A Comparative Study of Human Resource Development Policies With Reference To Job Satisfaction of Employees of Bank of India and Housing and Development Financial Corporation (HDFC) Bank

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ABSTRACT:

The Banking Industry in India is undergoing changes since the era of Globalization and Privatization started way back in 1991. The era led to huge competition between the public sector banks and the private sector banks. On the one hand there was influx of newly established private sector banks and on the other hand many existing public sector banks were in expansion mode. These developments were not only for the market economy but also focused towards the service delivery of the branches to the customers. Employees at public sector banks were under tremendous pressure to deliver best of the services. This initiated the wave for transformation in the HRD policies of the banks. Even in private sector this became the necessity as a satisfied workforce can only deliver the service to his best of ability. Banks were in need of overhauling their policies pertaining to recruitment, selection, performance appraisal, transfer, promotion, financial and non financial incentives and also social security schemes provided to the retired employees. This paper is an attempt to compare the HRD policy of Bank of India and HDFC Bank with reference to Job Satisfaction of the employees at their service. As an empirical study, co-relation and regression analysis has been carried out to find out the dependency of variables on one another.

Keywords: *Human Resource Development Policy, Public Sector Bank, Private Sector Bank*,

INTRODUCTION:

Banking in India

The banking industry in India has always played an important role in economic development. Since the beginning of the 19th century, the lending of money to customers was in practice. Slowly the establishment of three Presidency Banks came to forefront viz. Bank of Bengal, Bank of Madras and Bank of Bombay. All the three banks were amalgamated to form the Imperial Bank of India in 1921. However in the year 1955, through an Act of Parliament, they were renamed as State Bank of India.

Another very important development was the establishment of Reserve Bank of India in 1934 under the RBI Act 1934. RBI is the central Bank of the country. It was operationalized in the year 1949. As a central bank of the country, RBI is entrusted with the task of governing all the

public sector banks and private sector banks in India. RBI also facilitates the mobility of currency in the economy and also facilitates monetization and de-monetization in the Indian Economy. Apart from this RBI

The year 1991 paved the upcoming of private sector banks in Indian market. Private Banks had the major share holding by private parties and comparatively thinner share holding goes with the government. Some of important private sector banks in India are HDFC, Kotak Mahindra Bank, ICICI, YES BANK, AXIS BANK .These banks are taking great lead in mobilizing the customers to their branches thereby enhancing the GDP growth rate. With the rise in standard of living of Indian citizens, every household has a bank account. Thus customer interaction of bank employees has increased. This has lead to a look for satisfied bank employee and also a happy customer pool with the bank.

What is Human Resource Development?

The genesis of Human Resource Development goes back to 19th century. It is in the American Society for Training and Development convention in early seventies that Len Nadler of George Washington University formulated the concept of Human Resources Development.

Nadler (1970) defined HRD as a series of organized activities, conducted within a specified period of time, and designed to produce behavioral change. Some of the common activities he identified within HRD are training, education and development. He identified training as those activities intended to improve performance on the job, education as those activities intended to develop competencies not specific to any one job, and development is preparation to help the employee move with the organization as it develops.

In a revised definition Nadler (1984) defined it as organized learning experiences in a definite time period to increase the possibility of job performance and growth.

T.V. Rao (1985) defines HRD in the organization context as a process by which employees of an organization are helped in a continuous and planned way to sharpen their capabilities to perform various functions associated with their present and expected future roles. It is also meant to develop employee's general capabilities as individuals and discover and exploit their own inner potentials for their own developments. Also this develops an organizational culture in which supervisor and subordinate relationships, team work and collaboration among subunits are strong and contribute to the professional well being, motivation and pride of the employees.

McLean and McLean (2001) have offered the following global definition of HRD after reviewing various definitions across the world:

"Human Resource Development is any process or activity that, either initially or over the longer-term, has the potential to develop adults' work based knowledge, expertise, productivity, and satisfaction, whether for personal or group/team gain, or for the benefit of an organization, community, nation, or, ultimately the whole humanity" (p1067).

Strategic HRD puts…" particular emphasis on the development of comprehensive, coordinated and dynamic approaches for major learning initiatives within and outside an organization in order to facilitate the achievement of all stake holders objectives in a competitive and turbulent environment.

Most popular definition of HRD by **Patricia McLagan (1987)** as "The integrated use of training and development, organizational development and career development to improve individual, group and organizational effectiveness".

Thus HRD is a process of enabling people to make things happen. It deals both with the process of competency development in people and creation of conditions (through policy, programs and other interventions) to help people apply these competencies for their own benefit and for that of organization.

What is Human Resource Development Policy?

Human Resource Development policies are continuing guidelines on the approach the organization intends to adopt in managing its people. It represents specific guidelines to HR managers various matters concerning employments. It states the intend of the organization about different aspects of Human Resource management such as recruitment, promotion, compensation, training, selections etc. They define the conception and value of the organization on how people and things should be treated. Therefore, it serves as a reference point when human resources management practices are being developed or when decisions are being made about people. A good HR policy could provide generalized guidance on the approach adopted by the organization, and therefore its employees, concerning various aspects of employments. A procedure spells out precisely what action should be taken in line with the policy.

Purpose of HRD Policy

The establishment of policies can help an organization demonstrate, both internally and externally, that it meets requirements for diversity, ethics and training as well as its commitments in relation to regulation and corporate governance of its employees. For example, in order to dismiss an employee in accordance with employment law requirements, amongst other considerations, it will normally be necessary to meet provisions within employment contracts and collective bargaining agreements. The establishment of an HR Policy sets out obligations, standards of behavior and documents disciplinary procedures, is now the standard approach to meet these obligations. They provide frameworks within which consistent decisions are made and promote equity in the way in which people are treated.

HR policies can also be very effective at supporting and building the desired organizational culture. Policies and procedures serve a number of purposes:

1. They provide clear communication between the organization and their employees regarding their condition of employment.
2. They form a basis for treating all employees fairly and equally.
3. They are a set of guidelines for supervisors and managers.
4. They create a basis for developing the employee's handbook.
5. They establish a basis for regularly reviewing possible changes affecting employees.
6. They form a context for supervisor training programs and employee orientation programs.

Advantages of HR policies

Human Resource Development policies put forth the following advantages to the organization:

1. It helps the managers at various levels to take decisions without consulting their superiors. Subordinates are more willing to accept responsibility because policies indicate what is expected of them and they can quote a written policy to justify their action.

2. It ensures long term welfare of employees and make for good employee relationship as favoritism and discrimination are reduced. Well-established policies ensure uniform and consistent treatment of all employees throughout the organization.

3. It lays down the guidelines pursued in the organization and thereby minimizes the personal bias of managers.

4. It ensures prompt action for taking decisions because the policies serve as standards to be followed. They prevent the wastage of time and energy involved in repeated analyses for solving problems of a similar nature.

LITERATURE REVIEW:

Following research papers were studied for the topic of discussion and gaps were identified:

1) Khandelwal Anil[i] in his paper "Moving HRD from the Periphery to the Centre for Transformation of an Indian Public Sector Bank: Keynote Address" studied the rise and fall of Bank of Baroda in terms of Human Resource Development practices, changing demographic profile rising competition in the market and customer orientation. The findings were related to the future scope for the researchers in the bank in terms of implementing the philosophy of management at all levels of employees. It is through mobilizing the passion of people that leadership can transform organizations and put them on high growth trajectory.

2) Kennedy, Vizile (2007)[ii] in his paper titled "Do Human Resource Development Practices Differ among the Categories of Indian Commercial Banks?" Studied the HRD practices in different commercial banks viz. Public sector, old private sector, and new private sector to bring out the differences between Human Resource Development practices among public sector banks to analyse inter-relationship among their practices. The Methodology adopted was Primary data collection through employees, selection through stratified random sampling method, done in 10 PSB, 8 OPS, 4NPS.Total number of respondents were 260. The findings suggested that more and more emphasis should be given to performance counseling in Indian banks. Performance counseling helps employees understand their own strengths and weaknesses. This in other way paves the way to understand the emotional attributes of the employee and decide their affirmative likeness and dislikeness about the job in general. Banks are required to give more weightage to Organizational Development which is a major factor in defining the employee's efficiency in banks. Banks should introduce change in a well-planned manner and employee's readiness to be ensured. The study confirmed that human resource practices in private sector banks are higher than public sector banks.

3) Samartha Vishal (June 2010)[iii], in his paper "Impact of Occupational Stress on Employee Performance in Banks – An Empirical Study" studied the impact of occupational stress on

the performance of bank employees. He also made an attempt to understand the factors influencing stress among the bank employees.

The Methodology adopted was collection of primary data from 100 sample respondents from various banks of Mangalore city, respondents were chosen by convenience sampling method; questionnaire was used to collect the primary data from selected sample respondents. The findings were interesting. Due to rapid changes like globalization, increased competition, downsizing, introduction of new technologies, the employees in the banking sector are experiencing a high level of stress. The advent of technological changes has changed the work patters of bank employees. Moreover Female employees are more exposed to stress as they have more responsibilities in family. Employees with lower qualification experience more stress.

4) Sharma, M, Kaur, Gurvinder (2011)[iv] in their paper "Workplace Empowerment and Organizational Effectiveness: An Empirical Investigation of Indian Banking Sector. Academy of Banking Studies Journal" Studied the relationship between Structural empowerment and psychological empowerment, between structural empowerment and organizational empowerment. The Methodology adopted were interview of 400 employees from public and private sector banks in North India; three sets of questionnaire were used in detail to assess the framework. The findings were reasonable. Structural empowerment has a positive impact on the level of psychological empowerment. A very high degree of correlation between the four components of psychological empowerment indicates positive correlation.

5) Singh Shilpi (January 2013) [v]in her paper "Face Of HR Practices In Today's Scenario In Indian Banks published in International Journal of Application or Innovation in Engineering and Management (ISSN 2319 – 4847) inquired into HRD philosophy of the banks.2) To study the organizational and HRD climate in the bank. 3) to inquire into the practices of various HRD techniques 4) To study the outcome of HRD for the banks , individual employees, group and the society at in both private as well as public sector banks. Methodology: interviews and discussion from various commercial banks, staff training colleges, Indian Institute of Banker (Mumbai) NIBM (Pune) Indian Bankers Association (IBA – Mumbai) Separate questionnaire to be made and circulated throughout. Findings: 1) there should be a balanced compromise between organizational need and individual need. Total insensitiveness to individual preference gives rise to frustration at some point of time. While there must be rewards for performance, non – performance must be punished/ reprimanded. Promotion must be on the basis of merit. There must be uniform, impartial and balanced "employee performance review system". This system in fact needs a total review. Enthusiastic and pleasant behavior of staff towards the customer is necessary. There must be clearly defined system of succession planning and career growth in banks.6) Attitudinal change is required at the top level. Human resource balance sheets should accompany financial statements.

6) Kumudha, A and Abraham, Susan (2008)[vi] in their paper "Organization Career Management and Its Impact on Career Satisfaction: A Study in the Banking Sector the ICFAI University Journal of Bank Management, Vol VIII. No. 3 studied the influence of the organization career management on individual career satisfaction; their attempt was to know whether there

is any difference between the organization career management of public and private sectors. The findings of the research work were interesting. Career management on the part of organization is not a waste of time. It can lead to more successful career for the employees. From which the organization can itself benefit in the form of harder working and more committed employees. Employees may be encouraged to identify what they want from their career in the organization and decide how to realize these goals in the light of their career strengths and weaknesses. Results show that HRD programs support and encourage individual employees self-development efforts through providing details about job openings and career path to all employees. Employees who have positive feeling of career satisfaction may be identified and suitably rewarded as they will be contributing more to the organizations. Organization career management programs have much scope, and they will certainly make employees feel better about their career rather than just about salaries, increment and extra promotions for them.

7) Singh, Anil Kumar [vii](April- June 2005). HRD Practices and Philosophy of Management in Indian Organizations: VIKALPA. Vol 30. No. 2 did a study for the purpose of identifying the relationship between human resources (HR) practices and the philosophy of management of the Indian business organizations. Methodology: Different variables of HR practices were studied and the management's philosophy was identified by measuring beliefs of top management about employees in the organization. The sample for the study consisted of 95 respondents from two private sector organizations and 119 respondents from two public sector organizations Findings: The following key issues emerged from the study: Organizations will have to design managerial philosophy which is sensitive to human existence. The managerial philosophy in the organization has an impact on the organizations of future .HR concepts that get packaged along with modern managerial philosophy are likely to revolutionize the workplace. The bottom line is that people want to be cared for and respected.

8) Srimannarayan M.(October 2009) [viii]in his paper "Measurement of Human Resource Activities In India, The Indian Journal of Industrial relations, Vol 45, No. 2, (265 – 274) studied with the objective of identification of measures of HR activities in India. The methodology included collection of information from hundred and nine HRD professionals. The findings were interesting and exhaustive. Good HR practices produce a payoff in terms of bottom- line financial performance. Compensation related activities are measured in the organization to a significant extent. The number of employees trained in the program is the principal measure of assessing T&D. Performance Appraisal is the predominant tool used in the performance management system.

1. Research Gap Identification/ Problem statement

On the basis of above mentioned research review following gaps were identified in the HRD Policies of banks under study:

(a)   There is a gap between job satisfaction of public and private sector bank employees.
(b)   There is an exodus of senior level employees from public sector to private sector bank employees.

(c) There is a difference of job satisfaction among different genders of public sector and private sector bank employees.

(d) There is a difference of career progression of employees in public sector and private sector banks.

(e) Dissatisfaction of employees of public sector banks leads to poor dealing with customers at the workplace.

OBJECTIVES:

1) To identify the factors/ variables that causes differences in job satisfaction between employees of public sector and private sector banks.
2) To investigate the motivating factors which promote the shift of senior level employees from public sector banks to private sector banks.
3) To investigate the job satisfaction level of genders of public sector bank employees and private sector bank employees.
4) To investigate the methods of employee promotion in public and private sector banks and their impact on employee job satisfaction.
5) To investigate the reasons for poor customer dealings in public sector banks.

HYPOTHESIS of the study:

a) H_0 = There is no relation between stability, compensation, challenges and opportunities and designation and job satisfaction of employees in Public sector bank.
b) H_0 = There is no relation between stability, compensation, challenges and opportunities and designation and job satisfaction of employees in PRIVATE BANK.
c) H_0 = The compensation package of public sector banks are better than private sector banks
d) H_0 = Career Progression policy of public sector banks are better than private sector banks.
e) H_0= Employees of public sector have better customer relationship in comparison to private sector bank employees.

RESEARCH DESIGN:

Data Collection: Collection of data was through questionnaire prepared with veteran scholars. It is a close ended question with multiple choice options. It was divided into two sections

a) Demographic Details
b) Opinion based multiple choice questions on LIKERT SCALE (1to 4).
c) Responses were collected on the permission granted by branch managers with a letter from research wing of ICFAI University.

2) **Sample size: Respondents**

BANK	MALE RESPONDANT	FEMALE RESPONDANT
HDFC	37	13
BOI	16	04

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a)   The respondents from HDFC and BOI were both officers and clerks.
b)   The respondents were from branches of HDFC Bank and BOI based at Ranchi District.

3) VARIABLES:

Set of independent variable were identified through a pilot study and Hertzberg's two factor theory of motivation. They are:

1)   STABILITY: tenure of stay in the present organization
2)   COMPENSATION PACKAGE: basic + D.A+ HRA + LTC
3.   Challenges and Opportunities: profile and job description of the position in the bank.
4)   Designation: The official position of the employee provided according to the hierarchy in the bank.

               3) JOB SATISFACTION: The construct is dependant variable. The validity and reliability of the construct has been proved through cronbach alpha.

SPSS: Through the software of Statistical package of social science, following test were conducted on the variables a) REGRESSION b) CORELATION
 It is a technique that measures the nature, degree and extent of relationship existing between two or more variables. It refers to the relationship found in some variables denoting interdependence. Here correlation has been found to be established between the following variables:
   a) Stability and job satisfaction of HDFC and BOI
   b) Compensation package and job satisfaction HDFC and BOI
   c) Challenges and opportunities and job satisfaction HDFC and BOI
   d) Designation and job satisfaction HDFC and BOI

Statistical Analysis of the Data collected
Correlations BETWEEN STABILITY ,JS (BOI)

		q2f1	Job satisfaction
q2f1	Pearson Correlation	1	-.132
	Sig. (2-tailed)		.578
	N	20	20
Job satisfaction	Pearson Correlation	-.132	1
	Sig. (2-tailed)	.578	
	N	20	20

Explanation: The above table shows that there is positive correlation between stability and job satisfaction of BOI employees.

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Correlations between STABILITY , JS (HDFC EMPLOYEES)

		q2f1	Job_satisfaction
q2f1	Pearson Correlation	1	-.049
	Sig. (2-tailed)		.838
	N	50	20
Job_satisfaction	Pearson Correlation	-.049	1
	Sig. (2-tailed)	.838	
	N	20	20

Explanation: The above table shows that there is positive correlation between stability and job satisfaction of HDFC employees.

b) Designation and Job satisfaction of HDFC and BOI employees:

Correlations between designation and job satisfaction of HDFC employees.

		q2f2	Job_satisfaction
q2f2	Pearson Correlation	1	-.327
	Sig. (2-tailed)		.160
	N	50	20
Job_satisfaction	Pearson Correlation	-.327	1
	Sig. (2-tailed)	.160	
	N	20	20

Explanation: The above diagram shows that there is positive correlations between designation and Job satisfaction of HDFC bank employees.

Correlations – designation and JS (BOI)

		Job_satisfaction	q2f2
Job_satisfaction	Pearson Correlation	1	.289
	Sig. (2-tailed)		.216
	N	20	20
q2f2	Pearson Correlation	.289	1
	Sig. (2-tailed)	.216	
	N	20	20

EXPLANATION: the above table shows that there is positive correlation between designation and job satisfaction of BOI employees.

3) Correlation between challenges and opportunities and JS of HDFC and BOI employees:

Correlations

		q2f3	Job_satisfaction
q2f3	Pearson Correlation	1	.039
	Sig. (2-tailed)		.870
	N	50	20
Job_satisfaction	Pearson Correlation	.039	1
	Sig. (2-tailed)	.870	
	N	20	20

Explanation: The above table shows that there is positive correlation between opportunities and job satisfaction of HDFC bank employees.

Correlations between opportunities and JS (BOI)

		q2f3	Job_satisfaction
q2f3	Pearson Correlation	1	-.388
	Sig. (2-tailed)		.091
	N	20	20
Job_satisfaction	Pearson Correlation	-.388	1
	Sig. (2-tailed)	.091	
	N	20	20

EXPLANATION: The above diagram shows that there is positive correlation between opportunities and job satisfaction of BOI employees.

D) Correlation between compensation package and JS of HDFC and BOI employees:

Correlations between JS and compensation package of HDFC employees

		q2f4	Job_satisfaction
q2f4	Pearson Correlation	1	-.174
	Sig. (2-tailed)		.463
	N	50	20
Job_satisfaction	Pearson Correlation	-.174	1
	Sig. (2-tailed)	.463	
	N	20	20

Explanation: The above table shows that there is positive correlation between job satisfaction and compensation package of employees.

Correlations between JS and compensation package of BOI employees

		q2f4	Job_satisfaction
q2f4	Pearson Correlation	1	.182
	Sig. (2-tailed)		.444
	N	20	20
Job_satisfaction	Pearson Correlation	.182	1
	Sig. (2-tailed)	.444	
	N	20	20

Explanation: The above table shows that there is positive correlation between compensation package and job satisfaction of BOI employees.

a. Employees perception of Career progression of private sector banks and public sector banks;

Case Processing Summary

	Cases					
	Included		Excluded		Total	
	N	Percent	N	Percent	N	Percent
Job_satisfaction * q4a	20	8.5%	215	91.5%	235	100.0%
Job_satisfaction * q4b	20	8.5%	215	91.5%	235	100.0%
Job_satisfaction * q4c	20	8.5%	215	91.5%	235	100.0%
Job_satisfaction * q4d	20	8.5%	215	91.5%	235	100.0%

Job_satisfaction * q4a

q4a	Mean	N	Std. Deviation
Strongly Agree	1.33	6	.516
Agree	1.22	9	.441
Disagree	1.20	5	.447
Total	1.25	20	.444

Explanation: relationship between project participation and job satisfaction of HDC bank employees is high.

Job_satisfaction

q4b	Mean	N	Std. Deviation
Strongly Agree	1.50	4	.577
Agree	1.40	5	.548
Disagree	1.12	8	.354
Strongly Disagree	1.00	3	.000
Total	1.25	20	.444

Explanation: The relationship between holding influential posting and job satisfaction is quite high.

Job_satisfaction * q4c

Job_satisfaction

q4c	Mean	N	Std. Deviation
Strongly Agree	1.25	8	.463
Agree	1.33	9	.500
Disagree	1.00	3	.000
Total	1.25	20	.444

The relationship between job satisfaction and monetary growth .is positive .

Job_satisfaction * q4d

Job_satisfaction

q4d	Mean	N	Std. Deviation
Strongly Agree	1.00	3	.000
Agree	1.00	1	.
Disagree	1.27	11	.467
Strongly Disagree	1.40	5	.548
Total	1.25	20	.444

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The relationship between posting in cities and job satisfaction is high.

VARIABLE	NUMBER	%age	VARIABLE	NUMBER	%age
GENDER	HDFC		GENDER	BOI	
Male	37	74	male	16	80
Female	13	80	female	4	20
AGE		0	AGE		0
20-30 YRS	41	82	20-30 YRS	10	50
30-40 yrs	9	18	30-40 yrs	3	15
40 - 50 yrs	0	0	40 - 50 yrs	4	20
50 - 60 yrs	0	0	50 - 60 yrs	3	15
INCOME		0	INCOME		0
< 25 000	6	12	< 25 000	8	40
25,000 - 50,000	32	64	25,000 - 50,000	8	40
50,000 - 1 LAKH	12	24	50,000 - 1 LAKH	4	20
1 LAKH & ABOVE	0	0	1 LAKH & ABOVE	0	0
DESIGNATION		0	DESIGNATION		0
OFFICER	33	66	OFFICER	14	70
CLERK	17	34	CLERKS	6	30

TABLE 1: Demographic details of employees of HDFC and BOI employees
Analysis of Gender participation:

The above table shows different interpretation of the responses collected from HDFC and BOI. We find that Gender wise the percentage of male employees is more in HDFC bank. Among the sample of 50 we have 37 males (74%) and 13 females (26%) respectively. So we can say that in private sector banks percentage of men employees to the total number of employees are more. This is so even when the regulation in the country has been passed that woman needs more and more representation at all levels. India's banking sector has witnessed explosive growth and expansion ever since the era of economic reforms was launched nearly two decades ago. That growth has also created new windows of opportunity for women to find employment in the banking sector.

In fact, the nationalization of the Indian banking sector in 1969 served as the first major step to reduce gender discrimination against women in banking jobs (**1**). However, the general pattern of women's employment in this sector has shown that there has been a sort of persistent invisible glass ceiling against women acquiring the top management positions in banking.

The general perception of the private sector bank recruiters appears to be that women are more diligent towards their duty, and have a much smaller incidence of being involved in corrupt and fraudulent activities against the interests of the bank. However, at the same time, another perception stereotype that goes against women rising to higher management positions in banking

seems to be that women are not as ambitious as men, and largely have a clerical working mindset.

Women who are looking to strike a better balance between work and familial responsibilities tend to prefer jobs in the banking sector. Banking jobs are perceived to provide a better stability, lesser travel, regular working hours, and a secure work environment, unlike many field jobs.

Analysis of age profile of respondents:

Under the age group category we find 41 employees (82%) out of total 50 under the slab of 20 - 30 years. This is because HDFC is a new generation bank and has recruited employees recently. Due to lack of adequate opportunities in PSBs. HDFC bank is new generation private sector bank. Therefore it is natural that it will have a younger workforce. There was no HDFC Bank 30 years ago. So how will they 50 year old employees at their disposal?

Another important aspect is the number of employees under the age group of 30-40 years (09). These are the people who must have switched to HDFC BANK at middle level from other bank after spending considerable time in other banks. The reason might be the better compensation package offered by private banks.

Analysis of Salary:

The number of employees under the salary band of less that 25,000 is 09. This states that employees at the beginning of their career in private banks receive less amount of salary. This is comparatively less in comparison to other PSBs like SBI, BOI etc. However it needs to be remembered that in PSBs perquisites are much higher than private sector banks. Although it may appear that private sector banks pay better than public sector banks.

Under the band of 25000 – 50000, in HDFC bank we have 32 employees whereas in BOI it is 08. This can be explained in terms of the fact that HDFC Bank pay high salaries at middle and senior level. This is not in case of BOI. In fact, public sector banks undergo bipartite settlement with GOI for salary structure of their employees. Thus the decisions of management of public sector banks are not fully in their hands and they have to rely on Ministry of Finance and settlement strategies.

Analysis of Designation:

In HDFC bank the number of officer is 33 whereas clerks are 17. This states the fact that officers have more job satisfaction with the branch expansion and better recruitment policies. This also tells us that people at this level are more oriented towards career planning for senior levels of management. In fact the HR policy of the bank fosters more and more development of intellectual strength of the employees which can be tapped and utilized at higher levels.

JOB SATISFACTION at this level becomes very crucial. The scope of job satisfaction is much higher in PSBs because they are more involved with development banking than private sector banks. PSBs give enough opportunity to its staff to be of service to needy people (students, pensioners, blue collar workers, migrant laborers etc.)

Findings and Conclusions:

On the basis of the data collected from the respondents of both the banks it can be inferred that job satisfaction parameters for both the banks are different. While for Bank of India, it is the stability and designation, for HDFC Bank it is compensation package paid to staffs at the entry gate. It appears that PSB employees are giving more weight age to stability and private sector to remuneration and career growth. This could mean that they are just defending their present employment.

Another very important factor to be noted is the role played by designation and status to enhance the job satisfaction of employees. Whatever the level of hierarchy employees might be placed, the hierarchy and designation aspect is very important for the employees to get motivated and work.

For the factors of job satisfaction the HDFC bank employees have rated the variables differently from that of BOI. The reasons for the same are obvious. HDFC bank employees have given lots of weight age to salary and challenges and opportunities which is not in case of BOI employees. Recently higher number of employees is applying for private sector jobs due to lack of adequate opportunities in PSBs. Since these banks are new in number, their work profile comprises of young generation employees.

Private sector banks pay more than public sector banks at the entry gate. A probationary officer of PSB gets a salary of 30000-40000. However in PSB perquisites are much higher than private sector banks at the initial stage. Private sector banks pay more because of high demand of performance from the young generation employees.

Job Satisfaction is a key concept. The scope for job satisfaction is much higher in PSBs because they are more involved with development banking than private sector banks. Also PSBs give immense opportunity to staffs to be of service to needy people like students, pensioners, blue collar workers, migrant laborers etc – which can lead to job satisfaction. But PSBs fail in marketing this vital advantage they have over the private sector.

It also appears that PSB employees are giving more weight age to stability and private sector to remuneration and career growth. This would mean that they are just defending their present employment. Another important concept is that of productivity linked incentive. A performance linked incentive is a payment is a form of payment from an employer to an employee, which is directly related to performance output of an employee and which may be specified in employment contract.

Work Pressure:

Work pressure can be eased through better HR management. Today in PSB half of the workforce is overworked while the other half shirk work or indulge in politics.

Career Development: Given the pyramidal structure of banks with a very extensive base, it is not possible to give promotion to everyone throughout the career. Banks have to think of other ways to keep the staff motivated. Incentive, increments additional perquisites is on the way. Growth, responsibility and variations of job content are the way out.

Today in PSBs, service conditions are changed at industry level because of government ownership. This must change and all banks should have its own agreements depending upon its capacity to bear the cost. The old socialist mindset must change if the PSBs are to effectively meet the competition of private sector banks.

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