CHAPTER-2
REVIEW OF LITERATURE

In this chapter, an attempt has been made to review the relevant studies already under taken on the subject. The review of literature is considered quite important for any research work as it serves various purposes which chiefly include identifying the gap that exists in the research area, drawing significant conclusions which can serve as a guide mark for the study, and understanding the different theories and methodologies prevalent on the subject. Thus, the various aspects and issues of this study are presented here through the review of available literature on the subject. Some of the studies on HRM Practices selected for the review are discussed as under:

2.1 STUDIES RELATED TO HRM PRACTICES

Mumpilly (1980) made a modest attempt to examine the cost and profitability of commercial banks in India. The study provides an analytical view of the trends in the components of cost of earnings of different groups of Indians commercial banks since nationalization. The study mainly focuses on the cost and profitability of banking industry as a whole rather than an individual bank.

Gupta and Goswami (1986) examined and found that profitability and planning in banks of establishment cost and staff strength induced some radical changes in measuring profitability of commercial banks. The authors, therefore, suggested an alternative measure which is based on the cost of mobilizing business, other things being equal. Elasticity of establishment costs (per unit of business) with respect to staff strength may be used to compare the operational efficiency (and thereby profitability) of different banks.

Nkomo (1987) explored the impact of Human Resource Planning (HRP) on organisation performance. The sample for the study consisted of firms listed in 1981 Fortune 500 Directory. Questionnaires were mailed to the vice-president of personnel / human resource management in each of these 500 companies, 264 were useable, over 35 per cent of respondents were top-level personnel officers, senior vice-president and vice- president of personnel/human resources. Six performance measures (sales growth, earnings growth, earnings per sales ratio, earnings per total assets, earnings per employee and assets per employee) were used in this study. These six
performance measures were calculated over the 5-year period (1976-80). Based on the classification procedure 264 respondent firms were divided into 121 categories one planners, 104 categories two planners, and 39 categories 3 planners. ANOVA analysis was used in the study. The findings show that the overall results of two analyses have not indicated any significant difference in performance between users of formal HRP and non-users.

Ojha (1987) made a comparison of productivity and profitability of public sector banks in India on the basis of per employee indicators. Taking the example of State Bank Group and Punjab National Bank, the author noted that Indian public sector banks are the largest and best performers on all accounts. The research analysis also indicated unsatisfactory position in the case of Regional Rural Banks (RRBs) and relatively lower productivity in the private sector banks.

Purohit (1992), in his doctoral work, studied the present state of HRD in Rajasthan-based commercial banks, i.e., State Bank of Bikaner and Jaipur (SBBJ) and Bank of Rajasthan (BOR). Sample consisted of 130 bank officers from the managerial personnel of both Banks. Chi-square test was used for analysis of data. It was found that commercial banks adopted a good HRD climate. The mix of leadership style of managerial personnel is perfectly in congruence with HRD needs. Training and Performance evaluation are vital instruments for HRD. The support of management and government is very helpful to implement HRD. A comparative study of the SBBJ (a public sector bank) and BOR (a private sector bank) has revealed that a good HRD climate exists, and a dominant style of leadership is developed in both these banks. Implementation of the HRD instrument is of a similar level in both the banks representing public and private sectors respectively. He suggested that Government of India should take steps and form a separate Ministry for HRD for the service sector. All the activities related to human resources of organization are included in the scope of HRD. Banks should recruit HRD experts and handover the task of developing human resources if they are interested to have successful HRD implementation. While planning and implementing HRD activities, the bank management should give proper importance to various attributes such as age, academic background, channel of recruitment, place of posting, etc.

Agarwal (1993), in his Ph. D. thesis, analysed the trend of cost of human resources and the positional changes in the cost of human resource in Life Insurance Corporation of India. The researcher tried to measure the extent of relationship between the productivity and the cost
incurred on personnel of the organization, and concluded that out of the total remuneration paid to administration staff, the share of administrative officers has increased during the study period, while that of middle class and manual staff has decreased. Out of total remuneration paid to field staff, the share of development officers increased, while the share of commission agents came down. The comparative study of the composition of average securing cost of different categories of salaried staff concluded that the share of administrative officers was higher as compared to other categories of human resource.

Mahajan (1993), in his doctoral research work, examined the organization structure, perceptions, attitudes, and beliefs of the employees related to the HRD climate, effectiveness of the performance appraisal system and training in the development of human resource. For this purpose, 240 employees were selected as a sample; and the study covered a period of eight years from 1985-86 to 1992-93. The study concluded that organization structure of the enterprises was well-laid and suited the organisation functions, employees were helpful to one another and satisfied with the personnel policies of the organisation. Top management had shown interest in the development of employees. Confidential reporting system was used as a performance appraisal technique but was not an effective technique. The study also revealed that the company under study was still following the old concept of HRD. Moreover, there existed no clear HRD objectives and philosophy. It was found that primarily human resource development, which should have been an undercurrent of all activities of the unit, is shockingly poor. The researcher revealed that prevailing training practices were satisfactory and well-oriented; and further suggested that there was a need to understand the importance of appraisal system and training programmes in the changing environment.

Jammu (1994) studied the origin and organisation structure of Punjab and Sind Bank. The study covered the personnel management aspects like recruitment, selection, placement, promotion, training, pay allowance and fringe benefits, code and discipline and employee employer relationship. The study concluded that employees were satisfied with the recruitment policy; staff was imparted special training courses and was satisfied. Promotion policy did not satisfy the employees due to political influence; training facilities were not adequate; and training centres were not well-equipped. Employees were satisfied with regard to salary structure, and code and discipline.
Verma (1995), in her research work, studied the personnel systems and procedures established at corporate level affecting the performance of executives in 128 Central Government Manufacturing Public Sector Enterprises, and determined the extent to which personnel management systems and procedures are reviewed and evaluated periodically for their contribution to high performance of executives. The research reveals a distinct trend at global level in personnel systems, procedure and practices over the last decade in some of the progressive organizations. Gaps are seen between precepts and practices regarding the claim of organization on various aspects of personnel systems and procedures. The policies and directives of government affect selected strategies and plans, and give considerable freedom in the administration of day-to-day personnel matters. A widely shared view is that implementation of the personnel system need to be strengthened.

Kumar (1996) made an attempt to study HRD practices with regard to different variables like age, sex, marital status, designation, educational qualification, length of service, and contribution of different HRD sub systems in the development of human resource. For this purpose, 200 employees were selected as a sample for the present study from the total employees working in the selected co-operative banks of Himachal Pradesh. He concluded that most of the employees got training but the age, sex, etc. variables were not taken into consideration in training. Employees were not satisfied with promotion policy. Education and professional qualifications were not given due weightage in promotion and transfer. Recruitment was made according to the manpower requirement and these variables were not taken into account at the time of recruitment. Majority of the employees were satisfied with the welfare facilities and performance appraisal system; and their overall attitude toward management was found positive.

Prassain (1997) studied the concept of training and development in Life Insurance Corporation (LIC). The researcher concluded that although the LIC has established officer training centre and zonal training centres to impart training to its employees, yet achievement made in this regard was not satisfactory. There was absence of appropriate feedback system to measure the effectiveness of training. The researcher emphasized that training programmes must be re-oriented to produce new attitude, new awareness, improved skill and responsibility among officers and non-officers.

Pandit (1998) focused on Human Resource Development practices in LIC by assessing and examining the attitude of employees towards different variables that ultimately lead to better
work culture. The study variables included HRD culture, performance appraisal, counsellor attitude, style of leadership and training effectiveness. Four divisions of northern zone were randomly selected as sample for getting the 400 questionnaires filled. She concluded that HRD culture is by and large being favoured by LIC people but HRD practices are not satisfactory. However, performance appraisal in LIC is still in its traditional form but is being supported by employees. Training effectiveness, counsellor attitude and leadership style in LIC are quite satisfactory.

In their research study, **Kane et al. (1999)** used the developed scales to measure the extent to which organisations exhibited “soft” or “hard” approaches towards Human Resource Management, and the extent to which potential barriers to the effective operation of HRM were present. The sample comprised of 549 employees, managers and HRM staff across a wide range of types of organisations in Australia, New Zealand, the USA, the UK and Canada. Results of the study supported the contention that HRM effectiveness can be achieved by both “soft” and “hard” approaches. Several barriers to HRM take-up were identified and there was little evidence that organisations generally operated HRM policies and practices that were seen as effective. However, very few differences between countries were found; and the authors suggested that the barriers identified and related to ineffectiveness of HRM may be all the more detrimental to the competitiveness of Australian and New Zealand organisations in the light of recent economic downturn in the Asia-Pacific region.

**Gupta (2000)** conducted a research study for the purpose of analyzing training and development activities of one of the leading electronic company, Bharat Electronic Limited (BEL). A sample of 120 employees had been taken for this purpose. He concluded that most of the non-executives were satisfied with the HRD programmes and training programmes which were based on the genuine training needs. An effort had been made to know the view point of executives as to the human resource development (HRD) programmes of the company. The researcher has deeply examined the training and development programmes and perception of staff toward the human resource development (HRD) programmes of the company.

**Sidhu (2000)** focused on various issues related to development of personnel in public sector commercial banks and deeply examined the human resource development (HRD) system of these banks. The researcher analyzed the training needs of personnel of these banks and further studied the different training programmes implemented by the bank. He also studied the
human resource information system (HRIS) of the bank. The researcher concluded that trade unions became a hindrance in the implementation of new technology as represented by computers. He suggested that need of technical skilled personnel would be felt as introduction of technology in these banks which would create a better career path and give better training to the employees for development.

Tiwary (2001) studied the priorities of human resource in cooperative sector. He found that in co-operative enterprises there was no separate human resource development (HRD) department. All managers were HRD manager in co-operative institutions. Cooperative organisations did not have competent manpower. The researcher stressed that there should be a training institute to train the members, directors and employees of the co-operative so that they can be developed as professional. Further, cooperative institute should provide priorities to the establishment of HRD department.

Gupta (2002) gave a broad-based regional analysis of LIC regarding organizational analysis, procedures and practices, pay policy, administration ethics, accountability, morale, training of personnel, etc. The researcher confined the area of his study to four divisions of North Zone and revealed that the recruitment programmes, training system, motivation and supervision had not been satisfactory. But most of the employees were found satisfied with the promotion policy.

Mishra (2002) conducted a study to work out the HRD practices in LIC in Northern Zone and selected six variables of HRD for study; HRD climate, HRD practices profile, performance appraisal, counsellor attitude, leadership styles and training. The researcher revealed that in LIC many HRD activities were already established as personnel practices. However, need to manage competently the decentralized set of offices, environment and market pressures requiring multiple dimensions of results, need to sustain and manage growth effectively and pressing need to ensure optimal utilization of resource for getting competitive edge in the market, all these necessitated increasing emphasis on HRD in LIC. The study addressed three main questions: 1) What is the nature and content of the practice of HRD? 2) What is the nature and content of the professional expertise deployed in the practice of HRD? and 3) How is professional expertise in the practice of HRD developed and constructed? The view of professional expertise as experienced performance and as an experiential relationship between the practitioner and the job that he or she is doing generated the constituents through
which professional expertise in HRD was explored. The study tested one established model, Model for HRD Practices, for the description of HRD work in the Finnish context as a part of a European comparative survey (n =164). Secondly, the study explored the experiences of twenty HRD practitioners through a semi-structured interview. The analysis of the survey data was descriptive and statistical, while a narrative approach was adopted in the analysis of interviews. The main findings suggested that despite the diversity found in its practice, the role of agent of organisational change was the most widely reported characteristic of HRD.

Supangco (2001) studied the relationship between sophistication of HRM plan and perceived organizational performance; the relationship between sophistication of HRM plan and the degree to which companies undertake practices with high strategic value; and the relationship between strategic value of human resource activities and perceived organizational performance. The researcher has focused on HRM systems that have great strategic value. Findings of the study supported all the hypotheses that all the three relationships were positive and significant.

Eugenia and Spathis (2001) investigated the personal and occupational characteristics of 444 public managers, candidates for human and technical skills training. A classification model was proposed which allowed the selection and weighting of the candidate trainees' personal and occupational differences in order to participate in one of the two types of training. By means of the step-wise logistic regression method, gender, age, education, attitudes towards training, managerial level and job tenure have been identified as the significant variables associated with type of training. The researchers argued that the choice of the type of training focused on human or technical skills is crucial in designing the training process. They suggested that these days training is seen as the key instrument in the implementation of Human Resource Management policies and practices in both the private and public sector undertakings.

Narasaiah and Reddy (2002) sought to review some of the significant HRD practices in Life Insurance Corporation of India. According to them, since 1988, as a part of the HRD intervention, the LIC has also focused on the individual growth of the people of organization. The goals of the personnel policy in the changing scenario aim to ensure sufficient number of persons with sound insurance background and experience at different levels. So, employees should get equitable opportunities to move up on the basis of their performance. Appropriate training needs to be given to them for handling the challenging situations. Personnel practices with respect to selection, appraisal, transfer and promotion must be ensured as fair and just to the
satisfaction of the employees, and steps must be taken to inculcate the philosophy of HRD in each and every mind of employees of the corporation.

Singh (2003) explored the effects of human resource practices on the firm performance. For the purpose of this study, the sample was drawn from firms listed in the Business Today (500 Indian firms) for three years 1995, 1996 and 1997. The study was conducted with an objective to find out the link between human resource practices, and firm performance. These human resource practices include selection, performance appraisal, job description, employees participation, career planning, compensation, information sharing and firm performance includes turnover, productivity and financial performance. The results showed that more investment in human resource could not result in higher performance.

Bhudhwar and Boyne (2004) made an attempt to compare the human resource management practices in Indian public and private sector organisations. The key areas of analysis were structure of human resource department, the role of human resource function in corporate change, recruitment and selection, pay and benefits, training and development, employees’ relation, etc. A questionnaire survey of sample size 450 was adopted to collect the data from the Indian firms having 200 or more employees for a period from January 1995 to April 1995. They concluded that on average there was similarity in the recruitment and selection practices which were based on external sources in both public and private sector, the difference was that private sector recruitment approach was affected by the social contacts. Relating to the compensation, public sector approach was based on seniority, while private sector approach was based on skill and competency. The research revealed that the gap between human resource practices in two sectors was not frequently significant.

The research conducted by David et al. (2004) used data from surveys of U.S. employees to determine whether certain trends are apparent in the proportion who say they receive some form of training at work. Discussions of economic change in the U.S. and elsewhere have frequently asserted that work has become more intellectually demanding. This implies that training in workplaces should have become more prevalent. However, the survey data does not reveal any overall trend in the prevalence of workplace training between 1970 and 2000. There did appear to be a rising trend for women, evidently reflecting women’s increased representation in professional and managerial occupations.
Roos et al. (2004) examined the change of the HR function into HRM taking on the current strategic role. Recent work on the links between HRM and business performance is reviewed highlighting the conclusion that while the links are not disputed by researchers using variety of approaches, the ability to characterize definitive casual links has proved almost impossible. The techniques and resource based approach of intellectual capital (IC) may provide the key to quantify the links but again, work to date has proved that it may not be possible to clearly separate HRM from other management actions to quantify the effects of HRM.

Green and Skinner (2005) pointed out that in increasingly competitive business environment, organisations have sought to increase productivity and reduce costs. The consequences of this for many employees include increased workloads, longer working hours and greater time pressures which, the evidence suggests, are linked to stress, high rates of absence and turnover. At the same time, there has been an increasing emphasis on the desirability of achieving work/life balance for individuals. In pursuit of these apparently conflicting demands it has been argued that individuals must work ‘smarter’ rather than harder and that individuals need to develop the ability to manage their time effectively to achieve this. Yet, previous research on time management training has been limited in scope, open to criticism in terms of research approach and inconclusive in assessing the effectiveness of such training. The paper reported the results of a longitudinal and triangulated evaluation of time management training undertaken in a variety of organisational settings, which sought to establish whether the training was effective, not only from the viewpoint of the participants, but also from the perspective of their managers. The evidence, collected using quantitative and qualitative approaches, suggested that although such training is affected by context and motivation, it does have a positive impact for majority of the participants.

Mahajan and Sharma (2005) undertook a research study with an objective to cover most of the concepts of human resource development (HRD) like recruitment, selection procedure, placement, training, promotion, wage salary and financial incentives, transfer, deputation, industrial relation, and political interference in the cooperative banks. A sample of 50 employees had been taken for the study. The researchers concluded that Human Resource Practices (HRD) in the cooperative banks were not satisfactory. Employees had low level of satisfaction with regard to the HRD practices of the bank.
Kaushik (2005) evaluated the organizational structure, human resource planning, recruitment policy, training process and performance appraisal of the Punjab State Cooperative Supply and Marketing Federation Limited (MARKFED). The study was mainly based on primary data; and a structured questionnaire was used for the purpose of the study. The researcher concluded that present structure of the MARKFED was formal and systematic. There was lack of human resource planning in the organization, and recruitment policy was also not fair. The study further concluded that training was not given adequate attention in the MARKFED; and there were no in-house training facilities for the employees. Annual confidential report was used as performance appraisal system to measure employees’ performance in the organization. The researcher further suggested that organization should use recruitment mix in spite of using newspaper advertisements. A separate human resource department for human resource planning was suggested by the researcher. Replacement of ACR with open appraisal system was also recommended.

Eric and Erik (2006) propounded the research on “The Fit of Employee Ownership with other Human Resource Management Practices: Theoretical and Empirical Suggestions Regarding the Existence of an Ownership High-Performance Work System,” embedded employee ownership within a strategic human resource management (SHRM) framework, and in so doing, aims to redress in part a lack of attention in previous employee ownership and SHRM literatures. The study extends the configurationally approach to SHRM to include the construct of the workforce philosophy as the factor that determines the coherence of HRM systems. The companies that have employee ownership as a central element and core HRM practice should do two things in order to ensure that their HRM system is coherent and potentially a high-performance work system (HPWS). First, these firms should propagate the idea that employees deserve to be co-owners and take employees seriously as such. Second, the HRM system should reflect this workforce philosophy: the HRM system should contain HRM practices that mirror the rights that make up the very construct of ‘ownership’. The core HRM practices of the ‘ownership-HPWS’, in addition to employee ownership, are: participation in decision-making, profit sharing, information sharing, training for business literacy and mediation.

Shahnawaz and Juyal (2006) studied Human Resource Management practices and organizational commitment in different organizations and described that American concept is no longer confined to the American society. This study described that Human Resource
Management (HRM) involves all management decision and practices that directly affect or influence the people, or human resources, who work for the organization. Human resources are significant strategic levers and the sources of sustained competitive advantage. The study explored and compared various HRM practices in two different organizations—consultancy/research based organization and fashion industry. The study aimed at assessing how much of commitment in the two industries can be attributed to HRM practices. Forty-five participants each were randomly selected from the two organizations. HRM practices were measured by Geringer, Frayne and Milliman scale, while organizational commitment was measured by Meyer and Allen scale. Data was analyzed by t-test and multiple regressions. HRM practices were found significantly different in two organizations and mean scores on various HRM practices were found more in the fashion organization. Regression results showed that various HRM practices were significantly predicting organizational commitment in two organizations and also when they were combined. Performance appraisal and ‘attitudes towards HRM department’ were the significant.

Quadir et al. (2006) evaluated the activities of HRD and identified the important factors affecting the management of an organization in assessing training needs and measures for HRD in Bangladesh. The sample was collected from 30 companies from 3 industries, namely, from textile and clothing, Steel and engineering and pharmaceutical. They found that on the job training and job orientation were most frequently used methods; and computer based training was increasingly used during the last few years. Among the training courses offered by the selected enterprises, accounting, management and supervision, industrial relations, marketing and safety measures are used but decision-making still remains in the hands of employers. Assessment of training needs has been identified by three factors namely, the achievement of company objectives, efficiency and productivity and the growth of business in a fashioned sequence. Selection of trainers based on the professional background, experience in training and availability of fund/ cost of training. He suggested that the following factors should be considered while making policies relating to HRD through primary and secondary education, upgrading the basic education of the workforce, expanding and improving in company training, upgrading skills in service sector, continuing education and training, greater employers involvement in education and training and adapting education and training to market economy.
Srimannarayana (2006) studied the human resource management practices prevailing in small business units in India. For the purpose of this study, he collected data from 41 small business units located in Jamshedpur. It was found that the small business units do not have formal HRM policies in place, but they do have HRM practices such as recruitment, selection, training, and performance appraisal. The predominant characteristics of these practices were found to be informality and flexibility. After studying the constraints and opportunities of small business units, he suggested the formalization of a sound performance appraisal system that can be used to motivate better performers. This, in turn, could be linked with monetary benefits so that the small business units as well as employee benefit significantly.

Haslinda (2009) has examined the evolving terms in human resource management (HRM) and human resource development (HRD). Based on a review of the literature, this paper drew the concepts surrounding the terms in human resource management and development. It was found that the terms HRM and HRD have evolved along with globalization and rapid technological advances. Due to these changes in the environment, new terms are seen to be necessary to describe new ideas, concepts and philosophies of HRM and HRD. Currently, and in the near future, new terms will emerged to describe the philosophy of HRM and HRD. This paper suggested a need for practitioners to understand the various terms describing HRM and HRD before it is used in organizations rather than to use new terms to describe old ideas or functions of HRM and HRD.

Ashraf (2007) explained that human development envisages the creating conditions towards developing motivated and skillful human resources dedicated to the task of producing goods and services for the goodwill and welfare of the society. He recommended on the basis of his descriptive study that in order to achieve higher standards of human development in our country a multi-pronged approach is necessary and this approach must comprise a higher growth rate, a larger expenditure on social sectors, and efficient utilization of funds allocated and development of appropriate institutions at the grassroots level to promote community participation and monitoring.

Lata (2007) made an attempt to understand the whole journey which started from social obligation and culminated in the form of Training and Development in the power sector. The study examined the methods employed in PSEB for the identification of training and development needs, organisation of training and development programmes and their evaluation.
The drawn findings and conclusions were based on facts collected in the survey undertaken for the present research work on the basis of analysis of secondary data as well as primary data. The analysis related to training and development leads to the conclusion that there is no formal system to assess the training and development needs of the employees in PSEB. However, the PSEB provides training to its employees. The training is predominantly informal and on the job. But one can observe the trends that PSEB started sending their managers and supervisors to various outside training institutes, which provide training on technical aspects. She suggested that continuous education of workers will help them to be multi-skill operators which in turn can make power sector undertakings more versatile and can reduce pockets of idle capacity. There should be outsourcing for training of trainers of PSEB, so that they can impart training and develop its human resources in the most effective way to the trainees.

**Nathani et al. (2007)** have studied the work attitude as a correlate of work performance of public and private sector banks of Gwalior Region. To assess the degree of work attitude and work performance, 5-point Likert scale was adopted. The researchers found that work performance and work attitude available to the employees can be improved by increasing the level of involvement of the employee. The study conducted with Z-test values showed a significant difference between public and private sector banks considering work performance. The study also revealed that work attitude is significantly contributing towards work performance in both public and private sector banks, but the beta value is more in the case of public sector banks which denotes that the work attitude influences work performance more as compared to the private sector banks.

**Kundu and Malhan (2007)** explained that competitive advantage generated by a company from human resources (HR) and company performance is influenced by a set of effective HRM practices. ‘Workforce diversity and contemporary HR practices', and 'competitive compensation' were also practiced but not as high as other practices.

**Budhraja and Sharma (2008)** studied the causes of stress among insurance employees. The data for the study was collected from two insurance companies. It was identified that the employees mostly suffer from stress due to heavy work load and unattainable targets, thereby generating work life imbalance.

**Sharma and Sharma (2008)** focused on the anatomy of stress in service sector in India to find out the symptoms, coping mechanism and factors responsible for stress among
employees. This study also attempted to find out the cause and effect relationships between impact of stress and their coping mechanism and demographic variables. Researchers have concluded on the basis of analysis of collected data that the cost of stress is not only direct but also leads to much indirect cost. Skill Management skills work best when they are used regularly, not just when pressure is on and the stress management is only possible when the organization is in a position to know the factors which led to stress.

**Compton (2009)** stated that over the past twenty years much has been written on the need for contemporary organisations to adopt an empowered leadership style supported by innovative and integrated human resource management strategies. This paper examined a major Australian government owned Energy Company’s leadership and HRM strategies in the context of a ten year campaign by the government to privatise the industry. A strategy to create a new and empowered culture has been analysed in terms of its drive not only to prepare the workforce for a privatised industry, but also develop a highly competent leadership team alongside a supportive and integrated competency based model for strategic human resource management.

The literature has emphasized the important role played by the human component in the competitiveness and response capacity of organizations, and this is reflected in numerous publications and research studies that have appeared in recent years.

**Amer (2009)** studied the existing bank managers’ leadership style and its impact on employees’ job satisfaction. The study was made on twenty bank branches of southern part of West Bank, Palestine; and a sample of 89 employees was selected on the basis of stratified random sampling technique. The primary data was collected with the help of a questionnaire which comprised of three parts, namely, demographic profile, leadership style, and job satisfaction. For the purpose of the study, the researcher identified three main leadership styles, viz. democratic, autocratic and laissez-fair. The collected data was analysed with the help of statistical tools, namely, mean, mode, median, standard deviation, correlation analysis and chi-square test. The results of the study showed that democratic leadership style was the most commonly used style by the bank managers followed by authoritarian and laissez-faire style of leadership. However satisfaction among bank employees was found as moderate. Further, male employees were more satisfied as compared to the female employees.

**Kaur (2009)** examined perceptions of employees about HRM practices in LIC and suggested the ways to improve HRM functions in LIC of India. The study was confined to North
Zone of LIC only. The primary data was collected by personal observations, interviews, discussions with the staff and officials at different levels of LIC. Sample of the study was 300 consisted of class I, class II and class III employees. Secondary data was collected from the Central office and various offices in Northern Zone of LIC through published manual records, magazines, printed material of LIC, etc. Statistical tool Chi-square was used for analysis of data. It was found that LIC has a very good personnel policy. There was a good system of recruitment and selection for different levels of employees. Training and development policy was cadre-based not need-based. It had a conventional pattern of performance appraisal. There is lack of succession planning. There was no major change in recruitment and selection policy after privatization of insurance sector. There was lack of proper communication between appraiser and appraisee and there was no opportunity for self-assessment and improvement. Employees strongly favoured that DOPA should be introduced in all cadres. She suggested that recruitment should be based on well worked manpower planning. There should be proper succession planning to fill senior and vacant posts. Training should be need based. The results of performance appraisal should be communicated to employees so that they can correct their weaknesses. LIC employees should be made to feel free to express their ideas and experiment with new ways of doing things. Information about various variables of HRM should be mentioned in annual reports of LIC.

Ali (2009) compared the role of leadership in public and private sector organisations in Pakistan. The data was collected from 115 assessees and 520 assessors (including self, superior, peers and subordinated). The sample from six organizations, namely, Aero Asia, PFA, Agha Khan Hospital, Civil Hospital, MCB and NBP was considered for the study. A questionnaire was used for collecting data and measuring the competencies, namely, strategy, communication, knowledge, learning influence, relationship, delegation, priorities, integrity and confidence. For the purpose of analysis, statistical tools such as mean, standard deviation and one sample t-test were applied. The results of the study showed that private organisation leadership was performing better as compared to public sector organisation leaders.

Mann (2009) studied the Human Resource Management policies and practices in SSIs. He also studied the policies pertaining to wage compensation, methods of performance appraisal, reasons for high labour turnover and absenteeism in SSIs and studied the factors responsible for conflicts between Management and employees in small scale industry. Both primary and
secondary data was used. Secondary data was collected from published and unpublished records and reports of Government of Punjab. The primary data was collected from 430 SSIs from 10 different industries, namely, Hosiery and Textile, Cycle and Cycle parts, Electronics, Agro Industry, Food processing, Engineering Products, Surgical and Scientific instruments, Sports goods, Leather goods and Chemical Products. Chi-square was used for analysis of data. It was found that labour relations are more cordial in Punjab as compared to other states. Most of the respondents have awareness about the Human Resource Management concept. It increases the individual efficiency. Human Resource Management helps in creating an atmosphere of trust and openness in the organization. It increases the productivity. The employees are satisfied with the present wage compensation policies. There was a mixed response regarding the performance evaluation method. Most of the respondents said that the rate of labour turnover and absenteeism is high due to conflicts between management and employees’ unions. Working condition is one of major issue for this. The researcher suggested that employees of the organization should know and understand the objective of introducing HRM in organization. It should increase individual and organizational productivity. While recruiting employees, internal sources should be given priority. Training should be provided to the employees working at different levels. Top management should be committed toward Human Resource Management in the organization.

Karthikeyan and Shyamala (2010) stated that employee training is becoming a necessity to every organization nowadays. Employees are entrusted different roles and responsibilities in the banks. Training enables them to carry out these roles and responsibilities efficiently. They also learn new things, which prepare them to take up higher responsibilities in the future. In this study, the researchers studied the existing practices of the various aspects of training programme and its effectiveness in selected public and private sector banks in Tiruchirappalli district, south India. This is mainly to assess the present status of the employee effectiveness in discharging the roles and responsibilities in tune with the objectives of the bank. The aim is to assess the effectiveness of the various facets of training, i.e., employee’s attitude towards training inputs; quality of training programmes; training inputs and application of training inputs to the actual job.

Shikha (2010) stated that over the recent years, there has been an increasing interest in the field of human resource management. Currently, the literature encourages the consideration of human resources as strategic factors, not only because they play important role in strategy
implementation, also because they are beginning to be reckoned as sources of sustainable competitive advantage. Relationships between human resource management and productivity have been studied from different perspectives. This study investigated the extent to which commercial banks of India differ on aspects of human resource management practices and the key Human Resource Practices contributing to employee productivity from a sample of 184 respondents belonging to three commercial banks of India (one foreign sector, one private sector and one public sector bank). The researcher found that more the HR practices are in place, more would be the competence of the bank employees. They would have sufficient role clarity in their job and no intention to leave the organization. This paper concludes that if the commercial banks in developing countries like India are able to successfully implement HR practices, they could achieve the maximum contribution of their employees, although, at present, the economic and political environment within which HR practices operate is not that much conducive.

The research paper contributed by Kundu and Malhan (2011) focused on the study of Indian and Multinational banks to assess the human resource management practices being followed in these banks operating in India. Primary data based on 312 observations from 29 branches of 6 banks (4 Indian, 2 Multinational) was analyzed to assess HR practices in these banks. Statistical tools like percentages, correlations, standard deviations, factor analysis, mean scores, and ANOVA were used. Factor analysis brought out five factors in all. Research analysis traced that factors, namely, ‘selection, development and performance appraisal’ and ‘job analysis and human resource planning’ were practiced highly in banks. Two factors, i.e., ‘contemporary Human Resource practices’ and ‘competitive compensation and flexible-work system’, were moderately practiced. ANOVA results showed that Multinational banks were stronger on competitive compensation (pay for performance, benefits) and flexible-work system (like flexible work hours). The gender effect was significant in case the of ‘selection, development and performance appraisal’.

Khaled and Idrish (2011) empirically evaluated six Human Resource practices, viz. realistic job information, job analysis; work family balance, career development, compensation and supervisor support; and their likely impact on the employees’ intention to leave the Bangladeshi banks. The sample consisted of 233 employees working in different banks of Bangladesh. The data was gathered by administering questionnaires. The results indicated that the variables such as job analysis, career development, compensation, and realistic job
information were negatively and significantly correlated with EIL. Findings suggest that most of the employees believe that banks are in support for work family balance. Compensation and job analysis are found to be strong HRM practice predictors of EIL. The implication of this finding is that compensation and job analysis are the most critical HRM practices to be implemented by banks to reduce EIL. The findings of this research study will be important both on the theoretical and practical level.

Mir Mohammed and Monowar (2011) explored adoption of new HRM practices in the public and private sector organizations of Bangladesh. They collected data from sixty industrial enterprises located in the main industrial city of the country, i.e. Chittagong. This study revealed significant difference on adoption of new HRM practices between public and private sector industrial enterprises of Bangladesh. Employees in the private sector organizations appeared to be more satisfied than public sector organizations with organizational HRM practices.

Shikha (2011) examined human resource practices and their impact on employee productivity in private, public and foreign bank employees in India to investigate the extent to which commercial banks differ on aspects of human resource management practices and the key human resource practices contribute to employee’s productivity. A sample of 184 respondents was drawn from three commercial banks of India (one foreign sector, one private sector and one public sector bank). This paper concludes that if the commercial banks in developing countries like India are able to successfully implement HR practices, they could achieve the maximum contribution of their employees, although, at present, the economic and political environment within which HR practices operate is not much conducive.

Chettiar et al. (2011) indicated a model to conduct an empirical study in Malaysian Industries in order to improve their financial performance. The study located many factors which are effective factors in improving performance of Malaysian industries, namely, employee participation, training and job description, career planning system, compensation system, selection system, and performance appraisal system. According to them, job satisfaction plays a fundamental role in determining the performance in Malaysian industries. In this research, a model has been developed that includes Human Resource Management Practices and job satisfaction to study their influence on the performance of Malaysian industries. It is hoped that this paper can provide an academic source for both academicians and managers due to investigate the relationship between Human Resource Management Practices, Job Satisfaction,
and Financial Performance in a systematic manner to increase successful rate of Human Resources.

Iqbal et al. (2011) carried out a comparative research study on HRM Practices in public and private universities of Pakistan. They compared the HRM practices of public and private universities in Punjab province of Pakistan in order to achieve the set objectives. The data for the study was collected through a questionnaire comprising 30 items mainly related to job definition, training and development, compensation, team work, employee’s participation and performance appraisal. The collected data was analyzed by applying descriptive and inferential statistical techniques such as means and independent sample t-test. The results showed that there was a significant difference in HRM practices according to executives of public and private universities. HRM practices in the areas of job definition, training and development, compensation, team work and employees participation were better in the public universities than private universities. However, performance appraisal practices were found better in the private universities than public sector universities and they recommended that the HRM executives of private and public universities should improve their HRM practices in favour of their employees.

Bowra and Bilal (2012) made an endeavor to examine the relationship and nature of relationship between the employee perceived performance and human resource (HR) practices (compensation, performance evaluation, and promotion practices) in the banking sector of Pakistan. Survey of 235 banking personnel was conducted through personally administrated questionnaire to investigate the impact of HR practices on employees’ perceived performance. The relationship and nature of relationship is calculated by applying the Spearman’s correlation matrix and multiple regression analysis. The Spearman’s correlation results demonstrate that the employee perceived performance and HR practices have a positive and significant relationship. The regression results indicate that the two HR practices: performance evaluation and promotion practices are significant but the compensation practices are not significant. Moreover, this study provides help for top management of banking sector to design or revise their HR policies and make practices to attain high employee performance.

Ali and Iqbal (2012) analyzed the Human Resource Planning internal fit and external fit. The major focus of the study was how HRP can contribute towards achieving competitive advantages and organizational strategic objectives. The basic purpose of HRP in this paper was to indentify the future needs and availability of human resource with the skill required in the
firm. The authors recommended the four developments in human resource were operationally reactive human resource, operationally proactive human resource, strategically reactive human resource and strategically proactive human resources. However, strategically proactive human resource is the only solution today in which a manager creates strategic substitutions. Make the culture of the organisation to be more imaginative and novel. The authors find that developing potential in the organisation that constantly follows and aligns with the external environment.

Afzal et al. (2013) focused on the effect of HRP on the organization performance in Telecom Sector. The data was collected from the top managers, middle level managers and the first line HR managers of 50 offices including head offices and regional offices of 160 questionnaires including some interview and open-ended questions based on the measures of performance and HRP. The research is investigative in nature. They used linear regression to check the effect of dependent variable (efficiency, employee motivation, job satisfaction and technology) with independent variable (selection, training and incentives). The findings show that selection, training and incentives have a positive and significant relationship with efficiency, employee motivation, job satisfaction and technology. H0 was rejected and H1 was accepted that HRP has a significant relationship with organization performance.

2.2. STUDIES RELATED TO JOB SATISFACTION

Mathew (1992) attempted to assess the effectiveness of personnel management practices, compensation system and level of job satisfaction of employees to evaluate the industrial relations in the co-operative organizations in the state of Kerala. A sample size of 459 employees had been taken for the purpose of the study. The study covered the period from 1987 to 1992. The researcher found that personnel management practices in the co-operative organizations of Kerala were not satisfactory. There was no proper planning, recruitment, selection procedure and performance appraisal system in these organisations. It was also found that seniority based promotion policy was followed; and most of the employees had favoured it. The employees in these co-operative organisations were fairly compensated but most of them had shown dissatisfaction with their emoluments. The researcher suggested that co-operative organisations should improve their personnel policies.

Graham and Messner (1998) investigated the relationship between demographic features such as age, gender, size of enrolment, and years of experience on principles of job satisfaction. Sample size was of 500 Principals, from American Midwestern elementary, middle
and senior high school Principals. The Principals Job Satisfaction scale was developed in the paper on the basis of Herzberg’s Motivation–Hygiene Theory. The questionnaire was divided into 8 parts having variables job satisfaction and with four principle descriptive variables. For the purpose of analysis, Chi-square technique had been used. The findings revealed that Principals felt satisfied with their job, their colleagues and level of authority. The findings also showed a strong relationship between experience and age on job satisfaction.

**Selvaraj and Deivakani (2005)** conducted a research study on the profile of the society, and relationship between level of job satisfaction and other factors like locality, experience, age, marital status, educational qualification, salary and promotion. As many as 100 employees were taken as a sample for the study. The study concluded that most of the employees were not satisfied with their present position. The researchers further concluded that officers of the society were having better job satisfaction as compared to clerks and vendors.

**Chan (2007)** examined work-life balance and impact of family friendly policies on employees’ job satisfaction and turnover intention. Data was collected through a questionnaire. Questionnaires were distributed to full time employees in different organizations such as Hong Kong Housing Authority, educational institutions and other business organizations. According to the reference of Grover, S.L. and Crooker, K. (1995), the 12 family friendly policy items were selected and divided into four main categories which were compressed work week (Five day work week), Flexi-time policies (four items), Family Leave policies (five items) and Employee assistance programme. The findings of this study showed that family friendly policies to have a significant positive relation with job satisfaction and negative relation with turnover intention. The significant impact of whole family friendly policies to job satisfaction is mainly from five day work week policy and employee assistance programmes. The benefits to the organization for adopting more family friendly policies are clear, to gain a healthy and productive workforce. The findings of this study support and encourage more family friendly workplaces in Hong Kong. It serves as reference for organization to propose more effective policies in the future.

**Saxena and Tiwari (2009)** presented a paper at the 9th Global Conference on Business and Economics held at Cambridge University, U.K. They made an attempt to find out the type of HRD climate that is prevailing in public sector banks in Ahmedabad. The researchers also tried to find out the difference in the perception of employees regarding HRD climate on the basis of age, gender, designation, and qualification. The researchers collected the data from the
employees of selected public sector banks using structured HRD climate questionnaire. The data was analyzed using several statistical tools such as mean, standard deviation, percentiles, and Z-test. The results showed that the HRD climate in public sector banks is average; and the perceptions of employees regarding the HRD climate do not differ significantly on the basis of gender, qualification and designation but these differ significantly on the basis of age. The paper concludes by offering certain useful suggestions to the management involved in the operations of the banks.

Shrivastava (2009) conducted a study on a sample of bank employees selected from both public and private sector banks situated in India to examine their perceptions regarding job satisfaction. All the bank employees were middle-level managers. A sample of 340 respondents comprising 230 bank employees from the public sector banks, and 110 bank employees from the private sector banks was taken. Job satisfaction is measured through a five-faceted Job Diagnostic Survey (JDS). An independent-sample t-test was computed to test the mean differences regarding four facets of job satisfaction. Levene's test has been used to assess the equality of variance in different samples. The results indicate that the degree of the effect is large for the pay and growth factors, moderate for the social factor, and very small for the security factor. The study brings forth the sectoral differences in terms of compensation; growth opportunities, social environment and job security which play a significant role in influencing employees' perceptions of job satisfaction. The author suggested that the public sector banks need to increase employees' pay satisfaction by introducing a differential pay system based on one's merit and effort. In addition, human resource practices must be effectively and fairly used to enrich one's job. HR practices can be potentially used to chalk out employees' career paths by ensuring the proper disbursement of growth and training programmes. Private sector banks need to introduce special schemes related to pension, gratuity, retirement, and other related benefits to enhance the employees’ sense of security.

Artz (2010) identified relationship between employer fringe benefits provision available and workers job satisfaction. The paper had identified fringe benefits such as facility of education to employer’s children free of cost, sponsored parties, facility of clubs or any other entertainment, etc. The study had sample size of 500 executives from five organizations. In the research design, Longitudinal Survey of youth was done. The main objective of the study was to measure the level of satisfaction due to fringe benefits provided and leading to higher
performance. For analyzing the relationship, econometric technique bi-variate profit problem was seen among rank and gender related to satisfaction with pay, promotions and the physical conditions/working facilities provided to faculty by the Universities.

Ikhlas and Al-Kilani (2010) investigated the turnover phenomenon in the Jordanian hotel sector, which experienced relatively high turnover, and examined the impact of human resource management (HRM) practices on employees’ turnover intentions. A self-administrated structured questionnaire based on previous studies was constructed, and data was collected from 250 employees. The results show that job analysis has a significant effect on employees’ turnover intentions. However, no statistical evidence is found regarding the effect of other HRM practices on employees’ turnover intentions. In addition, and importantly, it is found that more than half of the participants intended to leave their hotel employment in the near future, but there is no relationship between their age and their intentions to leave. The study suggests that incentive plans based on rewards, bonuses, salaries enhancement, and performance appraisal reports could be useful strategies to be reconsidered in the surveyed hotels.

Bilal et al. (2010) conducted a study on the impact of family friendly policies on employees’ job satisfaction and turnover intentions, which says that work-life conflict has a damaging effect on job satisfaction, organizational commitment, productivity turnover, and absenteeism. On an individual level, work-life conflict is associated with employee burnout, mental health issues, substance abuse, and diminished family functioning. Thus, work-life balance is an important issue to the Banking industry, in terms of both organizational effectiveness and occupational health. Long and inflexible work hours are the most consistent predictor of work-life conflict among the bank employees, particularly those working in the office. There is considerable resistance to the adoption of new ways of scheduling work within the banking industry. The study concludes that project alliances provide an ideal environment in which work-life balance initiatives can help to create high-performance work systems in the banking sector.

Salman (2010) conducted research on job satisfaction among bank employees in Punjab Province of Pakistan in the form of a comparative study with the aim of studying job satisfaction level. The researcher spotted five components of job satisfaction; work, pay, promotion, salary and recognition were examined besides overall job satisfaction. Overall satisfaction has been taken as a dependent variable and various other factors like promotions, salary, job security,
recognition, work environment etc. are considered as the independent variables. To achieve the objectives of the study 200 questionnaires were sent in three main cities of the Punjab, i.e., Faisalabad, Lahore and Sialkot. Out of them 40 were not returned; and 16 were incomplete leaving 144 for analysis. All employees aged between 20 to 60 years. The data was collected from four banks; two belonging to the private sector which includes NIB Bank and Summit Bank, and other two belonging to the public sector, namely, The Bank of Punjab and First Women Bank. A structured questionnaire designed for the purpose of this study was approved by the Ethics Committee of the University of Faisalabad. The five-point Likert Scale was used in the questionnaire. The findings of the study indicate that the sectoral differences in terms of salary, promotion, job security, recognition and benefits play a significant role in influencing one’s perception of job satisfaction. Furthermore, the present study attempts to enrich the existing knowledge base in the area of job satisfaction in banking sector (both public and private), as there have been very few studies within the Pakistani context that have studied bank employees’ perception of job satisfaction. The public sector banks need to introduce new pay system based on merit for employees’ pay satisfaction. Human resource practices regardless of sector (public or private) must be effectively and fairly used to enrich employees’ job. Furthermore, private sector bank employees reported dissatisfaction in terms of job security. To overcome this obstacle private sector banks need to introduce special schemes related to retirement, pension, gratuity and other benefits to enhance the employees’ sense regarding job security in effort to increase organizational commitment which, in turn, will lead to employees’ commitment and high degree of satisfaction.

Ganguly (2010) conducted the study on quality of work-life and job satisfaction of a group of university employees, with the objectives of studying the perceived quality of work-life (QWL) of the university employees, the nature of their job satisfaction and the nature of association between QWL and Job Satisfaction. In order to select subjects for the present study a special list of the clerical employees working in a university was prepared using Quality of Work-Life Questionnaire on a six-point scale with “highly satisfied” to “highly dissatisfied” response pattern. General demographics of the selected employees in terms of age, academic qualification and working experience in the present organization were processed by calculating percentages and mode values. In case of quality of work life and job satisfaction scales, mean and standard deviations were calculated separately for each scale and sub scale. The results
indicate that the selected group of university employees perceived different aspects of their quality of work-life as either uncongenial (viz. autonomy, top management support and workers’ control mainly) or they have had a certain amount of dilemma to comment on a few other aspects (such as personal growth opportunities and work complexity mainly) bearing the potential involving a slight trend of negative opinion. In addition, a set of three component dimensions, autonomy, top management support and worker’s control of the QWL had also been identified as very significant aspects where the satisfied and dissatisfied group of employees did differ. Lastly, the nature of correlation between the job satisfaction and QWL dimensions reveal that the Quality of Work-life significantly contributes towards increasing satisfaction or dissatisfaction as experienced by the employees in their concerned job depending largely on the perceived positivity or negativity of the relevant dimensions respectively.

Mir Mohammed et al. (2010) aimed at exploring the impact of HR practices on job satisfaction in the context of Bangladesh. A total of 60 responses from 20 manufacturing firms were collected and analyzed objectively. It was found that HR practices have significant association with job satisfaction. In addition, human resource planning, and training and development were found to have a positive impact on job satisfaction. It was also found that job training and development has the greatest impact on job satisfaction. Academicians, researchers, policy-makers, practitioners, students, local and foreign entrepreneurs of Bangladesh and other similar countries could benefit from this paper by exploring the association between HR practices and job satisfaction.

Muhammad (2011) conducted a study on employee work satisfaction and work-life balance in Pakistani perspective with the objective of exploring how the concepts like job satisfaction and work-life balance are defined by the authors across the world; secondly, to examine the relationship of both the variables; and lastly, to know what type of work-life balance facilities are offered by the Pakistani organizations. A sample of 450 layoff survivors working in two giant organizations, namely, Pakistan Telecommunication Company Limited (PTCL) and Habib Bank Limited (HBL) was considered for the study gathered through stratified sampling technique. The scale used for employee work satisfaction (EWS) was designed by keeping in view the available research works and literature reviews on job satisfaction and work-life balance. The results depict that no significant differences are found in employee satisfaction and balancing their work-life activities at all the stages of management (Top, Middle and First
Level). PTCL layoff survivors are the people using very less facilities as compared to HBL layoff survivors.

Kumar (2011) examined job satisfaction in Bhakra Beas Management Board; and attempted to assess the job satisfaction and their mean difference among various satisfaction levels. The mean difference of satisfied and dissatisfied groups to job satisfaction is also attempted. Primary data has been assembled by employing a well-structured questionnaire. A sample of 360 respondents was selected from all the units of the organization. The content, construct and item to total correlation validity were established. Reliability of the instrument was justified through the calculation of Cronbach’s (α) alpha coefficient. The test-retest measure of reliability coefficient for job satisfaction scale was found acceptable. The findings appear to be reasonably valid in view of the deplorable socio-economic conditions of the employees and their factors influencing job satisfaction.

Suleman and Sharma (2011) stated that in India the Narasimham Committee in 1991 recommended steps that were needed to improve the financial health of Indian banks. The researchers commented that banking reforms in India were initiated on all fronts, and were much faster and pronounced in the financial sector. Are the Indian banks nurturing specialization and expertise development, in other words, had rejuvenate HRD measures been initiated? Little has been done in this area. The present staff is without specialized skills; and no attempt to attract fresh talents is being done. Competitively the Indian banks are at disadvantage as compared to private and foreign banks. In the banking industry, raw material is man. In the 21st century of globalization, encouraging and motivating employees are essential for organizational growth. The old banking concepts are outdated. The banking is under revision and renovation. The employees need to handle and manage the recent technical changes. Further, they also need to inculcate a sense of participation and idea of being bank itself and not merely an employee. There is an urgent need to build up requisite professional cadre, rationalize staff structure in loss making branches. They have to match their service to adequately meet the developments in international banking fields and charts in the real sector, if they have to survive successfully. HRD has to be correctly understood and undertaken. A beginning has been made but a lot more is to be done.

Mathew and Panchanatham (2011) remarked that work-life balance has now been used as a new corporate paradigm concept in human resource management. They concluded that
employees find it difficult to strike a balance between responsibilities at work and at home due to the pressures of globalization, competitive work culture and changing way of familial and societal life. Absence of work-life programmes leads to a conglomerate of problems to human resource managers’, viz. absenteeism, employee attrition, increasing employee turnover, medical expenditure, problems at work place, etc. Employees feel that demands of work dominate their lives. This has led to the forward thinking of Human Resource Professionals about the strategic importance of work-life balance (WLB).

**Malarvizhi (2011)** conducted a study titled, “Job Satisfaction of the Employees in Airline Industry- An Empirical Evidence”. This work aimed to study the level of job satisfaction of the airline employees, and also identified the factors determining job satisfaction and job dissatisfaction among the airline employees. The study was conducted in the Coimbatore city on a sample of 50 employees through purposive sampling technique. For conducting this study, the interview schedule was structured and pre-tested. The quantitative techniques like chi-square test, multiple regression analysis and discrimination analysis were used. The study revealed that most of the employees in the airline industry were satisfied in their job because they get enough salary, favourable working conditions and such other benefits which are not available to the employees engaged in various other industries.

**Yasir (2011)** conducted his study titled, “Job Satisfaction in Private Banking Sector of Pakistan” to examine the job satisfaction level of the employees. A structured questionnaire survey was conducted. A sample of 300 people was taken from private banks that were randomly selected from Lahore city and two other cities that are Sialkot and Daska. A five-point Likert scale was used as a measuring scale. The study concludes that most of the employees working in private banks are satisfied with their work, management functions and job positions. The study reveals some factors that are point of high concern to employees regarding their satisfaction. These factors are job security, organizational operations, working conditions, incentives and rewards.

**Ravichandran (2012),** in his research work, explored the influence of institutional structures on Human resource system and practices, and influence of human resource (HR) across practices on various behavioural dynamics and consequent outcomes among faculty members across public and private sector educational organizations. The inter-relationship
between structural attributes of an organization, human resource sub-system and behavioral outcomes is presented in the form of conceptual Model using existing research evidence.

**Tiwari and Saxena (2012)** designed their paper to review the existing literature available on HRM practices. The purpose of this paper is to develop an understanding of HRM practices, and to examine the unique HRM practices implemented by different companies. After reviewing the existing literature on HRM practices, the researchers have found that HRM practices get affected by external and internal factors, and directly or indirectly affect other variables such as employee’s attitude, employee-employer relations, financial performance, employee productivity, etc. and ultimately contribute to overall corporate performance. On the basis of the literature reviewed, a normative framework has been devised.

**Tabassum (2012)** conducted a research on interrelations between quality of work-life dimensions and faculty member job satisfaction in the private universities of Bangladesh. The study identified the critical factors of QWL in the private university sector of Bangladesh to investigate the factors affecting overall perception of QWL and job satisfaction of the faculty members and to find out the interrelationships between the dimensions of QWL and faculty member job satisfaction in the private universities of Bangladesh. A structured questionnaire was designed. To increase reliability and to assure appropriateness of the data collection instrument, the questionnaire was subject to a pilot test conducted with 10 faculty members working in private universities in Bangladesh. In total, twelve private universities were considered for the survey and the sample size of 70 was taken. Among 70 respondents, individuals were selected based on the faculty member proportionate ratio of each university to the selective sample population, i.e. 1,428. The tools used in the study are factor analysis, and correlation analysis. Likert’s scale has been used as a measurement scale. The hypotheses test confirms that all the dimensions of QWL are positively correlated with job satisfaction of faculty members in the private universities of Bangladesh. Adequate and fair compensation, and constitutionalism in the work organization show the highest positive correlation with job satisfaction. Opportunity to use and develop human capacities shows the least positive correlation with job satisfaction of faculty members. This positive relationship indicates that attempt to improve the dimensions of QWL can significantly enhance job satisfaction of the faculty members.

**Jamal (2012)** conducted his study to determine the level of job satisfaction reported by employees and to determine the relationship between factors of job satisfaction by using a
descriptive as well as inferential statistical tool in relation to overall satisfaction ratings. The research study was based on personal interview of the employees of the organization, who were working more than 2 years. A questionnaire was also used to collect the required information related to job satisfaction and morale. Observation method was used in various sensitive issues to know the actual behavioural aspects of employee. At the same time, a questionnaire consisting of number of questions related to job satisfaction and morale was given to selected respondents of public and private banks of Bangladesh. The secondary data was mainly collected from Annual Report of various banks and bank websites, published journals, internet publications, and various publications of Bangladesh Bank as well as Bank and Financial Institutions’ Activities. The five-point Likert scale was used to rank the items. The research suggests that job satisfaction can affect employee morale, turnover, absenteeism, and pro-social behaviour, which can be crucial for organizational success. This not only applies to traditional business but also the financial institutions like bank. The job satisfaction of employees is critical for the success of commercial banks.

Kumari (2012) conducted a research to study employees’ perceptions on work-life balance and its relation with job satisfaction in Indian public sector banks. The objective of this study was to find out the employees’ perceptions of their work-life balance policies and practices in the public sector banks. Quota sampling method was followed. Survey was conducted; and data was analyzed on the basis of responses provided by 350 respondents. Data was analyzed with the help of factor analysis, descriptive statistics, mean, t-test and Karl Pearson’s correlation. The findings of the study emphasized that each of the WLB factors on its own is a salient predictor of job satisfaction and there is a significant gap among the female and male respondents with job satisfaction w.r.t. various factors of WLB. The positive correlation indicates that job satisfaction is an important indicator of WLB. The results of the study may have practical significance for human resource managers of banks to improve staff commitment and productivity along with designing their recruitment and retention policies.

2.3 STUDIES ON HRM PRACTICES AS WELL AS JOB SATISFACTION

HRM practices and job satisfaction are studied widely in different parts of the world. It is assumed that HRM practices are closely associated with job satisfaction. Because many scholars and practitioners believe that sound HR practices result in a better level of job satisfaction which ultimately improves organizational performance. Appelbaum et al. (2011) and Steijin (2004)
found that HRM practices had a positive effect on job satisfaction of the employees of Dutch public sector, whereas individual characteristics such as age, gender, and education had an insignificant effect on job satisfaction. Gould and William (2003) showed that use of specific HRM practices in local government organizations in the United Kingdom (UK) was associated with a greater degree of job satisfaction, workplace trust, commitment, effort, and perceived organizational performance.

The relationship between pay practices and job satisfaction is ambiguous in the efficiency wage theories. However, there are some distinct studies such as Steijin (2002) which examines the overall job satisfaction of Dutch public workers with respect to their pay. The results of this study show that there is a positive effect of the existence of HRM practice which refers to pay practice on the job satisfaction. Likewise, Bradley et al. (2004) observed the impact of human resource management practices and pay inequality on workers’ job satisfaction. In their study, they employed many HRM practices such as work organization, recruitment and pay practice as independent variables and job satisfaction as dependent variable. The results show that the pay practice is positively associated with the job satisfaction. Furthermore, the study clarifies that satisfaction with pay is high where seniority and individual performance-related schemes are in place. Katz (1987) evaluated the efficiency wage theories. The results of the study confirmed that a higher wage reduces firms’ turnover and recruitment costs. In other words, the wages were negatively related to the turnover and recruitment cost. If the employees have higher wage the firms or organizations should have lower levels of voluntary turnover (quits).

Edgar and Geare (2005) examined the impact of human resource management practices on employee attitudes such as job satisfaction, organizational commitment, and organizational fairness in the context of New Zealand. Researchers identified that HRM practices had a significant impact on organizational commitment, job satisfaction, and organizational fairness. In a study on 66 employees of three manufacturing firms in India, Agarwala (2008) observed that training, one of the major HRM practices, was positively correlated with affective commitment. Yu and Egri (2005) found that HRM practices had a significant impact on the affective commitment of employees in Chinese firms. Petrescu and Simmons (2008) examined and established a relationship between human resource management practices and workers’ job
satisfaction in the context of UK. They found that several human resource management practices raised workers’ overall job satisfaction and their satisfaction with payment.

Tzafrir (2006) described that the aim of recruitment and selection practice is to improve the fit between employees and the organization, teams, and work requirements, and thus, to create a better work environment. Sophisticated recruitment and selection system can ensure a better fit between the individual’s abilities and the organization’s requirements.

Ahmad and Khalil (2007) compared the HR planning of two banks of Bangladesh. They observed that neither of the banks had any written HR planning. Aswathappa (2008) argued that an organization should have better HR plans to motivate its employees. Sound HR planning can enhance job satisfaction of the employees by providing opportunities for the employees to participate in planning their own careers.

Hossain and Ullah (2009), in a comparative study on the job satisfaction of the employees of public and private banks, found that employees of the private banks were more satisfied with their jobs than those of the public banks. Human resource management practices of ten local private manufacturing enterprises listed under Dhaka Stock Exchange (DSE) were examined by Akhter (2002). She measured correlation between employees’ opinions regarding HRM practices in their enterprises and their age, education, and experience. Furthermore, Haque and Azim, (2008) found that HR practices have a significant impact on affective commitment in context to Bangladesh.. Hossain (1995) conducted an in-depth study on the job satisfaction of the employees of commercial banks of Bangladesh.

Michael et al. (2009) assessed the impact of financial distress in the Nigerian banking industry as it affected job satisfaction, perceived stress and psychological well-being of employees and depositors. The research adopted case study as a strategy and employed independent groups design in order to get a balanced assessment of the subject. Variables of interest were not manipulated in order to allow for accuracy of judgment and results. a self-developed questionnaire by the researchers to solicit information from bank employees and depositors was administered to 105 respondents comprising 61 bank employees and 44 bank customers. The questionnaire had a Cronbach alpha coefficient = 0.88, thus, confirming the reliability of the data collecting instrument. A total of 5 hypotheses were formulated and tested. The results showed that employees in healthy banks were more satisfied with their jobs than those in distressed banks; but the difference between their mean scores did not reach a significant
level, thus, suggesting that employees in distressed banks equally enjoyed their jobs like their colleagues in healthy banks. Curiously, depositors in healthy banks experienced higher level of stress than depositors in distressed banks; while employees in healthy banks experienced higher job satisfaction than those in distressed banks. Finally, the results also showed that employees in distressed banks did not experience higher stress level than those in healthy banks.

Hanif and Zulfikar, (2009) endeavoured to study the various factors of job satisfaction among different commercial bankers in Pakistan. They highlighted the findings by performing statistical techniques like regression and correlation to gauge level of significance for the factor. Pay was considered as a major factor for job satisfaction, however, other related factors like promotion, recognition, job involvement and commitment were also taken into account. Job satisfaction is an attitude of an employee over a period of his job so the factors of satisfaction and dissatisfaction change over the period. It is a relative term and is nowadays used as a key factor to gauge the performance of a particular employee and organization. Satisfied employees are more likely to be friendly and responsive. It leads to attract customers. Dissatisfied employees can lead to customer dissatisfaction.

Sowmya and Panchanatham (2011) discussed the factors influencing job satisfaction of banking sector employees in Chennai, India. According to the authors, the term ‘job satisfaction’ has been conceptualized in many ways. Job satisfaction focuses on all the feelings that an individual has about his/her job. It has been assumed by organizational behaviour research that individuals who express high satisfaction in their jobs are likely to be more productive, have higher involvement and are less likely to resign than employees with less satisfaction. It has been already studied by various authors in various spheres. However, the researcher have studied job satisfaction of employees in new private sector and select public sector banks specifically in the banking sector of the main metropolitan city, named, Chennai. Banks are the backbone of our country and therefore, their contribution to the nation should be to the fullest. The researchers have done a factor analysis using principle component method to find out the different factors that affect the job satisfaction of banking sector employees.

SUMMARY AND RESEARCH GAP

Among all the commercial banks, every public and private sector bank is fighting its own battle from the perspective of customer perception management. The current scenario is forcing the banking sector to move from social banking to market-oriented banking. The onset of
liberalization brought out many changes in the way of bank operations. The HRM practices in banking sector have attracted considerable attention over recent past in India, especially since the 1970s. The HR profession is considered as a prime contributor to organizational effectiveness, individual growth and productivity. As such, training and development affects the human potentials and plays a significant role in manpower productivity and job satisfaction levels by improving human skills. The research as proposed shall be confined to a comparative analysis of HRM practices undertaken in public and private commercial banks in India, because so far no intersectoral comparative study of Indian commercial banks has been undertaken.

Much has been discussed about making Human Resources Management more strategic for decades, but organizational readiness, resistance to change, and complicated and expensive technology issues continue to get in the way. So, human resources management practices remain a challenge. But, if one does the right mathematics and concentrates on the bottom line human resources, an innovative thinking occurs. Thus, the above review of literature shows that there have been several studies around the globe focusing on HRM practices and job satisfaction. However, studies portraying the HRM practices and job satisfaction in the banking sector have not yet received proper attention in Indian context and other developing countries. This study has been undertaken to fill the existing research gap.

The present research work is a humble attempt to throw light on various practices of Human Resource Management, which prevailed in Indian commercial banks. Hence, a comparative study of Human Resource Management Practices relating to employees’ recruitment, selection, promotion, compensation packages, training and development practices in the public and private commercial banks in India and the way these are linked with employees’ job satisfaction has been undertaken.

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