CHAPTER 4

REVIEW OF LITERATURE

4.1. Introduction

The review of literature is the basis for the researcher to conceive and understand the problems of research from the summary of previous research on a topic. It helps the researcher to find out knowledge gap, degree of agreement on the topic, past debate on the subject, problems identified in the past, methodology and tools used to measure the hypothesis, concepts, etc. The purpose of literature review is to convey what knowledge and ideas have been established on the subject.

This review helps the researcher to remain up to date regarding the status of research in the field and familiarize him/her with any contrasting perspectives and viewpoints on the topic. This process helps to identify potential relationships between concepts and to identify researchable hypotheses to frame the solutions to the objectives of research. According to Clifford Woody, research review comprises defining and redefining problems, formulating hypothesis or suggested solutions; collecting, organizing and evaluating data; making deductions and reaching conclusions; and at last carefully testing the conclusions to determine whether they fit the formulated hypothesis.

In essence, literature is only a part about knowing the subject. The other parts have to develop contextual knowledge (how this field draws on and connect to others), the method (the tools of enquiry), and the ability to tie it to the big picture. Finally, by finding ways to link the specific item of interest to larger issues, by looking across subjects for an answers, or combine ideas from different lessons in the indented project. Moreover, it is in these boundary spaces that real innovation lies for the research. Based on this premise, the review of literature has been synthesized and collected from the research journals, Doctoral/Business dissertations,
financial daily/weekly/monthly, Global HR and strategic consultant study reports. Besides reports of committees appointed by GOI and RBI, Books, Research, thematic and study papers presented in the Bankers Annual conference (BANCON) besides the academic, business, and IBA and RBI web sites.

These reviews have been grouped under factor wise influence on Job satisfaction of employees in diverse organization, potential relationship between concepts of Job satisfaction, and Job satisfaction Studies in the Banking Sector, and summary of Foreign studies. This approach will facilitate easy comprehension to establish linkages with the concepts, hypotheses, objectives, and to gauge the impact on the findings, for the process flow to conduct current research smoothly.

4.2. Literature Reviews on Job Satisfaction Factors in diverse organizations

4.2.1. Literature Reviews on Demographic Variables

Natish, R (1977), found positive correlation between age and job satisfaction for top level employee, negative correlation for middle level employee and insignificant correlation for lower level employee. Norval D. Glenn and others (1977), in their study disclosed that both male and female employees show a moderate and consistent positive correlation between age and job satisfaction.

Global HR consulting Blessing White studies in 2010, 2011 and 2012, revealed that there were ‘strong correlations between satisfaction and engagement’ levels and age, role/level and tenure in the organizations and the reason being they are working in power centers of strategic departments.

Research by Metlife Mature Institute and the centre for Brain Health at the university of Texas at Dallas (2012) found that healthy adults in their 50s, 60s, and 70s demonstrated smart decision making and also excelled at ‘strategic learning’ i.e. the ability to sift/filter more important information from the less important. They are more careful and organized with
wisdom when it comes to taking a decision at work than those in younger age groups. The study suggested that ageing does not correlate with deteriorating ability to think and act contrary to conventional wisdom that cognitive function begins to decline in the mid-40s.

Business leaders, managers, and mentors are to take note of this empirical findings “to align the young co-harts who has to work with senior employees” in a team for reaping better sustainable performance in a dynamic market environment influenced by Globalization, more pronounced in the PSBs, where Gen-y of age (20-35 years) will be around 60 per cent now, and would reach a level of 90 per cent by 2020 (BCG, 2010).

The demographic variables such as age, gender, education, experience, income, marital status, grades and economic status have mixed relationship of either positive or negative with job satisfaction as revealed in the studies of Guha, 1965; Sinha and Agarwala, 1971; Nazir, 1998; Jaime X. Castillo and another, 2004; European Foundation for the Improvement of Living and Working Conditions, 2007; SHRM, 2011-2012 and Allada Vijay Kameswari (2013).

4.2.2 Literature Reviews on Hygiene Motivation and other job factors

Jai Sinha, B.P. and Sarita Singh (1995), in their study titled ‘employees satisfaction and its organizational predictors’ that employees satisfaction was decomposed into employee’s satisfaction with their organization, life satisfaction, nature of work, and expectancy to satisfy their most salient needs. They found out that ‘work climate and human relations’ contributed directly, and through other factors to organizational satisfaction for managers. In case of workers, it was nature of work and service conditions that rendered their work more satisfying.

Michael Armstrong (2000) claimed that ‘the work itself’ gives people an opportunity for achievement, responsibility, and satisfaction because they affect social needs and the need for esteem.
Dipak Kumar Bhattacharaya (2007) in his book titled, ‘Human Resource Research Methods’ reviewed elaborately the Indian Studies conducted on ‘employee motivational factors’ in various manufacturing and service industries. He quoted some studies to correlate his observation that job factors are common to influence both motivation and job satisfaction of employees in an organization and are mutually inclusive:

a) The first such study, in India, is by Bose (1947) on industrial workers and that has paved the way for others researches to investigate into the perceive importance of job-factors to workers. Most of the studies relating to the industrial workers, during 1951-1971, have rated adequate earnings, job security, boss, and personal life as the main factors, which determine their behaviour and job satisfaction.

b) Ganguli’s study (1964) on first-line supervisors ranked incentive, adequate income, promotional opportunities, job security, and sympathetic treatment from superiors as the important job-factors vis-à-vis motivation. Lahiri and Srivastava’s (1967) had ranked good organizational policies and administration, better scope for promotion, good salary, good superior-subordinate relationship, and opportunity for growth as the major determinants of satisfaction for middle management personnel.

c) Sawalapurkar and others (1968) had ranked nine job-factors in the order of importance for job satisfaction of middle-level managers: job content, opportunity for advancement, job security, boss, company, working conditions, facilities, working hours, and grievance redressal.

d) Padaki and Dolke’s (1970) had found lack of recognition, unfavourable superior-subordinate relationship, lack of technically competent supervision, unfavourable organizational policies and administration, and inadequate salary as the major factors of dissatisfaction on job-attitudes of supervisors (based on Herzberg’s Two-factor Theory). So far as the motivational factors are concerned, promotion, recognition, and personal growth and development respectively, show very high degrees of dissatisfaction in that order.
e) Bhattacharyya’s study (1972) on managers revealed lack of participation in goal-setting, inadequacy of pay, inadequate job-authority, and ‘lack of opportunity given to people’ on the dissatisfaction scale. Pestonjee and Basu’s (1972) reported that opportunities for promotion, job security, working conditions, work group, opportunities for training, competent and sympathetic supervisors, adequate income, and other facilitates as major motivational factors for supervisors. Pareek (1974) has assumed societal system as a very important variable in the field of motivation that causes or determines that behaviour of an individual in an organization.

f) Agarwal (1976) has sharply criticized the Indian studies on work motivation, alleging that such researches suffer from a number of inconsistencies mainly because these have been carried out practically as a part of the job done for the employees with a view to helping them reduce production costs. Thus, the measures suggested by such researchers have always proved to be short-term remedies, and much-spoken-about theories on motivation have come more like fad of fashion than something substantial and lasting.

Rizzo, House, and Lirtzman (1974) suggested that every position in an organization should have a clear set of responsibilities, so that the organization can provide employees with guidance and direction in carrying out their work and ultimately hold them accountable. When employees are unaware of what is expected of them, they may hesitate to act, show a lack of self-determination, and feel that they are unable to make a difference in achieving the organization’s goals (Spreitzer 1996).

Ratna Purohit (2007) reviewed the various studies on job satisfaction and rated the factors such as the work itself, compensation, career growth, supervision, co-worker and work environment as ‘Six Sutras’, to gauge the job satisfaction level in an organization.
Mirza S Saiyadain (2009) reviewed and summarized the findings of several research studies conducted between 1951-1998 and 1965-1997, in various industries including banks/public sector units. The inference emerged from the review of these studies are that the hygiene factors would enhance workers/clerks satisfaction, and the motivators contribute for managers/supervisors job satisfaction which seem to match with those factors envisioned by Herzberg and others way back in 1957.

Naresh Kumar and Vandana Singh (2011) studied the relationship between job satisfaction and ‘job characteristics’ job expectations in India and found that employees in different levels prefer jobs which provide the opportunities to satisfy their need for achievement, recognition, personal growth, and autonomy, and lay emphasis on the characteristics of the job especially task significance. They do considered task variety and autonomy as motivating factors.

Daljeet Singh Wadhwa and others (2011) found out that organizational factors are the most important aspect for job satisfaction of the employees in a company, besides behavioral, and environmental factors. The study endorsed that if the employees are ‘treated and rewarded equally and fairly’ and is properly supervised; their level of satisfaction can be increased towards their job.

Heena Khan (2012), in an article titled ‘Because recognition matters’, reviewed the best practices in rewards and recognition which comprises a healthy mix of money rewards and non-monetary rewards and social recognition in India’s top corporate organizations (70) across eleven industries. Some good practices in this count was: writing personal notes about good performance of staff on company intranet, more personalized messages on reward and recognition; connect with families of employees being recognized; granting higher increment to performers; aligning performance appraisal cycle to revisit compensation and designation of its high performing employees, bonus, salary increases and similar.
The study concluded that increased compensation or monetary incentives are no longer the critical differentiator. Only imbibing innovation in these variables to structure rewards and recognition programs as a business strategy going beyond the HR Process to motivate, retain and engage their human capital talent. The payback (return) for companies can often outstrip the outlay on the rewards.

‘Appraisal, recognition of potential’ was the summary of the global feedback received from employees of various industries on the said study of Heena Khan published in a business daily dated 19th May, 2012: As a person rises in the hierarchy, it is not so much the increment that matters than the power linked to the post to the employee. Thus, cash incentives at the lower levels, also for new entrant, and widening the employee’s span of control/authority at the higher levels, even without a hefty hike in pay, work as motivators; in the early stages of employees’ careers, say five years into their careers, good increments can greatly reduce the attrition rate in an organization.

Further, down the lines, employees would look for promotions and great appraisals. Even if it is a promotion without salary raise, ‘great appraisals’ come with other fringe benefits that would satisfy the appraiser; Salary and promotions are critical motivators. Employees are motivated by feedback, recognition, and identification of their development needs, and an interface on performance with their manager.

The ‘Social Recognition and Employees Organizational Support’ research thesis studied over 900 employees in ‘service organizations’, disclosed that social recognition contributes to increased self-respect, which means that employees make a greater effort to act in the company’s best interests (2012). The Social Recognition impact is astounding, the value is extraordinary and that too at a nominal cost of the internal technology platform, completely non-monetary. Symantec reported a 16 per cent increase in employee engagement in less than a year and KPMG a solid 165 per cent. DHL, Discovery Channel and P&G are also using this medium very successfully.
4.2.3 Literature Reviews on Trade unions, Training, PMS and Retention Management

Ganesh Chella, CEO of Totus HR consulting firm (2006), in an explorative article titled “Career development: from marathon to relay race” narrated the dialectic state of career development aspirations of employees, and perhaps most serious challenge today in every organization”. The companies are being rift of solutions and new ones are not forth coming. Given that employees in India continues to derive ‘social approval’ from a promotion and a title change, organizations need to liberate their thinking and make these aspects of their ILM (Internal Labour Market) as flexible as the ELM (External Labour Market) does, especially at junior level positions. Organizations will also need to be realistic about the value proposition that they will dole out to their employees, drawing attention to BPO industries. Their approach in this direction is ‘employability, i.e. molding the raw graduates with no skills to bestow them valuable skills, enhances their self-worth and makes them employable. This is the practice being witnessed in the orientation of new employees in the Public Sector Banks.

Finally, career development is no longer a marathon that an organization can always run for employees at levels. It is now a relay race- for one it may be make him employable, another by gives him the status and esteem he/she looks for, and yet other way makes him a leader or so, a well-conceived thought by Ganesh Chella.

Piyali Ghosh and others (2009), reported that the ‘trade unions’ now perceived their primary role was to work actively for the improvement of the quality of work life of employees, a visible transformation witnessed in one of the largest public sector undertakings of India as against their traditional and prime role of pursuing industrial relations.

Saxena and Monika (2010) studied a case of 5 companies with 8752 respondents across 800 cities in India on the impact of nine basic parameters on ‘satisfaction and retention’ like ‘career and personal growth, company prestige, training, financial compensation and benefits and merit based performance evaluation’. It was concluded that the biggest challenge for organizations is that
when new employees appointed, it is difficult to merge them in organizational culture and most often, when brought together with existing employees, these cultures clash. When there is no retention, employees point to issues such as identity, communication problems, ego clashes, intergroup conflicts, and human resources problems of basic job factors.

Neeraj Kumari (2011) studied ‘Employee Satisfaction and Growth Analysis in Tata Steel’, and found out that freedom to work in team, image of the organization, training facilities, interesting nature of work, and the reward and recognition policy of the organization were quite satisfactory. The superior-subordinate relationship facilitated high performance and it affects the goals of individuals to a big extent. There was a mixed feeling among employees regarding career development and promotional policy. The pay factor was also not very satisfactory.

Sumita Kumbhar and Dattagupta, J.K., (2012) reported in their study conducted in large enterprises (5 numbers), in Pune, Maharashtra state that there exists a positive correlation between ‘training and job satisfaction’. This in turn resulted in improvement of individual on the job performance which consequently improves the organizational performances.

Ken Simper Managing Director, Blessing white Asia-Pacific opined (2012) that ‘training is an investment’ particularly during high level of attrition, so that the employees that the companies want to retain would possibly stay if they work on their development, and satisfaction. He elaborated that when satisfaction starts sliding, there’s no way contribution is going to go up. Many organizations in India have potentially talented people parked somewhere midway in terms of contribution. He reported that the average expenditure on training and development in India is around 1 or 1.5 per cent compared to 4 to 5 per cent in most companies in the US, UK or Australia, as a percentage of the annual payroll.

Blessing White studies from 2010 to 2012, revealed that Career development opportunities and training, opportunities to apply their talents, and more challenging work were the top influencing factors of job satisfaction of employees in manufacturing, Banking/financial services in India and so also
in Southeast Asia, China, Europe and North America. Coming to the engagement levels by industry, the Banking/financial services and technology were least engaged (28 per cent each) and the health care and chemical industry show highest level of engagement (47 per cent and 44 per cent).

Managers in India enjoy a better level of trust from their employees at 84 percent, close to China at 86 per cent followed by Aus/NZ, US, and Europe. However, at a higher level, they could not contribute significantly to engagement, retention and satisfaction level of employees in India. Because, ‘they lack act to align with core values, communicate honestly, link the work of the organization to a larger purpose and created a work environment that drives high performance,’ the survey revealed.

SHRM, 2012, conducted job satisfaction and engagement as a binary study from 2007. The results of the studies emphasized the need for organizations to evolve strategies to groom the existing employees to fill the higher skill level positions. SHRM suggested building a bridge between employees and senior management, besides to communicate about the total reward package and their computation to their employees periodically. These were the top three factors contributing to job satisfaction and engagement among employees.

Ankita Shreeram in her article titled, “Wanted Senior Talent”, reviewed the findings of Global talent market quarterly surveys of 2013 from Kellys services and noted that the dearth of senior management is a global trend and it appears that it is becoming increasingly difficult to find appropriate talent as one moves higher in the echelons of seniority. ‘The primary reason for that is, most organization have not invested in career and leadership-development’. They have also not taken a long term view of the available in-house talent or groomed them to take up leadership position.

The key to performance in an organization is the relationship between each individual and his or her immediate manager or a leader. People only follow someone they trust and will
give an extra mile only if they are worthwhile, and not their positions, Ken Simper revealed in his study (2012).

4.2.4 Literature Reviews on Gen y, Engagement and Job Satisfaction

The global Ma Foi Ranstad work monitor survey of 2012 disclosed that the employees including generation ‘y’ in India had a higher focus on promotion (56 per cent) followed by Mexico (51 per cent), Brazil (32 per cent), USA (28 per cent) and Japan, at the bottom with 7 per cent. In India, a good salary is more important than enjoyable work. However, 82 per cent of respondents from India attach a premium to the elements like pleasant colleagues and job security in preference to the Pay factors. Globally, 42 per cent would quit their jobs if there were no room for personal development, with highest response from China and India with 84 per cent and (81 per cent) respectively. This factor is not a key priority to employees in US (18 per cent) and Greece (24 per cent).

Further, 87 per cent of employees stated that their work load had increased in 2012, and 93 per cent preferred better work-life balance in 2013. Interestingly, a larger proportion of public sector employees in India expressed in the Ranstad survey that their employers expect them to be available at all times than those work in private organization.

Strategic consultant M/s Gallup in its annual report of 2012 on ‘State of Global Workplace’ reported, “Engaged employees are relatively rare in one of the world’s most populous emerging markets, India”. The global average for engaged worker is 13 per cent, while for India it is 9 percent, the lowest among the 142 countries surveyed. There is considerable variation in engagement level in India by educational level and job type. Among professional, managerial, sales, service, and administrative job types, engagement rates were above 10 per cent, while they fell below that threshold among jobs that involve physical work, such as construction, mining, manufacturing and installation/repair etc.
For India, perhaps, the most pressing issue for leaders is the high proportion of ‘disruptors/disengaged’ at 31 per cent. These employees are not just unhappy, but busy in undermining the engaged co-workers’ accomplishments. Lower engagement not just affects productivity, but also the potential for innovation in products and services.

Payal Chanania (2012), reviewed the function of an international strategic group, ‘Recognition Council’. This global council is a prime mover to provide an awareness of how recognition and rewards, in their many forms, are part of an effective strategy for achieving better business performance. The traditional reward schemes and pay-for-performance incentives are no longer sufficient. The new generation craves constant feedback and praises that too in highly visible format. Social recognition steps in as “the new currency” that fosters employee engagement, motivation and retention. This subtle performance management works by adding a social interface to employee appreciation efforts that showcases good work in a public forum. In short, move the offline pat-on-the-back to an online realm.

Raj Kumar Ray (2013), in an attempt to ascertain ‘Next Gen Indian Job Satisfaction’ compiled the findings of online survey of Apna circle.com with 3 million users in various segment of businesses/industries. It disclosed that the reason for the job switch was not just money, as 34 per cent complained of lack of growth and opportunity in their current job, 45 per cent of professionals reasoning was to pursue something different from their field of specialization, 34 per cent say for job satisfaction, 28 per cent for monetary benefits and 33 per cent had either lost interest or realized their own potential.

The core point emerged from the study was that an increasing trend of young workers looking for careers that provides job satisfaction and growth, which will increase productivity of Indian industry as the today youth act as ‘careerpreneurs’ and for them being completely satisfied with their work and growth is important. The top strategy of the company CEOs in
India, who are all internally focused on current employees to re-engineer employee learning and development, engagement, and performance management process and accountability.

Palak Bhatia and Ashwin Shirali (2013), in a thematic article titled ‘Work for thyself’, reported that today Gen-Y is an amazing phenomena—fiercely independent, self-confident, and highly ambitious. They display commitment to work and provided they be facilitated to goad their own path that appeals to their innate sense of self-respect. Thus, organization needs to cash in on newer ways in a quest to create engaged and well satisfied employees who can hike up their efficiency levels through dedication and commitment of their own.

Shiva Kumar, D (2013) president, AIMA (All India Management Association) and Sr.Vice President, Nokia, in an explorative review, gives another perspective on the ‘New-Gen employees’ as a Concorde generation equating with arrive before they leave, and they are loyal to their careers and not institutions. For this generation work is a verb, not a noun and they thrive on praise and are sensitive to criticism and change jobs to keep life interesting.

Attrition is one of the biggest challenges of this decade in India which is running between 15-20 per cent, that ‘by means by 2020, 66 per cent of a company would be having new employees’.

Srinath, T.T (2013) in an interesting study on New-Gen titled ‘From college to the Cubicle’, observed that these youngsters expect job security, good salary, work-life balance, career growth, learning opportunity and recognition from the organization, assuming that these are not present. Sadly, youth seldom say that organizations want them to be happy. The challenge, therefore, for those who induct youngsters into the company, is to demystify the ghosts that they are battling and show that organizations can also be a place of joy and happiness.

Hay group in association with the Cebr (2013) disclosed that Indian employees were apprehensive over their firm’s ability to provide complementary elements such as autonomy, confidence in leadership, supportive work environment, and appropriate compensation.
Vineet Nayar, Joint MD of IT major HCL (2013) who experimented a concept of “employees first, customers second” over 6 years, helped his company to increase the revenues fivefold as the level of ‘employee engagement’ reached a new pinnacle of satisfaction”. The strategy adopted was first to identify the employee’s passion, followed with providing opportunity with necessary support to excel in that one that matters most. The core of the theme here is inverting the organizational pyramid and makes the management equally accountable to the employees as they are to the management. He further added that the other challenge is “to recognize the centrality of the frontline employees which is ignored across the world”, and this malady is “more visible” in Public sector banks in engaging the clerical cadres and JM Cadres who are the brand ambassador of the banks.

Mahalingam, an executive coach and HR Advisor to corporate house in a thematic review (2013) seconded the above said view as ‘value people first’. He painfully expressed very disturbing trend in many corporate houses including market leaders that their several hundred managers have been practicing McGregor’s theory X mindset. Net result is sub-optimal productivity and talent management. The productivity gains coming out of highly engaged employees that are left untapped on the table runs into billions of dollars, according to many surveys by human capital consulting firms like Gallup, HAY and others.

This puzzled many in the business circles to wonder, why there is so much disconnect between what we know (effective people management makes very good business sense and business cents) and what we do (ignore people management) in our organization. In some organizations, the problem is not with the first line or middle managers, ‘the bottle-neck is always at the top of the bottle’, suggesting that CEO and senior managers demonstrate poor people management day in and day out, simply ingrained as a silent chronic HR culture in the companies.
Ken Simper (2013) observed that burnouts happen, when the talented human capital is keeping up maximum contribution, but not recognized. However, feeling burned out, they will slide down in the contribution axis. Employees will be looking for a better job, elsewhere where they feel they will be appreciated more.

Srinath.T.T., (2013) as a behavioral consultant observed that most often companies foster anxiety and fear in members within the organization, by taking decisions, not necessarily based on facts and data but on tensions and patterns; that efficiency and reliability are not necessarily measures of value, but responsiveness to the environment is that not all systems are the same, and individual behavior is not predictable.

Joan Henshaw (2013), on a thematic article titled ‘Why employees always need too much praise’ elaborated the need for motivation to drive satisfaction of employees. The prelude quoted the popular saying of Oprah Winfrey, ‘everyone wants validation’. They want to know: Do they see them? Do they hear them? Does what they say matters to them? Hence, the need for praise often comes from a need to feel validated and valued. It’s our self-esteem nourished a bit, the article concluded which suggested the need for imbibing motivation across board at all levels of an organization.

SundarRamachandran (2013), in an article titled ‘what we like to learn: appreciation is a leaning appetizer’, noted that all like to learn and enjoy areas where they are already reasonably good that would make them to feel, that are recognized and appreciated in the team and in the organization, for their visibleskill sets. Somewhere organization have forgotten this basic rule, but created a battery of courses, delivery engines, social learning templates and the works. They often train managers on error analysis and defect detection, but the necessity today in the knowledge age is to train them on creative ways for appreciation flow and ways to build self-esteem of employees. This act leads to appreciation and recognition from the management, as well as from the peers and the cycle continues and transcends across the
board. Thus, ‘appreciation is clearly a learning appetizer and motivator that would drive satisfaction of employees’.

According to a study by Towers Watson (2013), a global professional services company, found out that a sizeable 43 per cent of Indian companies are of the opinion that their employees ‘do not sufficiently value the benefits’ provided to them, despite the fact that one in three Indian employers spends more than 20 per cent of total payroll on benefits.

The Watson study (2013) showed that 73 per cent of respondents (companies) in India are beginning to acknowledge the importance of “communication” as a HR variable to impart the perceived value of benefits to their employees in key action areas. Thereason is being lack of awareness on fringe benefits and awards on the part of employees on the one hand and on the other, unknowingly enjoying the benefits thereon.

The report concluded that the war for talent intensifies in India, and employee benefits have gradually emerged as a powerful tool to attract and retain key talent and are increasingly being leveraged to enhance the employee value proposition and engagement.

Shyamal Majumdar (2013), review on ‘A Deloitte study on why HR leaders need to think like economists’ revealed that ‘it is possible to establish a clear numerical relationship between good human capital management (employees) and enhanced financial results (Performance) such as cash flow, profitability and margins, and customer value added by business levels. Quoting, Hewitt research, he pointed out that stocks of best employers outperform comparable indices and industry performance metrics by over 15 per cent. The annual profit growth of best employers is also 150-200 per cent higher than the industry. The study correlated with the empirical findings of Jack Welch, made in 2000.
4.3 Reviews on Job satisfaction Studies in the Banking and Public Sector

Industry

Pathak, R.D., (1983), reported in his study that the bank officers regardless of their job levels wanted more decision making authority, opportunity for personal growth and development and recognition for good work done.

Sekaran, U. (1989) studied the paths to the ‘job satisfaction’ of bank employees at the workplace through the quality of life factors of job involvement and sense of competence. Results indicated that personal, job, and organizational climate factors influenced the ego investment or job involvement of people in their jobs, which in turn influenced the intrapsychic reward of sense of competence that they experienced, which then directly influenced employees’ job satisfaction.

Study by Rajesh J Bhatt (1998), on ‘job satisfaction’ of employees in leading nationalized banks of Gujarat State revealed the influence of job factors such as nature of job, working conditions, job security, co-workers, supervision and pay, and social status to the officers, clerks and sub-staff. The findings revealed moderate to high levels of influence of these job factors to satisfaction level of bank employees on varying degrees.

Riyaz Rainayee (2002) in a study on ‘HRD Climate’ in Commercial banks found that the overall level of OCTAPAC values (degree of Openness, Confrontation, Trust, Autonomy, Pro-action, Authenticity, Collaboration) in the banks was perceived at a moderate level. Kumar and Patnaik (2002) study endorsed HRD Climate had a positive association with job satisfaction, which gives a view that the job Satisfaction is a resultant of favourable HR practices.

Annamalai, S. and Vijayakumar, T., (2002) identified salary structure, relations with co-workers and superiors, supervision, bank policies and practices as dissatisfied job factors from their study on ‘job satisfaction among bank employees-cadre wise’. The results of the study disclosed that offices and
executives working in private sector banks were highly satisfied than similar cadres working in nationalized, and SBI and associate banks. Clerks employed in nationalized banks were found highly satisfied than similar cadres working in private sector and SBI and associate banks; the clerical cadres of nationalized banks were found to be highly satisfied than the executives and officers of the same bank. Likewise, officers of private sector banks were perceived higher level of satisfaction than the clerk and executives of their banks.

Suresh, A.M., and others (2004), identified eight job factors which have significant impact on the ‘job satisfaction of public and private sector bank employees’. The high level correlations between personal achievements and leadership opportunities, goal setting and leadership, and work environment and employee progress were observed as influencing job satisfaction factors for employees of these banks. It was evident from the study that the prestige and status, work atmosphere and reward system were highly perceived elements of satisfaction to private sector employees, and social contact, treatment of employees, communication system, promotions and career growth have positive perceptions to employees of public sector banks.

Mohan Deshmukh (2004), in his article titled ‘Human Resource Management: need for pragmatic approach’, reported that ‘job descriptions’ (job profile) were still not drawn in greater details covering individual posts in a branch, departments of branch and controlling offices in the Public Sector Banks. System for objective measurement of individual performance also not established. Consequently, linkages of performance and rewards/incentives were not framed.

Eventoday, the same position continued, as K C. Chakrabarty, RBI, Deputy Governor suggested to the bankers in HR conclave of PSBs (2012), to undergo a major overhaul of the job descriptions, and clear delineation of job roles even at the level of CMDs and EDs. Besides
to define ‘performance’ appropriately in the context of banking services to-day for all levels of functionaries.

Ragavan, R.S. (2004), in an report titled ‘Preparation for cultural transformation: need for pragmatic approach’, also endorsed that in the banking industry non-performers have been left free and no system in place to address this vital HR issue of ‘Performance Management System’ (PMS). Sri. Viswanathan, Dy. Managing Director, SBI, also expressed the same opinion on the non-performers in 2002.

Further, KC. Chakrabarty opined PMS as the most important area of HRM, the foundation of which is discrimination (2012). PSBs are, all having to deal with the problem of people who are ‘promotable’ but not ‘postable’ and people who are ‘postable’ but not getting promoted. The current performance management systems are unable to discriminate, and differentiate between performers and non-performers and the results of not having a proper PMS are disastrous. In any organization, typically there would be some 10-15 per cent of people who would be high performers. Banks should focus on the remaining 85 per cent, as any improvement in their performance would have a significant impact on the organization’s performance, the deputy governors subscribed.

Chalam and Srinivas (2005), studied Gender wise perceptions and attitudes on HRD Climate in Indian Banking Sector, and the results disclosed the basic disagreement with respect to HRD Climate in the selected branches of SBI (State Bank of India).

Monika Thakur (2007) in a study on “Job Satisfaction of Private and Public Sector Bank officers” in Ludhiana of Punjab State revealed that PSBs provide job security and many benefits to their employees like medical, pension, gratuity, etc. On the other hand; private sector banks provided good working atmosphere and attractive salary package to performing employees. The bank managers in private banks were involving personally in their work and committed to the performance of the bank, as a means of obtaining satisfaction through personal
Employees of both the banks were satisfied with salary, amenities, nature of work, and other allowances. However, both were complained against long working hours.

Vilas V. Kulkarni (2007) in his doctoral thesis on “Impact of Corporate Downsizing on Human Resource Management” found out that the liberalization policy introduced by the Government of India from 1991-92, forced Indian public sector organizations to reduce manpower by way of VRS (voluntary retirement scheme) and ban on recruitment for improving productivity including banks without studying the business potential, and impact on the quality of existing businesses.

Government bodies, financial institutions and labour unions played a major role in the success or failure of downsizing. Industries in different sectors changed their HRM policy differently when faced with downsizing. The study concluded that downsizing has significant impact on all the sub systems of the human resource management policies and the business as well.

Jain, K.K., et al (2007) in their study reported ‘job stress’ and organizational climate as the most vital job factors impacting the level of job satisfaction differently to the cadres of managers and engineers in a public sector major, Indian Oil Corporation. The managers scored significantly high on organizational climate scale than engineers indicating that the managers were more satisfied due to the empowerment given to them. Managers and Engineers in higher income brackets were more satisfied on their jobs, attributing to the universal phenomena of ‘monetary compensation’ is one of the important motivators for the employees that largely affects their performance and satisfaction level. Similarly high age group managers and engineers were equally satisfied with their job than their junior counter parts. Further, managers and engineers who scored high on occupational stress perceived low job satisfaction.
SujathaMellacheruvu and Krishanamacharyulu,C.S.G., (2008), in a study on, ‘Challenges of Human Resource Management in Public Sector Banks’ presented a host of suggestions on key HR areas based on challenges and problems faced: recruitment of skilled man power from the market, autonomy to recruit as per requirement, HR audit, written test and performance based promotions, career management system, performance linked reward system, market competitive compensation package, proper identification of training needs and post training placements.

Further, identifying competencies on an organized and on-going basis to suit the business dynamics, skill mapping, team building and team work, greater accountability and ownership and finally fostering ‘Job Satisfaction’ that would enable banks to retain their man power and performance of banks as a whole.

ArunimaShrivastava and PoojaPurang (2009) examined the ‘job satisfaction level’ of a public sector and private sector bank employees in India and found that private sector bank employees perceive grater satisfaction with pay, lucrative incentives, relevant trainings, and growth aspects of job as compared to public sector banks. On the other hand, PSBs employees have expressed greater satisfaction with job security, and opportunity to contribute to societal development, and ‘dissatisfied with pay and perks, lack of autonomy, and unfair appraisals’. Employees also have expressed dissatisfaction over the performance initiatives taken in both the banks.

Furthermore, the study analyzed and reported that ‘there have been very few studies within the Indian context that have studied bank employees’ perceptions of job satisfaction’. The authors also argued that in today’s market economy, jobs could be enriched, and made highly motivating and satisfying to the employees, by leveraging the sectoral differences in terms of compensation, growth opportunities, social environment and job security.
Kavitha in her doctoral thesis (2009) on ‘Job satisfaction of employees in select Commercial banks’ found out that PSB bank employees dissatisfied with pay and pay rise (45.6 per cent) as against 61.6 per cent of the respondents in the private sector employees. PSB employees satisfaction level were higher for the job factors like relationship with superiors, contingent rewards for performance, fringe benefits, co-workers compared to private bank employees. While the promotional avenues for both the bank employees are similar, PSB employees were dissatisfied with “operating conditions, communication and nature of work” comparable to private bank employees who are more satisfied with these factors.

Azash.S.Md. and Ramesh Safare (2011), in their investigation on ‘the motivational and job satisfaction factors of public and private sector bank employees’, revealed that PSB employees perceived achievement, advancement, interpersonal relations, working conditions and policy as significant motivating factors of priority for job satisfaction. Conversely, private bank employees rated achievement, interpersonal relations, supervision, policy and personal life as comparative factors of satisfaction.

Ajay solkhe and Nirmala Chaudhary, study on Public sector organizations (2011) concluded that there exists a significant relationship between Job Satisfaction and HRD Climate which in turn leads to increase the organizational performance in a positive manner in the Indian context. The reported that any positive change in HRD Climate and its components would bring about positive changes in Job Satisfaction. Ram Kumar, ED of ICICI bank in the bankers conference (Bancon 2011) aired an emphasized view that the branch managers are custodian of people (employees) working under them and also as shareholders capital.

Goyal, K.A and Vijay Joshi (2012) reviewed the various challenges faced by Indian Banking Industry based on secondary data and found that the banking industry has transformed rapidly in the current decade, shifting from transactional and customer service-oriented to an increasingly aggressive environment, where ‘competition for revenue is on top priority’.
The report forecasted that ‘diminishing employee satisfaction results in decreased revenue’.

Due to the intrinsically close relationships between staff and clients, for profits, the review concluded in saying that banking industry is concerned about employee retention from all levels.

4.3.1 Literature Reviews on Significant Studies on Banking Industry

Khandelwal committee report on HR issues of Public Sector Banks (2010) appointed by GOI which gone into the gamut of HDR climate and reported, ‘The process of reforms in the Indian banking industry was set in motion with the Narasimham Committee Report’, which heralded reforms in accounting and other areas. However, HR issues have remained unaddressed by the industry, probably because banks are obsessed with industrial relations. Now that a lot of people are suddenly ‘retiring and attrition’ is high, it has created a vacuum at the middle and senior management levels, besides skill-gap in the system in key areas like credit, risk-management, treasury and IT areas and also severe shortage of man power in rural areas. ‘HR issues have become the new risk factor’, the report concluded.

The Khandelwal committee summarized the reason: HR function best managed by neglect, highly transactional and adhoc, trade union dominated, GOI influenced, serious gaps in succession planning, nebulous PMS, manpower planning not linked with strategic and businessplans. HRD is seldom monitored by the Government, RBI or even by the bank’s boards. Committee also suggested an action plan to create performance orientation and productivity enhancement, but the GOI has put on hold many key HR policy proposals.

BCG, IBA and FICCI joint Study (2010) on ‘Indian Banking 2020: Making the Decade’s Promise Come True’ predicted ten major trends/opportunities, and two critical-challenges, particularly for Public Sector Banks (PSBs). PSBs are to take note of: Pressure on margins to focus for fee income; renewed attention to SME business for growth and profitability; ‘The
Next Billion’ consumer segment and Investment and retail Banking to see more than 10 x growths to provide fee income to banks; capital.market access and banks’ risk management to face severe stress due to large exposure to infrastructure by 2020

They forecasted the PSBs to face two critical challenges of the decades: 1.to meet nation's expectations on Financial Inclusion; 2. to recognize HR as the biggest challenge. The report outlined potential solutions, and articulates on key imperatives for the GOI, RBI, and banks.

Dr.Chakrabarty, K C, Deputy Governor, Reserve Bank of India presented an explorative findings on ‘Need to revolutionize banks HR management’ at the HR Conference of Public Sector Banks (2012).He was of an opinion that the public sector banking system in India is standing at an important cross road to address two critical risks: people risk, and business risks. Efficient risk management may not be possible without efficient and skilled manpower as banking has been and will always be a ‘People Business’.Livelihood was not the only reason of working in any organization. The people then understood that apart from livelihood, there is something else required, and the something else was termed ‘Job satisfaction’. Industries are now in the knowledge age and hence, people work for ‘Empowerment’ in general, particularly the millennial-GenY, and transformation of HR system in this direction is the key to success of the PSBs.

He suggested many solutions to the core issues of HRM in PSBs, as banks have been in the nation building process.‘The choices made now on HRM could have a bearing on the economic future of the country and on the lives of billions of people, many of whom are yet to be touched by the formal financial system’, the deputy governor said.

Meena,M.L.,andDangayach,G.S.,(2012) conducted a study to analyze ‘employee satisfaction in banking sector’.The salient findings are private sector bank employees are more satisfied than public sector with comfortable work climate of office environment like ambience,
temperature control and furniture and dissatisfied with space for office storage compared to similar facility with PSBs.

Sharma, JD (2012) in a pilot study on “Globalization, Technology and HR in Public Sector Banks” confirmed the perception that apart from the employer value proposition and brand value of the Bank, ‘the entry level compensation package’ plays a vital role in attracting the talent. Other significant variables which would influence bank employees satisfaction/motivation were perceived as dissatisfied in the study: placement and deployment outside the comfort zone (98.5 per cent); high degree of dissatisfaction (95 per cent) in fixing accountability, performance linked incentive scheme (98.4 per cent), Common promotion policies (90 per cent), current PMS (86 per cent), mathematical ratio approach to identify the AGM and DGM vacancies (97 per cent), and compliance of Government HR guidelines without any option (80 per cent).

More than 90 per cent of the respondent in the study perceived that due to deteriorated compensation structures for bank officers, their level of job satisfaction, motivation, and willingness to accept higher assignments, risk and mobility have been significantly impacted. The study suggested re-visiting the above areas of job aspects, including work-life balance, working hours, and adequate manpower, beyond the compensation structure would enhance performance and retention management in PSBs.

Business Line review on “Women in Banking” during 2011-12 reported that in a country where gender bias is more, India’s largest PSBs and Private sector banks are headed by women Viz. SBI, Bank of India, Allahabad Bank in the PSBs, ICICI and Axis bank. GOI has opened its first all-women’s bank BhartiyaMahila Bank in November, 2013 headed by an experienced women banker.

About half of the country’s banking assets are under the control of women observed by noted economist AjitRanade. According to MoortyUppaluri, CEO at Ranstad India and
Srilanka: Despite various efforts to build gender diversity in the work place, corporate India still has less than 5 per cent of women at the top management levels. It is not that they are incompetent, but the challenges of ‘work-life balance coupled with transfers’, force them to not to go beyond a point in their career.

A recent Mercer Women’s Leadership Development Survey endorsed these views that work-life balance (40 per cent) and willingness to relocate (36 per cent) as a leading factor from advancing to the next level. Banks in India is no exception to this malady, as more than 60 per cent of women employees in banks forgo their promotions and work as clerks till their retirement. Out of total workforce of 7, 80,000 plus, till 2009, only around 300 of women employees were in executive positions of Chief Manager and above in PSBs (Khandelwal committee, 2010).

AlladaVijayaKameswari (2013), in her doctoral thesis titled, “Internal marketing and interactive marketing in State Bank of India (PSB)”, found out that the employees are least satisfied with the customer orientation, job recognition, job itself and skill development activities, support from superior and colleagues, and accessibility and customer satisfaction. Employees are more satisfied with the promotion opportunities, benefits, work autonomy, customer service and feedback policies provided in the bank. Theresearch disclosed that there is no significant relationship between demographic profiles of age, gender and type of work, with regards to internal marketing factors like freedom in job; social status; job security; opportunities for advancement; frequency and quality of training programs; promotion policies and its implementation; physical facilities; recognition and job performance; feedback systems and customer counseling.

TamalBandyopadhyay (2013) in an article titled “How the Govt. Chooses PS bank CEOs” made a review on selection process of Chief executive of Public Sector Banks being adopted by GOI and RBI. The system revealed lot of pitfalls: assessing PCR (Professional confidential
reports) for seven years for awarding 70 marks; basic simple questions were asked (30 marks) by interview panel hardly spent more than 10 minutes each; very few candidates had a two tenure as ED, and the PCR mostly pertain to their earlier career as GMs and DGMs; how realistic is the idea of making this as a key contributor to their promotion to a top position that involves running a bank. Whether the candidates have adequate exposure in key areas from their earlier limited senior management tenure is another mooted question, and selection process for placement as CEOs(Chairman and Managing Director) to a bank, based on category (small, medium and large) is the next stage of imperfect system.

Overall, the HRM system revealed pious, arbitrariness and deficiencies which requires a total review of PMS and other HR policies for creating effective linkaget to corporate business objectives, and that would only led to improving the motivation and satisfaction level of employees as opined by Mohan Deshmukh in 2004-05 with a host of Bankers in a review of HRM Challenges.Similar views have been expressed for winning the war for talent in PSBs over the years:Khandelwal committee (2010); Das,MR,Shiva Chandra and SiddharthNagpal, Raj Gopal and LakshmyRadha Krishnan, in Bancon-2011; Sharma, JD, 2012 and Dr.Chakrabarty, CK, 2012.

4.4. Review of Literature from Foreign Studies on Job Satisfaction Factors

PremBabu (1993) in his article titled, ‘A Study of Industrial Relations and Grievance Procedures in Greater Manchester Buses Ltd., GMPL, United Kingdom’ presented the system and procedures obtained in the grievance handling machinery, disciplinary proceedings, types of misconduct, and the role of industrial tribunals and labour courts, were rated as dissatisfied variables. Further, he suggested that the application of collective bargaining machinery, grievance handling and periodic meeting with the Union’s would promote healthy industrial relations in GMBL.
Jaime X. Castilo and Jamie Cano (2004) study on “factors explaining job satisfaction among faculty in Ohio State University” revealed that female faculty members were less satisfied with their jobs than male members in terms of job motivator and hygiene factors. Both the faculty members were perceived ‘work itself’, as the most important motivating factor, and ‘working conditions’ as the least motivating factor. The demographic variables were negligibly related to overall job satisfaction. All the other motivating and hygiene factors such as achievement, advancement, recognition, responsibility, and salary, policy and supervision were moderately related to overall job satisfaction.

The factors recognition, supervision and relationship explained the variability among faculty members overall job satisfaction. The one –item measure of overall job satisfaction was different from a multi-item measure of overall job satisfaction.

Jan Stringer (2006) reviewed the research of Pew Research Center and NBRI (National Business Research Institute, Texas) on the job satisfaction of American employees and found that the things employees dislike most about their employers are: lack of communication, unfair pay, job security, lack of appreciation, favoritism, micro-management, in-competent managers, opportunity for advancement, and overbearing Boss. The toll on overworked employees can include fatigue, irritability, weight gain, insomnia, and a whole host of other physical and mental ailments.

Comparative analytical report of job satisfaction surveys in European countries (16) compiled by European Foundation for the Improvement of Living and Working Conditions (2007), disclosed that ‘education and job security’ have shown strongest correlation on job satisfaction, conversely a clear relation with job satisfaction did not emerge in terms of Gender, age, current job and marital status of respondents in majority of the countries. Besides, the report also indicated that work-life balance has a positive relationship with job satisfaction.
HinaSohrabKiani and others (2007), identified pay, job interest, leadership (feedback, encouragement and performance appraisal), and career growth, working environment, broadly defined job responsibility, organizational objectives and training as stimulators for employee satisfaction in their study on exploring employee satisfaction as a quality and productivity enhancement tool for IT sectors of Pakistan.

Mangaleswaran, T., (2007), ‘A Comparative Study of Human Resource Management practices Sri Lankan (SLPSBs) and Indian Public Sector Banks (IPSBs)’, as part of his doctoral thesis, disclosed that HRM practices like training, performance appraisal, employee relations and other HRM policies in IPSBs except ‘compensation’, are more rationale and structured than in SLPSBs. Considering the present dynamic business environment (responsible for increased competition by Globalization), the results of this research and the existing Sri Lankan HRM literature, SLPSBs need to pursue more rationalized HRM practices.

Muhammedzia Ur Rehman and others (2010), in an empirical study, found out that job rewards are proved to be strong determinant of job satisfaction. Job satisfaction is more related to extrinsic rewards for employees than intrinsic rewards. The age differences have moderating effect on job satisfaction as it increases with rise in age.

B2B International Ltd, Manchester, “White Paper on Employee Satisfaction at work” (2010), conveyed that employers want employees do their best at work, even go for the extra mile, and employees want good work, jobs that are worthwhile and turn them on. With this shift, there has been an increasing focus on staff satisfaction as component of staff engagement. Engagement is something the employee has to offer, it cannot be required as part of employment contract.

The research body suggested adoption of Robinson (2004) and Penna (2007) models that espouse engagement variables of job satisfaction factors such as compensation, benefits,
and feeling valued at work, communication, training and development, benefits, relationship among employees, recognition etc., as key influences on staff engagement and overall satisfaction of work.

The model is remarkably similar to both Maslow’s Hierarchy of needs, and Herzberg’s two factor theory, with ‘Hygiene’ factors at base of the pyramid and ‘satisfiers’ (motivators) to the top. The study concluded that an organization successfully meets each of these engagement factors, becomes more attractive to new potential employees and becomes more engaging to its existing staff. Ronan Miles, CEO, Oracle, UK, perceived this pyramid as an emergent alternate model for engagement to foster employee satisfaction more holistically and takes into account the wider needs of both employees and employers, ‘the higher the level of employee satisfaction, the greater the commitment and contribution to the employer’.

Dhevan Govender (2010), in his dissertation titled, “factors influencing job satisfaction of managers at state owned enterprises in South Africa”, disclosed that managers were largely influenced by three factors: namely inspirational leadership and purposeful work; equitable rewards and facilitative work environment; effective working relationship and work life balance. The job/organizational factors influencing construct of job satisfaction are impacted by demographic elements. Work life balance is more important to female managers.

Compensation and monetary incentives are important to younger managers during their early career stages. Equitable rewards and facilitative work environment is of less importance to white managers than to black natives and Indian Managers and also to the older managers. Middle level managers are satisfied with inspirational leadership and purposeful work, equitable rewards and facilitative work environment. Job security is also a relative influencing variable to the respondents in the research.
Anuar Bin Hussin (2011), study on “the relationship between job satisfaction and job performance among employees”, in Trade winds Group of Companies, Malaysia, revealed that there was a positive relationship between job satisfaction components except for pay towards employee job performance. There was a significant difference between position and job performance. It proved that job satisfaction dimensions (pay, promotion, work itself, supervision and co-workers) could contribute to 17.8 percent (per cent) to increase the job performance in the organization.

Mosammod Mahamuda Parvin and Nurul Kabir, M. M., conducted a research on “factors affecting employee job satisfaction of Pharmaceutical Sector” in Bangladesh (2011). The result shows that salary, efficiency in work, fringe benefits, supervision, and co-worker relation are the most important factors contributing to job satisfaction. Based on the standardized values, work conditions, fairness, promotion, and pay were construed as key factors affecting company employees’ job satisfaction. Besides, job security as an aspect of job satisfaction was more important to male employees than to female employees. A good work environment and good work conditions would increase employee job satisfaction, and the employees will try to give their best which can increase the employee work performance, as concluded in the study.

Sadegh Rast and Azadeh Tourani (2012) have studied the impact of job factors empirically, such as supervision, present pay, relationship with co-workers, nature of work, and opportunities for promotion to determine the level of satisfaction, besides the relationship between employee job satisfaction and their gender. Findings suggested that employees were moderately satisfied with the influence of these factors in their job and there was no significant difference between male and female employees’ job satisfaction.

Niaz Ahmed Bhutto and others (2012) made a Comparative Study of ‘Organizational Climate and Job Satisfaction in Public, Private and Foreign Banks in Pakistan’. The study concluded that the
overall perception about organizational climate and job satisfaction had turned out to be most favorable to all the three banks studied. Out of 14 sub factors of organizational climate analyzed three factors namely organizational structures, identity, and human relations have had a positive and significant relationship with job satisfaction. Two factors; equity and empowerment were negatively related to job satisfaction.

Md. Rifayat Islam and others (2012) in a case study on Private Company Employees of Bangladesh to analyze the factors that affect ‘Job Satisfaction’ found out that four out of nine factors (Coordination and Leave Facility, Reward and Future Opportunities, Vision of the Company, Work Process, and Health and Insurance Policy) have significant influence on job satisfaction. The study concluded that an effective organization would make sure that there is a spirit of cooperation along with coordination among employees and sense of commitment towards achieving the goals and satisfaction within the sphere of its influence.

Imran Khan and Tauqir Ahmad Ghauri (2012), made an empirical research on ‘Relationship between Job Satisfaction and HR Practices’, of Public and Private Sectors University Teachers in Pakistan. The study disclosed that male university teachers are more satisfied with their job but female teachers are more satisfied with HR practices of universities. Public Sector University teachers are more satisfied and found direct relationship in length of experience and job satisfaction.

Teachers at middle level (4 to 6 years’ experience) are more satisfied with compensation, promotion, and empowerment and performance evaluation practice. Female teachers are dissatisfied with the job variables of work environment and behaviors of co-workers. Female teachers are more satisfied than male teachers with job factors such as compensation, promotion, empowerment, and performance evaluation.