CHAPTER 7

SUMMARY, CONCLUSION AND RECOMMENDATIONS

7.1 Introduction

The author presents the details of conclusion based on the analysis of influence of established traditional Job satisfaction factors along with identified Bank policy dimensions, and demographic variables for the proposed research on employee job satisfaction in Indian Overseas Bank. An attempt has also been made in the study to understand the performance of the bank with reference to employee job satisfaction, which is a part of the title of the project: “Study on Job Satisfaction of Employees vis-a-vis Performance Factors in Indian Overseas Bank (A Public Sector Bank in India)”.

The current research is an explorative social science HR study as the banking industry is a service industry, which becomes parts and parcels of the people and a prime mover of Indian economy, for that matter any country in the world. In fact, Human factor has become a new risk—possibly the biggest in the system, considering the new challenges and opportunities of new age banking as diagnosed by consulting firms such as McKinsey and Co.(2010), and the Khandelwal committee on HR issues of Public Sector Banks, appointed by the Government of India (2010).

The current study has been undertaken by the author primarily to address the critical risks and challenges faced by the Public sector banks (PSBs) in HR areas in the market driven economy. Human Resource Management is important for banks because banking is a service industry and has been and will always be a “People Business”.

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Jack Welch, Chief Executive of General Electric, USA, lamented that too often, it is common that companies measure everything and understand nothing. He elaborates: *The three most important things “they need to measure in a business are customer satisfaction, employee satisfaction and the cash flow”*. The customer satisfaction at higher level would increase their market share. ‘The employee satisfaction gets you productivity, quality, pride, creativity and the cash flow, which is a vital key of a company for the performance,’ suggesting job satisfaction of employees contributes positively to leverage productivity, performance and customer satisfaction to enhance profitability of a company.

*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’* according to Dr. Chakrabarty, CK, RBI, Deputy Governor (2012). 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.

Banks have to understand that the capital, products and technology are viewed as the most important pillars of banking are replicable, but not the human capital. It is considered as a valuable capital investment for the achievement of competitive advantage of the PSBs. The author, who is a senior banker retired during 2010, has also observed that the talent they employ and the way the banks engage them would be the deciding factor for the level and extent of performance to combat the emerging HR Risks and competitiveness of banks (PSBs) in the decades ahead. These are the factors motivated to engage the author of the study to perform the proposed research to reach his life ambition and satisfaction by way of helping the banks to re-engineer the Banks policy dimensions to mitigate the impending HR Risk in the PSBs.
7.2 Review of Literature Directs the Course of Research

Review of literature helps the researcher immensely, and directs the course of the research. *In this process, it motivates the researcher with an emergence of interesting and instructive themes, which steers the journey of research to reach its logical conclusion with new perspectives. It adds value to established factors and some loses its top slots to new dimensions due to employee’s perceptions on job aspects which are driven by the impact of global market economy and international financial reforms, particularly to Gen y in the millennium. Gist of emerging perspectives:

1. Money is still a universal motivator and it adds happiness which is directly proportional to accumulation of wealth.

2. Appreciation emerges as a new form of “Currency” and learning appetizers to new Gen employees as well as to the senior lots in the organization.

3. ‘Value Employees first’ is the new mantra of work place.

4. Career development is no more a marathon one has to run, it is a relay race, and the runners who anchor the buttons right from junior management to top management will have to transform themselves as a leader, leading from the front.

5. ‘Hygiene’ factors at base of the pyramid and ‘satisfiers’ (motivators) to the top ’and the two diagonals are top management and organization specific job aspects emerged as an effective job satisfaction umbrella’s.

6. New Gen is the emerging new age marshals, and captains to rule the banking industry in the decades ahead, to lead from the front or to play as a team.

7. India is in the edge of a storm with highest global attrition rate of 26.9 per cent, and for banking industry; it is at 30 per cent.
8. The challenge to capacity building is to recognize the centrality of frontline employees (clerical cadre and junior management) and it may seem intuitive, this obvious truth is ignored across the world in all organizations.

9. Bank policy dimensions are significant influencing factors for job satisfaction of bank employees along with established traditional job satisfaction factors.

10. Most of the studies in India have attempted to find out the job-satisfaction variables, which have been construed as the motivational variables.

11. The term ‘employee engagement’ has been assumed significance as a variable to job satisfaction since 2000s and it means different things to different organizations. Some equate with ‘Job Satisfaction’.

12. A perception has been spread for some time now that financial liberalization that involves regulatory forbearance but emphasizes better accounting standards and stringent disclosure requirements are accompanied by reduced fraud and delinquency levels of loans”. The evidence is to the contrary in view of mounting frauds and large scale NPA creeping in the banking system.

13. HRM policies and practices have been evolved primarily through reactive processes in Public Sector Banks between ‘the management, Government and trade unions’.

14. Motivation influences engagement, leads to productivity of individual to collective performance, in turn job satisfaction, in a circular cyclic fashion on both the directions. Thus motivation, job performance (JP) and Job satisfaction (JS) have a circular cyclic relationship’, mediated by job factors.

7.3 Research Methodology

The author had assumed researchable hypotheses based on extensive literature reviews conducted on banking and diverse industries to achieve the objectives of the current study. Since, the concept of research is to develop contextual knowledge (how this field draws on and connect to others), the methods (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 from diverse fields for an answer or combine ideas from different lessons in the indented project.

Based on this premise, the author had selected nine aspects of job which are traditional factors of job satisfaction established after several years of research conducted in diverse organizations. They are Pay, Fringe benefits, Contingent rewards, Promotion, Co-worker, Operating conditions, Nature of work and Supervision. Further, Banks specific factors concerning major functional areas of the PSBs such as Training, Transfer, Government policy guidelines, Performance Management System, Staff accountability and Trade union/officers association were included.

The rationale behind selecting these six Bank policy dimension was apart from their significance, the research would be in an entirety only when these factor would be studied along with the traditional established job factors. Then only, it would measure the overall impact on influence of job satisfaction of bank employees as some of the factors were not studied adequately as discussed elsewhere in the study.

Appropriate statistical techniques such as descriptive analysis, numerical statistics such as frequencies, means, standard deviations and inferential statistics like ANOVA, t test, Tuskey’s HSD test of post hoc comparisons, factor analysis, Pearson correlation coefficients and regression analysis were employed to analyze the data collected, from 400 employees of IOB across the country. These are the tested standardized techniques being utilized in the HR research over the years (‘Human Resource Research Methods’, Dipak Kumar Bhattacharaya, 2007).

The author had utilized combination of statistical tools from the above group, to analyze and compute the influence of Demographic variables in terms of the established Job satisfaction and Bank policy dimensions.
The author had employed widely used job satisfaction instrument of Paul E. Spector (1994), which measures nine aspects of job satisfaction, after having made literature review on job satisfaction dimensions progressively over the years. The level of influence of this established job satisfaction factors (9) had been analyzed and computed and tabulated by utilizing the standardized scale of Spector with a host of tools referred above.

The reliability and validity of Bank policy dimensions (6 factors) were analyzed by employing a spectrum of factor analysis (KMO and Bartlett’s test of Sphericity, Eigen values, PCA, RCM and Scree Plot Criterion), vide chapter no.4. The employee’s perception on the rank order preference of Bank policy dimensions was analyzed and presented in table no.5.15 by utilizing descriptive and numerical statistics.

Spearman’s correlation was computed for the Job Satisfaction factors’ relationship with Bank policy dimensions. Here, the author aim was to determine the overall importance of both the factors (independent variables) and their relationship to influence the dependent variable (level of job satisfaction). Multiple regression analysis was used to determine the predictors of job satisfaction level related to Bank policy dimensions.

The survey tools led the author of the research to find out the specific relationships and influence of the variables identified, in an effort to answer the research questions. In all cases, research questions were tested at the 0.05 or 0.01 level of significance.

With regards to analysis of Banks performance (IOB) vis-a-vis employee job satisfaction, the author had utilized the secondary data of performance of the IOB from 2008 to 2013 on key business parameters: growth on deposits (D), advances (A), business mix (D+A), CASA and other efficiency and soundness indicators, as per the
practice of RBI, the controller and regulator of banks for reviewing the individual bank performances.

7.4 Discussion on Major Findings

7.4.1 Descriptive Analysis of the sample for the study

The present investigation included 400 employees of Indian Overseas Bank. While analyzing the survey questionnaire, it was found that the 66.25 per cent of sample consisted of males whereas females formed 33.75 per cent of the total sample of the respondents studied. The majority of the sample comes from age group of 51 to 60 years of age, which comprises of 46.5 per cent of total sample, followed by 25.25 per cent of respondents in the age group of 20 to 30 years of age. It is evident that major part of the employees are all in the age group of 50 and above and consequent the recruitment of employees, considerable segment of the employees are in the age group of 20 years to 30 years. In the study, it was found that 78.75 per cent of the employees are married 21.25 per cent of the sample is unmarried and this corresponds with the age group of 20-30 years who constitute 25.25 per cent of the total sample.

Majority of the sample in their educational qualifications are graduates which constitutes 64.25 per cent followed by post graduates with 17.50 per cent, and 5.5 per cent of sample are non-graduates. Interestingly, most of the employees in this study were in the scale of Middle Management Grade (35 per cent), followed by Junior Management Grade (33.50 per cent) and Clerical staff (19.50 per cent), which is vital for the study as these employees are in the operations. Majority of the sample have been collected in metro (49.25 per cent), urban areas (26.75 per cent), and also from rural centres (14.25 per cent).

The native state of most of the respondents is Tamil Nadu (48.50 per cent), followed by Andhra Pradesh (15.50 per cent). Present work place of majority of the employees in the sample is Chennai (36.75 per cent) followed by Salem region (8.75 per cent).
per cent), Hyderabad region (7.25 per cent), Kolkata regions (6.75 per cent) and Tirupathi region (4.25 per cent).

Most of the employees in the present study have more than thirty years of experience (30.0 per cent) and almost the same percentage was having less than five years of experience (29.7 per cent) on their job. In the study, data was also collected to find the distance between place of work and place of their residence. It was found that distance between place of work and residence was the same for 37.50 per cent of the sample, whereas it was less than 100km were found to be 27 per cent and more than 100km distance for 35.5 per cent of employees.

Out of the total respondents of 400, 27.25 per cent of the sample consists of 109 branch managers of various grades working in different category of branches in metro, urban and rural areas. The data was collected for the economic conditions under many heads in the present study. About 42.50 per cent of the respondents are drawing more than fifty thousand rupees a month, but less than twenty thousand rupees was drawn by 4.5 per cent of the employees in this study. For most of the employees in the present study, the economic conditions found to be adequate (41.75 per cent) and balanced (44.75 per cent).

### 7.4.2 Study on Demographic factors Influence on employees’ satisfaction in IOB

One of the objectives of the study is:

“To examine the relationship between various dimensions of job satisfaction factors and bank policy dimensions with demographic variables among the employees of Indian Overseas Bank.”

The influence of demographic characteristics viz. Gender, Age of the employees, marital status, educational qualifications, grades/cadres in the bank, length of service, branch manager, population group work place, distance from native place to place of
work, salary and economic conditions of employees were analyzed for computing levels using descriptive statistics (table 6.55). The gist of conclusion such as status of perception of employees on the influence of demographic variables on the job factors and their implication is being discussed here.

The notable observation was that all the eleven common Demographic variables selected by the author to study their overall influence on JS factors, and Bank policy dimensions was found to be in a state of ‘ambivalent’, and ‘average’ respectively. Result has also disclosed that some of the dimensions of JS factors and Bank policy dimensions inflict significant difference on demographic factors in Indian Overseas bank.

7.4.2.1 Gender and Factors of Job Satisfaction

Both male and female employees perceived differently on the significance of Staff accountability, PMS and Trade unions of Bank policy dimensions. At the same time, the Gender had not responded differently with the JS factors except in one variable namely Fringe benefits, with male employees perceived dissatisfaction.

7.4.2.2 Age and Factors of Job Satisfaction

Gen y age groups (20-40 years of age) were perceived differently on the JS factors on Pay, Supervision, Fringe Benefits, Co-Worker, Nature of Work and Communication. Post Hoc comparisons revealed that employees in the age group of 51-60 years were found to be happy with all the elements of JS factors except towards fringe benefits and operating conditions. However, the respondent’s age variables had no significant influence on all the Bank policy dimensions.

7.4.2.3 Marital Status and Factors of Job Satisfaction

Marital status of the respondents had no impact on the JS factors, and they perceived communication as an only influencing factor for job satisfaction. Conversely, Marital Status had no significant effects on all the dimensions of Bank policy factors.
7.4.2.4 Educational levels and Factors of Job Satisfaction

The analysis revealed that the education level of the employee influences overall job satisfaction ($F = 2.803; p > 0.05$) and produce job satisfaction (table 6.26). Non-graduates and MBA/MCA holders among the respondents were perceived Fringe benefits, Operating conditions, Pay and Contingent rewards as either at “dissatisfied levels or at an ambivalent state”.

However, Business graduates (MBA and MCA) and IBA Certificate holders (JAIIB) were displayed “low level” of perceptions on training policy. Strategic consultant M/s Gallup in its annual study report of 2012 endorsed these findings that there is considerable variation in engagement level in India by educational levels.

7.4.2.5 Branch Manager and Factors of Job Satisfaction

Branch managers of all Grades in IOB who constituted 27.25 per cent of the respondents, did not exhibit significant difference on the dimensions of job satisfaction except for Pay ($t = -1.995; p > 0.05$). Their overall level perception on both the JS factors and Bank policy dimensions was found in an ambivalent state, and at an average level respectively.

7.4.2.6 Grades of Employees and Factors of Job Satisfaction

The different Grades of staff members were significantly differed on their perceptions with regards to supervision, Co-worker, Nature of work and communication, obtained in Indian Overseas Bank.

Junior Management cadre rated training facilities obtained in the bank at a “low level”. Further, Post hoc comparisons revealed that employees on different grades perceive differently on some of the Bank policy dimensions namely Transfer, Training, PMS, Staff accountability and Trade unions.
The reasons for the different level of perception of various cadres of employees were due to power and authority linked to the post or the absence of it; working in strategic departments or power centres or closeness to them. Other reasons were not recognizing the centrality of front line employees (clerical and Junior Management cadres) and responsibility associated with the grades as discussed earlier with empirical findings.

7.4.2.7 Population Group Work Place and Factors of Job Satisfaction

With regards to population group work place (Metro, Urban/semi-urban and Rural), employees working in ‘Rural areas’ were dissatisfied with the policies on Promotion, Fringe Benefits, and Operating Conditions. The study found that the population group work place imposed significant difference to one of the dimensions of JS factor, namely Supervision (F=2.683; p > 0.05). Comparatively, population group work place of the respondents did not influence the perceptions on all Bank policy dimensions.

7.4.2.8 Distance from Native Place and Factors of Job Satisfaction

It was revealed that the distance from native place to current work station would influence the perception on dependent variables differently on Pay, Promotion, FB, CR, OP, CW and Communication of JS factors and the overall level perceived was an ambivalent one. On the contrary, this variable did not impact the Bank policy dimensions and the overall level perceived was also average only.

7.4.2.9 Experience of Employees and Factors of Job Satisfaction

Gen Y employees within the lengths of service of 11-15 years and also 21-25 years perceived Pay, Operating conditions and Fringe Benefits as dissatisfied factors. It was further observed that each age group level perceived differently towards Pay, Promotion, Fringe Benefits, Co-worker, and Nature of work and Communication in isolation or in combination between them.
Comparatively, employees with longer years of service in the bank displayed more satisfaction than others in terms of job satisfaction factors as well as Bank policy dimensions, as revealed from Post hoc test of comparisons.

7.4.2.10 Salary and Factors of Job Satisfaction

The study revealed that the salary of employees did not influence significantly their job satisfaction in terms of JS factors and Bank policy dimensions. However, they perceived differently towards some of the dimensions of job satisfaction, namely, Promotion, Supervision, Co-worker, and Nature of work.

This kind of employee’s perception may be due to the perceptions that ‘these factors’ would compensate in lieu of good salary especially for GenY groups and mid-level employees. Employees with higher salary (above Rs.50, 000) were a happier lot in the bank and had more satisfaction than others as per Post hoc test of comparisons.

It was revealed in some of the studies over the years that PSBs employees have expressed dissatisfaction with pay and perks as discussed empirically in earlier chapters.

7.4.2.11 Economic Status and Factors of Job Satisfaction

Economic status of the respondents influenced significantly the job satisfaction in terms of JS Factors with substantial differences in some of the dimensions namely, Pay (F=3.170;p>0.05) and Co-worker ((F=3.398;p>0.05). In essence, Employees with adequate and surplus economic conditions were significantly had more job satisfaction. Employees with deficit status had dissatisfied with fringe benefits and contingent rewards policies operating currently in Indian Overseas Bank.

Comparatively, the study did not find significant difference with varied economic conditions of employees towards the Bank policy dimensions.
The major findings enabled the author to answer the one of the research objectives in this study, which is “Do the demographic factors have significant influence on employees’ job satisfaction in terms of JS factors and Bank policy dimension in Indian Overseas Bank?”

The overall conclusion emerged from the study is that demographic variables had mixed moderate effect in terms of the JS factors, and Bank policy dimensions on influencing the job satisfaction of employees in Indian Overseas Bank. Accordingly, the author has treated the composite null hypothesis assumed ($H_{00}$) as “retained” to address the related research objective.

7.4.3 Major Findings on Perception on Bank Policy Dimensions

One of the objectives of the study is:

“To study the validity of banks specific factors identified and to examine the employee’s perception on identified Bank policy dimensions for influencing the job satisfaction in Indian Overseas Bank.”

The author had identified six Bank policy factors such as Training, Transfer, Government policy guidelines, Performance Management, Staff Accountability and role of Trade Unions/officer association from elaborate literature reviews. The reliability and validity of primary data collected on Bank policy dimensions through questionnaire was finalized with experts in the field followed by pre-test with some employees. Then the primary data collected from the respondents (n=400) were analyzed by employing a spectrum of factor analysis (KMO and Bartlett’s test of Sphericity, Eigen values, PCA, RCM and Scree Plot Criterion) using SPSS, as discussed in chapter no.4 (Research Methodology).

The conclusions on the major findings of this factor (table no.5.15) and their effects in terms of employees rank order perception had suggested that they would impart significant influence on the job satisfaction of employees progressively:
Trade unions (Mean = 4.47), Government Policy Guidelines (Mean = 4.36), Performance management (Mean = 3.47), Staff accountability (Mean = 3.46), Bank transfer policy (Mean = 3.42) and Training (Mean = 2.64).

It was concluded that the employees have agreed strongly the role of Trade unions whereas training had been perceived as a least influential factor of job satisfaction. The author concur with the respondents low level of perceptions on ‘training policies’ prevailed in the bank (IOB). This finding’s gets empirical endorsements that there exists a positive correlation between ‘training and job satisfaction’ (Sumita Kumbhar and Dattagupta, J.K., 2012). This in turn resulted in improvement of individual on the job performance which consequently improves the organizational performances, revealed from the reports of Annual Bancon conference of the PSBs and other researchers in diverse organizations.

Literature review for the role and influence of top ranking factor ‘Trade unions’ in the current research is not supported by extensive researches in our country. The available reporting’s: Nagarajan, N (2003) that “HRM policies and practices have been evolved primarily through reactive processes in Public Sector Banks between ‘the management and trade unions’. The trade union and officers association wielded undue influence in the execution of transfer policy of clerical and officer’s cadre.

Khandelwal Committee (2010) and Chakrabarty (2012) on HR issues of PSBs endorsed the above observations, as Trade unions and Officers association are an important part of the democratic process besides employees perceptions of attributing greater credibility and reliability to communication received through their unions.

Government Policy guidelines which was ranked at no.2 would have impacted recruitment, promotions, placement, mobility, performance evaluation, performance incentives and staff accountability in the PSBs. It is clear that the undue influence of the government in the
HR portfolio through bank board’s has not gone down well with the employees/senior management who has larger stakes in overall HR management strategies of the Public Sector Banks (Sharma, JD., 2012).

*Performance Management system (PMS), another significant factor which was ranked at no.3 has not been established objectively to measure individual performances of employees in the PSBs on the whole including IOB.* The basic objective of a Performance Management System (PMS) is to evaluate the employees’ performance fairly in order to take decisions with regard to placement, training, recognition and promotions, career and leadership development, succession planning, incentives and rewards in a transparent manner. *It is the most important area of Human Resource Management, unfortunately, the system of employee appraisal had not helped to discriminate, and differentiate between performers and non-performers, besides not shared with the staff members.*

Annual performance appraisal for Clerical cadres is very dismal, in spite of the fact that they are the foundation stocks for all the management cadres in the PSBs. These were the empirical findings revealed in many studies: Ragavan, R.S., 2004; Mangaleswaran, 2007; khandelwal committee, 2010; BCG, IBA and FICCI study, 2010; Chakrabarty, K.C., 2012, and Sharma, JD., 2012.

*Bank transfer policy was rated, as a factor of distress due to the fact that bank did not have a board authorized transparent policy document.* Its implementation is highly non-transparent, adhoc and annualized with post promotion negotiation with trade unions. It is perceived that trade unions wield undue influence in the transfer process, and also not played their role fairly and the author agrees with this perception.
Further, IOB has been implementing partially the guidelines of Ghosh committee that people should be transferred once in 5 years. They are also not adhering to CVC norms of transferring employees working in sensitive departments once in 3 years like treasury, Vigilance etc.

Staff Accountability was another significant factor of influence affecting the job satisfaction of employees with a rank order perception of 4 in IOB. Every bank has formulated a policy for examining staff accountability whenever an account turns bad and also the negligence and violations in the functional areas of banking. After the scrutiny by senior officers, the case is classified as ‘vigilance’ or ‘non-vigilance’ by a committee of senior executives (as per Chief Vigilance Commission (CVC) guidelines).

The final fate of the official depends entirely on the mindset of the CVO. A person with operational experience understands the nuances of decision-making and takes an objective view of the issue. If, unfortunately, the CVO is a person with little operational exposure the concerned official’s life becomes miserable.

It is undeniable that accountability has to be examined and those found delinquent punished. However, a distinction has to be made between genuine error of judgment and acts of malfeasance. More often than not, the officer is an innocent victim of a clever fraudster. However, it is presumed that the official has a role in the fraud and he is subjected to untold misery (Krishnamurthy, TS. 2012 and 2013).

In his Inaugural address during the National Conference on Financial Fraud organized by ASSOCHAM at New Delhi on July 26, 2013, Dr. K. C. Chakrabarty, Deputy Governor, Reserve Bank of India expressed that there is a pressing need to probe staff accountability in a fair and objective manner and take it to its logical
conclusion. This is necessary to instill a sense of responsibility amongst the officials for complying with the laid down procedures.

These views were voiced by employees — serving and retired — of public sector banks. Amazingly, both views have a large element of truth. The first statement refers to the oppressive levels of accountability and punishing employees even for genuine decisions taken, which later result in a loss.

In addition, the second is a widely held perception among employees of PSBs that any official who is totally negative in his/her approach and refuses to take decisions is never called to question for the inaction.

The most irritable and disturbing factor is the process involved in classifying the case as vigilance or non-vigilance, undue time delay in conducting enquiry and awarding punishment and also the appeal. The same is the case with CBI, wherein the cases are handled even after the retirement of employees for its disposal. There is “no primary research exclusively conducted on this subject till today’ in the banking sectors except a passive reference has been made on this factor in a very few studies” (chapter.2 furnish elaborate reviews).

Therefore, the researcher has achieved the objective no.1, which was to study the validity of banks specific factors identified and to analyze the influence they have on the job satisfaction of employees.

7.4.4 Major Findings on Analysis of influence of Job Satisfaction Factors

One of the objectives of the study is:

“To examine the job factors that adversely affect job satisfaction and the factors that would influence the level of job satisfaction of the employees of IOB.”

Null Hypothesis:

$H_{01}$: There is no significant influence of various dimensions of job factors on the overall levels of job satisfactions of employees in Indian Overseas Bank.
The respondent’s perception appeared to be moderate with level of job satisfaction ranging from dissatisfaction to satisfaction among certain factors. The overall level of influence of established job satisfaction factors was in an ambivalent status in IOB (table 6.16).

In summary, the results of employee satisfaction in this research study did support the theoretical as well as empirical disclosure of the Herzberg’s Hygiene and motivating factors in the bank. Three of the nine JS factors viz. Supervision, Co-workers and Communication had a positive satisfied relationship to overall job satisfaction.

It has shown that employees of IOB were satisfied with human aspects in their banks which were due to good supervisory support, co-worker relations and communications flow in the bank.

However, among the motivational factors (Intrinsic aspects), Nature of work alone contributed positively to overall satisfaction. The other factor Contingent rewards, now assumed as a form of new currency, and a learning appetizer were not held in good stead in IOB as per the perception of the employees (ambivalent). The Promotion, another prime factor of motivation was also sailing in the same boat. Employee’s current level of perception was due to the influence of associate factors such as; transfer tied to promotion; compensation and other benefits not matched with higher responsibility and risks; ineffective promotion process right from junior management cadre to top management and then to ED and CMD at the corporate level (Moorty Uppaluri, 2013; Tamal Bandyopadhyay, 2013; Khandelwal committee, 2010).

Among the remaining factors (extrinsic hygiene factors), Pay was perceived as an ambivalent factor, indicating that the employees are neither satisfied nor dissatisfied with this job aspect. Operating conditions and Fringe benefits were construed as dissatisfied factors by the employees of IOB. The reasons attributed for the negative ratings
were staff shortage, too much of work load, working facilities, ambiguity in job and role descriptions even for top management, CMD/EDs, and job stress, as revealed from the survey, literatures and also matched the current position obtained in the bank by the author.

The fringe benefits are perceived both as hygiene and motivating factor universally as reported in many studies over the years in influencing satisfaction level of employees (Mirza S Saiyadin, 2009; Kavitha, 2009; Sharma, JD., 2012; Hay group, 2013; and AlladaVijaya Kameswari, 2013).

It was concluded that the results on the influence of job satisfaction factors were according to the null hypothesis ($H_0$) as overall job satisfaction was found at an ambivalent state, and hence the null hypothesis is “retained” and in the process, the author achieved the research objective no.2.

7.4.5 Relationship between Job satisfaction and Bank Policy Dimensions

One of the objectives of the study is:

“To study the relationship between the level of established job factors and perceived Bank Policy dimensions identified for the job satisfaction of employees of Indian Overseas Bank”

**Null Hypothesis: $H_{0.02}$**

There would be no significant relationship between the level of Job satisfaction and Perceived Bank policy dimensions among the employees of Indian Overseas Bank.

Pearson Correlations Coefficient was employed to analyze the relationship between level of job satisfaction and perceived bank policy dimensions (6 factors) for the employees of IOB. It shall convey whether both the group variables are related to each other, and if related, the direction of relationship would be revealed. Such analysis would have a high implied value.
The careful perusal of the analysis revealed that there was no correlation between many level of job satisfaction factors and perceived Bank Policies (table 6.18). However, the analysis had shown that there was relationship between some of the dimensions of these two sets of job factors. *Performance Management (PMS) and communication was related positively* ($r = .129; p > 0.05$) *with each other.* PMS and communication might reciprocate each other, with PMS promoting the employees for better communication in the organization and vice versa.

Trade union and Communication was found to be negatively related ($r = -.136; p > 0.05$) to each other in the present study. *Higher scores on trade union related to low communication, which indicates that people showing less communication with the organization when there is increased proximity with the trade union and vice versa.* The author supported this finding’s from his work experience that employees are in the habit of approaching the trade union and officers association for majority of the HR issues rather than the management cadres, who even direct them to approach trade unions on many occasions.

A standard multiple regressions was carried out to measure the relationship between the single dependent variable of job satisfaction and the multiple independent variables of the factors of Job satisfaction and perceived Bank polices as proposed in the objective of the research. *Regression analysis had revealed that Performance Management Policy (PMS), alone had the ability to predict the level of job satisfaction of employees and not the other factors related to Bank policy dimensions.* It is pertinent to draw the findings from the descriptive analysis of perception of bank policy factors wherein PMS was rated as third ranking variable for influencing job satisfaction (table 6.15).
Thus, the author had analyzed and presented the relationship between the established job satisfaction factors and perceived Bank Policy dimensions for the job satisfaction of employees of IOB, and thereby achieved the realization of the research objective no.3. The relative hypothesis ($H_0$) had been “retained” as there was no significant relationship between the level of established job satisfaction factors and perceived Bank Policy dimensions among the employees of IOB.

### 7.4.6 Impact of Job Satisfaction on the Performance of Indian Overseas Bank

The current study has made an attempt to understand the performance of the bank based on secondary data in terms of the Job satisfaction level of employees during the study period from 2008 to 2013.

The secondary data has been selected in tune with the RBI methods of reviewing the annual performance of individual PSBs based on key business and functional parameters: Growth in deposits, Business mix, CASA, Asset quality, Profitability elements of net profit, NIM, ROA, COF, NNR, profit and business per employee, Wages as a percentage to total expenses, CRAR etc. The performance highlights of Indian Overseas Bank from 2008 to 2013:

1. *The total CASA deposits (SB plus CA) came down from 29.4 per cent as at the end of March 2009 to 27.1 per cent as the end of March 2013.*

2. There was an erratic trend witnessed in the no cost deposit growth of current accounts from the period 2009 to 2013 and the overall growth in current deposits was insignificant over the years (table 3.2 of chapter 3).

3. The growth of deposits in all population group centres has shown a mixed trend with stagnant and slow growth; say a declining trend in the population group of Urban, metro and rural centres. However, urban and metro centres still dominate in terms of contribution to total deposits at 83.37 per cent.

4. *In spite of the bank venturing into financial inclusion and opening of branches in rural and semi urban centres, Indian Overseas Bank was not able to penetrate more in these centres as observed from the above analysis.*
5. The disbursement trend in credit has shown that there was near stagnant in Agriculture at 15.8 percent where it was 45 per cent and 27 percent for Industry and Services sector respectively (table.3.7). These trends have been observed in the entire banking industries, and also in the diverse industrial and Services sectors in India in terms of contribution to country’s GDP, due to impact of liberalization and financial transformation, as discussed in the introductory chapters.

6. However, “the incremental growth share of loans disbursed in metropolitan and urban centre’s was in the declining stagnant trend”. Semi-urban and rural accounted higher share in IOB indicating business potential in metro and urban is nearing saturation.

7. The per employee productivity has improved from 5.58 crs. in 2008 to 11.92 crs., in 2013. Nevertheless, it was due to near same staff strength, with total business year on growth maintained at 22 per cent during this period (table.3.11 and 3.12).

8. With increase in the overall business over the years and keeping the staff component as constant, in real terms, the workload has increased many folds and the stress level of the employees increased consequently and the same was contributed to rate the “operating condition” as a dissatisfied job factors.

9. It is evident that the NPA level has been increased rapidly from the year 2010 and touched a higher level of Rs.8914 crores in March 2013, which is one of the critical challenges to the bank affecting the profitability and image of the bank among the stake holders as well as in the market.

10. The net NPA ratio which was at 0.60 per cent as on March 2008 rose to reach a level of 35.44 percent in 2011. Net NPA Ratio has shown a reduction in 2010 to 24.16 per cent, and then to 16.31 per cent in the year 2013.The NPA reduction was
mainly due to restructuring, sale of NPA to ARC, and write off of sizeable portion of NPA (591 crores) in IOB, and the same was the case with other PSBs as observed by RBI.

11. The effect of actual recovery was eaten away by fresh slippages of loan accounts amounting to Rs.5601 crores during the year 2013. This would significantly affect the profitability of the bank.

To sum up, the dissatisfaction level has been witnessed from the fact that the efficiency indicators in profitability ratios like per employee profitability, ROA, and Return on Advances have been on the decline trend during the study period. Conversely, COF and wages as a percentage to total expenses had shown an increasing trend (table 3.12).

The other soundness indicators namely CRAR (11.85 per cent) and provision coverage ratios (59.34 per cent) as on March 2013, reflected a declining trend in the former, and the latter is satisfactory compared to industry average of 45 per cent over the past three years (comfortable level would be 50-60 per cent).

It has been observed from the present study that the Job satisfaction level of employees in Indian Overseas Bank has been in an ambivalent state for some of the components of traditional Job Satisfaction factors and low for other factors. Further, the employee perceived Bank policy dimensions selected for the study would enhance their satisfaction level significantly provided the bank takes care to re-engineer these variables in terms of vast pool of literatures discussed in the study.

The inference and conclusion emerged from the present study clearly matches with the performance indicators of Indian Overseas bank in our quantitative analysis and qualitative observation on the growth and efficiency indicators of the bank. Even though, the total performance of the bank depends on various factors such as economy slow down, Government policy guidelines and global melt down, employee’s
satisfaction level also significantly influences the performance of the bank. The low level of Job satisfaction consequently resulted in decreasing CASA and profit growth, credit disbursements, increasing level of NPA (partly) in Indian Overseas Bank.

Thus, the answer for the above objective is that Job satisfaction level does influence the performance growth indicators in Indian Overseas Bank. The study findings could be well replicated in other PSBs, as the prevailing HR climate is more or similar in all the PSBs as evidenced from the literature reviews.

7.4.7 Implications on the Findings of the Job Satisfaction Study to IOB and PSBs

Demographic characteristics of employees were moderately related to overall job satisfaction, which implies that based upon age, gender, marital status, education levels, tenure, Grades and economic status are more or less stable with regards to their overall satisfaction. The dynamics of these variables, prima facie, are proving to be constant around the world from one study to the next pointing out to the management namely:

1. Engagement increases as you get closer to the top management and power centre Departments/section or working in those sections.
2. Tenure (length of service) - Employees found to be happy and satisfaction increases as employees become more tenured.
3. Present Grade/position - Engagement increases as employees vested with more powers and responsibility.
4. Impact of age - Employees become more engaged and satisfied, as they get older.
5. Influence of Salary - Employees in the higher salary ranges were more satisfied.

Branch managers, who are the back bone of the banking industry, are in an ambivalent state in reacting towards JS factors and Bank policy dimension except on Pay variable in the study. Their perception on the status of various job/organizational
policies and practices would stir the top management of banks for revisiting all the HR policies.

The happier and positive side of the studies is that employees of IOB were satisfied with human aspects in their banks which were due to good supervision, co-worker relations and communications flow in the bank.

However, these attributes have failed to impact the overall satisfaction level in Indian Overseas Bank, which was found to be in an ambivalent state in terms of other JS factors, and also failed to impress Bank policy dimensions.

The interesting and even we can say as a novelty in the current study is the emergence of PMS (Performance Management System) as a crucial “motivating factor” to address the major HR issues in promotion, transfer, learning and development (training), placement, career and leadership development. Therefore, PMS would predictably drive employee engagement to performance which leads to satisfaction as perceived by the employees. Besides, Pearson correlation coefficients and regression analysis proved its significance statically as an implied tool to job satisfaction in IOB.

New Gen employees perceives good entry level package, delighting training module, operating conditions, Pay and Fringe benefits as influencing factors in the study. However, these variables were not held at satisfied levels in the bank which had ramifications on attrition and retention management.

People working in rural areas who are the drivers of Country’s most critical financial inclusion agenda are in a state of displeasure, another relevant implication’s flow from the study. It was an account of neglect of these people in the promotion process, besides inadequate fringe benefits, and dialectic operating conditions.

Work stress which was one of the elements studies of the Operating conditions contributed significantly for the dissatisfaction of employees in the IOB.

Trade union/officers association are perceived as significant factors of employees satisfaction under bank policy dimensions, but their undue influence in transfer and promotion needs to be controlled.
Staff Accountability was perceived to be a high distress factor affecting the employee morale, work life balance and decision making on the part of junior, middle and senior management in the bank, another distressed factor to the top management of the bank.

The burgeoning NPA (Non-Performing Assets) levels of IOB, Provision coverage, increases in operating and staff cost, sliding net profits, declining NIM, Per employee productivity and stagnant CASA deposits are the dents and de-motivating factors in the performance of Indian Overseas Bank (IOB).

The current level of Job satisfaction of employees in terms of traditional JS factors and bank policy dimensions revealed in the current study was a cause for concern to top management of the Indian Overseas Bank as they are not in a favourable state: they are at an ambivalent state, and moderate level, with PMS, Communication and Trade unions positively correlated with each other.

The diminishing employee satisfaction results in decreased revenue of IOB, the author perceives symbolically in terms of theory and practices of Jack Welch of General Electric and A Deloitte study (2013) 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.

To sum up, the results and the inferred conclusion from the study supported the importance of Job Satisfaction of employees in the banking industry and add values to the existing pool of literature as a new cluster for practicing bankers, banks, employees and researcher in diverse fields in terms of:
1. Most importantly, the author findings in the study did support the existing literature, and add to the deficit literature in ample measure by exploring the influence and relationship of Bank Policy Dimensions to the Job Satisfaction in the Indian context and for future applications in the banking studies.

2. The study also supported the model of job satisfaction designed to suit our research which is an off shoot of a model from B2B International Ltd (2010): Hygiene factors at base of the pyramid and ‘satisfiers’ (motivators) to the top ‘and the two diagonals are top management and organization specific job aspects emerged as an effective job satisfaction umbrella’s.

3. The employees’ perception on the influence of traditional established job factors and Bank policy dimensions, and the job satisfaction levels revealed in the study endorsed the concept of job satisfaction coined for the study: Motivation influences engagement, leads to productivity of individual to collective performance, in turn job satisfaction, in a circular cyclic fashion on both the directions. Thus motivation, job performance (JP) and Job satisfaction (JS) have a circular cyclic relationship’, mediated by job factors.

PSBs have been recognized to cause major impact on economy and social phenomenon of growth and standard of living in the country. Hence, banks should concentrate continuously on employee satisfaction in order to stay profitable and in the process, would be benefited by employee retention and fostering greater employee positive contributions to the organizational effectiveness and performance.
7.5 Recommendations

The management of the bank has to take a view on reengineering the HR policies in the lights of the significant findings of the research on the influence of job satisfaction factors, and the current level of overall satisfaction of employees obtained in Indian Overseas Bank. The bank has to take some innovative measures to improve the effectiveness of the perceived bank policy dimensions of PMS, Staff Accountability, Transfer, Training, Government policy guide lines, and efficiently utilizing trade union for influencing job satisfaction of employees in IOB. Gist of our suggestion:

7.5.1 Retention Management

New Gen employees (20-40 years) in the banking industry as on date is around 60 per cent and it would reach a level of 90 per cent by 2020 as predicted by Mckinsey (2010). Attrition is a great challenge of this decade in India which is highest at 15-20 per cent including the banking industry (30 per cent) and 66 per cent of a company would be having new employees by 2020.

The PSBs would focus on this segment who is a privileged generation since their parents have met their basic needs and this people expect good salary at entry level, work life balance; opportunity to use their skills, career growth and personal development, caring senior management and fair appraisal and PMS linked rewards. Besides appreciation is a new form of currency and they thrive on praise and social recognition.

7.5.2 Learning and Development for Talent Management

The word training may be re-coined to learning and development and revamped to acquire talent, manage and groom them to develop leader ship position including the existing staff members as a part and parcel of PMS (Performance Management
System). The challenge to capacity building is to recognize centrality of front liners (Clerical Cadre and Junior Management) and learning model would be a delite to them.

7.5.3 Performance Management System (PMS)

PMS would be the focus buzz word to top management and fulcrum of HR management closely monitored by the Board of management of banks. All the components of PMS would be realigned to steer the human factor to drive engagement, performance and satisfaction besides developing leadership pipelines. The annual performance appraisal should be transparent and shared with the members for course correction mutually and progressively. PMS is to be effectively linked to rewards, recognition, and performance incentives without disturbing the concept of team spirit as banking is a team game by borrowing models from private banks and diverse industries.

7.5.4 Articulation of HRM Policies and Practices

HRM policies and practices have been evolved primarily through reactive processes in Public Sector Banks between the management, Government and Trade unions and Officers association. Bank Management would impress upon the Government to have a level playing field in terms of fixing compensation just like private banks. They also seek to have provision as mandated in the new Companies Act, 2013 operational from April, 2014, which is well designed with responsibilities and obligations thrust on the board of directors. Private sector banks are well utilising these provisions effectively.

At the micro level, Trade union and Association assumes the caretaker of the employees upto Middle management level in the management function of promotion, transfer and placement. Management would regain their position with a suitable
mandate from the GOI in the primary HR functions. They can make the trade unions as a facilitator for enhancing employees performance since the unions have established close rapport, credibility and influence among the employees. *The study did support this opinion as they were rated as important factor for job satisfaction by the employees.*

### 7.5.5 Revisiting Staff Accountability

Staff Accountability policies and system would need immediate attention for changes in terms of existing policies, disciplinary procedures, vigilance mechanism and multiple agency approach in dealing accountability in the PSBs. Here again, the new companies act comes in handy, provided the Government would permit to include the PSBs in the new companies act in lieu of Bank nationalisation Act which is basically an act to deal with the structure of the banks, not meant to structure the governance of banks. If the Government decides to reduce the share holding below 50 per cent in the PSBs, the CVC, CBI and RTI act will not applicable to these banks as suggested by RBI committee recommendations to review governance of boards of banks in India (2014).

All non vigilance cases may be dealt with individual banks with appropriate models. Clear definition of vigilance cases, negligence, non vigilance cases must be spelt out clearly and also periodical review in terms of new businesses, products, and processes evolved.

### 7.5.6 Strategy for People Management in the Banks

The happier and positive side of the studies is that employees of IOB were satisfied with human aspects in their banks which were due to good supervision, co-worker relations and communications flow in the bank. However, these attributes have failed to impact the overall satisfaction level in Indian Overseas Bank.
The model developed in IT major, HCL can be replicated on a pilot basis in this bank. Vineet Nayar, Joint MD of IT major HCL 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’. 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’. 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.

In this connection, the leadership quality displayed by Field Marshall Maneckshaw of Indian Army with a golden heart, from the saying’s of a Pakistani Major, “Now I know Sir, why your force won the war. You went around shaking hands with
everyone, from the major to the sweeper. Our Pakistan generals think they are above us”. One old man shook his hand and removing his pagadi (turban) placed at his feet expressing his gratefulness for the way the Field Marshall was looking after five of his sons taken as prisoners in India. It shows his concern for people and faith in humanity.

*If this leadership quality works in military to motivate and engage the army men for winning the war, wherein the balance sheet is life and death, why not in the civil fields where the balance sheet is Profit and Loss which can be mustered in the years ahead if not immediately, the author suggestion to the bank people.*

7.5.7 Enunciation of Hygiene and Motivators

Pay, Fringe Benefits (FB), Contingent rewards (CR) and Operating conditions (OP) were perceived by the employees of IOB as a factor of dissatisfaction, and ambivalent. The management would take cognizance to address CR, OP and FB as they have freedom and power to do so with board approval which is subject to profitability for CR and FB.

Pay and related perks are settled at industry level with Trade unions and Officers association and IBA with approval from GOI in every five years. The banks can take up the issue concerning Pay issues with GOI to make the pay package on par with Civil servants and Private banks to attract and retain talent to the PSBs in terms of market perspectives. It is the right time to do so as the current wage settlement is overdue and tracking for the last two years by the IBA and GOI.

7.5.8 Work Life Balance a challenge for Employees in India

Work life balance is a challenge in the banking system as people in the bank suffer work stress on account of many fold increase in the bank business (22 percent year on growth) with dismal increase in new recruits besides rapid loss of talent due to retirement coupled with attrition during the current decade as discussed earlier.
The author suggests a model practiced in the French. In 2000, the French passed a law reducing the legal hours worked per week from 49 hrs to 35 hours. The objective was to get more people hired (it was a socialist government), and to give people more personal time. With the rest of the world working overtime, this was radical! The reduced work-week idea didn’t catch on anywhere else in the world. *Now, the latest French salvo is ‘leave your work at the workplace’ rule.*

The requirement of a break from work is an obligation and means that you are disconnected from your communication tools leaving your smart phones, iPads, laptops, and so on. Of course, you may still want to carry it around for all your personal uses. The objective, according to one of the unions, is to guarantee a right to health and provide for rest.

For those who are addicted to these communication devices, the unions will now start ‘Workhorse Anonymous’ groups to help ease the withdrawal syndrome. *Imagine the peace you can now experience on flights or during train rides within France when you do not have to overhear your co-passenger argue with his colleague about product pricing, and delivery schedules and what he or she said at the last meeting and how that other manager is so obnoxious, and so on!*

The Americans must be having a big laugh about all this. They already snigger when talking about French work habits (*at least, those who are not aware that French worker productivity in spite of such rules is actually slightly higher than the American*). The whole country is on vacation during August, they guffaw. Books in America that complain about too much work with titles like *The overworked American* and *The white-collar sweatshop* have sold well but not made much of an impact in the local workplace.
7.5.8.1 Interesting Perspectives of Work

Life Balance

Since all work is digitized, and files are in a cloud, Work begins to creep into our personal time — whether we are at a family dinner or in line at the store.

For some, it is a feeling of importance that they are needed all the time and the whole office will stop if they do not take the call or reply to the e-mail. Thus, let us compliment the French for making us stop to think: Is work, and our role in it, really that important? (Gopinath, C., 2014).

The researcher is now suggesting to the Trade unions to retreat their demand for 5 days working from 6 days per week with the GOI as “the work stress has been in driver’s seat” in IOB, quoting the well intentioned French law for addressing employees work life balance in the banking industry.

7.5.9 Empower the Branch Managers and Enable the Middle Level

The focus here is to improve the business management expertise and a chance in the mindset to imbibe to “assume the full range of responsibilities of a local CEO”. The middle managers (MMG) would be motivated and groomed to lead officers and the clerical cadres below them to drive performance by explicitly trained in leadership skills. This would steer the communication flow and handle any change initiative like HR transformation which has to begin with engaing this level to create complete ownership smoothly. Communication to staff is most credible when it comes from the immediate superiors. The ways of managing talent has to be explained to the staff by this level of management.
7.5.10 Stimulate Non-officer Cadres

Non-officers cadre constitute (clerical/subordinates) a majority of the staff with in the public sector banks, about 60 per cent of the total work force. They are the first line of customer contact, literally the human face of their institutions and foundation block of the organisational hierarchy. The author experienced and suggest that this group represents significant untapped potential within the public sector banks. They should be moulded to value add their role significance as a brand ambassador’s of the bank through re-skilling, business campaign besides appropriate incentives.

7.5.11 Redesign the Incentive Scheme

The current GOI guided incentive scheme is not achieving the desired results (BCG, IBA and FICCI Study, 2010). It covers only 25 per cent of the staff in the bank and also some strategic department are not covered like HR, IT, Planning etc., who are leading from the back. The scheme is still ineffective due to limitation of the PMS framework. The incentive is a prize for winning race against one’s peers. Research of BCG has shown that, not much is gained by celebrating only a few top performers as banking is a team game. This approach demoralizes the vast majority of the staff, the average performers. In the cultural settings of the PSBs, inclusive group incentives would be more effective. Dr. K. C. Chakrabarty, Deputy Governor, Reserve Bank of India, emphasis and endorsed these findings in the HR conclave of PSBs (2012).

7.5.12 Celebrate the Seniors

Senior people (employees) are a tower of strength to the banking industry bestowed with natural talent and wisdom and also a satisfied happy lot in IOB as revealed from the study. 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 can be made as Brand ambassador and business leader to steer the business proposition. Besides to structure and re-model the CSR (Corporate Social Responsibility) expenditure spent in crores to scale up the goodwill and add value to the customer centric slogan of “touching hearts and spreading smiles”. So also to utilise the retired people judiciously particularly with Agricultural and other social/business background to engage them in driving country’s financial inclusion agenda.

7.5.13 Mobile Banking will be New Hybrid Products for banker’s bottom Line
The advent of mobile telephony will be the scientific wonder in the world, and the access to banking facilities could completely get revolutionized and amaze the country’s financial inclusion drive to new peak at the end of the decade.

According to a report from telecom equipment maker Ericsson, Indian mobile operators added 28 million new users during the first quarter of 2014. The top five countries by net additions, led by India, accounted for more than 50 per cent of new mobile subscriptions in the first quarter of 2014.

The RBI estimated that mobile banking could potentially bring the cost to down to a mere 2 per cent as against the Government incurs a cost of 12-13 per cent for their money disbursal to people. Mckinsey (2010) estimated that an electronic platform could potentially save one lakh
crore rupees a year for payments to and from individual households from the GOI. Banks can muster this opportunity by suitable Platform and thus mobile banking will be a new potential hybrid product for banker’s bottom line.

The IT revolution in the banking field would help the PSBs in larger measures to achieve its primary objectives of nationalization as public sectors today are like miniature governments having an overall effect on social, political and economic scenarios of the country.

7.6 Scope for future research

The author suggestion in this regard for the future research is to study: Role effectiveness of Trade Unions in Public Sector Banks; Staff Accountability framework; Role effectiveness of Government of India (GOI) in managing the affairs of PSBs; Study on the efficiency and effectiveness of Performance Management System. Further, to repeat the current research to study exclusively the influence of Bank Policy factors.

7.7 Limitations and Delimitations of the Study

The following are the limitations that the author believed to be inherent and concerns in this study but that were out of the researcher’s control:

1. The author recommends to the future researcher to cover some more areas as the present research covers only few states. The author strongly believe that the results generated from such effort will be highly generalisable to the whole population.

2. An instrument was designed to include identified Bank specific factors in the current study and the same was standardised through a careful review by a panel of experts.

3. The survey generated only quantitative data for processing.

4. The Regional bias may also have influences in answering the Questionnaires in some factors.
5. The individuals in the population may have chosen not to respond the survey at all or may not have responded to all of the questions, which is inherent in such type of all India survey by Questionnaires.

The following are the delimitations that the researcher knowingly established and utilized the same to narrow the scope of the research:

1. The focus of the research was only in IOB, a large category Public Sector Bank, where he has had good amount of learning exposure to HR dimensions and issues as a senior executive of that bank from 1977 to 2010.

2. The adoption of another survey instrument was used.

3. The survey instrument was accepted for use after feedback from a panel of experts for face validity without extensive validity or reliability testing in order not to distract from the original intended purpose of the study.

4. The survey results can be replicated and applied in general to other Public sector banks as the policy, concerning core HR areas are applicable to all the banks, which are dictated by their major shareholder - the Government of India.