

“Level of Employee Satisfaction in SBI (Impact of monetary factors)”

Professor S.C. Batra^{#1}, Shilpa^{*2}

[#]Faculty of Commerce and Management, Baba Mastnath University, Asthal Bohar, Rohtak, Haryana, India

^{*}Research Scholar, Baba Mastnath University, Rohtak, Haryana, India

²shilpa_chandna@yahoo.com

Abstract-Employees are one of the most significant components of every organisation. The performance of an organisation depends on the efficiency of its employees. In today's competitive environment retaining efficient employees is critical for the banks. They may easily switch employers as too many opportunities are available for them. Hence it becomes imperative for a bank to ensure employee satisfaction and their retention too. An employee feels satisfied if his expectations from the job are fulfilled. The expectations of the employees are dynamic. Remuneration is one of the most significant expectations employees have from their job. They expect an attractive remuneration from the bank for their efforts. The study has been conducted to analyse the impact of monetary factors on the satisfaction level of employees. The study has been conducted on State Bank of India. A sample of 50 employees has been selected from various branches of SBI in Delhi and NCR. The satisfaction level of employees for monetary factors has been analysed by mean. The impact of monetary factors on overall employee satisfaction level has been analysed by regression analysis. It has been found that the employees are satisfied with salary and retirement plans but dissatisfied with other incentives. The monetary factors have a significant impact on the overall satisfaction level of employees.

Key words: Monetary Factors, Salary, Retirement Plans, Other Incentives, Overall Employee Satisfaction.

I. INTRODUCTION

In today's competitive environment retaining efficient employees is critical for the banks. The employees may easily switch over employers as too many opportunities are available for them. Hence it becomes imperative for a bank to ensure employee satisfaction and their retention too.

The efforts of the employees have a significant impact on the performance of an organisation. The satisfied employees are assets for an organisation while the dissatisfied employees can become a liability for the organisation. Satisfied employees are more committed, contribute more efforts towards their job and perform their duties with full enthusiasm but dissatisfied employees may cost to the bank in terms of less productivity, increased absenteeism and increased turnover rate. It becomes imperative for a bank to satisfy its employees and to retain them. Employees feel satisfied if their expectations from the job are fulfilled. The expectations of the employees are dynamic. Salary is one of the most significant expectations the employees have from their job. The

employees expect an attractive remuneration from the bank for their efforts. The study has been conducted to analyse the impact of monetary factors on the satisfaction level of employees.

A) Monetary Factors

The monetary factors include salary, incentives plans and retirement plans. Salary means the monthly remuneration the employees receive from the organisation. The retirement plans include the gratuity, pension and other emoluments the employees receive at the time of their retirement. The incentives include allowances like education allowance, conveyance allowance and entertainment allowance etc.

B) Employee Satisfaction

Employee satisfaction is the feeling or attitude of the employee towards his job. If the employee is happy with his job, he is said to be satisfied. The satisfaction level of employees is affected by a large number of variables like working environment, organizational policies, growth opportunities and salary. The variables do not remain same for all employees; they may vary as per their expectations. The satisfaction level of an employee is not affected by same variable all the time; they may change with the time.

Locke (1976), job satisfaction is the relationship between what one wants and what one perceives as the offering from job.

Employees' Job satisfaction is an emotional response of a person towards his job. Job satisfaction can be measured by comparing the outcomes with the expectations of employee from his job. If the outcomes exceed the expectations the employee feels satisfied and if the outcomes do not meet the expectations, the employee feels dissatisfied.

II. REVIEW OF LITERATURE

Researchers have done a lot of work on employee satisfaction and have defined various factors affecting the satisfaction level of employees. Monetary rewards are one of the most significant factors affecting the satisfaction level of employees. Earlier researchers

like Maslow and Herzberg have also described salary a significant factor for employees.

Sinha (2013) revealed in her study that the satisfaction level of employees for salary, changes as per experience. The satisfaction level of employees increases with the experience upto some initial years of job and after some years it gradually reduces with the increase in experience.

Meena and Dangayach (2012) revealed in their study conducted on public and private sector banks that satisfied employee contributes positively towards the performance of an organisation.

Aziri (2011) reveals in their study that salary, work conditions, work groups, nature of job and advancement opportunities are some of the factors affecting employee satisfaction level.

Chahal (2013) stated that satisfaction level of employees is affected by various factors like working environment, salary, performance appraisal, training and grievance handling.

Kaur and Bansal (2014) concluded that salary and career goals, and retirement benefits are the most important factors in public as well as private sector banks for employee turnover.

Schneider and Snyder (1975) and Lease (1998) have specified the relationship between employee satisfaction and loyalty. More satisfied employee is more likely to remain in the organisation than the less satisfied employee.

III. RESEARCH METHODOLOGY

A) Objectives

To examine the satisfaction level of employees for monetary factors

To analyse the impact of monetary factors on the overall satisfaction level of employees.

B) Research Design

The study adopts the descriptive research design by describing the situation and characteristics of the phenomenon.

C) Sample Design

The selection of branches and customers has been judgemental and as per convenience.

D) Sample Size

A sample of 50 employees has been selected from various branches of SBI in Delhi-NCR.

E) Data Collection

Data has been collected from primary and secondary sources. Primary data has been collected by

preparing a structured questionnaire. The secondary data has been collected from web-sites, books and journals.

F) Data Analysis

The study uses mean, standard deviation, correlation and regression analysis for analysing data. SPSS version 23 has been used for analysing data.

IV. DATA ANALYSIS

A) Satisfaction/Dissatisfaction for Monetary Factors

The data of the employees has been analysed using SPSS version 23. Table 1 depicts the response of the employees in percentages in terms of satisfaction/dissatisfaction relating to salary, retirement plans and incentives. There is a mix response for salary, 32% of the total respondents are dissatisfied, 26% are neutral and 42% employees are satisfied with their salary. Most of the employees are satisfied with the retirement plans and dissatisfied with the incentives they receive.

Table 1
Satisfaction/Dissatisfaction for Monetary Factors

Monetary Factor	Total Dissatisfied (%)	Neutral (%)	Total Satisfied (%)
Salary	32	26	42
Retirement Plans	24	28	48
Other Incentives	38	36	26

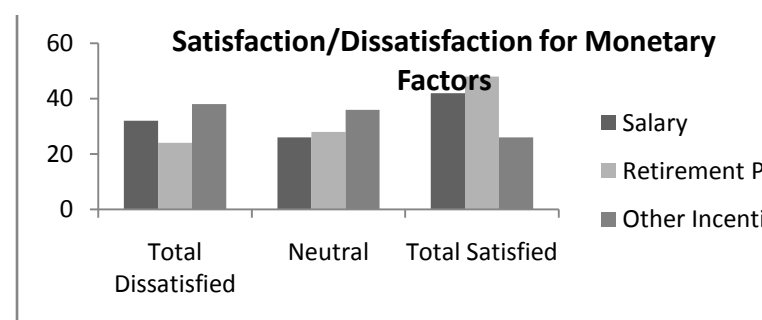


Figure 1

B) Overall Satisfaction of Employees

Table 2 depicts the response of the employees relating to overall satisfaction of employees. Most of the employees (70%) are satisfied with their bank.

Table 2
Overall Employee Satisfaction

	Total Dissatisfied	Neutral	Total Satisfied
Overall Employee Satisfaction	20	10	70

Figure 2

Table 3 depicts the mean score and std. deviation of salary, retirement plans and other incentives. The mean scores and std. deviations have been calculated on the basis of responses of employees for their satisfaction level on various attributes. The mean scores for salary (3.12), retirement plans (3.22) and employee overall satisfaction level (3.5) are more than three and indicates that the employees are satisfied, while for incentives, the mean score (2.78) is less than three and indicates that the employees are dissatisfied with the incentives.

Table 3
Mean of Satisfaction/ dissatisfaction level of employees

Variables	N	Mean	Std. Deviation
Salary	50	3.12	1.136
Retirement Plans	50	3.22	1.217
Other Incentives	50	2.78	1.234
	50	3.50	1.129



Figure 3

C) Relationship between Monetary Factors and Overall Employee Satisfaction Level

Table 4 Correlation

Karl Pearson Correlation	Salary	Retirement Plans	Other Incentives
Overall employee Satisfaction	0.525	0.438	0.461

Sig. (2 tailed)	.000	.000	.000
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Correlation is significant at the 0.01 level (2 tailed)

Table 4 indicates that there is a moderate degree correlation between overall satisfaction level of employees and salary, retirement plans and other incentives. The significance value (.000) is less than .05 and indicates that the relation is significant.

D) Impact of Monetary Factors on Overall Employee Satisfaction Level

The impact of monetary factors on overall employee satisfaction level has been analysed by regression analysis. Salary, Retirement plans and incentives are the independent variables and overall employee satisfaction level is the dependent variable.

As per Table 5, value of R .578 indicates that moderate degree of correlation exists between the dependent variables and independent variable. Value of R square .334 indicates that 33.4% variance in the overall satisfaction level of employees is explained by the independent monetary factors and rest is due to other variables.

Table 5
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.578 ^a	.334	.290	.951

a. Predictors: (Constant), Other Incentives, Salary, Retirement Plans

As per table 6, value of B depicts the regression coefficients and they indicate that one unit change in salary, retirement plans and other incentives will change the overall employee satisfaction level by .339, .094 and .219 respectively.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.530	.439		3.489	.001
	Salary	.339	.160	.341	2.123	.039
	Retirement Plans	.094	.150	.101	.626	.534
	Other Incentives	.219	.133	.239	1.650	.106

a. Dependent Variable: Employees overall satisfaction level with the bank

Table 6

As per table 7, the significance value (.000) is less than .05 and indicates that there is a significant impact of the monetary factors on the overall employee satisfaction level.

Table 7
ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	20.870	3	6.957	7.687	.000
Residual	41.630	46	.905		
Total	62.500	49			

factors and overall employee satisfaction also indicates significant positive correlation between the monetary factors and overall employee satisfaction level. That further suggests that increase in monetary factors will in turn increase the level of employee satisfaction. The satisfied employees may contribute more towards the growth of the bank and will be more committed towards their job. They may become more loyal to the bank.

- a. Dependent Variable: Employees overall satisfaction level with the bank.
- b. Predictors: (Constant), Other Incentives, Salary, Retirement Plans

V. CONCLUSION

The employees of SBI are satisfied with the monetary factors like salary and retirement plans but they are dissatisfied with the incentives. The overall satisfaction level of employees is also satisfied. The satisfaction level of the employees should be increased by increasing the salary, as some employees are dissatisfied with their salary and some are neutral. The employees should be given more incentives like education allowance, conveyance allowance, entertainment allowance, house rent allowance and canteen allowance etc. to increase the overall satisfaction level of employees. As all monetary factors are indicating significant impact on the overall satisfaction level of employees, any increase in these variables will increase the overall satisfaction level of employees. The correlation applied on monetary

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