

AN OVERVIEW OF CAREER SATISFACTION FACTORS IN BANKING INDUSTRY

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ABSTRACT

Today, the Indian banking industry is witnessing impending boom times better than ever before. The availability of both skilled managerial and technical manpower in India will contribute considerably to the prosperity of the banking industry in future. Hence in the present study, an attempt has been made to assess the perceptions of the employees on career satisfaction in the banking industry. The career satisfaction covers a wide range of aspects both financial and non-financial matters relating to work context, work contents and work relations. Due to the importance of this industry in the socio economic development, it is a necessity to evaluate the career satisfaction of the employees in this sector. This scenario has created an urge to the bank's policy makers to identify the underlying situations and reasons to review for improvement of career satisfaction.

It has been further envisaged that employees in banking sector play the key role in manipulating their services through implementation of policy that has appeal to our society. In such situation, Career satisfaction of employees in public sector and private sector banks has become an important issue that has to be taken care of in order to achieve ultimate goals of the banking sector which is playing a major role in our country's economy.

This research attempts to understand the various factors determining Career satisfaction of Employees belonging to Private Sector and Public Sector Banks in Coimbatore District. The researcher has collected data from 354 employees of the Bank belonging to both Private and Public Sector Banks. The collection of the Primary Data was done through the comprehensive

Questionnaire which includes Certain Demographic variables which are vital for the study and Career satisfaction variables. The Likert scaling technique with a five point scale is used to measure the Career satisfaction. With the mean scores of the responses in the Likert Value and by the manipulation of the outputs, the Career satisfaction of Bank employees are gauged in this study.

Key words: Employees, Banking Sector, Career Satisfaction and factors.

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1. INTRODUCTION

Career Satisfaction refers to various attributes of an individual's perspective. Researchers of Human Resource Management have indicated that career satisfaction is playing a vital role for better performance in an industry. It is widely accepted that career planning is closely associated with the development of career strategy which in turn would enhance individual's career satisfaction. This research attempts to study the career satisfaction of Bank employees where he/she can get career satisfaction and sustain in his career as Banking Professional by accepting the factors associated with it. The co-existence of Public sector and Private sector Banking Institutions has become demand of the time and the role of Bank employees is inevitable in shaping of the future of the Institution and the Country being service Industry. Hence, the study is carried out with the Bank employees belonging to Public Sector and Private Sector Insurance Companies of Coimbatore District. Accordingly the Banking Industry which is one Industry that determines the country's economy should develop the desired ambiance for the Bank employees to enhance their career satisfaction

2. CAREER SATISFACTION

Hoppcock (1935) [1] defined career satisfaction as a combination of psychological, physiological, and environmental circumstances that cause a person to say that they are satisfied with his/her job. The author further stated that a person may be satisfied with one aspect of his/her job and dissatisfied with another and that it is the responsibility of the individual to balance the specific satisfactions against the specific dissatisfactions and thereafter arrive at a composite satisfaction with the career as a whole. The heart of career satisfaction is in one's attitude and expectations; it's more about how one approach his/her job than the actual duties he or she performs. Career satisfaction is largely a matter of an individual comparing his/her career and life expectations with those being offered by a career. The individual career satisfaction can be understood and analyzed by identifying and evaluating the factors that influence career satisfaction. In identifying career satisfaction factors, it is found that career satisfaction is influenced by professional considerations, economic factors, and occupational and family considerations.

2.1. Career Satisfaction – Conceptual Background

The terms career satisfaction and job satisfaction are used interchangeably and they are used in different contexts to express the meaning "work being carried out". While

the terms career satisfaction and job satisfaction are often used to mean the same thing, they really are conceptually different. Career is life work, chosen by a person to use inborn talent in order to provide some services or goods, earn money and contribute to the society and satisfy himself/herself. One can apply for a job but he/she cannot apply for a career. A job is given to a person but a career is chosen by a person. Some look for jobs, others pursue careers. To achieve career satisfaction, one is required to figure out the preferences, passion and then find the job that accommodates his requirements. The right job which targets the career satisfaction is a personal fulfilling as it nourishes the most important aspects of personality, his/her passion and preference. A person who is put up in the right job which fits rightly in his career, gains energy and looks forward to going to work, feels energized most of the time, feels his contribution is respected and appreciated, feels a sense of respect and regard from people and always optimistic about his future. There are number of variables in the workplace. Some jobs provide warmth and stability; some are risky and challenging, some are structured, some are not. The prospect of every individual depends largely on the satisfaction he derives and the remuneration he acquires from his career.

2.2. Concept of Job Satisfaction

Job satisfaction has been defined in several different ways and a definitive description for the term is unlikely to materialize. Job satisfaction is simply how people feel about their jobs and different aspects of their jobs. It is the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs. (Spector, 1997) [2] The framework of Sousa-Poza and Sousa-Poza postulates that job satisfaction depends on the balance between work-role inputs – such as education, working time, effort – and work-role outputs – wages, fringe benefits, status, working conditions, intrinsic aspects of the job. If work-role outputs (‘pleasures’) increase relative to work-role inputs (‘pains’), then job satisfaction will increase (Sousa-Poza and Sousa-Poza, 2000) [3].

Other theorists (e.g. Rose, 2001) [4] have viewed job satisfaction as a bi-dimensional concept consisting of intrinsic and extrinsic satisfaction dimensions. Intrinsic sources of satisfaction depend on the individual characteristics of the person, such as the ability to use initiative, relations with supervisors or the work that the person actually performs; these are symbolic or qualitative facets of the job. Extrinsic sources of satisfaction are situational and depend on the environment, such as pay, promotion, or job security; these are financial and other material rewards or advantages of a job. This distinction, as described by Rose, relates to the double meaning of the word ‘job’: the work tasks performed and the post occupied by the person performing those tasks. Both extrinsic and intrinsic job facets should be represented, as equally as possible, in a composite measure of overall job satisfaction.

2.3. Concept of Career Satisfaction

The literature on job satisfaction is voluminous (e.g. Brief 1998 [5]; Locke 1976 [6]; Smith, Kendall, and Hulin 1969 [7]), but our emphasis here is on a less-studied, but related, construct – career satisfaction. Job satisfaction provides a measure of job-specific affect, whereas career satisfaction represents an individual’s feelings of satisfaction or dissatisfaction with an entire career. Our usage of the term ‘career’ follows Hall (1976) [8], viewing a career as the entirety of ‘work-related experiences and activities over the span of a person’s life.’ There are a number of good reasons for studying career satisfaction. First, career satisfaction is an important variable in its

own right. It summarizes feelings about a lifetime of work – approximately 100,000 hours of toil for the typical American worker (Career Strategists 2004). Second, career satisfaction is a better fit with the objectives of the current study.

Recent literature lays the conceptual groundwork for a value-adding career satisfaction construct. Career success is partitioned into extrinsic and intrinsic components. Judge et al. (1999) [9], Intrinsic success was conceptualized as ‘an individual’s subjective reactions to his or her own career.’ Judge et al.’s notion of intrinsic career success aligns closely with the current study’s concept of career satisfaction. Lastly, it is high time we investigate the roots of career satisfaction. For example, career satisfaction has been found to be a product of a variety of job-experience factors including salary progression

(Seibert, rant, and Kraimer 1999) [10], mentoring (Allen et al. 2004) [11], hours worked (Wallace 2001) [12] and satisfaction with the opportunity to achieve career goals (Reitman and Schneer 2003) [14].

3. EMPLOYEES IN PRIVATE SECTOR AND PUBLIC SECTOR BANKS

As the economy grows at a steady rate of around 7–8 per cent, income rise and demographic dividends start accruing, the Banking industry is expected to take a quantum leap forward. But this growth will need a large number of people and considering that there are retirements in lakhs, a defining moment is being presented before the Nationalized Banks to transform. Banking business has brought the disintermediation, deregulation, discontinuity and the technological up gradation. Critically the success factor in the 21st century will rest upon professionalism which means continuous, sustained building up of knowledge, education, skills and attitudes among the bank employees thereby encouraging and motivating them to employ all these in their personal and organizational growth. The nature of business requires massive sharpening of skills of the existing workforce and continuous skill up-gradation.

Human Resource Management is important for banks because banking is a service industry. The two key challenges faced by the banks in the recent times are “Management of people and Management of risk” Efficient risk management may not be possible without efficient and skilled manpower. Banks need to articulate and emphasize the core values to attract and retain certain customer segments. Values such as ‘sound’, ‘reliable’, ‘innovative’, ‘international’, ‘close’, ‘socially responsible’, ‘Indian’, etc. need to be emphasized through concrete actions on the ground and it would be the bank’s human resource that would deliver these values.

Indian public sector banks have been facing a number of challenges ever since the industry was opened up for private and international players. Social banking practices followed by public sector banks consequent to nationalization have resulted in increased non-performing assets, decreased profitability and toll on operational efficiency. Privatization of banking sector forced public sector banks to take up serious measures for improving profitability and efficiency of operations. Human resource management is the area where many initiatives were implemented for streamlining banking operations. Scheduled commercial Banks constitute those banks which have been included in the Second Schedule of Reserve Bank of India(RBI) Act, 1934. For the purpose of assessment of performance of banks, the Reserve Bank of India categorize them as public sector banks, old private sector banks, new private sector banks and foreign banks.

Table 1 Table Showing Region-Wise Distribution of Employees of Scheduled Commercial Banks According To Category

Region / State / Union Territory	TOTAL EMPLOYEES				OF WHICH : FEMALES			
	Officers	Clerks	Sub-ordinates	Total	Officers	Clerks	Sub-ordinates	Total
	1	2	3	4	5	6	7	8
Northern Region	91,688	62,842	30,489	185,019	13,728	14,647	3,557	31,932
North-Eastern Region	9,868	9,361	4,656	23,885	1,010	2,045	425	3,480
Eastern Region	64,341	65,940	33,997	164,278	5,806	9,042	2,426	17,274
Central Region	70,651	65,198	31,659	167,508	5,620	10,255	2,070	17,945
Western Region	105,947	89,064	32,790	227,801	19,540	28,475	2,868	50,883
Southern Region	127,649	110,116	44,629	282,394	22,254	36,535	6,481	65,270
All-India	470,144	402,521	178,220	10,50,885	67,958	100,999	17,827	186,784

Source: Secondary Data

The average public sector bank employee is better off than his private sector counterpart. Staff cost per employee in a public sector bank is 150 per cent higher than similar costs in private banks.

The cost per employee continues to indicate that banking is certainly not a low-paying profession. Public sector banks (PSBs) will need to bring more efficiency out of their operations to catch up with the banking industry's average in terms of profit per employee and business per employee. The RBI, in its latest report on profile of Indian banks, has observed that employee productivity in terms of both business per employee and profit per employee in all scheduled commercial banks, including PSBs, private sector banks and foreign banks, at the aggregate level increased continuously in all the financial years during the period 2007–08 to 2013–14.

The face of banking is changing rapidly. Competition is going to be tough and with financial liberalization under the WTO and introduction of BASEL norms. Hence banks in India need to benchmark themselves against the best in the world. For a strong and resilient banking and financial system, banks need to go beyond peripheral issues and tackle significant issues like improvements in profitability, efficiency and technology, while achieving economies of scale through consolidation and exploring available cost-effective solutions with Human Resources.

3.1. Significance of the Study

To keep the organization sustainable, employees need to be motivated to care about the work they do, to acquire knowledge related skills and to perform the work to the best of their abilities. As every employer wants a good employee, it is but for natural

that every employee wants a good employer. The main yardstick is the Career satisfaction which every company needs to offer to its employees. Career satisfaction has become one of the essential concerns among contemporary corporate employees and employers. Employees are the stimulus energy who is behind every successful organization. Mere use of technology and techniques do not bring success to the organization. Money is the supreme among all 'M's utilized in the business concerns. Deficiency of services and benefits provided to the employee of a concern lead to detrimental results in all aspects. Employees expect various quality requirements from the work place namely personal anticipatory, motivational insights, job freedom, work place needs, branch operations and working conditions. As the composition of workforce continues to change, organizations are expected to focus on Career satisfaction of employees which gain leverage in hiring and retaining valuable people.

In our country, Banking Sector plays a significant role in the overall development of Primary and Industrial sector. Due to the Banking Sectors' wide spectrum of exposure across industries, their performance is considered as a proxy for the country's economy as a whole. The banking industry like many other industries is adjusting to the multiple changes in the workplace over the past two decades. The banking sector which is growing day by day may attain long term sustainable service responsiveness and lead to better productivity and higher economic growth of our country if the career satisfaction of its employees are addressed duly. The study also purports to explore the differences observed in the Career satisfaction of employees in public sector and private sector Banks. This study on the Career satisfaction of Employees in Private Sector banks and Public Sector Banks in Coimbatore District may create an urge to the Bank management to identify the underlying situations and reasons to bring out Career satisfaction into consideration. Also this study necessitates bringing out the various factors influencing the career satisfaction of Bank employees in the light of current realities as the employees are paramount to the Banking Sector which plays predominant role in the Country's economy.

3.2. Statement of the Problem

Banking Sector in India [13] has a wide mix comprising of Public Sector, Private Sector Specialized corporate financial institutions, Cooperative sector and Foreign sector (Rajesh Bagga, Garima Arora, Sanjee Arora, 2008) [15]. Due to the pluming growth of this sector, the banking sector has undergone various structural changes over the past two decades which lead to work pressure for the Bank Employees. Bank employees have perhaps felt the maximum work pressures and they are in need to meet organizational goals, social and economic objectives and ensure customer satisfaction.

Increased use of Technologies, and equipment, On Line Banking transactions, increased banking habits of customers, growth of economic conditions cause work pressure and decreased career satisfaction. Of late, banking industry offers a wide range of financial products and services to corporate entities and retail customers through a multiplicity of delivery channels through its specialized subsidiaries and affiliates in the areas of investment banking, life and non – life insurance, venture capital and asset management apart from regular banking business. Banking hours is now increased in order to cope up with the increased expectation of services to customers. Employees in the bank face plenty of problems in relation with provision of diversity of products and services and this ultimately create poor work life in Banks. Banking hours is now increased in order to cope up with the increased

expectation of services of customers. The responsibility of Bank employees is more when compared with other corporate workers. Banking jobs are designed to provide financial services in an innovative way to its customers and it involves commitment and proper documentations.

It is a general observation that the employees of private sector banks and public sector banks who are contributing to banking business and export growth supplies, employment generation, productivity and skill development of the country are tightened with long working hours and excessive work pressure. The banking employees are exposed to greater risks and responsibilities with the poverty on the rise combined with criminality backed by anti social elements. However, it is presumed that the employees of public sector banks enjoy better compensation packages, healthy working environment, sound management policies, more structured job design, job security and career development prospects when compared to private sector Banks. Hence, the major concern of the present study is to assess the existing Career satisfaction of both Private and Public Banks in Coimbatore District and provide prolific suggestions for providing better avenues for Career satisfaction in Banking Sectors.

3.3. Objectives of the Study

The study entails to explore and gain better understanding of Career satisfaction of employees in Private Sector Banks and Public Sector Banks in Coimbatore District. By understanding their perspectives, the bank management can derive ways to improve Career satisfaction. By conducting this study, the researcher intends to help both management and employees of the banks to understand Career satisfaction and the related issues in human resource management with the following research objectives.

To understand the career satisfaction of employees in private sector and public sector banks.

- To explore the influence of various personal and organizational factors on Career satisfaction of Employees of Private Sector and Public Sector Banks.
- To identify problems and prospects and to give suggestions with regard to the career satisfaction of employees in private sector and public sector banks.

3.4. Scope of the Study

It can be said that career satisfaction is largely a matter of an individual comparing his/her career and life expectations with those being offered. In shaping such life and career expectations there are economic considerations in terms of compensation and retirement benefits, occupational and family considerations in terms of professional satisfaction, job satisfaction, advancement opportunities, relocation etc.

It is believed that Banking Industry will play a key role in boosting economy further. In India, the next 25 years will be dominated by Banking Sector. The growth is expected at horizontal as well as vertical levels from both inside and outside the country. It is widely accepted that career satisfaction is closely associated with every individual's selection of job and his or her long standing tenure in that particular job.

The banking industry requires smart, self motivated and enthusiastic individuals. These individuals will have unlimited income potential. There are lots of scope and opportunities for Bank employees to use their skills and knowledge, intellectual and creative abilities, to achieve career development which in the long run leads to career

satisfaction. This study aims to construe that a happy and healthy career satisfaction among employees in private sector and public sector banks will provide better turnover and ultimately lead the graph of our country's economy on the high.

3.5. Area and Limitations of the Study

The location for the study is confined to Coimbatore District in Tamil Nadu. This District was selected keeping in mind that it is endowed with human resources. A good number of Private Sector Bank Branches and Public Sector Bank Branches are located in Coimbatore District. The study was carried out in the selected branches of the Private Sector and Public Sector Banks located in Coimbatore District.

The study is about the perceptions of people. The results may not symbolize the actual perception of the employees of the Bank regarding Career satisfaction in the context of entire employees of Private sector and Public sector Banks. Also, the findings may be valid only for the present time as changes are likely to be implemented due to the development in the Banking sectors. Personal bias of the respondents might have crept in while answering a few questions in the structured questionnaire and hence the study has got its own limitations. The study attempts to throw much light on the Career satisfaction of employees in Private sector and Public sector Banks in Coimbatore District only and hence it cannot be generalized to the entire banking sector.

4. METHODOLOGY

Primary Data was collected by visiting the private sector and public sector banks. Collection of data was self administered to determine the level of Quality of work life. Simple Random sampling method was adopted for selection of respondents for the study. The sample had almost equal number of respondents from private sector banks and public sector banks in Coimbatore District.

Data Collection was carried out with prior permission of the Bank Manager. The Data Collection work was carried out during lunch time and off Banking hours. Each organization was visited at least twice by the researcher to establish rapport and reinforce contacts with the top management and related personnel, to ensure smooth implementation of the questionnaire distribution and collection. A third visit was made to ensure a degree of interest and commitment on the part of the respondents to collect the questionnaire. The Bank employees were advised very clearly about the pattern of answering the questionnaire and they were also spared enough time to answer all the statements. The respondents were also assured that their participation in the study was voluntary and their responses would remain confidential and used for research purpose only. In this study, the researcher has adopted Quantitative Data Analysis.

Garrett Ranking Method is used to evaluate the factors of career satisfaction of the Bank Employees. In this method, the Bank Employees were asked to rank the given insights according to the magnitude of preferences. The orders of merit given by the respondents were converted into ranks by using the following formula.

$$\text{Percent Position} = 100 \frac{(R_{ij} - 0.5)}{N_j}$$

Where,

R_{ij} – Rank given by the j th individual for the I th elements and

N_j – Number of elements ranked by the j th individual.

The percentage position of each rank thus obtained was converted into scores by referring to the table given by Henry Garrett. Then for each element the scores of individual respondents were added together and divided by the total number of respondents for whom the scores were added.

Table 2 Factors of Career Satisfaction of Bank Employees

S. No.	Elements	1	2	3	4	5	6	Mean Score	Rank
1.	Interesting Work Life	54	46	46	54	54	63	52.83	II
2.	Recognition	46	37	23	23	63	77	44.83	VI
3.	Awards and Rewards	23	23	37	77	77	54	48.50	V
4.	Compensation	37	54	77	46	46	37	49.50	IV
5.	Friendly Co Workers	77	63	63	37	37	23	50.00	III
6.	Career Advancement	63	77	54	63	23	46	54.33	I

Source: Primary Data

It is learnt from the above table that among the various factors of career satisfaction Career Advancement was ranked first with a Garrett mean score of 54.33 points. It is followed by interesting working life in the second rank with the Garrett score of 52.83 points. 'Friendly Co workers' and 'Compensation factors' rank third and fourth with the Garrett score of 50 and 49.50 points respectively. Awards and rewards is ranked fifth with a Garrett score of 48.50 points. Lastly Recognition factor ranks sixth with Garrett scores of 44.83.

The perception of employees in Banks on career satisfaction is revealed by measuring the ranks of certain elements namely, Interesting work Life, Recognition, Awards and Rewards, Compensation, Friendly Co workers and Career Advancement. Career Advancement is experienced well by the employees of Private and Public Sector Banks. The Employees find their work life interesting. The employees have given least value to the 'Recognition and 'Awards & Rewards'.

5. CONCLUSION

The growth of Banking Sector is becoming a topic of importance in the present scenario. Every organization needs to sustain in the Competitive World with its competing Technological advancements. Man Power requirements are in par with the technological advancements of the industry and the industry should be in a position to satisfy the employees by providing their needs and demands. Satisfied and motivated employees are the source for achieving the organizational goals and objectives. Economic recession and intense business competition cause changes in working environment every now and then. Organizational downsizing and restructuring, lack of job security and employee retrenchment has caused life long career with a stable pay seriously challenged.

To sustain in one's career for certain duration is a crucial task. This depends on the individual's perspective on career satisfaction and a Bank employee is not an

exception to this condition. India with good growth in population shows a huge untapped potential for players in the Banking industry. The career satisfaction factors of employees belonging to both Public and Private sector Banks are unearthed in this study thereby enabling the Banking sector to pay attention on the provision of good working climate and the factors identified in their priority which can ensure career satisfaction to the employees.

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