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A comparative study of employees job satisfaction in selected public and private sector banks

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Abstract

In any business organization, job satisfaction is important for reduction in employee's turnover ratio. The aim of the paper is to find out job satisfaction in banking sector in Surat City. Two public and two private sector banks are selected for the study. Convenient sampling is adopted to collect primary data from bank employees by preparing structured questionnaire. To analyze the data, selected statistical techniques like frequency distribution and percentage analysis as well as chi-square test is applied. The result indicates that the employees of selected public sector banks are satisfied with their jobs in Surat City. Although, there is significant difference in the job satisfaction level of employees of selected public and private sector banks.

Keywords: Human resource, job satisfaction, private sector banks, public sector banks

1. Introduction

The success of an organization depends not merely on its technical efficiency, modern equipments, good plant layout and dynamic organization etc; but also depends upon its human resource. A satisfied, contented and hardworking employee is the biggest asset of any organization, including banks. Motivated employees are considered to be the real asset of the organization. Banks today, are at the centre of the financial structure of the nation. Workforce of any bank is responsible to a large extent for its productivity and profitability. So, for the success of banking, it is very important to manage human resource effectively and to find whether its employees are satisfied or not.

Job satisfaction refers to all the feelings that an individual has towards his/her job. It is an attitude or emotional response to work task as well as to the physical and social environment of the work place. Low job satisfaction amongst the employees is also one of the reasons in any organization, due to which work slows down, employees remain absent and sometimes employees may leave the organization also. On the other hand, high job satisfaction tends to make employees more committed towards their organization and produce positive outcomes that managers want from their employees. Job satisfaction is also important for reduction in employee's turnover ratio. Thus, in present technological era satisfaction of employees in every organization is important to build up an efficient and inspired workforce and maintaining low labour turnover.

2. Review of Literature

Hunjra *et al.*, (2011) ^[3], evaluated factors affecting job satisfaction of employees in Pakistani banking sector to find the impact of various human resource management practices like job autonomy, team work environment and leadership behaviour on job satisfaction in Pakistan banking sector. Findings indicated that there was a positive relationship between autonomy, leadership behaviour and team work and job satisfaction and also depicted a significant difference of level of job satisfaction between male and female employees.

Jehanzeb *et al.*, (2012) ^[4] aimed to examine the impact of rewards and motivation on job satisfaction in banking sector of Saudi Arabia and it was found that (1) rewards have positive significance on motivation, (2) motivation is positively related to the job satisfaction (3) rewards have a positive significant effect on job satisfaction.

Bader *et al.*, (2013) ^[1] also reviewed job satisfaction among bank employees in Eastern Libya and studied the relationship between backgrounds such as; age, gender, educational level,

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marital status, residence, occupation and the duration of employment with the level of job satisfaction among the bank employees. It was revealed that bank employees in Eastern Libya reported a high level of job satisfaction in all aspects of their job and that gender, age and their type of occupation was not necessarily related to job satisfaction.

Bora (2014) [2] undertook a comparative study to identify that whether there is a difference in the level of job satisfaction of employees in public and private sector banks in Johrat. The results stated that degree of job satisfaction of private sector banks was found to be comparatively slightly lower than in public sector banks and the main reasons for dissatisfaction in private banks were job security, salary not at par with experience, not much value given for tasks accomplished and monotonous job.

Khan *et al.*, (2015) [5] evaluated job satisfaction and security among bank employees and their performance in public and private sectors banks of Southern Punjab Pakistan. The outcomes of the study determined that significant differences existed between employees of public sector and private sector banks regarding various aspects of job satisfaction, pay and fringe benefits, supervision, training and development.

Sailaja and Naik (2016) [6] studied job satisfaction among employees of selected public and private banks in Rayalaseema region of Andhra Pradesh. Factors including salary of employees, performance 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 banks.

From the above and other similar researches it is observed that job satisfaction is the important determinant for the growth of any banking organization. The factors like compensation, supervision, job security, promotion, contentment of work, communication, working conditions of the employee, growth opportunities, prestige, fringe benefits, co-workers, rewards, employee's relationship, training and development, work burden, working hours etc. are considered important for job satisfaction.

3. Research Objectives

On the basis of above literature, the present study is intended:

1. To measure job satisfaction level among employees of selected public sector and private sector banks in Surat City.
2. To compare level of job satisfaction among the employees of selected public sector and private sector banks in Surat City.

4. Hypothesis

For achieving the above set objectives, the following hypothesis are framed:

H₁: Employees of selected public and private sector banks are satisfied with their job.

H₂: There is a significant difference in job satisfaction level among employees of public and private sector banks.

5. Research Methodology

The study designed is descriptive in nature. It covers four Commercial Banks in all. On the basis of capitalization of banks, employees of two highest ranked banks from Public Sector namely, State Bank of India and Bank of Baroda and

two from Private Sector, HDFC Bank and ICICI Bank are selected for the study. Data collection is done with primary data by developing structured questionnaire through convenience sampling method and the secondary data is collected from journals, books, magazines, internet, and newspapers etc. A total of 100 respondents, 50 from each sector of selected banks located at various locations in Surat City are approached to ascertain their views on job satisfaction. Target employees for the sample include officers and clerks.

A structured questionnaire is prepared and designed into two parts. First part covers questions on demographical factors of respondents like age, marital status, education, total service experience, designation, etc. The second part of the questionnaire consists of total 30 statements based on satisfaction of respondents towards their job and on the factors like: compensation, supervision, job security, promotional opportunity, contentment of work, communication, work environment. Employees are asked to give their responses on five-point Likert Scale (1-Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly Agree).

For analyzing the data, frequency distribution and percentage analysis is used to analyze overall job satisfaction among public and private sector banks and chi-square test is used to know the extent of agreement of job satisfaction amongst employees of Public Sector Banks (PSBs) and Private Sector Banks (PVSBs).

6. Data Analysis and Interpretation

The main findings of the study are discussed under the sub-heads. The sample profile of bank employees surveyed is presented in Table 1.

Table 1: Demographic profile of the respondents

Sr. No	Demographic Variables	PSBs	PVSBs	Total	Percent (%)
1	Age				
	18-24 years	2	15	17	17%
	25-33 years	17	28	45	45%
	34-44 years	4	4	8	8%
	45-54 years	14	1	15	15%
	55 and above	13	2	15	15%
	Total	50	50	100	100%
2	Gender				
	Male	32	42	74	74%
	Female	18	8	26	26%
	Total	50	50	100	100%
3	Marital Status				
	Single	13	29	42	42%
	Married	37	21	58	58%
	Total	50	50	100	100%
4	Qualification				
	SSC	4	-	4	4%
	Diploma	-	1	1	1%
	Bachelors	26	18	44	44%
	Masters	20	30	50	50%
	Others (CA)	-	1	1	1%
	Total	50	50	100	100%
5	Work Experience				
	0-5	15	41	56	56%
	6-10	4	4	8	8%
	11-20	5	2	7	7%
	21-30	10	1	11	11%
	30+	16	2	18	18%
	Total	50	50	100	100%

Table 1. Shows that maximum number of respondents are of the age group 25-33 which is 45%, followed by 17% belonging to the age group of 18-24, whereas majority of the respondents are male with 74%, followed 26% female employees. Not much difference is found among the marital status of the employees. Education qualification of the respondents revealed that majority of the bank employees are either post graduates or graduates. Table 1 also reveals

that 56% employees in both banks have experience less than 5 years.

6.1 Overall Level Of Job Satisfaction in Private and Public Sector Banks

To measure job satisfaction level among employees of selected public and private sector banks in Surat City.

Table 2: Bank-wise Frequency Table of Overall Job Satisfaction

Type of Bank	Overall job satisfaction					Total
	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	
Private	1	11	8	26	4	50
Public	0	2	1	42	5	50
Total	1	13	9	68	9	100

Type of Bank	Mode
Private	4 (Agree)
Public	4 (Agree)

Inference: As it can be clearly observed from Table 2 that frequency of employees satisfied with their job is highest in both public and private sector banks. Thus, value of mode is 4 which indicate that the employees of selected public and private sector banks are moderately satisfied with their job.

6.2 Comparison of Overall Job Satisfaction

H₀: There is no significant difference in overall job satisfaction among the employees of selected public and private sector banks in Surat City.

H₁: There is significant difference in overall job satisfaction among the employees of selected public and private sector banks in Surat City.

Table 3: Bank-wise Frequency Table of Overall Job Satisfaction

Type of Bank		Overall Job Satisfaction					Total
		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	
Private	Frequency	1	11	8	26	4	50
	% within bank types	2.0%	22.0%	16.0%	52.0%	8.0%	100.0%
Public	Frequency	0	2	1	42	5	50
	% within bank types	.0%	4.0%	2.0%	84.0%	10.0%	100.0%
Total	Frequency	1	13	9	68	9	100
	% of Total	1.0%	13.0%	9.0%	68.0%	9.0%	100.0%

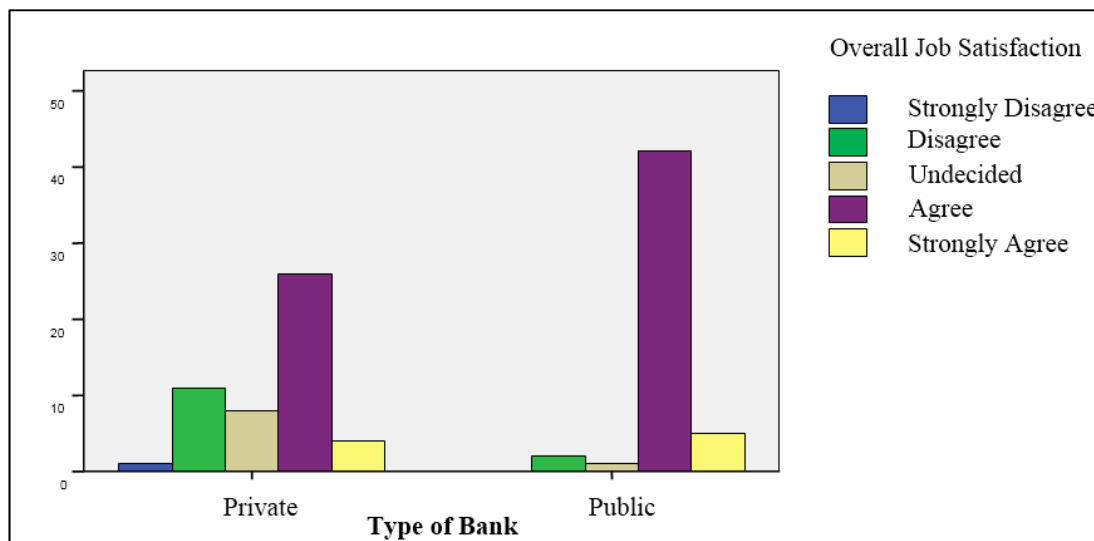


Fig 1: Overall Job Satisfaction in Public and Private Banks

Table 4: Chi-Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.551(a)	4	0.002

Inference: From table 4, it can be seen that p-value is 0.002 which is less than level of significance 0.05. Thus, the null hypothesis is rejected under chi-square test. Therefore, it can be said that there is significant difference in overall job satisfaction among the employees of selected public and private sector banks in Surat City.

6.2.1 Job Satisfaction with Compensation

Table 5: Bank-wise Frequency Table of Satisfaction with Compensation

Type of Bank		Compensation					Total
		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	
Private	Frequency	4	14	7	23	2	50
	% within bank types	8.0%	28.0%	14.0%	46.0%	4.0%	100.0%
Public	Frequency	2	24	3	18	3	50
	% within bank types	4.0%	48.0%	6.0%	36.0%	6.0%	100.0%
Total	Frequency	6	38	10	41	5	100
	% of Total	6.0%	38.0%	10.0%	41.0%	5.0%	100.0%

Table 6: Chi- Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.708(a)	4	0.222

Inference: In table 6, p-value is 0.222 which is more than level of significance 0.05. Hence, we found out that there is

no significant difference between job satisfaction of selected public and private sector bank employees about their compensation.

6.2.2 Job Satisfaction with Supervision

Table 7: Bank-Wise Frequency Table of Satisfaction with Supervision

Type of Bank		Supervision					Total
		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	
Private	Frequency	2	3	8	23	14	50
	% within bank types	4.0%	6.0%	16.0%	46.0%	28.0%	100.0%
Public	Frequency	0	1	6	31	12	50
	% within bank types	.0%	2.0%	12.0%	62.0%	24.0%	100.0%
Total	Frequency	2	4	14	54	26	100
	% of Total	2.0%	4.0%	14.0%	54.0%	26.0%	100.0%

Table 8: Chi-Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.625(a)	4	0.328

Inference: From table 8, p-value is found to be 0.328 which is more than level of significance 0.05. Hence, it is found

that there is no significant difference between job satisfaction of selected public and private sector bank employees about their supervisor.

6.2.3 Job Satisfaction with Job Security

Table 9: Bank-Wise Frequency Table of Satisfaction with Job Security

Type of Bank		Job security					Total
		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	
Private	Frequency	2	8	14	14	12	50
	% within bank types	4.0%	16.0%	28.0%	28.0%	24.0%	100.0%
Public	Frequency	0	1	6	24	19	50
	% within bank types	.0%	2.0%	12.0%	48.0%	38.0%	100.0%
Total	Frequency	2	9	20	38	31	100
	% of Total	2.0%	9.0%	20.0%	38.0%	31.0%	100.0%

Table 10: Chi-Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.857(a)	4	0.005

Inference: In table 10, p-value is 0.005 which is less than level of significance 0.05. Hence, it is concluded that there

is significant difference between job satisfaction of selected public and private sector bank employees about their job security.

6.2.4 Job Satisfaction with Promotional Opportunities

Table 11: Bank-wise Frequency Table of Satisfaction with Promotional Opportunities

Type of Bank		Promotional Opportunity					Total
		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	
Private	Frequency	2	10	8	29	1	50
	% within bank types	4.0%	20.0%	16.0%	58.0%	2.0%	100.0%
Public	Frequency	1	5	8	33	3	50
	% within bank types	2.0%	10.0%	16.0%	66.0%	6.0%	100.0%
Total	Frequency	3	15	16	62	4	100
	% of Total	3.0%	15.0%	16.0%	62.0%	4.0%	100.0%

Table 12: Chi- Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.258(a)	4	0.516

Inference: As from table 12, it can be seen that p-value is 0.516 which is more than level of significance 0.05. Thus, it

can be concluded that out there is no significant difference between job satisfaction of selected public and private sector bank employees about promotional opportunity at their bank.

6.2.5 Job Satisfaction with Work

Table 13: Bank-wise Frequency Table of Satisfaction with Work

Type of Bank		Contentment of Work					Total
		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	
Private	Frequency	0	7	6	32	5	50
	% within bank types	.0%	14.0%	12.0%	64.0%	10.0%	100.0%
Public	Frequency	0	4	3	39	4	50
	% within bank types	.0%	8.0%	6.0%	78.0%	8.0%	100.0%
Total	Frequency	0	11	9	71	9	100
	% of Total	.0%	11.0%	9.0%	71.0%	9.0%	100.0%

Table 14: Chi- Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.619(a)	3	0.454

Inference: In table 14, p-value is 0.454 which is more than level of significance 0.05. Hence, it is identified that there is

no significant difference between job satisfaction of selected public and private sector bank employees about their contentment of work.

6.2.6 Job Satisfaction with Communication

Table 15: Bank-wise Frequency Table of Satisfaction with Communication

Type of Bank		Communication					Total
		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	
Private	Frequency	0	6	8	28	8	50
	% within bank types	.0%	12.0%	16.0%	56.0%	16.0%	100.0%
Public	Frequency	0	2	4	38	6	50
	% within bank types	.0%	4.0%	8.0%	76.0%	12.0%	100.0%
Total	Frequency	0	8	12	66	14	100
	% of Total	.0%	8.0%	12.0%	66.0%	14.0%	100.0%

Table 16: Chi-Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.134(a)	3	0.162

Inference: From table 16, it can be seen that p-value is 0.162 which is more than level of significance 0.05. Thus, it

can be concluded that out there is no significant difference between job satisfaction of selected public and private sector bank employees about their communication.

6.2.7 Job Satisfaction with Work Environment

Table 17: Bank-wise Frequency Table of Satisfaction with Work Environment

Type of Bank		Work Environment					Total
		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	
Private	Frequency	4	9	7	20	10	50
	% within bank types	8.0%	18.0%	14.0%	40.0%	20.0%	100.0%
Public	Frequency	1	3	10	32	4	50
	% within bank types	2.0%	6.0%	20.0%	64.0%	8.0%	100.0%
Total	Frequency	5	12	17	52	14	100
	% of Total	5.0%	12.0%	17.0%	52.0%	14.0%	100.0%

Table 18: Chi- Square Test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.670(a)	4	0.031

Inference: In table 18, p-value is 0.031 which is less than level of significance 0.05. Hence, we found out that there is significant difference between job satisfaction of selected public and private sector bank employees about their work environment.

7. Conclusion

From the above analysis it can be concluded that the job satisfaction level of employees of selected public and

private sector banks does not differ for factors like compensation, supervision, promotional opportunity, contentment with work and communication. Whereas job security and work environment are proved to be the important factors which creates significant difference in their job satisfaction level. Findings show that public sector bank employees feels more secured at their job than private sector bank employees and also that their working environment is better. Fear of retrenchment from job in private banks may be the cause of this difference in their satisfaction level. Mode value of private and private sector banks indicates that employees' of both the banks are moderately satisfied with their job in their respective banks.

Although, Pearson chi-square test revealed that there is significant difference in overall job satisfaction among the employees of selected public and private sector banks in Surat City.

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