CHAPTER – 3

REVIEW OF LITERATURE

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3.1 INTRODUCTION

Review of literature highlights the previous researches on the related topic. It is very important to review the previous study on the related area for doing any research work. The review of literature is considered quite important for any research work as it serves various purposes which chiefly include identifying the gap that exists in the research area, drawing significant conclusions which can serve as a guide mark for the study, and understanding the different theories and methodologies prevalent on the subject.

Review of literature is relevant for any research work because it eliminates the repetition of study and some other topic can be selected for the study. The reviews have helped the researcher in his analysis of the data collected through filed survey and also in drawing some useful conclusions and inferences.

3.2 HUMAN RESOURCE MANAGEMENT

¹Dessler (2007) defines human resource management as the policies and practices involved in carrying out the human resource (HR) aspects of a management position including human resource planning, job analysis, recruitment, selection, orientation, compensation, performance appraisal, training and development, and labor relations.

According to ²Armstrong (2006) Human Resource Management (HRM) is a strategic and coherent approach to the management of an organization’s most valued assets - the people working there who individually and collectively contribute to the achievement of the objectives. HRM involves all management decision and practices that directly affects the people, or human resources, who work for the organization. Storey (1995) defines human resource management as a distinctive approach to


employment management which seeks to obtain competitive advantage through deployment of highly committed and skilled employees, using an array of techniques.

### 3.3 HUMAN RESOURCE MANAGEMENT PRACTICES

Kumar (2009) emphasizes that practices such as employee participation in management, social security measures, collective bargaining, employee grievances handling found important for maintaining the employee and employer relationship in cement industry. Human resource management practices measured as a backbone of any organization. His study focused on the HR policies and practices followed in companies related to HR planning, recruitment, performance appraisal, HRA, DA, labor welfare measures. The study indicates that more than 80% of the employees were found satisfied with the human resource policies and practices followed in the cement company.

Ling and Nasurdin (2010) both examined the effects of HRM practices on organizational innovation. The organizational innovation was taken as dependent variable and human resource management practice was taken as independent variable. Three types of organizational innovation (product innovation, process innovation, and administrative innovation) was considered for the study. The independent variables comprised of five HRM practices such as performance appraisal, career management, training, reward system, and recruitment. The result showed that training positively and significantly affects three forms of organizational innovation. In addition, performance appraisal positively and significantly affects administrative innovation. The feedback associated with performance appraisal may have help improve the administrative activities in the organizations, thereby promoting administrative

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innovation. Tan & Nasurdin (2011) examined the relationships between HRM practices such as performance appraisal, career management, training, reward system, recruitment and organizational innovation such as product innovation, process innovation, and administrative innovation along with the mediating role of knowledge management effectiveness. The results obtained from this study showed that HRM practices have a significant and positive impact on organizational innovation. Even the knowledge management effectiveness has a mediation effect on relationship between HRM practices and organizational innovation. Training was found to have both direct and indirect effect on all three dimensions of organizational innovation (product innovation, process innovation, and administrative innovation). Performance appraisal was found important for the effect of administrative innovation, while remaining practices were found unimportant for innovation. Total 171 sample size was collected from manufacturing firms from Malaysia. Regression was applied on this relationship and results show that when organizations have higher implementation level of training, will improve and advance the growth of employees. The requisite skills and their potential to learn are required for the organization in this competitive world. Employees are able to generate new understandings, thinking and new ideas that will be useful for organizational innovation.

3.4 HUMAN RESOURCE MANAGEMENT PRACTICES AND JOB SATISFACTION

Absar and Mahmood (2011) explored in their study the importance of adoption of new HRM practices in public and private sector organization of Bangladesh and they found that there is significant difference on the adoption of new HRM practices between public and private sector industrial enterprise. The employees in the private sector organization appeared to be more satisfied than public sector organization with

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organizational HRM practices. The study constitutes sixty public and private sector industrial enterprises. Questionnaire was based on 31 items on HRM practices namely HR Planning, recruitment and selection, training and development, performance appraisal, compensation and industrial relation.

Gould and William (2003) showed in his study that some specific practices effect the job satisfaction of employees. The use of specific HR practices in local government organizations in the United Kingdom (UK) was associated with a greater degree of job satisfaction, workplace trust, commitment, effort, and perceived organizational performance. Steijn (2004) found in his study that HRM practices had positive effect on job satisfaction of the employees whereas individual characteristics such as age, gender, and education had insignificant effect on job satisfaction.

Jeet and Sayeeduzzafar (2014) emphasized on the importance of human resource as a source of competitive advantage for an organization. The study focused on the impact of human resource management practices on job satisfaction of private sector employees. The findings of the study indicate that human resource management practices had impact on job satisfaction of private bank employees. The practices such as training, performance appraisal, team work and compensation shows positive impact on job satisfaction. For this study two section questionnaire was structured, first section considered questions on human resource management practices which comprise of 25 statement related to training, team work, performance appraisal, compensation, and employee participation and second section comprise of questions related to job satisfaction.

Hasaan et al., (2013) conducted a study to find the relationship between three HR practices i.e. compensation, empowerment and appraisal system and employee

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satisfaction and loyalty in five government owned public sector banks. For this total 194 response was analysed using validity, reliability, correlation and regression method on statistical software SPSS version 17. It was found in the study that employee compensation is strongly correlated with job satisfaction which shows that compensation is very important in government owned organization.

Savaneviciene and Stankeviciute (2011) pointed out in their study the nature of HRM practices and its impact on organizational commitment and job satisfaction. The result shows that skill-enhancement, motivation-enhancement and engagement-enhancement have a positive relation with effective human resource reactions: organizational commitment and job satisfaction. The approach of impact is based on AMO (Ability, Motivation and Opportunity to participate) framework, which discloses the importance of employees abilities, motivation and opportunity to participate. The research were conducted on employees of service sector in Lithuania. Job satisfaction was measured using 16 items of Minnesota Satisfaction Questionnaire. Statistical analysis tools carried out by applying methods of descriptive statistics and performing discriminate (non parametric Kruskal Wallis test) and correlation analysis. The results of this research suggest that the optimal choice of specific HRM practices interventions depend on the desired outcome. Providing employees with opportunities for further development through skills and job-based training, like facilitating employee participation and voice using upward feedback mechanisms, stimulates effective commitment.

Khan et al., (2012) found in their study that there is a positive correlation between human resource management practices and job satisfaction. The study was conducted on the teachers of university of different sector of Pakistan. The study also includes the demographic factors in the study. The result shows that male 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 the research found direct relationship in length of experience and job satisfaction. The study revealed that Pakistani universities have to improve the current level of HR practices,

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especially compensation practice for lucidity of their teacher’s career. The five human resource management practices which are taken for the study are job satisfaction, compensation practice, promotion practice, empowerment practice and performance evaluation and four demographics factor.

Rafiq et al., (2012) had proved in their study that human resource practices somewhere affect the satisfaction level of employees in the public sector organization. The purpose of this study is to observe the relationship between three HR Practices and the employee job satisfaction on selected practices such as Training and Development, Rewards, Recognition. Data had been collected from the employees of various public sector organizations and then regression and correlation have been applied to check the relationship between the dependent and independent variables. Recognition and training and development are a key source of employee job satisfaction in public sector organizations of Pakistan but rewards do not play the significant impact on the employee job satisfaction. Training and development and recognition are both strongly correlated with employee job satisfaction which is an indication that how important employees perceive training and development and recognition in the public sector organizations of Pakistan.

Majumder (2012) in his study focused on the importance of human resource in today’s hypercompetitive market place. The study conducted on human resource management practices and employee satisfaction in private banking sector of Bangladesh. The results revealed that some practices such as compensation package followed by reward and motivation, career growth, training and development, management style, and job design and responsibilities are found unsatisfactory. The research was conducted on 100 bank employees and the response rate was 88%. The questionnaire consisted of different questions on nine HRM dimensions such as recruitment & selection systems, compensation package, job security, career growth, training and development, management style, job design and responsibilities, reward and motivation and working environment. In this study, some statistical measures such as Z-test, mean and proportion analysis is used to examine employee’s

satisfaction. This study clearly states that management should improve in the practices for the betterment of employees.

12 Absar et al., (2010) found that training and development followed by human resource planning had greatest impact on job satisfaction in manufacturing firms. The study was conducted on 60 responses from 20 manufacturing firms aimed at exploring the impact of HR practices on job satisfaction in the context of Bangladesh. In this context, a multiple regression was performed, by making use of all the discrete variables (i.e., dependent and independent variables) available in the dataset. It was found that HR practices have significant association with job satisfaction (JS). It was also found that training and development has the greatest impact on job satisfaction. Academicians, researchers, policy-makers, practitioners, students, local and foreign entrepreneurs of Bangladesh and other similar countries could benefit from this paper by exploring the association between HR practices and job satisfaction.

13 Mudor and Tookson (2011) has studied the conceptual framework on the relationship between human resource management practices, job satisfaction and turnover. This study clearly explain three practices of human resource management namely supervision, job training and pay practices are positively associated with job satisfaction, and this job satisfaction control the turnover because it was found that if satisfaction is recorded low than it would lead employee resigned from their job. The results also indicate that job satisfaction was the strong predictor of turnover. The results indicate HRM practice a positively and significantly correlated with job satisfaction. The employees trend to satisfy with their job when they have effective (Cumbey & Alexander, 1998) and closed (Petrescu & Simmons, 2004) supervision, training as on going learning for them in workplace (Bradley, Petrescu & Simmons, 2004) and good pay (Droussiotis & Austin, 2007). Besides, those three variables of


HRM practices (supervision, job training, and pay practices) provide the negative effect on turnover.

14 Sirca et al., (2012) evaluated in their study the importance of job satisfaction on various outcomes such as employee job performance, employee commitment etc. This paper highlights on the theoretically and empirically the role of human resource practices on the human resource development. The study conducted on employees of Slovenian employees. The total 824 samples size was taken and cluster analysis of participant responses on the human resource management practices questionnaire shows that at least four different types of HR development system is implemented and perceived by the employees that are moderately related to job satisfaction.

15 Bibi, Lanrong, Haseeb and Ahmad (2012) concluded in their study that the job satisfaction of the university employees is very much dependent on the human resource management practices in Pakistan. The human resource management practices and activities showed significant influence and impact on the employee performance and job satisfaction. The orientation, nature, type and effect of human resource management activities and practices are discussed with their relationship to the job satisfaction of the university employees. The human resource management in Pakistani universities is facing many challenges and needs more improvement by developing human resource management activities and practices into effective ones to improve employee performance and job satisfaction level.


3.5 HUMAN RESOURCE MANAGEMENT PRACTICES AND VARIOUS OUTCOMES

Jahanian et al., (2012) has examined the effect of HRM practices on the productivity and found that productivity is affected by human resource management practices. The study was conducted in two public sector banks i.e. nationalized bank of Pakistan and Bank of Punjab. There are 7 variables of human resource management practices which include incentive pay, recruitment and selection, team work, employment security, flexible job assignment, skills training and communication. The sample size of 100 was included to generate maximum information from people by using proportionate random sampling technique. The statistical technique multiple regression was used for analysing the data. It was concluded that these 7 variables are very much necessary for the productivity. It was found that recruitment & selection followed by skills training & communication along with job security was common practices in public sector banks affects productivity.

Sarkar (2011) had found that to achieve sustainable growth in this competitive world and to achieve higher organizational performance, special emphasis should be given to improve the human resource management practices. The relationships among human resource management practices, job satisfaction and firm performance had been an integrated issue for business and operational environment. Human resource management practices were also considered as major contributory factor for higher organizational performance leading to higher job satisfaction. This study was conducted to explore the influence of human resource management practices on job satisfaction and how job satisfaction brings higher organizational performance. Since, the human resource management practices are mostly responsible for the achievements of business strategy and its success. Human resource management


practices which were used as variable for the study are salary, benefits, decision making power of employees and leadership quality of the boss, training facility of the organization as independent variables and the dependent variables are job satisfaction and organizational performance.

Khera (2010) strongly support that there is significant relationship of employee productivity with human resource practices including selection, employee benefits, compensation, training and staffing practice. Hence, she had found that the more HR practices are in place, greater the bank employee are competent and have sufficient role clarity in their job and have no intention to leave the organization. Relationships between human resource management and productivity have been studied from different perspectives. In her study she attempted to investigate the extent to which Commercial Banks of India differ on aspects of human resource management practices and the key human resource management practices contributing to employee productivity. Convenience sampling was used for data collection from 184 employees from three commercial banks i.e. one private sector (Bank 1) one foreign sector (Bank 2) and one public sector bank (Bank 3). The selected 17 HR practices have been given nomenclature as factors which include manpower planning, recruitment & selection, motivation, performance management, reward system, training & development, career planning, creativity & innovation, team building, grievance redressal, Quality of Work Life (QWL) employee participation, employee accountability, compensation management, benefits and services, discipline and incentives. This paper concludes that if the commercial banks in developing countries like India if successfully implement HR practices, they could achieve the maximum contribution of their employees. Respondents of three banks varied in their perception on four practices, which was found significantly different in all the three banks as brought about by Duncan’s mean test; these are grievance redressal, quality of work life, compensation management and incentive. In commercial banks, the HR processes needs to be looked seriously to make it an effective practice for enhancing employee productivity.

Zaitouni et al., (2010) have evaluated the impact of human resource management practices on the affective, continuance, and normative organizational commitment among employees in the banking sector in Kuwait. The study was conducted across permanent, full-time, and part-time employees (managers and non-managers) of five large private banks in Kuwait. The practices which play an important role to organizational commitment are recognition, competence development, fair reward and information sharing. Results supported the hypothesis that fair rewards were positively related to affective, commitment. The results revealed that only fair rewards and information sharing was significantly associated with continuance commitment; recognition and competence development was not found important.

Human Resource management practices are being increasingly considered as major contributory factor in financial performance of organization. Tahir et al., (2010) in their study had effectively highlighted the relationship between HRM Practices and Financial Performance of banks. The HRM Practices selected for the research study was selection, training, performance appraisal system, compensation system and employee participation. Empirical research was statistically analysed through step wise regression analysis, Pearson Correlation and descriptive analysis. The practices which were found important for financial performance of banks were selection, training, compensation and employee participation.

Atteya. N (2012) has suggested in his study that a positive, effective, objective and fair human resource management practices may enhance job performance. The major objective of this study is to extend previous research by proposing and testing an integrative model that examines the mediating variables underlying the relationship between the human resource management practices and job performance. Data were collected from 549 supervisors in the petroleum industry in Egypt. The multiple

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regression technique was used to test hypothesis. The results demonstrated that the human resource management practices influence job performance.

21 Som (2011) proved the importance of human resource management practices for enhancing the corporate performance. The effects of human resource management practices and corporate performance in the context of economic liberalization in India are reported very minimally. The human resource management practices such as the role of HR department, recruitment, retraining and redeployment, performance appraisal and compensation enhance corporate performance during any change. Innovative recruitment and compensation practice had a positive significant relationship with firm performance. It was observed that recruitment, role of HR Department and compensation practices seems to be changing significantly within the Indian firms in the context of India’s economic liberalization. The synergy between innovative HRM practices were not significant in enhancing corporate performance during the liberalization process.

22 Naveed and Jadoon (2009) tried to evaluate the adaptability of private sector human resource management practices in public enterprises in Pakistan which have been introduced in public sector under NPM reforms trend. Sui Northern Gas Pipelines limited was taken as unit of study. Seventeen in-depth interviews were conducted covering multiple sides including managers in HR department; managers outside HR department and employees. Secondary data used is this study was in form of HR policy. Using the technique of triangulation of perspectives and triangulation of data is analysed and rhetoric and reality of HRM practices in public enterprises is explored.

23 Huselid (1995) in his study focused on the importance of high performance work practices and pointed out that there is a link between systems of high performance

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work practices and firm performance. The proper investment in such practices has resulted into lower employee turnover, greater productivity and corporate financial performance. The impact of high performance work practices on corporate financial performance is in part due to their influence on employee turnover and productivity. It is concluded that the simple adoption of such practices is more important than any other efforts.

The applicability of globally conceived human resource management practices in a nationally-based firm is influenced by several factors including the institutional structure of the host country, labour-force characteristics, the presence of expatriates, and national culture of the host country was studied by Dicke et al., (2006). The greatest impact within the subject of global HR, however, has come from the realization that national culture, which often dominates the applicability of parent-company HRM practices abroad, is not the primary determinant of acceptance & effectiveness of HRM practices. As Sparrow & Hiltrop explains, “the culture-bound perspective runs the gauntlet between generalizability and stereotyping and fails to consider the equally pervasive impact of both individual differences and organizational choice over development of resource”.

The study examined the triangular relationship between workplace internationally engaged, extent of innovation and human resource practices it adopts. Scott and Anil (2007) by using data of previous years from the Canadian Workplace and Employee Survey, a nationally representative data set, he found that certain practices, such as variable pay and autonomy training, are more likely to be used in international workplaces. They subsequently found that for an international workplace, the use of variable pay contributes very little to workplace innovation while autonomy training has a positive relationship with innovation.

24 Minbaeva (2005) empirically examines the effect of human resource management practices over knowledge transfer within multinational corporations. The application of human resource practices, which affect the absorptive capacity of knowledge

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receivers and support organizational learning environment found positively related to the degree of knowledge transfer to subsidiary. Higher degree of knowledge transfer was expected from human resource management practices which are applied as an integrated system of interdependent practices in multinational corporations. The human resource management practices such as staffing, training, promotion, compensation, and performance appraisal on the degree of knowledge transfer was found to be positive and substantial.

25 Andersson et al., (2005) examined the impact of human resource management practices and technology on workers’ productivity. They identified nine measures of human resource management outcomes for firms based on firm-level. They used principal components analysis to examine the relationships between the human resource management measures and these principal components and their interactions with R&D investment as explanatory variables in a worker productivity regression. It was found that there was a large difference on the impact of human resource practices on labor productivity across levels of investment in technology. The preliminary results indicate that firms with high levels of R&D investment and human resource management systems with multiple ports of entry, performance incentives, and lower turnover have higher worker productivity than comparable high-R&D firms without these human resource management practices. Similarly, firms with low R&D that implement human resource management systems with performance incentives have higher productivity than low R&D firms without performance incentives. These results suggest that high R&D firms are more likely to buy new skills compared to low R&D firms, and yet these high R&D firms suffer if they lose too many experienced workers.

26 Shah et al., (1994) provided conceptual background in their book on human resource management on the practical aspect of Indian environment. In this book they had provided useful guidance in helping to translate the corporate policies into directive practice at the grass root level. In their book they had also explained the policies and


practices which helped the bankers to translate these policies into constructive practices at the grass root level through appreciation of the management efforts at introducing appropriate management system in matters of manpower planning, selection and recruitment, training and development and performance appraisal and career path planning and promotions.

27 Katou and Budhwar (2007) found in their research that human resource management practices such as recruitment, training, promotion, incentives, benefits, involvement, and safety and health were positively related with the elements of organizational performance such as innovation and satisfaction of stakeholders. They analysed 178 enterprises of Greece by adopting the universalistic model of HRM and found recruitment as the most powerful human resource management practice in achieving sustainable competitive advantage based on human capital. This article clearly investigates that human resource management policies had an impact on organizational performance in the Greek manufacturing context.

28 Werther and Davis (1996) found in their study that if resources are used properly, productivity would increased, which will lead to lessened cost and increased profit. If profit increases, organizations will be able to offer better compensation, training, and working environment for the employees. It will also enhance the job satisfaction and organizational commitment of the employees, which will in turn lead to further improvement of productivity. Therefore, productivity has been a great concern for every organization of developed and developing country. Human resource management practices can contribute to superior productivity directly by finding better and more efficient ways to achieve objectives and indirectly by improving the quality of work life for employees.


Khatibi et al., (2012) investigated the impact of selected HRM practices on employee performance in hospitals in the city of Shiraz in Iran. The practices considered for this study were compensation practice, promotion practice, and performance evaluation. The questionnaire was distributed among individuals in the 5 public and 4 private hospitals. The statistical package used for this study were SPSS version 19 in that the multiple regression analysis along with mean, standard deviation, reliability and validity measures was tested. Results were found that two human resource management practices such as compensation and promotion was positively relates to work performance in Iranian hospitals, but performance evaluation practices were not up to the mark in Iranian hospitals. This clearly states that improvement in the performance can play a better role in enhancing work.

Saleem & Khurshid (2014) studied and suggested that human resource management practices should be implemented with the intent of maximizing employee’s outcome. The employee performance maximized by improving human practices in turn will improve organizational performance. The following four practices were considered in the study namely merit based recruitment & selection, training & development opportunities for employees and performance based compensation of competent employees and organizational commitment. Data were collected using a questionnaire adopted from Qureshi et al (2010) and was revalidated by applying the test for reliability. Total 330 employees was surveyed in study and mailed questionnaire. Pearson correlation was used for finding the level of relationship between variables and employee performance. The study was concluded with that the testable variables have positively related with employee performance.

Shahnawaz and Juyal (2006) highlighted the importance of human resource management practices on the human resource who work for the organization human


resource management involves all management decision and practices that directly affects the people. They conducted the study in two different organization i.e. consultancy based organization and fashion industry. The aim of their study was to assess the commitment of employees towards organization. 45 participants each were randomly selected from the two organizations. Human resource management practice was measured using Geringer, Frayne and Milliman scale, while organizational commitment was measured by Meyer and Allen scale. Data were analysed by using t-test and multiple regressions. Human resource management practices was found significantly different in two organizations and mean scores on various human resource management practices was found more in the fashion organization. Regression result showed that various human resource management practices were significantly predicting organizational commitment in two organizations and also when they was combined. Performance appraisal and ‘attitudes towards human resource management department’ were the significant predictors of organizational commitment in the both the organizations.

Abeysekera (2007) empirically evaluated six human resource management practices i.e. realistic job, information, job analysis, work family balance, career development, compensation and supervisor support and their likely impact on the Marketing Executives Intention to Leave (MEIL) in the Sri Lankan leasing companies. The sample consisted of hundred marketing executives working for 10 different leasing companies in Sri Lanka. The data was gathered by administering questionnaires. The results indicate job analysis, career development, compensation, realistic job information variables was negatively and significantly correlated with MEIL. The work family balance was not negatively correlated with MEIL. Compensation and job analysis are the most critical human resource management practices to be implemented by leasing companies to reduce MEIL.

32 Altarawmneh and Kilani (2010) examined the impact of human resource management practices on employee’s turnover intentions. The results showed that

human resource practice i.e. job analysis had a significant effect on employees’ turnover. However, no statistical evidence was found regarding the effects of other human resource management practices on employees’ turnover intentions. The study suggests that incentive plans based on rewards, bonuses, salaries enhancement, and performance appraisal reports could be useful strategies to be reconsidered in hotel. It was also suggested that the human resource management should think beyond the attitudinal, demographic and relational factors.

Selvam (2013) theoretically analysed the relationship of human resource management practices and State Bank of India, Chennai. The overall objective of his paper is to find the influence of human resource management practices on job satisfaction and performance in State Bank of India, Chennai. The human resource management practices considered in his study were employee participation, training, job description, career planning system, compensation system, selection system and performance appraisal system. The result indicates that the effective factors were employee participation followed by training, job description, career planning system, compensation system, selection system and performance appraisal system.

Radha, G. (2014) analysed the impact of human resource management practices in public and private sector banks and her finding indicates that the officers of both public and private sector banks have moderate perception towards job but clerical and sub staff have revealed low perception towards the human resource management practices. The level of satisfaction is high among officers rank in both banks and low is recorded of clerical and sub staff. She also reached to the conclusion that the private sector banks provide better service quality as compared to public sector banks. This significant association between human resource management practices and service quality lead to the customer satisfaction. Muller, Lundblad, Mayrhofer and Soderstrom (1999) examined and analysed the explanatory power of the Universalist vs. cultural perspective of human resource management through the examples of


Austria, Germany and Sweden. This comparison were based on results from the Cranet-E of European HRM. A statistical analysis shows that country differences matter. The data states that country has a strong influence on the use of such policies whereas no significant differences emerged in regard to the existence of personnel departments and the evaluation of their performance, the other variables show a strong statistically significant difference between the countries. As expected it was larger between the two Germanic countries and Sweden than between Austria and Germany. In all three countries there was a development of responsibility from human resource specialists to line management. Swedish firms are more likely to involve personnel in the development of human resource strategies than Austrian and German companies. One implication of the research presented here is that European economic integration has not led to a European HRM yet. Companies operating in different European countries still have to adapt their human resource policies to the particular national context.

3.6 JOB SATISFACTION

Job Satisfaction focuses on all the feeling an individual has about the job. It has been assumed by organization behaviour research that individuals who express high satisfaction in their jobs are likely to be more productive, have high involvement and are less likely to resign than employees will less satisfaction, this was analysed by Sowmya and Panchanatham (2011) in their research study. Job suitability as well as the working condition and other interpersonal relationship among the workers are able to ascertain their level of satisfaction within the working domain.

Locke (1976) stated that there should be transparency in policies and strategies in the organization for employees, so that they can easily cope up with the things and which makes easy for employees to understand their tasks and objectives etc because any discrepancies may lead toward dissatisfaction.


Davis et al., (1985) defined job satisfaction as combination of positive or negative feelings that employees had towards their work. They explained that when a employee work in a organization, he or she brings with it the needs, desires and experiences which determinates expectations that he or she has dismissed. Job satisfaction represents the extent to which expectations are and match the real awards. Job satisfaction is closely linked to that individual's behaviour in the work place.

According to Armstrong (2006) job satisfaction refers to the feeling and attitudes people have towards their work. People having positive attitude towards job refers to job satisfaction and having negative feeling and attitudes towards job refers to job dissatisfaction.

George et al., (2008) defines job satisfaction as collection of feelings and beliefs that employees have about their current job. Employees had two different levels of job satisfaction from job that range from satisfaction to dissatisfaction. Their feelings can be expressed in different way such feelings towards their co-workers, towards supervisors or subordinates and also towards the pay.

3.7 JOB SATISFACTION IN BANKS

Gupta & Pannu (2013) in their study compares the job satisfaction between private sector banks and public sector banks and found the basic reasons of dissatisfaction from job. In their study public sector employees were found more satisfied than the private sector employees in some cases. But in general both sectors were found satisfied from their jobs. Employees of public sector were more satisfied in terms of salary compared to private sector employees as public sector employees get salary on time and the reward or compensation received by them match with their responsibilities. Organizational culture is found higher among public employees as


compared to private employees as these employees were satisfied with their immediate bosses and there were no conflicts found among the boss and employees. Employees of public sector are more comfortable with time schedule of their job as the reward receive by them on overtime basis are quiet fair than that of private sector. Work load is considered to be quiet fair in public sector compared to that of private sector as the schedule of their work is fair. Feeling of inequality is more in public sector as compared to private sector. Supervisory support is comparatively low in public sector as their supervisor does not keep their subordinates well-informed about what is going on in company and supervisor’s support is more in private sector. There is significant difference in the level of job stress between two sectors. As the private sector employees don’t get leave when they need it and face difficulty in maintaining a reasonable balance between their work life & family life, These attributes are totally reverse in public sector. Public sector employees are more committed to their job compared to private sector employees in terms of following variables: salary, organizational culture, time schedule, overtime reward.

Meena & Dangayach (2012) analysed the employee satisfaction in banking sector. The results show the differences in employee satisfaction with the office environment between employees in public sector banks and private sector banks, many of which were statistically significant. Differences between employee’s satisfactions from their banks with regard to health, wellbeing, improvement in employee productivity, best services, good behaviour between staff, socially, economically, improvement in banking sector and job satisfaction were analysed. The elements identified in the theoretical foundation were reviewed and compared to the findings of the empirical research.

Kumari & Pandey (2011) compares the public sector versus private sector administration and the finding shows that, the extent of variation in ambivalence of jobholders with respect to their attitude toward their job. In this study researchers also open up opportunities for further research regarding the consequences of job


ambivalence. Job satisfaction describes how content an individual is with his or her job. The happier the people with their job, the more satisfied they are said to be. This paper surveys both the sectors in most of the aspects of analysis. So the study implies that job performance of individuals with high versus low job ambivalence may fluctuate such that job performance is comparatively high when positive beliefs and affective experiences are salient and thus predominate at a certain point in time, but their performance may be comparatively low at other times when negative beliefs and affective experiences are salient and predominate.

Islam et al., (2011) had investigated job satisfaction among employees of all public and private commercial bank limited. The study focused on the level of job satisfaction reported by employees, the demographic profile to verify if they were related to job satisfaction and also focused on the relationship between factors of job satisfaction. The finding was that the employees are moderately satisfied and the deviation among the respondents response was very insignificant as a result they were very much consistent with each other. The study also determined that social status, supportive colleagues and feeling secure about the job were the top three reason for working in the banks and pay, decision making authority and promotion policy were the top three priorities for improving the work environment.

Chahal et al., (2013) done a study on Canara Bank employees in Delhi NCR and investigated the level of Job Satisfaction of employees and also to find out the relationship between personal factors of employees. The data were analysed by using percentage analysis and indicate that salary of employees, performance appraisal system, promotional strategies, employee’s relationship with management and other co employees, training and development program, work burden and working hours were found important for improving job satisfaction of bank employees in Canara bank.


Shrivastava & Purang (2009) in their study examined the job satisfaction level of a public sector and private sector bank employees. The sample size consisted of 340 bank employees from both private and public sectors. Job Diagnostic Survey by Hackman and Oldham (1975) was used to ascertain the level of job satisfaction. In their study they used the independent samples t-test and qualitative analysis to study the differences among employee attitudes. Results revealed from their analysis found significant difference between both public and private sector banks. Employees of private sector banks found more satisfied as compared to public sector banks employees. Private bank employees perceive greater satisfaction with pay, social, and growth aspects of job as compared to public sector bank employees. But public sector bank employees show greater satisfaction with job security as compared to private sector bank employees. The findings suggest and highlight the important satisfiers and dissatisfiers present in the job and suggest both the banks to take performance initiatives in the areas where employees have reported reduced satisfaction.

Varma (2014) examined in his paper the reason behind the satisfaction and dissatisfaction among employees of public and private sector bank and to analysed the level of satisfaction associated with nature of job and working atmosphere. The results revealed from the study that public sector bank employees are found much satisfied from the nature of job and working atmosphere. The public sector bank employees are satisfied with salary followed by organizational culture, time schedule, job security, work load and other benefits.

Sinha and Kumar (2006) empirically analysed the managerial and non managerial staff of private and public sector banks of Lucknow and found that degree of job satisfaction of private sector banks was found to be comparatively slightly lower as

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compared to public sector banks. They revealed that job dissatisfaction in private sector banks was due to less job security, salary and monotonous nature of job.

Devi and Nagini (2013) examined the factors influencing the job satisfaction of employees in private sector banks and found that significant relationship between socio-economic and demographic variables. The sample for this study is drawn from 9 private sector bank of Vijayawada by using simple random sampling method. Primary data for this study was collected on structured questionnaire. The factors of job satisfaction were classified in three sections such as organizational factors, job related factors and personal factors. Using chi-square it was found that there is significant relationship between socio-economic and demographic variables like designation, gender, age, marital status, experience, work status, nature of family, income and number of dependants and job satisfaction.

Devi and Suneja (2013) tried to investigate the effect of various aspects and difference between job satisfaction level of employees in public sector and private sector banks. The study was conducted on the managers, officers and clerk of both the banks of various age group, and career levels. Total 110 employees were surveyed in this study by using simple random sampling method of data collection. The semi structured questionnaire was used to collect the response of employees on 5 point likert scale on various aspects. The results of study revealed that there was significant differences exists between employees of public sector and private sector banks regarding various aspects of job satisfaction, pay and fringe benefits, supervision, training and development.


Thangraj and Karthick (2012) the main aim of their study was to identify the factors that affect satisfaction of employees in private sector banks in Coimbatore. Data were collected through primary source of data and non probability convenience sampling method was used for data collection. Chi square test and ranking techniques were applied by researchers to analyse the data. The results indicated that the employees of private bank are moderately satisfied with the job and job related aspects such as working hours, job security, working environment.

Mathivanan (2013) in his article enlightened the banking activity which thrives on the strength and people are its sole consumers. He studied the association between the personal profile factor and level of satisfaction on all the sectors of bank of total 150 employees working in public sector banks in Krishnagiri District. Independent t test was used to compare the mean scores of motivation level of two sex and by applying ANOVA the motivation level of employees of more than two groups was compared. The study revealed that top management had to make the efforts to change the values of employees towards human resource management policies.

Jain et al.,(2012) by this paper, authors made an effort to study the job satisfaction level among employees of selected private and public sector banks of Haryana and also to compare the satisfaction level of employees in both the banks. The study was based on primary data, collected with the help of questionnaire 1-5 likert scale. Total 60 employees were surveyed from both the banks. Correlation was used between various variables to analyse the data that affect job satisfaction and it was found that employees working in public sector banks are more satisfied with their jobs than employees working in private sector banks.

Lalitha (2013) studied the level of job satisfaction in three nationalized banks and found that most of the employees are satisfied with their job and they like to work for


organization. Employees of three nationalized banks perceive their job in positive way. For this study total 120 employees were surveyed on structured questionnaire designed by using five scale type of questions and open ended questions based on yes or no. To analyse this, statistical tools like Mean, Standard deviation and ANOVA were used.

52Reddy and Reddy (2013) aimed to identify the overall job satisfaction of employees and relationship between various socio economic factors related to employees in selected commercial banks in Chittoor district of Andhra Pradesh. A Twenty four branches employees were analysed of four commercial banks. The sample size taken for this study is 240 employees. The analysis shows that the relationship between job satisfaction and various socio-economic factors like status / cadre, age, and experience of the employees working in the banks, it is found by and large that these factors did not affect much the levels of job satisfaction.

53Jegan & Gnanadhas (2011) in their study analysed the demographic profile along with other variables related to employees and states that employees who are involved in e-banking services for a long period (6years) have high level of job satisfaction compared to those involved in e-banking services for a short period. The highly associating profile variables with their job satisfaction are age, designation and experience in e-banking services. Other profile variables also like sex, monthly income, education level, nature of employment have insignificant association with their job satisfaction towards e-banking services. The important factors leading to job satisfaction are ‘status’ and ‘challenging job’. The next factors are ‘promotion’ and ‘reduced work’. They suggested for future prospects that due to e-banking system, work culture is totally changed and there are some problems due to which employees feel uncomfortable to work electronically. Hence there is a need to solve these


problems with effective implementation of some practical strategies to make e-banking more popular and friendly among the employees.

Ayub & Rafif (2011) assessed a correlation between work motivation and job satisfaction and found that there was a positive correlation between work motivation and job satisfaction. The study evaluated the gender difference in work motivation and job satisfaction among middle managers. Employee gender displayed a marked influence on employee motivation & job satisfaction. The research also suggested with the view that when employers are caring and supportive for the employees and focus their attention on motivating factors, the result is more productive. Employers should keep in mind that gender does play a significant part while designing assignments, challenging tasks, incentive plans, promotions, and working conditions for managers in the workplace. The sample of the study consists of 80 middle managers from different banks of Karachi, Pakistan. Job satisfaction survey and motivation at work scale was used to assess the job satisfaction and motivation of employees. Pearson product moment correlation coefficient was used to find out the correlation between the work motivation and job satisfaction.

Sehgal (2012) tried to analyse the difference in job satisfaction between the employees of two banks namely UCO Bank and Axis Bank. Both the banks have less difference regarding the level of satisfaction. Sample size used for this study is 60 respondents of both public (UCO) and private bank (Axis). The little difference was found in factors such as job security, salary offered to employees, benefits given to the employees and experience. The public bank employees found more satisfied relatively to private bank employees.

Mahmud et al., (2014) analysed that satisfied employees are more likely to be friendly and responsive which attracts customers. A study was conducted in different commercial banks in Bangladesh. Correlation was used to identify that compensation


was the major factor for job satisfaction among the bankers of Bangladesh. The compensation was followed by promotion opportunities, rewards and relation with boss and co-workers was also important.

Rahman and Iqbal (2013) in their study found that there is a strong relationship between job satisfaction and employee turnover at private commercial banks in Bangladesh. They used the structured questionnaire to collect the data in their study and used Anova and Z test to analyse the data to reach the relevant result. The job satisfaction and employee turnover takes place due to job insecurity, lack in professional development, lack of promotional opportunities, restrictions in working autonomy, not having peaceful working environment, less compensation package and also lack of financial benefits.

Tausif (2012) tried to explore the relationship between intrinsic rewards and job satisfaction for employees of service sector. The results of his study was that the employees of private banks are satisfied with task autonomy, task significance, task involvement and recognition and the employees were not found satisfied with the opportunities to learn new things whereas public banking sector employees were found satisfied with task autonomy, task involvement and recognition and were not found satisfied with task significance opportunities to learn new things. The overall result of his study was that the employees of both banks are satisfied with the intrinsic rewards.

Mallika and Ramesh (2010) reported that organizational climate hardly affects job satisfaction perceived by employees. The job satisfaction among the bank employees was found medium. The study investigates that to what extent job satisfaction lead to good working performance in formal organization and which factors influence the

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employees job satisfaction. The contributing variable like job involvement, organizational commitment and organizational climate was found and significantly influence the job satisfaction perceived by the employees. It was also found that the level of job satisfaction, job involvement and organizational commitment, quality of work life, organizational climate and job content was less reported among private bank employees i.e, the private bank employees are less satisfied as compared to public one.

Spector (1997) has reviewed the most popular job satisfaction instruments and summarized the following facets of job satisfaction like appreciation, communication, co-workers, fringe benefits, job conditions, nature of the work itself, the nature of the organization itself, an organization’s policies and procedures, pay, personal growth, promotion opportunities, recognition, security and supervision. He also felt that, the above approach has become less popular with increasing emphasis on cognitive processes rather than on underlying needs so that the attitudinal perspective has become predominant in the study of job satisfaction.

Yadav and Dabhade (2013) indicated that the supportive colleagues, conducive working, mentally challenging work and equitable rewards are responsible factors for Job Satisfaction. Total 300 employees were analyse in BHEL towards job satisfaction and found the employees of BHEL are quite satisfied. The study aims to figure out the working environment, positive perception of employees, initiatives taken by the management and their effect on the performance of employees. The Job Satisfaction affects the employee morale, turnover, absenteeism.

Hanif and Kamal (2009) argued that if companies makes favourable strategies and rules for the employees related to pay scales, policy development, staff input, and the work environment then this may lead to employee engagement toward job, satisfaction and increased employee loyalty with the organization because satisfied


employees are more likely to be welcoming and attentive which attracts customers. The employees who are not satisfied with the job can lead to customer unhappiness.

Abdulla et al., (2011) examined the relationship between job satisfaction and environmental and demographic factors. The results revealed that demographic factors such as sex, age and education level as well as other factors related to their work experience, such as job level, shift work, and years of experience do not play key role as compared to the environmental factors for the job satisfaction. They found out that environmental factor such as salary, promotion and supervision as better predictors of job satisfaction.

Lai (2011) argued that for an organizational growth and expansion an efficient compensation system maintain a positive relationship between employee satisfaction and job-based wages, skill-based pay and performance-based pay. The study concluded that the intrinsic factors of motivation, and factors such as recognition, work, career opportunities, professional growth, responsibility, good feeling about the organization play important role and had a significant correlation with job satisfaction, while hygiene (external) factors was found insignificant with job satisfaction of employees.

Christen, Iyer and Soberman (2006) clarified the ambiguities related to the three key constructs of work relationships i.e. effort, job performance, and job satisfaction. The relationship between job performance and job satisfaction is of central interest to research in organizational psychology. Study finds a negative, direct effect of effort and a positive, direct effect of job performance on job satisfaction. The current findings emphasizes the need to distinguish clearly between factors that represent employees’ inputs in a work relationship (i.e., effort) and those that represent their outputs (i.e., job performance).


Ayub (2011) tried to explore the relationship between work motivation and job satisfaction in his study and found that both job satisfaction and work motivation are positively correlated. A significant gender difference was found on the variable of work motivation and job satisfaction. Ayub collected the responses of 80 middle managers on the structured questionnaire of job satisfaction and motivation. The statistical tools used for analysis were pearson product moment correlation coefficient and t- test for correlation and gender differences.

Kumar and Singh (2011) attempted to examine the relationship between job satisfaction and some significant variables such as job characteristics, job expectations and work motivation. The result of their study was that the employees of Tata Consultancy Services are highly motivated towards their work and are moderately satisfied with their job. The data of 100 employees were collected for the study of Tata Consultancy Services. They concluded that, the employees of TCS give preference to jobs offering achievement, recognition, stimulating work, advancement and responsibility. The employees of Tata Consultancy Services emphasized on the characteristics of the job. They do consider task variety and autonomy as motivating factor.

Ramayah, Jantan and Tadisina (2011) found and proved in their study that the individuals do not place the same degree of importance for all the facets of Job Descriptive Index. Employees had his or her own needs and accordingly they rank and give importance to them. Work was ranked most important followed by supervision and promotion in this study. Demographic factor was also considered by the researcher in their study. The results showed demographical that the ranking of importance differs between genders. The males ranked work as most important followed by promotion, supervision, co-worker and pay as the least important. The females on the other hand also ranked work as the most important but ranked

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supervision as secondary followed by promotion, co-worker and pay at least important.

Wadhwa, Verghese and Wadhwa (2011) tried to find out the factors which causes job satisfaction among employees and categorized them in three factors such as behavioural factor, organizational factor and environmental factors. The results showed that all the three variables i.e. environmental, organizational and behavioural factors had a positive impact on job satisfaction. It means that if the employees are treated fairly and equally and they are properly supervised, then their satisfaction level can be increased towards their job. Organizational factor contributes much more than other two factors of job satisfaction. Hence from this research it was concluded that organizational factors are the most important aspect for job satisfaction of the employees in a company.

Prasanga and Gamage (2012) found significant positive relationship between job satisfaction and job performance of the sailors in Rapid Action Boat Squadron of Sri Lanka Navy. Data was collected from 219 sailors using Minnesota Satisfaction Questionnaire (MSQ). The structured questionnaire developed by Udaya kumar (2003) was used for measuring job performance. Pearson Correlation Coefficient and Curve Fit Analysis were employed for analysing the data. The study concluded with the result that there is a fairly positive relationship between job satisfaction and job performance of the sailors. The satisfaction from job lead to improved performance and assumedly organizational effectiveness. They focused in their study to implement the satisfaction-performance model effectively through specific practices to improve the organization performance. The paper empirically investigated satisfaction-performance model in Rapid Action Boat Squadron of Sri Lanka Navy context and offers practical implications for top level administration of the Squadron seeking effective implementation of the satisfaction-performance model.


Dizgah et al., (2012) explored in their research that there is a meaningful relationship between job satisfaction, in-role performance and innovative job performance in the Guilan public sector. The method is correlative and population size is according to budgeting and planning statistic annuals of 2009 include 6863 individuals. Sample size for study was 323 and selected by available non-probable samples. Non-probable method was used for statistical sample of research. Data were collected by questionnaire and Cronbach's alpha coefficient was used to check the reliability of questionnaire. Based on tests about relation between job satisfaction and role and increase in role-accepting of employee, job satisfaction was increased in Guilan public sector.

Kwenin, Muathe and Nzulwa (2013) analysed in their study the influence of employee rewards, job satisfaction and human resource policies on employee retention in Vodafone Ghana Limited. 142 employees was taken from Vodafone Ghana Limited for the survey. Semi structured questionnaire was used for collecting data from employees through personal contacts. Descriptive statistics and Pearson Chi-square was used as the statistical test for analysing the data. The results indicated that employee rewards, job satisfaction and human resource policies significantly influence employee retention in Vodafone Ghana Limited. The implications for the management of Vodafone Ghana Limited is that they should improved in human resource policies and provide lot of attractive and equitable reward packages that not only attract employees but also to retain them in the organisation as well. The study indicated a strong signal for retention and recommends that management of the organization should create intrinsic values in the jobs to make them more satisfying for the employees. The job satisfaction and favourable human resource policies have positive link with retention. Human resources policies was also identified to connect directly with retention, and is thus recommended that the company shall take a second look at its policies to promote growth and opportunities for employees.


Hofmans, Gieter and Pepermans (2012) examined that job satisfaction is affected by the financial reward satisfaction. Cluster-wise regression analyses proved the study on three samples that it consistently shows that two types of individuals can be distinguished, each with a different job reward–job satisfaction relationship. For the first person type, job satisfaction relates to financial and psychological reward satisfaction, whereas for the second person type job satisfaction relates to psychological reward satisfaction only. In addition, between-person type differences was found for the work value financial security but not for recognition, which suggests that differences in work values may lie at the basis of between-person differences in the rewards–satisfaction relationship.

Lumley, Coetzee, Tladinyane and Ferreira (2011) explored the relationship between employees’ job satisfaction and organisational commitment. A cross-sectional survey were conducted on a convenience sample of 86 employees at four information technology companies in South Africa. Correlation and stepwise regression analyses revealed a number of significant relationships between the two variables. The findings state that to improve organisational practices for the retention of valuable staff members in the information technology environment. They suggested significant relationships between the job satisfaction and affective and normative commitment variables. The positive association observed between the job satisfaction variables and the affective commitment variable that suggests that participants who are satisfied with pay, promotion (advancement) supervision, fringe benefits, contingent rewards (recognition and achievement) relationship with co-workers, nature of the work and communication (organizational and job specific) seem to feel more emotionally attached to and involved with their respective organizations and seem to remain with their respective organizations. The positive relationship also observed between the job satisfaction and the normative commitment variables suggest that participants who


are satisfied with pay, promotion, supervision, fringe benefits, contingent rewards, co-workers, nature of the work and communication seem to feel more obliged to remain with their respective organization because of social norms.

73 Tanjeen (2013) analysed the level of job satisfaction of employees in telecommunication industries in Bangladesh. Job satisfaction is the degree of favourableness towards his or her job. In his study the factors that influence job satisfaction were working condition, job security, autonomy or freedom, relationship with colleagues, relationship with superior, promotion and pay. The research explores the importance of factors that affect job satisfaction. Telecommunication sector was selected for this research as their business was running successfully in all aspects. Questionnaire was used to collect the data from employees. Total 82 employees sample size was collected from different companies were taken to conduct this study. This paper focused on the various factors of job satisfaction from the perspective of employees in the selected telecommunication industries. The study reveals that some factors are of high concern to employees regarding their satisfaction. The study also recommended that job satisfaction affect employee’s performance, their confidence level, change in behaviour which are important for the success of an organization. As success of an organization depends mostly on the performance of employees so they need to be satisfied.

74 Khan, Nawaz, Aleem & Hamed (2012) examined the influence level of job satisfaction among the workforce of autonomous medical institutions of Pakistan and its effects on performance. Total 200 sample size of doctors, nurses, administrative and accounts staff were taken for the study who were working in autonomous medical institutions in Punjab. SPSS was used for analysing the data statistically. It was concluded from the study that facets such as: pay, promotion, job safety and security, working conditions, job autonomy, relationship with co-workers, and relationship with supervisor and nature of work; affect the job satisfaction and performance. The


government should consider all such factors like promotion, working conditions, co-workers and nature of work which have significant impact on the job satisfaction level as it was concluded in this study. In order to enhance the employee performance in the autonomous medical institutions, the government should focus on all facets of job satisfaction and not only on any one of these factors.

75 Majeed et al., (2013) investigated the factors affecting the job satisfaction of employees of banking industry at Bahawalpur and analysed the impact of recruitment & selection procedures, organizational policy & strategy, nature of work, job stress, personality and communication on job satisfaction of employees of banking industry. For data collection purpose, a questionnaire on 4-point likert scale was developed and personally distributed among employees of banks but only 186 questionnaires were received back which indicates 79% response of the respondents. Linear regression and correlation applied for analyzing the data and the results found that recruitment & selection procedures, organizational policy & strategy, nature of work, job stress, personality and communication was significantly related to job satisfaction. The results further revealed that job stress, communication and personality had a significant but weak impact on job satisfaction whereas recruitment & selection procedures, organizational policy & strategy and nature of work had a significant and strong impact on employee job satisfaction. This study was fruitful and helpful source for the management of the banking industry to attract, retain and motivate their efficient employees through taking into account these variables as important determinants of job satisfaction.

76 Sageer, Rafat & Agarwal (2012) analysed that organization should develop strategies that strengthen the work environment and increase the employee morale and employee satisfaction to enhance employee performance and productivity, which


ultimately results in high profits, customer satisfaction as well as customer retention. In this paper various variables responsible for employee satisfaction were discussed such as organization development factors, job security factors, work task factors, policies of compensation and benefit factor and opportunities which give satisfaction to employees. This paper also deals the various ways by which one can improve employee satisfaction, employee attitudes which typically reflect the moral of the company in the areas of customer service and sales, happy employees are extremely important because they represent the company to the public.

Sinha (2013) found in his study that the employees of KRIBHCO, Surat were found satisfied with their job. He found that with respect to experience, the satisfaction level of the employees differ significantly regarding salary. There was no difference between the satisfaction level of employees regarding training opportunities within different age groups, also no significant difference in satisfaction level of employees seen regarding job rotation policy between gender groups of the company. In this research with sample size of 150 employees based on systematic sampling and data collection was based on structured questionnaire method on Likert scale measuring 23 major variables which were reduced to five factors namely empowerment & work environment, working relation, salary & future prospects, training & work involvement and job rotation. For the purpose of data analysis he used IBM SPSS 20. He performed many statistical test such as factor analysis to reduce the data and non parametric tests as Kruskal-Wallis and Mann Whitney Rank test. Chi-Square tests was performed to view the satisfaction level of the employees against each major variables found after dimension reduction. He also found that a few important factors that normally contribute to the employee satisfaction, didn’t have much influence on employee satisfaction in KRIBHCO, Surat, such as: welfare measures, role clarity, freedom of decision making and recognition at work. The innovativeness and creativeness of employees also took a back seat as far as satisfaction level was concerned.

Aziri. B (2011) reviewed many literatures and found that job satisfaction is very important topic and cannot be ignored. It is one of the most complex areas facing

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today’s managers when it comes to managing their employees. He states that many studies were conducted on job satisfaction and found significantly important for the organization because it first impact on the motivation level of workers and motivation impact on productivity and hence also on performance of business organizations. Unfortunately, in their region, job satisfaction had not still received the proper attention from neither scholars nor managers of various business organizations.

Anitha (2011) analysed the satisfaction level of paper mill employees and found that only 44% of the employees are satisfied with the working conditions, 31% of them with the welfare facilities, 44% of them with the accident compensation, and 42% of them are satisfied with the rewards provided and 52% of them are satisfied with the grievance handling procedure. Chi-Square test and percentage analysis were used in this study to analyse the job satisfaction of paper mill employees in Udumalpet and Palani Taluk. The organization may give importance to certain factors such as canteen, making rest room, rewards, recognition and promotion policy so that employees are satisfied from their job.

Parvin & Kabir (2011) attempt to evaluate job satisfaction of employees in different pharmaceutical companies. They focus on the relative importance of job satisfaction factors and their impacts on the overall job satisfaction of employees. They investigate the impacts of demographic factors such as work experience, age, and sex differences on the attitudes toward job satisfaction. The nature of business operation, the work culture and the level of job satisfaction have undergone sea change for the pharmaceutical companies. As a business proposition initiated huge investment whereas majority of their stocks is going down developing a high level of apprehension related to job security among its employees. This research paper highlights on some of these problems and presents a picture of level of job satisfaction among employees of pharmaceutical companies. In this study pharmaceuticals Companies was selected for the research due to continued expansion in business. In this continuous changing business environment to gain competitive advantage and


adapt to the dramatic changing environment, it is important for them to achieve management efficiency by increasing employee satisfaction in the organisation. Hence the research were mainly conducted to investigate on the significance of variables such as working conditions, pay and promotion, job security, fairness, relationship with co-workers and supervisors in affecting the job satisfaction. This paper focused on the factors which are causing the dissatisfaction among employees & suggestions to improve them. The finding shows that salary, efficiency in work, fringe supervision, and co-worker relationship were most important factors contributing to job satisfaction. The overall job satisfaction of the employees in pharmaceutical sector was reported positive.

Saleem, Mahmood, Mahmood (2010) investigated and determined the impact of work motivation on job satisfaction in mobile telecommunication service organizations in Pakistan. In addition, the study aimed at exploring to what extent the employees are satisfied with different dimensions of their job. A survey-based descriptive research design was used. The study was carried on employees working in two service organizations of Pakistan. Total 60 employees were considered for the research and questionnaires were distributed by using person’s email modes of communication. Various statistical test were used such as Stepwise regression analysis, correlation and p-value to confirm the research hypothesis. As p-value is less than 0.05 so it can be said that the variables chosen for the study was not highly significant. The value of R square is too low that was used for the relationship analysis of the variables. The analysis showed the positive relationship between the dependent and independent variables but not a strong relationship. The employees in the telecom organizations are quite satisfied by their jobs. Since respondents were from only two telecom organizations only and the sample size was also quite small, so the findings cannot be generalized to all employees of telecom sector in Pakistan.

Abdullah & Wan (2013) presented the theoretical and empirical evidences conceptually regarding the relationships between non-monetary incentives and job satisfaction in influencing job performance. In this paper they discussed direct linear relationship between non-monetary incentives and job satisfaction as independent variables and job performance as dependent variable. The study used theoretical and empirical studies to support the hypothesis that non-monetary incentives and job satisfaction impact job performance. The study also found that non-monetary incentives and job satisfaction significantly and positively influence the job performance particularly when a variety of non-monetary incentives are used among satisfied employees in an organization.

Kennerly (1989) investigated the relationship among administrative leadership behaviours, organizational characteristics, and faculty job satisfaction in baccalaureate nursing programs of private liberal art colleges. The aim of his study was to find out the relationship between leadership behaviour and faculty job satisfaction. The study indicates that the leadership behaviour of consideration and initiating structure impact the job satisfaction level of faculty. It was also found in the study that organizational behaviour such as mutual trust, respect for faculty, warmth, and rapport between the dean/chair and the faculty member were important factor for nurse faculty job satisfaction.

Funmilola, Sola & Olusola (2013) examined the impact of job satisfaction dimensions on job performance of Small and Medium Enterprises in employees in Ibadan metropolis, south western Nigeria. Simple random sampling technique was adopted to collect data from one hundred and five (105) respondents from three

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different sectors through structured questionnaire in their study. Both Pearson Product Moment Correlation Coefficient and Multiple Regressions Analysis were used to analyse the data with the aid of statistical package for social sciences (SPSS) version 20. The result showed that job satisfaction dimensions have significant effect on job performance. It was also found that job satisfaction dimensions jointly predict job performance, which accounted for 33% variance of job performance. The study concluded with result that Small and Medium Enterprises operators carefully use these job satisfaction dimensions as policy instruments for retention and as strategies which have the tendency to reduce employee turnover and enhance job performance.

Rizwan, Khan, Muhammad, Ghaffar, Anjum & Bajwa (2013) reported the crucial problems, faced by the employees while working in organizations and found the ways how to make their employees loyal with their organization. The purpose of their research was to know the key factors responsible for the satisfaction of the employees. The factors such as teamwork, training and development, workplace environment, reward and recognition were responsible in the service sector in Pakistan. These factors help to make the effective policies for the employees so that the management can improve the effectiveness and efficiency of the employees which in turn help organization. This research paper was based on theoretical considerations and a model was proposed linking the employee job satisfaction (EJS) constructs. The survey was conducted in 2012 and covered 200 employees within the territory of Punjab in Pakistan. In this study teamwork was found to be the most important factor on employee satisfaction, workplace environment found another factor which had a significant influence on employee job satisfaction followed by training and development and reward and recognition.

Shah et al., (2012) investigated the relationship and interdependence between rewards and recognition, supervision and work on employees job satisfaction and that


of job satisfaction on the intrinsic motivation of employee. The relationship between job satisfaction and work motivation was explored with the help of responses collected from employees working in public educational institutions in Rawalpindi area. Questionnaire was used as research instrument for collecting data from 379 employees. Total 294 usable responses were received and analyse through SPSS 15.0. Results of this study shows significantly and positive relationship between job satisfaction and reward, recognition, supervision and work itself. A very positive and significant relationship was also observed between job satisfaction and intrinsic motivation. Analysis has also shown a close relationship between independent and dependent variables in different dimensions of job satisfaction and work motivation. Employees were not found much satisfied with the work itself in comparison to supervision and reward and recognition. They recommend that the teacher’s participation in the decision making process and performance recognition may make them more courageous and enthusiastic towards working in the Institution. Satisfaction and motivation also increase when employees are selected and given task according to their expertise. They also précised in their study that the management should be transparent, equitable to the employees and the benefits such as competitive compensation system and salary increments and allowances and other compensation should be on timely so the morale, motivation and satisfaction remain maintain.

of the instrument was 0.852 which was above acceptable range. It was found that there was not too much difference in job satisfaction on the basis of demographic characteristics. The results revealed that a male academic staff were found more satisfied as compared to female academic staffs. The permanent academic staff were more satisfied than contractual academic staff. The academic staff with Ph.D. degree was found more satisfied with job than academic staff with M. Phil, Master and Bachelor (Hons) degree. The academic staff from private sector universities was found comparatively more satisfied with overall job satisfaction than that of public sector universities. The findings of this study were helpful for administration of the concerned universities, Ministry of Education and Higher Education Commission of Pakistan for policy formulation regarding human assets.

87 Vangel. K (2011) found in his study and noted that not all employees prone to act the same in response to dissatisfaction, it is different for each individual. He proposed in his study that organizational climate affect the behaviour of employees that results in dissatisfaction, similarly organizational climate also had an effect on an employees commitment towards organization. In this they concluded and suggested that organizational climate had multilevel effects on the dissatisfaction process of employees.

88 Jin & Lee (2012) analysed the job satisfaction and its key determinants such as organizational commitment, autonomy and work experience in the public sector across 18 countries. The sample size of 3,973 were collected from 18 countries. The results of multiple regression showed overall, autonomy (time-off) and autonomy (organization of work) was positively associated with job satisfaction, while autonomy on working hours was found to be negatively associated. Findings also show that organizational commitment explains the most variance in the respondents’ job satisfaction. On the other hand autonomy and control of hours was found to be

negatively associated, the other two dimensions ease of taking time off during working and organization of daily work was found to be positively and significantly related to job satisfaction. In respect of work experience, the usage of past work experience and skills for the current job and helpfulness of the current work experience for future employment were both found to be positively and significantly related to job satisfaction. And job training was not a significant predictor of job satisfaction.

3.8 JOB SATISFACTION AND VARIOUS PRACTICES

The work motivation and job satisfaction are significantly correlated i.e. motivation affects the job satisfaction among the employees. The reward and recognition also have positive impact on motivation and satisfaction of the employees. Vijaykumar and Subha (2013) done a study in private bank of Tirunelveli city to find the impact of rewards and recognition on employee job satisfaction and motivation by using the statistical tool correlation which clearly states that if reward and recognition is improved in private banks, it will have positive effect on motivation and satisfaction of employees.

89 Ali and Ahmed (2009) concluded in their paper that if changes made in the reward or recognition programs, there will be a corresponding change in work motivation and satisfaction of employees, this means that if there is a greater focus on remuneration and recognition, can have a positive impact as a result of motivation and thus lead to higher levels of job performance.

90 Khalid, Salim & Loke (2011) examined the impacts of rewards and motivation on job satisfaction between public and private water utility organization in Malaysia. The


result of studies was that private water utility employees are less satisfied as compared to public water utility employees. The study was conducted on 689 employees from both the sectors. Statistical test such as regression analysis were used to test the relationship between rewards, motivation and job satisfaction, while gap analysis was utilized to determine the significant differences on the level of rewards, motivation and job satisfaction between both sectors. The t-test result shows that public water utility organization showed significantly higher on the levels of rewards, motivation and job satisfaction. The rewards had a positive significant influence on motivation, and motivation significantly positively influenced employees’ job satisfaction, so rewards had a positive indirect significant influence on job satisfaction.

91Dansih and Usman (2010) investigate the relationship between incentives, rewards, recognition on employee motivation and satisfaction. The aim of their study is to find out factors responsible that can motivate employee to work in an organization. For this study total 220 employees were examined with the help of self designed questionnaire from the diverse and different type of organizations. The statistical result showed that different dimensions of work motivation and satisfaction are significantly correlated and reward and recognition and have great impact on motivation of the employees. They found that employees were less motivated with their work contents, difficulties of operating procedures and neglecting the aspects of recognition. On the other hand, when they have sufficient promotional opportunities their relationship with co-workers are friendly, they are paid for what they work, and they find their job secured, their supervisors are cooperative and they feel that they can grow within the organizations, than their level of motivation are very high. They also discussed the implications of the study for managers and policy makers in the context of human resource practices.

92Flynn (1998) argued in their study that rewards and recognition programs also maintain high spirits among employees, encourage their morale and create a link


between performance of employees and motivation. The basic purpose of recognition and reward program is to define a system to pay and communicate it to the employees so that a link can be create for employees for and reward to their performance which directly leads to employee’s job satisfaction.

Jiang, Xiao, Qi, & Xiao (2009) explored the role of total reward strategy in the working organizations. They focused on the dimensionalities of total reward strategy which varies at all times has been summarized through the trend of times and redefined. The total reward strategy if implemented properly can help organization to touch the heights of success. Employees and employers both would gain outstanding profits for the organization if they governed it properly. The total reward strategy improves the performance and increase the motivation level of employees in organization. As a modern reward management method, total reward strategy has been used more and more by managers and scholars. Like all the other mature human resources management approaches and strategies, total reward strategy need to be analyse and practiced throughout the time to make it work effectively and perfectly.

Hafiza et al., (2011) empirically examined in their study the relationship between rewards and employee’s motivation in the non-profit organizations of Pakistan. Employees of three organizations namely PERRA, World Vision and SUNGI Development Foundation working in Khyber Pakhtunkhwa province of Pakistan was considered as sample of the study. They used self designed questionnaire for data collection of 125 employees. The response rate of data was 85.6%. The data was analysed using the techniques of rank correlation coefficient and multiple regression analysis. They tested the findings at 0.01 and 0.05 level of significance. The study resulted with that there is a significant and positive relationship between extrinsic rewards and employee motivation but it has been observed that organizations are not


offering right amount of financial rewards (extrinsic rewards) to their employees in this sector. Pay was found significant factor which affects employee motivation but the results moderately supports the hypothesis due to difference between the pay packages of three different organizations. Fringe benefit was also found very important in this in motivating the employees, so organizations should provide all the essential fringe benefits to their employees, it also increases their job efficiency. But the role of intrinsic rewards was found weaker and its impact on employee motivation is negative. Empowerment has negative effect on employees motivation, due to the lack of trust between employee and his/her boss through which employee thinks that his/her boss has over burdened him instead of thinking himself empowered. It was also found in their study that there is an indirect relationship between appreciation and employee motivation, as employees of the organizations are not satisfied with their pay packages.

Sarwar & Abugre (2013) highlighted in their study the role of employees’ job satisfaction and the responsibilities of organizations in nurturing good quality human resource management practices in the service sectors. The aim of their study was to find out the relationship between employees’ rewards, and the dimension of their job satisfaction in the service sector. The study focused on the role of reward and its impact on customer satisfaction and loyalty of customer towards organization. The role of job satisfaction and rewards was explored with samples from workers in two large Ghanian private organizations. A questionnaire was constructed, tested and administered to a total 110 employees at two private organizations. Out of those 104 usable surveys was analyze using Microsoft excel to test the hypothesis of the study. Rewards and work relations were found positive and significantly impact on job satisfaction. It was also found in the study that higher rewards have positive impact on higher job satisfaction of employees and satisfied employees have positive and significant impact on customer satisfaction and loyalty. They also founds that job satisfaction of employees stimulated their loyalty to the organization. However, a very high level of employee dissatisfaction was recorded for pay and the amount of work they do for the organization in their study. These results add to the evidence that

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human resource practices influence business outcomes rather than the other way around.

96 Schmidt (2004) in his study tried to find out the relationship between provided training and job satisfaction among employees and found significant relationship between job training and overall job satisfaction. Employees found more interested in learning methodologies through training, spending time on training and learning new things. In study the total sample of 301 was collected from customer and technical service employees from nine different organizations included manufacturing, technology, service and government organization. The methodology used in training by employers made a significant difference in job training satisfaction.

97 Latif et al., (2013) analysed that development aspect of employees from job satisfaction is dependent on the overall training satisfaction. Significant correlation was found between different subscales of training satisfaction. The study comprised of total 317 responses from the respondents from Marketers and Office staff in various occupations. The questionnaire consists of total 35 items of both training and four subscales training and job satisfaction on 5 point likert scale. Data from the respondents were subjected to analysis using the statistical software SPSS. Various statistical tests such as independent sample t-tests, one way ANOVA, correlation, and regression analysis was used to test the research questions. The research also highlights that overall satisfaction increases according to the ranks. The results of the subscales association are translated into positive significant association of overall training satisfaction with employee development feature of job satisfaction.


Chaudhry et al., (2012) studied and developed a model that measures the degree of
difference in salary satisfaction and its impact on job satisfaction in public sector
organizations and private sector organizations in Pakistan. It was found that salary
satisfaction affects many outcomes such as job involvement, work inspiration,
employee performance and motivation. Total 320 samples were taken for the study
from both the private and public sector. Z-test and regression analysis were used to
analyse the degree of difference between salary satisfaction in both sectors and
relation with job satisfaction. The findings in their study indicate that employees in
public sector organizations have little higher salary satisfaction as compared to private
sector employees. Moreover, salary satisfaction was also positively related with job
satisfaction in both sectors. So the study clearly states that salary satisfaction is an
important determinant or facilitator for job satisfaction among employees.

Kamal & Hanif (2009) found in their research that pay is considered as the major
factor for job satisfaction among employees along with other factor like promotion,
recognition, job involvement and commitment. The paper endeavors to study the
various factors of job satisfaction among different commercial bankers in Pakistan
and highlights the finding by performing statistical techniques like regression and
correlation to gauge level of significance for the factor. Job satisfaction is an attitude
of an employee towards the job over a period of time, so the factors of satisfaction
and dissatisfaction changes according to time. Pay is used as relative term in today’s
context and used as motivator among the employees in organization. Employees who
are satisfied with their job response differently as compared to who are dissatisfied.
Satisfied employees are found more friendly and responsive towards the organization.

Between Salary Satisfaction And Job Satisfaction: A Comparison Of Public And Private Sector

Bradley, Petrescu and Simmons (2004) investigated the relationship between human resource management practices and workers’ overall job satisfaction and their satisfaction with pay and found that human resource management practices play a significant role in job satisfaction and the inequality in pay is associated with substantial reduction in non union member in both the context such as dissatisfaction from pay as well as dissatisfaction from overall job. The research conducted uses two British datasets i.e. from changing employment relationship, Employment Contracts and the Future of Work Survey’ and the ‘Workplace Employment Relations Survey’. In this study it was also concluded that the effect are only significant for non-union members. Whereas satisfaction was recorded higher where performance related and seniority based reward system was considered.

Baruch & Peiper (2000) investigated a comprehensive set of organizational career management practices through a random sample postal survey, to better understand how these approaches fit together and how they are used to address in different situations, the authors surveyed 194 United Kingdom companies and identified five groups of practices. This group was found associated with certain organizational characteristics. Drawing on concepts from the careers literature, the authors suggest a two-dimensional model to explore how these groups of practices can be systematically implemented in different companies. They linked those clusters together in an emergent model and considered their relationships with other organizational characteristics, particularly climate-related. This study adds to the existing research in providing a basis of comparison for organizations in the OCM area. More specific data on organizational structures and processes, including other variables such as turnover rates, economic performance of the firm, and performance evaluative style of managers would provide an important complement to the broad-brush elements (age, unionization, climate).

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Budhathoki (2004) in his paper emphasizes on the importance of career development to retain the skilled, competent and result oriented people in the organization for long time. Through this paper he highlights the increasing demand for right people in organization due to changing economic scenario. The organizations are now not confined to national level but becoming international in their operations. To cope up with the international competition, organization should develop and retain skilled, talented and motivated employees for quality, cost consciousness and productivity. This paper emphasized that the human resource planning and career development are the two vital pillars on which the organizations stand strongly.

Kayalar & Ozmutaf (2009) investigated the relationship between individual career planning and job satisfaction for two types of university workers i.e. academic and administrative staff. The study was also aimed to know whether individual career planning influence the outcome of organization such as productivity, motivation, loyalty and other variables positively for both groups. The questionnaire was distributed to academic and administrative staff of Suleyman Demirel University and Ege University. Statistical analysis of this study shows that individual career planning improves job satisfaction. It is obvious that individual career planning is more influential for the academic personnel. The academic staff represents the group of which career path is open, administrative staff represents the group of which career path is partially closed. It is assumed by author that if academic personnel can get a higher academic position after gaining doctoral degree. But it is found harder for administrative personnel to get promotion. The result of this study states that there is insignificant relationship between individual career planning factor and job satisfaction factor for administrative personnel. It is clear that the future is uncertain for humankind. Hence, individuals try to forecast and plan the future. A career plan


would help an employee to feel comfortable in his/her job and will directly affect job satisfaction.

Monis & Sreedhara (2011) analysed the five Indian and five foreign MNC BPO firms operating in India. The data was collected using both qualitative and quantitative methods from 243 employees of Indian MNCs BPO and 163 employees of foreign MNCs BPO. It was found in this study that, on an average, the level of satisfaction towards the career development practices was recorded 69.71% in Indian BPO and 69.82% among the respondents from foreign MNC BPO firms. Regression analysis shows that three variables were significantly influencing the satisfaction of the respondents of Indian MNCs and two variables were significantly influencing the satisfaction of the respondents of foreign MNCs towards the career development practices and all the other variables have emerged as the insignificant variables. It was also noted in the study that all the significant variables were positively associated with the satisfaction of the respondents and all the variables used in this study collectively account for 38.9 % and 41.5 % of the satisfaction of the respondents of Indian and foreign MNC BPOs respectively towards the career development practices.

Blanchflower and Oswald (1999) investigated the relationship between job satisfaction, job security and mental well-being of employees. The study was conducted on 50000 employees in 18 countries. They found that job satisfaction is affected by the fear and stress of losing job.

Kaiser (2002) investigated cross-national differences in the determination of job satisfaction by different type of contract in jobs. There were five type of contracts in job namely full-time permanent contract, full time fixed-term contract, part time permanent contract, part-time fixed-term contract, and self-employment. Employees

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in permanent full time and part-time jobs recorded highest level of job security and enjoy higher job satisfaction. In contrast, employees having fixed-term jobs and self-employment were found having low job security and low job satisfaction.

Souza-Poza and Souza-Poza (2000) used the ISSP to study the determinants of job satisfaction and showed that job security significantly increases the individual’s job satisfaction and it is ranked 7th in importance among all the determinants of job satisfaction. Furthermore, the authors found that some determinants of job satisfaction such as job security are country specific. Like, for instance, self-perceived job security is highest among Danish workers and lowest among French workers. This result was also applied to the five Eastern European countries where Denmark was recorded highest job-satisfaction level among employees. They used a bottom-up psychological model, in which they compare work-role inputs (e.g., effort) with work-role outputs (e.g., pay) and tried to explain cross-national differences and found that countries with high work-role outputs, in general, have a high job-satisfaction ranking, and vice versa. Having an interesting job and having good relations with management was the two most important work-role outputs, and having an exhausting job was the most important work-role input.

Cuyper & Witte (2003) focused on two critical variables: job insecurity and type of contract (temporary versus permanent) and analyse the impact of these two variables and their possible outcome variables such as job satisfaction, organizational commitment, performance and turnover intention. In this study 639 samples were considered. As the two central variables are both job stressors, they assumed that both will be associated with lower job satisfaction, lower organizational commitment, a lower level of performance and a higher turnover intention. According to work stress literature and according to psychological contract theory it is predicted that the combination of temporary work and a high level of job insecurity results in a more negative outcome score on the different variables. However, it is possible that permanent workers experience job insecurity as more stressful than temporary workers do, resulting in lower job satisfaction and organizational commitment for this

specific category (‘violation hypothesis’). Finally it was state that job insecurity is more problematic for permanent workers than for temporary workers.

Nikolaou et al., (2002) aimed to analyse the relationship between job satisfaction and job security in their study. The study considered total seven European countries. The results revealed that even after controlling the nature of endogeneity, the workers in jobs show higher utility from work as compared to workers who are insecure from job in both cases of gender. It was also assumed that workers who are found satisfied with job are highly productive because of job security.

3.9 CONCLUSION

This chapter focuses on previous research paper on the research topic related to bank sector. The review highlights the role of human resource management practices in all sector whether it is service or manufacturing sector. But in banking sector importance of Human Resource Management is high rather than other sector. The review also illustrates that somewhere the HR Practices affects the Job Satisfaction. So it is very important to review each and every practice and update it according to the time. As bank is service sector and provides its services and facilities to its customer. It is very much necessary to keep their employees satisfied because it affects the performance of bank.

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