

Employees Performance and Satisfaction in Banking Sector

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Abstract

In present time, employees performance and assessment system is a crucial factor for any organization. The economy is divided into different sectors. Our research supports the existence of a relationship between employee performance and satisfaction. There are many sectors like agriculture, industries and services. In which, banking is the essential and comprehensive part of any economy. Banking is the root of developing economy. It is considered that a country cannot develop without the growth of financial sector. The growth of banking sector is related to the employees performance. Human Resource Development policy is an effective tool for enhancing employees performance and satisfaction. HRD activities are designed to make people effective in their present job position which is a part of training function. The education component of Human resource development is future oriented for job position.

Keywords: compensation, distribution, job responsibilities, satisfaction, assessment system

Introduction:

Human resources is the most important and central task because proper or improper use of all other resources depends on human elements. In other words, it is not possible to achieve the objective of the organization without the support of human resources. It also emphasizes the implementation of a set of policies and practices that will build employee pool of skills, knowledge and abilities relevant to organization goals. Many commercial banks, RBI, Regional rural bank have set up their own staff training for development of their human resources. It focused on balanced organization culture by conducting surveys, workshops, trust, and team spirit. It focuses on integrating Human Resource Development with other corporate function like production, marketing finance etc. Among the economists who described human capital investment as the fundamental essential for the economic development of the country. Prof. Schultz made it clear in a December 1960 at presidential speech of the American Economic Association. The main motive for manpower is planning and implementation. Money, material, men, and machines are regarded as the most important resources of organization but men or human resources are treated as the only crucial and dynamic factors of production.

Now talk about organization, there will be a HR officer, who is appointed in organization and he manage the HR department along with recruitment of employees.

At present many organizations, and companies established Human Resource Development department for the development of their employees. Banking sector is recognized as a pivot and backbone of the financial system of country. HR manager is to strengthen the employer - employee relationship. This goal is supported by a variety of functions within the human resource department and throughout the organization. In a small business the HR manager may have a great position. The manager of the human resource department is responsible for ensuring that department employees are work properly. HR requires expertise in compensation benefits, safety, payroll, recruiting and training. The researcher made his study on ICICI bank and Punjab National Bank.

ICICI Bank Limited is a worldwide banking and monetary services firm based in India. It was founded on January 5, 1994, with its corporate headquarters in Mumbai, Maharashtra. In India, the banks operate 5275 branches and 15,589 ATMs. It is well-known in 17 countries throughout the world The head office of the Corporation is located at Mumbai and it has two branch offices at Kolkata and Chennai. Punjab National Bank is a leading and oldest bank in India. It is a scheduled bank. Punjab

National Bank (PNB) was registered on 19 May 1894 under the Indian Companies Act with its office at Anarkali Bazar Lahore. Punjab National Bank is the second largest public sector commercial bank in India and has about 4,500 branches in 764 cities of India.

HRD including free medical camps, the distribution of prosthetic limbs, tree planting and blood donation camps, as well as gifts to hospitals, schools, and other organizations. The Bank supports a variety of societies, charity institutions, and non-governmental organizations (NGO) that strive to help the poor, weaker parts of society, such as orphans, disadvantaged, spastics, disabled, mentally retarded people in shelter homes, and so on. HRD includes recognizing and rewarding employee performance and behavior. Appropriate honors and awards not only acknowledge and inspire personnel, but also express the worth of the business to them. External benefits come from beyond the profession, such as honors and emotions of accomplishment, pleasure in completing a task, and so on. Management's compensation, advancement, and benefits are all included. HRD includes recognizing and rewarding employee performance and behavior. Appropriate honors and awards not only acknowledge and inspire personnel, but also express the worth of the business to them. External benefits come from beyond the profession, such as honors and emotions of accomplishment, pleasure in completing a task, and so on. Management's compensation, advancement, and benefits are all included. Individuals and teams may be recognized with prizes to motivate them to perform well. A firm should provide better prizes and incentives to their employees so they will be motivated for better work and the objectives also achieved. So we can say that it is a good procedure to encourage employees.

Objective of the study:

The purpose of this paper is to present about the how employees performance make a big impact on banking sector. The scholar presents that by Human Resource Development policy, an employee can enhance his skill and get maximum satisfaction. Employees performance is a crucial part of any banking sector. By enhancing employees' performance an organization can increase their productivity. In this study the scholar describe about

the comparison of two banks. The comparison is based on assessment system. The satisfaction of employees is based on different basis like graduation, age and qualification. The study identify and give suggestions to employee for improving the satisfaction level.

Review of literature:

Kurup, P., & Rishi, P. (2016) : This paper describes the Employee welfare and performance appraisal practices. It plays a very important role in the overall development of an organization. Success of HRD in an organization depends on the existence of a favorable organizational climate. The present paper aims to study the employee welfare and performance appraisal practices in relation to organizational climate of both public and private insurance companies.

The result of this study discovered that employees were satisfied with the current appraisal methods as they effectively contributed to employee development. Criteria used to evaluate the performance were clear, performance was noticed and rewarded. This study presents the Employee Welfare in an organization.

Madhuri Gupta, Kavita Aggarwal (2012): This paper explained the quick changing business environment in banking sector and the constant challenges, it described to organizations and businesses make it imperative to continuously enhance and improve knowledge and skill sets across the organization. Banks are facing several critical pressures, including a short supply of leaders, the need to develop and engage employees, and issues with turnover. This paper discusses the impact of training and Development on the Employees of Banking Sector.

Sohal, A., & Venkatesan, M. (2016) : This paper revealed the literature survey and explain the human resource development climate and motivates employees to contribute to their maximum potential and promotes job satisfaction. The present study was designed to analyze the relationship between the human resource development climate and job satisfaction and also to study the difference in human resource development climate and job satisfaction between public and private banking professionals. A positive correlation was found

between HRD climate and job satisfaction in both public and private banking professionals.

Employees performance : The way a worker performs their job responsibilities and completes necessary tasks is referred to as their performance. It described the usefulness, excellence, and efficiency of their output. Performance is a factor in how valuable we consider each person to be to the company. Employees' Performance is the secret to success in every organization. Each employee is required to contribute to the company's vision and objectives. The key to effective performance management is ongoing, constructive communication between you and your manager. By maintaining in touch with your manager throughout the year, you'll be able to change your work performance as necessary, and your manager will be able to monitor it.

Employee satisfaction: For many firms, employee satisfaction is a crucial success component. Employee happiness has been acknowledged to play a significant role in a variety of social and economic phenomena, such as economic growth and a higher standard of life. Employee happiness is a constant requirement for businesses to be profitable. If a company wants to get growth and profit, it should provide better facilities to their workers. An organization should provide them better facilities like incentives, bonus, medical facility. Better working condition for women. Bank should provide equal opportunities and status to employees. When an employee is satisfied, he/she will do better work for the organization.

Methodology:

In this study total 200 sample size was taken. Out of them, 100 employees were taken from ICICI bank and 100 from PNB bank. The data was categorized according to age, qualification and experience. The data collected through different branches of both banks.

The sample consists of different officers from low level to top level. For this study data collected through questionnaire.

Hypothesis of the study:

H0: There is no important difference in fulfillment of assessment system between workers of ICICI

bank and Punjab National Bank under and over the age of 40 years.

H0: There is no important difference in fulfillment of assessment system between workers of ICICI bank and Punjab National Bank with graduate and post graduate education.

H0: There is no important difference in fulfillment of assessment system between workers of ICICI bank and Punjab National Bank with work experience less or over 10 years.

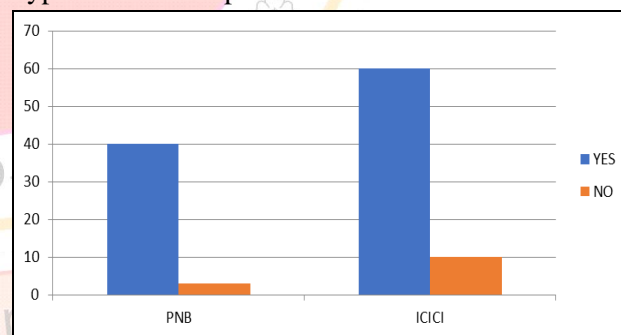
Data representation:

Respondents under Age 40

	PNB	ICICI	TOTAL
YES	40	60	100
NO	03	10	13
TOTAL	43	70	113

$\chi^2 = 1.396$ level of significance = 5%

This table is based on employees under 40 ages. This table presents the data of ICICI and PNB bank. 40 employees of PNB bank and 60 employees of ICICI bank are satisfied with the system. By using chi-square test we can see that most of the employees are satisfied with the assessment system. In this null hypothesis is accepted.



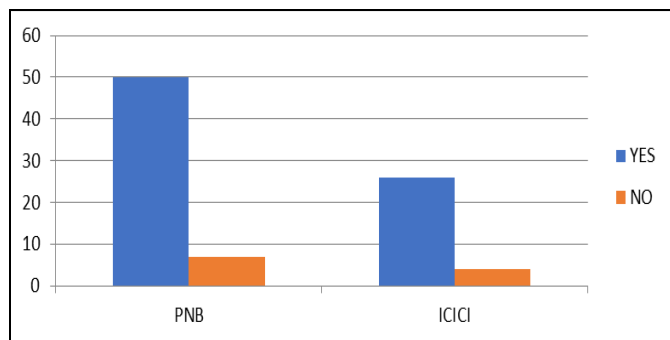
Above Age 40

	PNB	ICICI	TOTAL
YES	50	26	76
NO	07	04	11
TOTAL	57	30	87

$\chi^2 = 0.17$

This table is based on employee above 40 age. While comparing both banks data, we can see that 50 employees of PNB bank and 26 employees of ICICI bank are satisfied. It is found that there is no much

difference in the satisfaction level. Most of the workers are satisfied with this system.

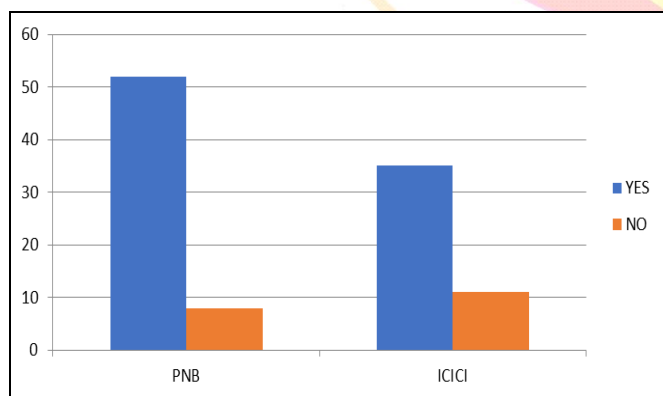


Graduate

	PNB	ICICI	TOTAL
YES	52	35	87
NO	08	11	19
TOTAL	60	46	106

$\chi^2 = 1.984$

This table is based on graduate respondents in both banks. In this table 52 employees of PNB bank and 35 employees of ICICI bank are satisfied. Thus it can be concluded that there is no difference in satisfaction level of graduates of both banks. Mostly employees are satisfied. In this table χ^2 test is applied, by this test we get the value is 1.984.

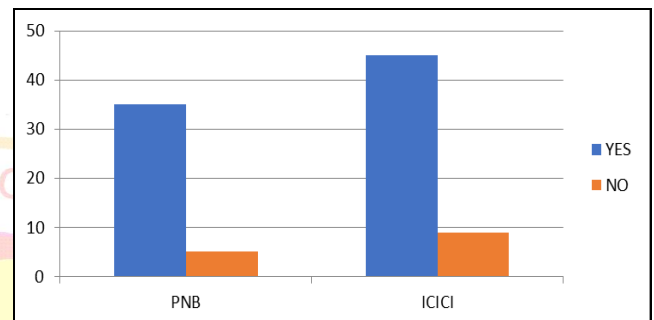


Post Graduate

	PNB	ICICI	TOTAL
YES	35	45	80
NO	05	09	14
TOTAL	40	54	94

$\chi^2 = 0.316$

In this table the scholar presents the data of post graduate employees. In this study 35 employees of PNB bank and 45 employees of ICICI bank are satisfied. On the basis of this data we can consider that in both bank most of the employees are satisfied. Employees are agreed on Working condition of both banks.

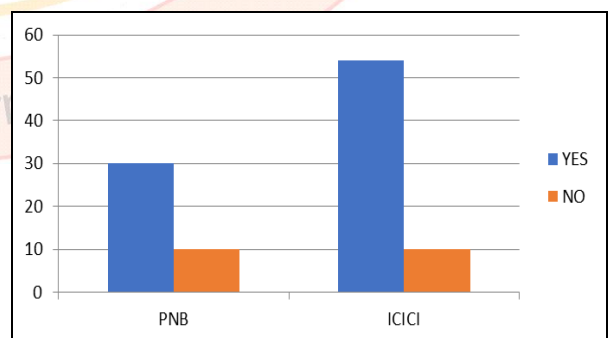


Less than 10 year

	PNB	ICICI	TOTAL
YES	30	54	84
NO	10	10	20
TOTAL	40	64	104

$\chi^2 = 1.394$

This Table presents the level of satisfaction with the assessment system of the respondents, who have a work experience of less than 10 years, in PNB and the ICICI Bank. In this table 30 PNB employees and 54 ICICI bank employees are satisfied with this assessment system. On the other hand, 10 respondents of PNB and 10 of ICICI are not satisfied.



More than 10 yr.

	PNB	ICICI	TOTAL
YES	52	32	84
NO	08	04	12
TOTAL	60	36	96

$\chi^2 = 0.102$

It satisfied the experience of officers who have experience more than 10 year in PNB bank and the ICICI Bank. Chi square test is applied in this table. This table explain that in PNB bank 52 officers are agreed and 08 do not agree with this system. On the other hand, in ICICI bank 32 employees are agreed and 04 do not agree with this system.

Findings:

- While comparing the assessment system it was found that it should be more convenient and comfortable for employees.
- The researcher found that most respondents favored a performance-based assessment system when comparing the data on the types of assessment system.
- While comparing the data of both the banks it was found that both banks give preference to the customer satisfaction.
- The researcher also discovered that ICICI Bank has superior working climate than PNB, they provide quick service to their customers than public bank.

Conclusion:

- The banks are expanding their reach and diversifying their operations. Now the banks providing better facilities and services to their customer. The current human resources are developed and it can be used for the banking industry's requirements.
- The appraisal systems in place at ICICI Bank and PNB, to a certain extent, allow for the identification of training requirements and potential for future growth.
- Performance appraisals will be used to make placement decisions at ICICI Bank and PNB bank.
- According to data analysis, training makes the work exciting and has an effect on job development. Training is useful for enhancing job expertise at public bank and private bank.

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