

A STUDY ON JOB INVOLVEMENT AMONG BANK EMPLOYEES

R. KAVITHA & D. RAJAN

¹Assistant Professor, Department of Social Work, PSG College of Arts & Science, Coimbatore, Tamil Nadu, India

²Associate Professor & Head, Department of Social, PSG College of Arts & Science, Coimbatore, Tamil Nadu, India

ABSTRACT

Five components of Job Involvement; work, pay, promotion, salary and recognition, were examined besides overall Job Involvement. The aim of this study was to examine Job Involvement level of bank employees in Coimbatore region. A structured questionnaire survey conducted. The required information was collected from 4 bank employees who were randomly selected from both public and private sectors bank. The result of study reveals that employees of private banks were more satisfied with pay, recognition, and working hours as compared to public sector bank employees.

KEYWORDS: Job Involvement, Public Sector Banks, Private Sector Banks

INTRODUCTION

A major part of man's life is spent in work which is a social reality and social expectation to which man seem to confirm. Even then only economic motive has never satisfied men. It is always of greater interest to know why men work and at which level and how he/she satisfied with the job. With the opening up of the economy, a dramatic change has been observed both in manufacturing and in service sectors. This has brought higher employment opportunities, increases in income level, and changes in consumption pattern and consequently there emerges a competitive environment in the country. Particularly, the expansion in private banking business, along with customized services, has created a severe competition in this sector. This intense competition has made the service gap wider as private banks offer better services to their internal and external customers. This situation has created an urge to the bank policy makers to identify the basic reasons and brought them into consideration with job involvement issue. Employee involvement is thought to be one of the primary requirements of a well run organization and considered an imperative by all corporate managements. It is undeniable fact that the future of business enterprise depends upon the involvement level of its workforce. Dissatisfied workforces cause immediate problems only to their particular businesses.

Psychologists and sociologists have long been interested in the functions and significance of job attitudes (Hoppock, 1935). Job involvement is a primary aspect of job attitude. The most important evidence indicating the condition of the organization getting worse is the low rate of job involvement (Kaya, 1995). Thus the job involvement is essential pre-requisite for healthy organizational environment. Nonetheless, factors related to job involvement are relevant in the prevention of employee frustration and low job involvement because employees work harder and perform better provided they are satisfied with their jobs (Boltes et al, 1995; Brown et al, 1994 Manthe, 1976).

Job involvement is a heavily researched area of inquiry (Okpara, 2006). Locke (1976) defined job involvement as "a pleasurable or positive emotional state, resulting from the appraisal of one's job." Locke (1976) estimated that about 3,350 articles or dissertations had been written on jobs involvement.

Whereas, Oshagbemi (1996) suggested that if a full count of relevant articles and dissertations were made, would be doubled. In this era of globalization, growing economics, and improved technology are constantly presenting new challenges and creating new opportunities for people. Employees with higher degree of involvement and well committed are the most significant assets of any nation's economy, and act as competitive advantage for long term. Schedule banks can be further classified into public sector banks (Provincial and Federal), Private sector banks, and foreign banks.

LITERATURE REVIEW

A review of the literature on job involvement revealed that a number of researcher and HR professionals have emphasized the importance of the factors affecting job involvement. Job involvement involves different facets such as involvement with pay, promotion opportunities, fringe benefits, job security and the importance of the job (Nquye et, al, 2003).

The private banks specially created a cut throat competition by offering new products and services to gain more market share. The employment patterns in the banking sector changed the focus become performance and targets rather than experience and loyalty. Hence, pay and job involvement becomes a primary factor for the banking employees which needed attentions so as to achieve the long term goals of the bank (Islam & Saha). Determinates such as pay, work itself, relationships with coworkers, supervision and opportunities for promotions have been found to contribute to job involvement

(Opkara, 2002). There is a significant difference in the job involvement levels of employees based on their income (Yasir & Fawad 2009). Generally, employees with lowest earnings reported lower levels of job involvement relative to other income groups.

The Literature indicates that the performance of the private and foreign banks have been stronger than that of public sector banks (IBA, 2008). A study by Slevaraj (2009) states; private banks were more successful then public sector in terms of implementing Total Quality Management (TQM) initiatives, in context of HR, customer focus, and top management commitment. Public sector banks structure compensation in a way such that there are lower pay differentials between the employees, long-term tenure is rewarded and there is a high base pay, whereas in the private sector banks, there are larger pay differentials, fewer rewards for tenure, and pay for performance (D'Souza, 2002). However, private sector banks do not provide job security and would lay off their employees in cases of poor performance or adverse market conditions (Jha, Gupta & Yadav, 2008).

METHODOLOGY

Overall involvement has been taken as a dependant variable and various other factors like, salary, job security, recognition, work environment etc are considered as the independent variables. The main purpose of this study was to identify the job involvement of the bank employees of a Public and Private sector banks in Coimbatore region, to determine whether the sectoral differences in terms of growth, team spirit, work life balance, benefits, working environment and job security influence employee's perception regarding job involvement .Bank employees in this study refer to Top executives, senior managers, and Middle-level-managers To achieve the objectives of the study 200 surveys were sent in three main place in the Coimbatore region i.e, Peelamedu and Gandhi puram. In all, 144 returned and therefore the other are discarded; leaving 144 for analysis. All employees are aged between 25 to 60 years. The data were collected from four banks; two belong to the leading private sector other two belonging to the public sector. A structured

questionnaire was adopted, which is a 5- point Likert Scale (1=Highly dissatisfied, 2=Dissatisfied, 3=somewhat satisfied, 4=satisfied, 5=Highly satisfied) was design to test the impact of all the variables for this study. The questionnaire was divided into 2 sections: demographics and job involvement. The question covers job facets such as, promotion, pay, supervision, opportunities for learning, skill level and opportunities for growth. The data were analyzed using SPSS v.16 and interpreted for drawing.

Sample Characteristics

Tables 1, 2, 3, and 4 summarize the respondent organizations' characteristics according to the working experience in the current organization and working positions of the respondents. About 50 percent of the respondent organizations were from private sector, while the rest were from public sector organizations. 61 percent of respondents have achieved Master's degree before joining current organization and the remaining respondents joined after Bachelor's degree. In addition, 55 percent respondents were male which clear depicts that a striking number of female bank employees would provide healthy results. Finally, the sample constituted 17 Executive/Directors, 35 managers from senior management and 92 sub-managers from middle-level management.

Table 1: Respondent's Gender

		Sector		Total	
		Private	Public		
Gender	Male	47	32	79	54.9%
	Female	25	40	65	45.1%
Total		72	72	144	100%

Table 2: Experience in Current Organization

	Sector		Total	
	Private	Public		
Less than 1 yrs	7	6	13	9%
1-5 yrs	32	35	67	46.6%
6-10 yrs	25	17	42	29.2%
11-15 yrs	8	14	22	15.2%
Total	72	72	144	100

Table 3: Designation of the Respondents

	Sector		Total	
	Private	Public		
Executive/ Director	8	9	17	11.8%
Senior Management	15	20	35	24.3%
Mid Level Management	49	43	92	63.8%
Total	72	72	144	100

Table 4: Respondent's Income

	Sector		Total	
	Private	Public		
Less than Rs 25,000	1	8	9	6.3 %
Rs 26,000 to 50,000	46	38	84	58.3%
Rs 51,000 to 75,000	18	17	35	24.3%
More than Rs. 75,000	7	9	16	1. 1 %
Total	72	72	144	100

Table 5: Salary versus Level of Involvement

	Sector		Total	
	Private	Public		
Highly dissatisfied	1	5	6	4.1%
Dissatisfied	10	15	25	17.5 %
Somewhat satisfied	21	29	50	34.7%
Satisfied	33	20	53	37.6%
Highly satisfied	7	3	10	7.1 %
Total	72	72	144	100%

The above table clearly explains that employees of private banks are more satisfied than public sector employees. This may be because of fine salary packages along with additional benefits such as housing and car leasing for employees. Moreover, a total of 37 % respondents were satisfied with their current salaries. In addition, 34% were also somewhat satisfied, while 7% were highly satisfied. Only 22% respondents were either dissatisfied or highly dissatisfied. The result clearly indicated that a significant majority comprising 78% is satisfied with their current salary packages. This may be linked to satisfactory.

Table 6: Recognition for Contribution and Level of Involvement

	Sector		Total	
	Private	Public		
Highly dissatisfied	2	6	8	5.5%
Dissatisfied	4	10	14	9.6%
Somewhat satisfied	26	25	51	35.4%
Satisfied	32	29	61	43.4%
Highly satisfied	8	2	10	7.1%
Total	72	72	144	100

Private sector employees were satisfied for the recognition and status they received against their services while public sector employees were found less satisfied. This may be because performance appraisal systems and HR work smoothly in the private sector and public sector is being influenced with the bureaucracy. Overall, 42% respondents were satisfied while 7% highly satisfied. Respondents who were just satisfied with the conditions reside at 35%. A total of 15% respondents fall in disinvolvement.

Table 7: Job Security and Level of Involvement

	Sector		Total	
	Private	Public		
Highly dissatisfied	2	3	5	3.5%
Dissatisfied	13	2	15	10.4%
Somewhat satisfied	15	17	32	22.2%
Satisfied	34	44	78	54.2%
Highly satisfied	8	6	14	9.7%
Total	72	72	144	100

Public sector employees were found to be satisfied with the job security while there is uncertainty among private sector employees. This may be because mostly private banks issue contracts except for executives or directors. In addition, private bank jobs are goal oriented where every employee has to meet certain goals within the time limit e.g, raising deposits, credit cards issuance etc. In addition, failing to achieve targets leads to threat of elimination.

Therefore employees do remain in state of depression and feel insecure. Overall, 54% respondents were satisfied with the job security while a further 22% were somewhat satisfied. A total of 14% were among dissatisfied and remaining 10 % were highly satisfied in feeling their jobs as secure for long-term.

Table 8: Benefits and Level of Involvement

	Sector		Total	
	Private	Public		
Highly dissatisfied	1	5	7	4.9%
Dissatisfied	10	15	24	16.6 %
Somewhat satisfied	21	29	48	33.4%
Satisfied	33	20	56	38.8%
Highly satisfied	7	3	9	6.3 %
Total	72	72	144	100%

The above table clearly demonstrates that employees of public banks are more satisfied than private sector employees. Additionally, a good number of respondents were at just involvement level in private banks as compared to public sector employees. This may be because of fine salary packages along with additional benefits such as housing and car leasing for employees.

Moreover, a total of 45 % respondents were totally satisfied with the benefits. In addition, 33% were also somewhat satisfied, while 5 % were highly satisfied. Only 16.6 % respondents were either dissatisfied or highly dissatisfied. The result clearly indicated that a significant majority are satisfied with their current salary packages.

Correlation Analysis

Correlation is a statistical tool which can determine the strength and direction of relationship between two variables. The value of correlation ranges from +1 to -1 and both these values show strong positive and negative relationships. While the value 0 show no relationship.

Table 9: Correlations

		Recognition	Salary	Benefits	Job Security	Over All Job Involvement
Recognition	Pearson	1	.158	.001	.124	.251(**)
	Correlation, Sig. (2tailed) N	144	.05 144	.999 144	.138 144	.002 144
Salary	Pearson	.158	1	.178(*)	.217(**)	.374(**)
	Correlation, Sig. (2tailed) N	.058 144	.03 144	.03 144	.009 144	.000 144
Benefits	Pearson	.000	.178(*)	1	.370(**)	-.073
	Correlation, Sig. (2tailed) N	.998 144	.033 144	.000 144	.000 144	.387 144
Job security	Pearson	.124	.217(**)	.370(**)	1	.158(**)
	Correlation, Sig. (2tailed) N	.138 144	.009 144	.000 144	- 144	.058 144
Overall Job Involvement	Pearson	.25(**)	.37(**)	-.081	.15	1
	Correlation, Sig. (2tailed) N	.002 144	.00 144	.41 144	.05 144	

** Correlation is significant at the 0.01 level (2-tailed). * Correlation is significant at the 0.05 level (2-tailed).

The table shows the correlation between Salary, Job security, Benefits and overall job involvement. The value of correlation coefficient for salary, with overall involvement is 0.374, which shows a positive but weak to moderate relationship of variable with overall job involvement.

The value of correlation coefficient for recognition is 0.251, which shows a weak to moderate but positive relationship with job involvement among the variable. This relationship is significant at α 0.01. The table shows that job security and salary (.217 at α 0.01) are significantly associated.

CONCLUSIONS

The comparisons of all the mean values highlight a higher level of job involvement in private bank employees than does the public banks. The fact is expressed by the differences of the overall job involvement in public and private bank employee. The average pay of private sector bank employees is greater than public sector bank employees. The reasons for this difference in job involvement between private and public sector bank employees might mainly be related to the bank's salary, efficiency in work, fringe benefits, supervision quality, and coworker relations.

The findings of the study indicates that the sectoral differences in terms of salary, promotion, job security, recognition and benefits play a significant role in influencing one's perception of job involvement. Furthermore, the present study attempts to enrich the existing knowledge base in the area of job involvement in banking sector (both public and private), The public sector bank needs to introduce new pay system based on merit, to incase employee's pay involvement. Human resources practices regardless of sector (public or private) must be effectively and fairly used to enrich employee's job. Furthermore, private sector bank employee's reported disinvolvement in term of job security.

To overcome this obstacle private sector banks need to introduce special schemes related retirement, pension, gratuity and other benefits to enhance the employee's sense regarding job security in effort to increase organizational commitment which in turn will lead to employee's commitment and high degree of involvement.

REFERENCES

1. Boltes. B. V, Lippke, L. A, and Gregory. E, (1995), "Employee involvement in Extension: a Texas study", Journal of Extension, [online], 33 (5).
2. Bowen, CF, Radhakrishna, R, and Keyser. R, (1994), "Job involvement and commitment of 4-H agents", Journal of Extension, [online], 32 (1)
3. D'Souza, E. (2002), "Employment and human resource practices in public sector banks in the nineties", In Shuji
4. Hoppock, R. (1935), Job Involvement, Harper and Row, New York.
5. IBA (2008). Indian banking year book. Mumbai: Indian Banks' Association. Islam, N.U, & Saha, G.C. (n.d). "Job involvement of Bank Officers in Bangladesh."
6. Jha, B. K, Gupta, S. L, & Yadav, P. (2008), "Use and effectiveness of new technologies in Indian banking: A study", The ICFAI Journal of Services Marketing, 6(1), 6–22.
7. Manthe, RD (1976) A job involvement and disinvolvement study of the West Virginia University Extension Service. Online at <http://mpira.ub.uni-muenchen.de/16059>.
8. Okpara, J.O. (2006). "Pay, promotion, and job involvement in a sub-Saharan African economy". Women in Management Review, Vol.21, No.3, pp.224-240.
9. Opkara, J. O. (2002). "The impact of salary differential on managerial job involvement: A study of the gender

gap and its implications for management education and practice in a developing economy. The journal of Business in Developing Nations, 65-92.

10. Selvaraj, M. (2009). "Total quality management in Indian commercial banks: A comparative study", Journal of Marketing and Communication, 4(3), 59–70.
11. Yasir, K, and Fawad, H, (2009). "Pay and Job Involvement: A Comparative Analysis of Different Commercial Banks".

