



ISSN Print: 2394-7500  
ISSN Online: 2394-5869  
Impact Factor: 5.2  
IJAR 2016; 2(6): 41-46  
www.allresearchjournal.com  
Received: 08-04-2016  
Accepted: 10-05-2016

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## Employees perception on job promotion strategies of town benefit fund (Kumbakonam)

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### Abstract

Human resource is the key aspect for every organisation to keep the work force hale and healthy so that they contribute to the promotion of the organisation. This paper has attempted to find the expectation and satisfaction on the HR practices followed by Town Benefit Fund (P) kumbakonam popularly known as TBF. Certain variables are indentified by the researchers which are suitable and brought under each category namely expected HR practices and satisfaction on HR practices along with few demographical profiles of 31 employees with 4 different designations. The results were analysed using statistical tools such as chi square, Anova and correlation and the results were presented and drafted for general understanding.

**Keywords:** Employees perception, promotion strategies, economist

### Introduction

Promotion is the advancement of an employee's rank or position in an organizational hierarchy system. Promotion may be an employee's reward for good performance, i.e., positive appraisal. Before a company promotes an employee to a particular position it ensures that the person is able to handle the added responsibilities by screening the employee with interviews and tests and giving them training or on-the-job experience. A promotion can involve advancement in terms of designation, salary and benefits, and in some organizations the type of job activities may change a great deal. The opposite of promotion is demotion. A promotion can involve seven aspects in terms of designation, salary and benefits and so on. In some organizations, the type of job activities may change a great deal. In many companies and public service organizations, more senior positions have a different title: an analyst who is promoted becomes a "principal analyst"; an economist becomes a "senior economist"; or an associate professor becomes a "full professor". The amount of salary increase associated with a promotion varies a great deal between industries and sectors, and depending on what parts of the hierarchical ladder an employee is moving between. In some industries or sectors, there may be only a modest increase in salary for promotions; in other fields, a promotion may substantially increase an employee's salary.

### Definition

A job promotion may be the result of an employee's proactive pursuit of a higher ranking or as a reward by employers for good performance. Typically it is also associated with a higher rate of pay or financial bonus.

### Importance of Job Promotion

An organization can use various forms of incentives to motivate its employees. Employee motivation is important for ensuring that various activities for which employees are responsible are carried out in the best interests of the organization. Employees with low motivation levels may feel frustrated with additional tasks assigned to them and may not contribute to the best of their abilities.

It is important to note that well performing employees expect reward in the form of extra incentives such as salary hikes, bonus, promotion and so on.

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An employee who has been working with an organization for past many years may also expect promotion on account of his/her loyalty towards the organization.

Management should ensure that efficient and well deserving employees are promoted on a timely basis. However, it is not possible to promote every employee in the organization.

Employees should be promoted on the basis of their contribution towards the success of an organization. Promotion process should be free from any kind of favoritism towards any particular employee; otherwise it may result in conflicts and dissatisfaction among the employees.

### Review of literature

Moshe Sharabi, Ph.D., Ofer Arian, Ph.D., Javier Simonovich, Ph.D. Department of Human Services (2012) revealed that the perceptions of employees from the high-tech (n=131) and the public (n=166) sectors, regarding varied promotional factors. Public sector sample was based on 166 employees. Regression analysis and ANOVA were conducted to investigate the affect of the participant's demographic variables on the promotion factors. The findings indicated significant differences in most of the factors relating to promotion (except for professional experience and luck). While the high-tech employees ranked success in projects/ missions at work as the most important factor influencing promotion, followed by education and multi-disciplinary knowledge, the public sector employees ranked organizational politics as the most important factor, followed by tenure and pressure on the supervisor.

A Case Study by Khyber Pakhtunkh in the year 2014 examined the training and development programs in the health sector of Pakistan. Employees' motivation and perception about these training and development program were evaluated. Data was collected through questionnaire and semi structured interviews from the concerned department and was analyzed through SPSS. The findings clearly revealed that there is no systematic and strategic approach for conducting training and development programs in the health sector of Khyber Pakhtunkhwa. The main barriers appeared to be organizational environment and political intervention. It has been concluded that organizational environment and political interventions are identified as the most important barriers for effectively conducting training and development programs.

Arunima Shrivastava and Pooja Purang (2009) [3] examined the job satisfaction level of public sector and private sector bank employees in India. The main objective of the study is to compare the job satisfaction level of employees of a public and a private sector bank and to ascertain whether there is sectoral differences in terms of compensation, growth opportunities, social environment and job security influence employees' perceptions of job satisfaction. The sample consisted of 340 bank employees from both sectors. Job Diagnostic Survey by Hackman and Oldham (1975) was used to ascertain the level of job satisfaction. The results of the study highlight 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.

Altaf Ahmad Dar (2007) (International Journal in Multidisciplinary and Academic Research) reveals remarkable facts connected with customers perception about promotional tools of both private and public sector companies and also the most effective tools to promote

insurance services. The main objectives of the study is to know about the various promotional tools of Private and Public insurers in India and to make a comparative analysis of customers perception for promotional strategies of private and public sector insurance companies in India. The data collection has been done from 300 customers presently availing in insurance companies. Systematic random sampling methods were used for collection of data. It was concluded that in Insurance sector the customers must be ensured that services provided by a particular company have been designed to give them maximum value for their money and adequate risk cover.

Luigi Dumitrescu, (2014) [5] in his research papers revealed internal marketing's importance in adopting customer orientation within Romanian companies. This paper also shows, from the employees' point of view, that there are some differences in applying internal marketing strategies and tactics within large companies and small business. Data was collected online, using a questionnaire with 13 questions. Respondents' preference was measured using Likert's scale and the statistical analysis of respondents' opinion was performed using the IBM SPSS 20.0 program. It has been observed that domestic human resources consultancy companies tend not to apply the internal marketing philosophy. Thus, large companies turn to foreign consultancy companies which have branches in Romania.

### Objectives of the Study

1. To examine the association between designation and qualification with level of satisfaction regarding HR practices.
2. To ascertain the relationship between certain demographic variables with the expected level of HR practices.
3. To find the relationship among the variables related to the expected level of HR practices and the variables on satisfaction level of HR practices.

### Methodology-Data

The data collection has been done from 31 respondents from TBF out of which, a majority of junior clerks 13, clerks 8, AAO 7 and rest 3 are AO. These staff were randomly selected by the research for primary data collection. The researcher has used both Primary and Secondary data for primary data collection. The researcher has prepared a structured questionnaire and it consist of two different segments namely, level of agreement towards the employee satisfaction in the organization which consists of 10 structured questionnaires with used five point scale and it has been marked by the employee and level of satisfaction towards the employee satisfaction in TBF which contains 7 structured questions marked by the employee. The data was collected through a structured questionnaire prepared and distributed by the researcher personally to the employee. Secondary data for this study has been obtained from TBF records, annual reports, text books, and websites.

### Tools for data analysis

The statistical tools used for analysis are Chi-square test, one way ANOVA, Correlation.

### I. Results Of Cross Tables with Chi Square Test

**H<sub>0</sub>:** There is no association between designation of employees and satisfaction levels on HR practices in the organisation.

**Table 1:** Designation and Satisfaction Levels on Hr Practices

Designation	Satisfaction levels			Total	Chi square value	P Value
	Low	Average	High			
Junior Clerk	1 (7.7%)	4 (30.8%)	8 (61.5%)	13 (100%)	19.178	0.004**
Clerk	1 (12.5%)	6 (75%)	1 (12.5%)	8 (100%)		
AAO	5 (71.4%)	2 (28.6%)	0 (0%)	7 (100%)		
AO	1 (33.3%)	0 (0%)	2 (66.7%)	3 (100%)		

Source: Primary data

Note: P Value denotes significance @ 1% level.

The above cross table explores the association between designation and satisfaction levels of HR practices in the organization. It is found that a majority of 75% of clerks' satisfaction level was average. A majority of 61.5% of the junior clerks and 66.7% of the AOs satisfaction on the organization's HR practices was high with regard to Town Benefit Fund (TBF) Ltd, Kumbakonam. But with AAOs category, majority of 71.4% were having low level of satisfaction of the same. On the whole, the researcher concluded that most of the employees of TBF were having

average and high level of satisfaction about the HR practices followed by the organisation.

From the chi-square test, it is acknowledged from the chi-square value and the P value 19.178 and 0.004 respectively that the null hypothesis is rejected at 1% level of significance. Hence it can be concluded that the employees' satisfaction level on the HR practices of TBF is not associated with their designation.

**H<sub>0</sub>:** There is no association between Qualification and Satisfaction levels on HR practices in the organisation.

**Table 2:** Qualification and Satisfaction Levels on Hr Practices

Qualification	Satisfaction levels			Total	Chi square value	P Value
	Low	Average	High			
SSLC or Matriculation	0 (0%)	1 (100%)	0 (0%)	1 (100%)	19.178	0.025*
Diploma/Intermediate	0 (0%)	3 (100%)	0 (0%)	3 (100%)		
Technical Graduation	2 (18.2%)	1 (9.1%)	8 (72.7%)	11 (100%)		
Non Technical Graduation	3 (42.9%)	4 (57.1%)	0 (0%)	7 (100%)		
Above Graduation / Post Graduation	3 (33.3%)	3 (33.3%)	3 (33.3)	9 (100%)		

Source: Primary data

Note: P Value denotes significant @ 5% level.

The above cross table explores the association between qualification and satisfaction level of HR practices in the organization. It is found that a majority of 72% of Technical graduation level was average. A majority of 57% of Non – technical graduation and 33.3% of post graduation level of the employees' satisfaction on the organization's HR practices was average and low respectively with regard to Town Benefit Fund (TBF) Ltd, Kumbakonam. On the whole, the researcher concluded that most of the employees of TBF were having average or high level of satisfaction about the HR practices followed by the organisation.

From the chi-square test, it is acknowledged from the chi-square value and the P value 19.178 and 0.025 respectively that the null hypothesis is rejected at 5% level of significance. Hence it can be concluded that the employees' satisfaction level on the HR practices of TBF is not associated with their qualification.

**II. Results of One Way Anova**

**H<sub>0</sub>=** There is no relationship between the age categories and the expected level of HR practices in the organisation.

**Table 3:** Age Categories and Expected Level of Hr Practices

Age Categories	Mean	SD	F value	P value
Junior	3.55 <sup>b</sup>	0.260	2.867	0.074
Senior	3.48 <sup>ab</sup>	0.265		
Super senior	3.21 <sup>a</sup>	0.429		

Source: Primary data

Note: P value denotes insignificant @ 5% level.

The above table explains the relationship between employees' age and expected level of HR practices of TBF kumbakonam. Since the p value is 0.074 and F value 2.867, the null hypothesis is accepted at 5% level of significance. Hence it can be concluded that there is no significant relationship between the age of employees and expected level of HR practices of TBF kumbakonam.

Based on the Duncan Multiple Range Test (DMRT) the age category of junior significantly differs with super senior category at 5% level. At the same time, the senior age category does not significantly differ either with junior or with senior categories at 5% level of significance in the TBF organisation.

**H<sub>0</sub>**= There is no relationship between the designation and the expected level of HR practices in the organisation.

**Table 4:** Designation and Expected Level of Hr Practices

Designation	Mean	SD	F value	P value
Junior Clerk	3.59 <sup>a</sup>	0.269	3.148	0.041*
Clerk	3.40 <sup>ab</sup>	0.185		
AAO	3.35 <sup>ab</sup>	0.465		
AO	3.03 <sup>b</sup>	0.152		

**Source:** Primary data

**Note:** P value denotes significant @ 5% level.

The above table explains the relationship between designation age and expected level of HR practices of TBF kumbakonam. Since the p value is 0.041 and F value 3.148, the null hypothesis is accepted at 5% level of significance. Hence it can be concluded that there is no significant relationship between the designation of employees and expected level of HR practices of TBF kumbakonam.

Based on the Duncan Multiple Range Test (DMRT) the designation of junior clerk significantly differs with AO category at 5% level. At the same time, clerk and AAO category does not significantly differ either with junior clerk and AO categories at 5% level of significance in the TBF organization.

**H<sub>0</sub>**= There is no relationship between the Experience and the Expected level of HR practices in the organisation.

**Table 5:** Experience and Expected Level of Hr Practices

Experience	Mean	SD	F value	P value
Less than 2 years	3.52	0.257	5.141	0.006**
2-4 years	3.48	0.282		
4-6 years	3.37	0.304		
Above 6 years	2.40	-		

**Source:** Primary data

**Note:** P value denotes significant @ 1% level.

The above table explains the relationship between employees' experience and expected level of HR practices of TBF kumbakonam. Since the p value is 0.006 and F value 5.141, the null hypothesis is accepted at 1% level of significance. Hence it can be concluded that there is no significant relationship between the experience of employees and expected level of HR practices of TBF kumbakonam.

**H<sub>0</sub>**= There is no relationship between the Age Category and the Overall satisfaction on HR practices in the organisation.

**Table 6:** Age Categories and Overall Satisfaction on Hr Practices

Age Category	Mean	SD	F value	P value
Juniors	3.56 <sup>a</sup>	0.645	2.809	0.077
Seniors	3.71 <sup>ab</sup>	0.280		
Super Seniors	3.20 <sup>b</sup>	0.60		

**Source:** Primary data

**Note:** P value denotes insignificant @ 5% level.

The above table explains the relationship between employees' age and overall satisfaction level of HR practices of TBF kumbakonam. Since the p value is 0.077 and F value

2.809, the null hypothesis is accepted at 5% level of significance. Hence it can be concluded that there is no significant relationship between the age of employees and overall satisfaction level of HR practices of TBF kumbakonam.

Based on the Duncan Multiple Range Test (DMRT) the age category of junior significantly differs with super senior category at 5% level. At the same time, the senior age category does not significantly differ either with junior or with senior categories at 5% level of significance in the TBF organisation.

**H<sub>0</sub>**= There is no relationship between the Designation and the Overall satisfaction on HR practices in the organisation.

**Table 7:** Designation and Overall Satisfaction on Hr Practices

Designation	Mean	SD	F value	P value
Junior Clerk	3.84 <sup>a</sup>	0.302	6.881	0.001**
Clerk	3.50 <sup>b</sup>	0.397		
AAO	2.96 <sup>b</sup>	0.582		
AO	3.67 <sup>b</sup>	0.459		

**Source:** Primary data

**Note:** P value denotes significant @ 1% level.

The above table explains the relationship between employees' designation and overall satisfaction level of HR practices of TBF kumbakonam. Since the p value is 0.001 and F value 6.881, the null hypothesis is accepted at 1% level of significance. Hence it can be concluded that there is no significant relationship between the designation of employees and overall satisfaction level of HR practices of TBF kumbakonam.

Based on the Duncan Multiple Range Test (DMRT) the age category of junior clerk significantly differs with clerk, AAO, AO at 1% level. At the same time, the designation of clerk, AAO and AO do not significantly differ either with junior clerk at 5% level of significance in the TBF organization.

**H<sub>0</sub>**= There is no relationship between the Experience and the Overall satisfaction on HR practices in the organisation.

**Table 8:** Experience and Overall Satisfaction on Hr Practices

Experience	Mean	SD	F value	P value
Less than 2 years	3.64	0.338	4.844	0.008**
2-4 years	3.66	0.476		
4-6 years	3.67	0.514		
Above 6 years	2.00	-		

**Source:** Primary data

**Note:** P value denotes significant @ 1% level.

The above table explains the relationship between employees' experience and overall satisfaction level of HR practices of TBF kumbakonam. Since the p value is 0.008 and F value 4.844, the null hypothesis is accepted at 1% level of significance. Hence it can be concluded that there is no significant relationship between the experience of employees and overall satisfaction level of HR practices of TBF kumbakonam.

### III. Results of Correlation

**Table 9:** Correlation between Variables on Expected Level of Hr Practices

Variables	V1	V2	V3	V4	V5	V6	V7	V8	V9	V10
Follow Seniority (V1)	1									
Individual staff knowledge (V2)	0.168	1								
Follow eligibility criteria(V3)	0.036	0.283	1							
Communication Skill(V4)	0.217	0.396	0.172	1						
Education Skill(V5)	0.961	0.803	0.249	0.489	1					
Systematic Knowledge on operations(V6)	0.224	0.314	0.041	0.342	0.39	1				
Business contribution(V7)	0.028	0.172	0.192	0.147	0.141	0.100	1			
Accuracy and working Efficiency(V8)	0.291	0.168	0.075	0.213	0.206	0.065	0.318	1		
Standard Promotion Policy(V9)	0.099	0.027	0.230	0.048	0.139	0.098	0.442*	0.438*	1	
Priority for Merit(V10)	0.124	0.182	0.138	0.325	0.103	0.081	0.293	0.483**	0.155	1

\*\* Correlation is significant at the 1% level (2-tailed).

\* Correlation is significant at the 5% level (2-tailed).

The above table explains the relationship among the variables pertaining to expected level of HR practices among the employees of TBF during the year 2016. The result of correlation was presented in tabular form and from the results, it is understood that the relationship between priority for merit and accuracy and efficiency in working is highly correlated with each other and the same is statistically significant at 1% level. Moreover variable 'standard promotion policy' is correlated with two variables namely 'contribution to organisation' and 'accuracy and working efficiency' and the result is statistically significant at 5% level.

The researchers concluded that according to the employees' opinion, the expected HR practices of TBF could have included important aspects such as merit, standard promotion policy, contribution of employees to the organisation and accuracy and working efficiency of employees. Meritorious promotion policy is the combined output of all these aspects which definitely results in calmness among the employees and also avoids unnecessary jealousy among them. It leads to satisfaction and common acceptance of all decisions by the top management with respect to HR.

**Table 10:** Correlation among Variables Pertaining To Employees Satisfaction on Hr Practices

Variables	V1	V2	V3	V4	V5	V6	V7
Satisfaction on Working condition (V1)	1						
Satisfaction on Performance Appraisal system (V2)	0.345	1					
Satisfaction on Current CTC (V3)	0.311	0.023	1				
Satisfaction on Career planning steps (V4)	0.223	0.440	0.060	1			
Satisfaction on Superior Training (V5)	0.019	0.125	0.468**	0.107	1		
Satisfaction on Assessment of Performance (V6)	0.214	0.228	0.149	0.266	0.227	1	
Satisfaction on Promotion Strategies (V7)	0.121	0.370*	0.564**	0.352	0.315	0.217	1

\*\* Correlation is significant at the 1% level (2-tailed).

\* Correlation is significant at the 5% level (2-tailed).

The above table explains the relationship among the variables pertaining to satisfaction of employees on HR practices among the employees of TBF during the year 2016. The result of correlation was presented in tabular form and from the results, it is understood that variable 'current cash to carry' (CTC) has highly correlated with two variables namely 'superior training' and 'promotion strategy' and the result is statistically significant at 1% level. Moreover variable 'promotion strategy' has a positive correlation with variable 'performance appraisal system' and the result is statistically significant at 5% level.

The researchers concluded that according to the employees' opinion, the satisfaction on HR practices of TBF depends with important aspects such as salary, training given by seniors to juniors in the work place, how employees are promoted to higher designations by HR department and the appraisal system followed by the HR department to assess the employees performance. Money is the important and essential part of everyone's life and only HR people has the leverage in fixing up salary for employees, hence it is playing an important role in the satisfaction of employees; followed by money, variable such as training, promotion strategy and appraisal system followed by HR department of

the organisation are getting a vital role in the satisfaction of the employees. All the three mentioned here are the key points for HR to recommend for increment in pay for the employees. Hence CTC has a correlation with other two variables as mentioned above and it is true and correct as per the primary data collected by the researchers.

#### Result and Discussions

On the whole, the senior employees believe that success in projects/ missions at work is the most important factor influencing promotion, followed by education, and multi-disciplinary knowledge. Organizational politics, experience, pressure on the supervisor and luck are all considered to have similar medium influence on promotions. The variables of gender, age and tenure received the lowest scores among high-tech employees.

There is no significant relationship between their designation and qualification and age category. The findings reveal that almost all the differences have no relation to educational qualification and designation.; the more educated people are, they higher is their agreement that success in projects/ missions, is an important promotional factor. Promotion has different aspects for different industries, products and

services. Its final goal is to communicate positive word of mouth among existing and potential customers about the corporate, product and service.

### **Conclusion**

Promotions are a sensitive, emotionally loaded subject. Extensive use of non-rational considerations and a lack of transparency regarding promotions create anger, frustration and low job satisfaction as well as a decrease in work performance, involvement and commitment and higher rates of absenteeism. Such a promotion process leads to turnover not only among the low level workers and also it may affect the seniors and top level executives. Learning and development intervention can generate awareness among managers about non-relevant factors affecting their promotion decisions. With such intervention, managers will, hopefully, be able to focus on objective criteria regarding promotions to the mutual benefit of the company and the workers.

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