and private sector banks.

Public sector banks and private sector banks have become important part of our life. These banks have started expanding geographically by opening new branches in potential areas. Also the workings hours are in banks have increased in
recent years to facilitate better customer service. However, to manage growth and continuity in banking business human resources plays an important role. Employees are the stimulus energy that is behind every successful organisation. Mere use of technology and techniques can’t bring success to the organisation. Man is the supreme among all ‘M’s utilized in the business concerns. With rising levels of education and consequent aspirations and growing employee consciousness of their rights, it has become imperative for banking organisations to be more and more concerned about the quality of work life of their employees who are now required to be more skillful, productive, knowledgeable, and customer oriented as well. However, if the employees will be comfortable in their work environment only then they can perform their jobs efficiently and effectively. Today, there is need to improve the performance of banking organisations. All this demand a new work culture and a high level of motivation and commitment to job and the organisational goals on the part of employees which is possible when the quality of work life in banks become better. Thus, quality of work life is assuming great importance in case of banks.

However, on the basis of Chapter-2 (Literature Review), we found that the quality of work life is grossly studied in corporate sector, but very less research work has been conducted in the case of banking sector in India. In spite of plethora of research on the subject, the attempts on the part of researchers to identify the major factors of quality of work life in Indian context have not been encouraging. As the Indian banking industry is witnessing an accelerated growth and severe competition, the QWL is the main thrust area in which banks should focus to retain efficient employees and thereby retain the customers by assuring the customers delight. Further, it is important to understand this phenomenon in the context of both public sector banks and private sector banks.

In view of above observations, the topic has been chosen for research on the “Quality of Work Life in Commercial Banks”. In this study different dimensions of Quality of Work life have been studied. Also the impact of demographic variables on perceived level of quality of work life among employees has been studied. Thus, the study has been helpful in finding out the overall level of Quality of Work Life in banking sector and ways to improve it.
3.2 OBJECTIVES OF THE STUDY

The present study has been carried out to achieve the following objectives:

1. To find out the perceptions of bank employees regarding various dimensions of quality of work life.

2. To find out the overall level of quality of work life in commercial banks.

3. To find out the influence of demographic variables such as age, gender, designation, education, job experience, income, area of banks etc. on perceived level of quality of work life among employees.

4. To compare the perception of bank employees across the ownership pattern and size of banks regarding various dimensions of quality of work life.

5. To find out the perception of bank employees regarding various components of organisational commitment.

6. To find out the influence of demographic variables such as age, gender, designation, education, job experience, income, area of banks etc. on perceived level of organisational commitment among employees.

7. To compare the perception of bank employees across the ownership pattern and size of banks regarding various components of organisational commitment.

8. To find out the impact of quality of work life on the overall job satisfaction and organisational commitment of the employees.

9. To make suggestions based on the present study to improve the quality of work life and organisational commitment in the commercial banks.

3.3 HYPOTHESES OF THE STUDY

A hypothesis is a quantitative statement made about population parameter. The hypothesis testing is the methodology that enables a decision-maker to draw inference about whether there is significant difference between sample statistics and population. The hypothesis is constructed in such a manner so that if one hypothesis is accepted the other is rejected and vice versa. Keeping in view the objectives of the
study the following null hypotheses have been formulated which will be tested in research:

**Ho (1)** The perceived level of Quality of Work Life of bank employees do not vary across age, gender, designation, education, income, area of banks, and job experience.

**Ho (2)** There is no significant difference in Quality of Work Life of employees between public sector banks and private sector banks.

**Ho (3)** There is no significant difference in Quality of Work Life of employees between large banks and medium & small banks.

**Ho (4)** The perceived level of Organisational Commitment of bank employees do not vary across age, gender, designation, education, income, area of banks, and job experience.

**Ho (5)** There is no significant difference in Organisational Commitment of employees between public sector banks and private sector banks.

**Ho (6)** There is no significant difference in Organisational Commitment of employees between large banks and medium & small banks.

**Ho (7)** Quality of work life has significant impact on overall job satisfaction and organisational commitment.

### 3.4 SCOPE OF THE STUDY

The Quality of Work Life is very wide topic to study. It is very difficult to examine each and every aspect of Quality of Work Life. On the basis of previous research studies in this area this study will focus on a few selected variables chosen to study the Quality of Work Life in Commercial Banks. The study covers State Bank of India and Central Bank of India from public sector banks and ICICI Bank and YES Bank from private sector banks. The scope of study in geographical respect is restricted to the State of Haryana only.
3.5 RESEARCH DESIGN

It is the overall operational pattern or framework of the project that stipulates what information is to be collected from which sources by what procedures. In the present study an attempt will be made to discuss various dimensions of Quality of Work Life in Commercial Banks in India. Descriptive research design will be used for the present study.

3.6 METHODS OF DATA COLLECTION

The present study makes use of primary as well as secondary data. The various sources of secondary data used for the study include Annual Report of RBI, report published by Business Standard Banking Annual, The Hindu Survey of Indian Industry, Business Today, websites of RBI and concerned banks’ journals, and newspapers.

The primary data was collected to achieve the objectives of the study. For this purpose the questionnaires (Saklani, 2003) have been used for measuring the quality of work life in commercial banks. After the necessary modifications, 62 statements have been used for the study. In the questionnaire information regarding different demographic variables like income, age, gender, designation, educational qualification, area, and job experience have been gathered to see their influence on Quality of Work Life. For measuring the organisational commitment, the scale given by Meyer and Allen, 1997 have been used.

3.7 DEVELOPING THE RESEARCH INSTRUMENT: QUESTIONNAIRE

The measures were selected in accordance with the aims of the study. While selecting the tools, psychometric properties and nature of sample were taken into consideration. The following measuring tools are used in the present study:

3.7.1 Quality of Work Life Scale

This scale was originated by Saklani in 2003 and it is based on thirteen clusters of sixty four items proposed to evaluate quality of work life. Each statement in this scale was based on a five-point disagreement-agreement continuum indicating ‘very poor’ to ‘very good’ status of quality of work life in organisation. A
Likert-type Summated Scale was formulated for measuring QWL, an attitudinal concept. After a careful examination of the statements and discussing with the officers of HR department in banking sector, two statements have been neglected from this scale. These two statements were not applicable in the banking organisations. After modifications, the research instrument comprising of thirteen dimensions which contains sixty two statements was applied in this present study to measure the quality of work life in commercial banks.

The reliability and validity tests were also used for the development of a good measure of the study. A reliability coefficient called Cronbach’s Alpha is used to measure the internal consistency. An alpha value of 0.60 to 0.70 or above is represented to be good and generally accepted. Reliability of the measurements was found by using Cronbach’s Coefficient alpha. The values of Cronbach’s alpha for various dimensions of quality of work life are shown in table 3.1. The values of Cronbach’s alpha indicate that scale used for measuring all thirteen dimensions is quite reliable.

Table 3.1
Reliability Indices for the QWL Research Instrument

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Dimensions</th>
<th>Cronbach’s Alpha (α)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Adequate and Fair Compensation</td>
<td>.794</td>
</tr>
<tr>
<td>2.</td>
<td>Fringe Benefits and Welfare Compensation</td>
<td>.657</td>
</tr>
<tr>
<td>3.</td>
<td>Job Security</td>
<td>.637</td>
</tr>
<tr>
<td>4.</td>
<td>Safe and Healthy Physical Environment</td>
<td>.646</td>
</tr>
<tr>
<td>5.</td>
<td>Work Load</td>
<td>.697</td>
</tr>
<tr>
<td>6.</td>
<td>Opportunity to Use and Develop Human Capacity</td>
<td>.747</td>
</tr>
<tr>
<td>7.</td>
<td>Opportunity for Continued Growth</td>
<td>.833</td>
</tr>
<tr>
<td>8.</td>
<td>Human Relations and Social Aspect of Work Life</td>
<td>.754</td>
</tr>
<tr>
<td>9.</td>
<td>Participation in Decision Making</td>
<td>.808</td>
</tr>
<tr>
<td>10.</td>
<td>Reward and Penalty System</td>
<td>.724</td>
</tr>
<tr>
<td>11.</td>
<td>Equity, Justice and Grievance Handling</td>
<td>.852</td>
</tr>
<tr>
<td>12.</td>
<td>Work and Total Life Space</td>
<td>.594</td>
</tr>
<tr>
<td>13.</td>
<td>Image of Organisation in Society</td>
<td>.838</td>
</tr>
<tr>
<td></td>
<td><strong>Overall Quality of Work Life</strong></td>
<td><strong>.902</strong></td>
</tr>
</tbody>
</table>
3.7.2 Organisational Commitment Scale

Meyer and Allen (1984) initially developed two types of commitment i.e. Affective Commitment and Continuance Commitment. Affective Commitment denoted a sense of belonging and emotional attachment to the organisation, whereas Continuance Commitment emphasized the perceived cost of leaving the organisation. Allen & Meyer (1990) introduced a third component of commitment i.e. Normative Commitment, which showed the perceived obligation to remain with the organisation. The Organisational Commitment Questionnaire Meyer and Allen (1997) contained 18 items (6 items for each component). The Organisational Commitment Questionnaire has contained both positive and negative statements. The responses were collected on a five point scale of ‘strongly disagree’, ‘disagree’, ‘neutral’, ‘agree’, and ‘strongly agree’ with scores ranging from 1 to 5 for positive statements and 5 to 1 for negative statements. The reliability (alphas) of Organisational Commitment Questionnaire have been examined and the Cronbach’s alpha values indicated that scale applied for measuring all three components of organisational commitment is reliable. The Cronbach’s alpha values are given in table 3.2.

Table 3.2
Reliability Indices for the Organisational Commitment Research Instrument

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Components</th>
<th>Cronbach’s Alpha (α)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Normative Commitment</td>
<td>.823</td>
</tr>
<tr>
<td>2.</td>
<td>Affective Commitment</td>
<td>.697</td>
</tr>
<tr>
<td>3.</td>
<td>Continuance Commitment</td>
<td>.606</td>
</tr>
<tr>
<td></td>
<td><strong>Overall Organisational Commitment</strong></td>
<td><strong>.727</strong></td>
</tr>
</tbody>
</table>

3.8 SAMPLING PLAN AND SIZE

3.8.1 Population of the Study

The population of the study is full time employees of Public Sector Banks and Private Sector Banks in India. Table 3.3 presents the total number of employees in the scheduled commercial banks in India and in Haryana.
Table 3.3
Total Number of Bank Employees in India and Haryana

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Officers (Frq.)</th>
<th>%</th>
<th>Clerical Staff (Frq.)</th>
<th>%</th>
<th>Sub Staff (Frq.)</th>
<th>%</th>
<th>Total (Frq)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total no. of Bank Employees in India</td>
<td>502,938</td>
<td>42.80</td>
<td>481,421</td>
<td>40.97</td>
<td>190,790</td>
<td>16.23</td>
<td>1,175,149</td>
<td>100</td>
</tr>
<tr>
<td>Total No. Of Bank Employees in Haryana</td>
<td>15,540</td>
<td>46.85</td>
<td>12,711</td>
<td>38.32</td>
<td>4,919</td>
<td>14.83</td>
<td>33,170</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Basic Statistical Returns of Scheduled Commercial Banks in India, March, 2012

3.8.2 Sample Area

The state of Haryana is chosen as the sample area for the study. In Haryana there exists a well-organized and large network of banks. The private sector banks also have a very good presence in the State.

3.8.3 Sample

The total number of bank employees in India as per Table 3.3 is 1,175,149 as on 31st March 2012. The population of bank employees is too big and also scattered all over the country. A census study is practically impossible.

Hence, a Stratified Random Sample of bank employees has been taken. The three major categories of employees in the case of Public Sector Banks are (1) the Officers (2) the Clerical Staff and (3) the Sub Staff. After conducting extensive discussions with experts the Sub Staff has been excluded from the sample for major reason i.e. this is one category which gets minimal exposure in banks. As far as the New Private Sector Banks are concerned, there is no Clerical Staff and many banks do not have Sub Staff. Hence, the only one category of employees is Officers that has been taken for study. Thus it was decided to focus the study on three strata of bank employees viz. the Officers, Clerical Staff of the Public Sector Banks and the Officers of the Private Sector Banks.
In the second stage, total population of full time employees of banking sector are divided into two groups i.e. public sector banks and private sector banks. On the basis of volume of business (sum of advances and deposits) the public sector banks and private sector banks are categorized into two groups i.e. Large Banks, and Medium & Small Banks as described in Table 3.4.

Table 3.4
Grouping of Banks

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Groups</th>
<th>Volume of Business (in Rupees Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Large Bank</td>
<td>Above 4,00,000</td>
</tr>
<tr>
<td>2</td>
<td>Medium &amp; Small Bank</td>
<td>Less than 4,00,000</td>
</tr>
</tbody>
</table>

One large bank i.e. State Bank of India from public sector banks and one from private sector banks i.e. ICICI Bank has been chosen for the study. The Central Bank of India from public sector bank and Yes Bank from private sector banks has been chosen from Medium & Small Banks. The total number of bank employees in Haryana is 33,170 as per table 3.1. The sample is decided 1.5% of that which comes to 510. A total sample of 510 has been divided between two groups in proportion of number of branches in Haryana of chosen Public Sector Banks and Private Sector Banks (Table 3.5). A total of 510 respondents comprised the total sample of the study, 365 employees are from Public Sector Banks and 145 employees are from Private Sector Banks.

In the third stage, number the branches from where the respondents are to be selected also are decided. 15 percentage of total number of branches in Haryana of each bank have been taken for the study. Sample Branches have been decided as follows:

Table 3.5
Total Bank Branches in Haryana and Sample Branches of Selected Banks

<table>
<thead>
<tr>
<th>Name of the Bank</th>
<th>Branches in Haryana</th>
<th>Sample Branches</th>
<th>Name of the Bank</th>
<th>Branches in Haryana</th>
<th>Sample Branches</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Bank of India</td>
<td>347</td>
<td>50</td>
<td>ICICI Bank</td>
<td>127</td>
<td>20</td>
</tr>
<tr>
<td>Central Bank of India</td>
<td>133</td>
<td>20</td>
<td>Yes Bank</td>
<td>52</td>
<td>10</td>
</tr>
</tbody>
</table>

Source: www.prokerala.com
In the fourth stage, six districts having highest number of branches in aggregate of four banks under reference of study were taken. These districts were Gurgaon, Faridabad, Ambala, Kurukshetra, Karnal, and Panipat. In the fifth stage 100 branches of banks under consideration were selected from the six districts using simple random sampling. At the final stage, two lists of employees, separately for Officers and Clerical Staff serving in each branch selected at stage fifth were prepared and the sample was taken from these lists by using simple random sampling method.

3.9 STATISTICAL TECHNIQUES APPLIED

After collecting the primary data, in order to get meaningful inferences regarding the hypotheses composed for the present study, various statistical tools and techniques were applied. Firstly, the coding of responses was done in which numerical codes or other character symbols were attributed to individual responses. The data from questionnaire was transmitted manually into the computer through excel software program. The rows of the excel sheet presents the individual respondent and the column exhibits variables undertaken for the study. The responses to the demographic profile of the respondents were coded from 1 to 2 for gender (1 for male and 2 for female), 1 to 4 for educational qualification (1 for up to senior secondary, 2 for graduation, 3 for post graduation, and 4 for other qualification i.e L.L.B., C.A., CAIIB, etc.), 1 to 2 for marital status (1 for married and 2 for unmarried), 1 to 4 for age (1 for less than 30 years, 2 for 30 to less than 40 years, 3 for 40 to less than 50 years, and 4 for 50 years & above), 1 to 4 for the gross salary per month (1 for less than ₹ 25,000, 2 for ₹ 25,001 to ₹40,000, 3 for ₹40,001 to ₹55,000 and 4 for ₹55,001 & above), 1 to 4 for the job experience (1 for less than 5 years, 2 for 5 to less than 15 years, 3 for 15 to less than 25 years and 4 for 25 years & above), 1 to 2 for designation (1 for officers and 2 for clerical staff), 1 to 3 for the area where bank is situated (1 for rural, 2 for urban, and 3 for semi-urban), 1 to 2 for size of banks (1 for large banks and 2 for medium & small banks), and 1 to 2 for the ownership pattern of banks (1 for public sector banks and 2 for private sector banks).
The responses on statements concerning ‘quality of work life’ were evaluated on a 5 point scale, where 1 denotes ‘strongly disagree’ and 5 denote ‘strongly agree’. A statement presenting the overall job satisfaction was assessed with a scale ranging from 1 for ‘strongly disagree’ and 5 ‘strongly agree’. The responses on statements relating to ‘organisational commitment’ were also measured on a 5 point scale, where 1 presents ‘strongly disagree’ and 5 presents ‘strongly agree’. The code for negative statements regarding ‘organisational commitment’ was entered in a reverse order, 1 for ‘strongly agree’ and 5 ‘strongly disagree’. The questionnaires were checked for ensuring coding accuracy.

For the further analysis, the raw data was exported to statistical package for social science (SPSS) Data Editor (21.0). In order to examine the data collected from survey, statistical tools viz. descriptive analysis, ANOVA, T-test and multiple regression were applied. The descriptive statistics were calculated. Mean Score, Standard Deviation, rank, t-value, and p-value were conducted on each statement of thirteen dimensions of quality of work life.

T-test was applied to determine the significant difference between mean of two groups such as employees of public sector banks and private sector banks, employees of large banks and medium & small banks, gender of the respondents, marital status of the respondents, officers of public sector banks and private sector banks, officers and clerical staff of public sector banks.

To compare the various factors of quality of work life and organisational commitment across the four age groups, four groups of educational qualification, four employee groups based on job experience, four groups based on income, and three groups based on the area of the banks where the employees work, the data has been analysed by using one way analysis of variance (ANOVA). Further, Post Hoc Analysis has been used to find out the significant difference between four age groups, four groups of educational qualification, four employee groups based on job experience, four groups based on income, and three groups based on the area of the banks.

The Multiple Regression analysis was used to find out the relative contribution of each of the thirteen dimensions of quality of work life influencing
overall job satisfaction and organisational commitment. It is a statistical method for analysing associative relationship between a dependent variable and one or more independent variables. This method is adopted to ascertain whether the independent variables explicate a significant variation in the dependent variable. It also analyse the variation in the dependent variable explained by independent variables. It also determines the form of relationship and enables in anticipating values of dependent variable.

3.10 LIMITATIONS OF THE STUDY

The present study has certain limitations. The primary data collected through survey, where the possibility of respondents personal biasness. However, special care was adopted to get unbiased responses from employees of banking sector. The rationale and objectives were apparently explained to respondents. It was being ensured to them that their responses and details were only utilised for academic purpose only. The present study is restricted to the employees of public sector banks and private sector banks, the foreign banks are not part of the study. Also, the study has been conducted only in the state of Haryana.

3.11 CHAPTER SCHEME

The study contains seven chapters:

| Chapter-I | Quality of Work Life: An Introduction |
| Chapter-II | Review of Literature |
| Chapter-III | Research Methodology |
| Chapter-IV | Banking Industry in India: An Introduction |
| Chapter-V | Quality of Work life: An Analysis |
| Chapter-VI | Organisational Commitment: An Analysis |
| Chapter-VII | Findings and Suggestions |
REFERENCES


