

# EMPLOYEE HAPPINESS AT WORK PLACE: A POSITIVE WAVE OF CHANGE WITH REFERENCE TO BANKING SECTOR IN INDIA

Jissa A Varghese  
Assistant Professor,  
New Horizon College,  
Bengaluru, Karnataka

## ABSTRACT

The aim of the study is to understand the level of happiness of employees at work place that leads to organisational success. The changes in the work place are taking place at a faster pace than we ever envisaged and human resources are found to be a reason for all these. Indian banking sector is currently witnessing explosive growth and expansion. Indian banking sector has undergone rapid and striking changes due to globalisation, liberalisation and privatisation on one side and demonetisation on the other. Due to these changes employees of banks are exposed to various pressures. This research paper focuses on employee happiness and how it positively drives towards the good result of the organisation. The aim of this paper is to understand the roots and outcomes of job stress of bank employees.

**Key words:** Banking sector, Employees, Happiness, Satisfaction, Stress

## INTRODUCTION

Banking Industry in India is unique in the Asian countries because of its geographical, demographical, social and cultural characteristics. The Indian financial system comprises the following institutions:

1. Commercial banks a. Public sector b. Private sector c. Foreign banks d. Cooperative institutions (i) Urban cooperative banks (ii) State cooperative banks (iii) Central cooperative banks
2. Financial institutions a. All-India financial institutions (AIFIs) b. State financial corporation's (SFCs) c. State industrial development corporations (SIDCs)
3. Nonbanking financial companies (NBFCs)
4. Capital market intermediaries

The number of bank management staff and employees in India is vast (223,000 in SBI; 81,252 in SBI Associates; 581,000 in nationalized banks; 57,241 in old private sector banks; 1,620 in new private sector banks, and 13,510 in foreign banks operating in the country). The total is 957,623, with the number of staff employed in cooperative and rural banks equally large. (The Indian Banking Sector on the Road to Progress- G. H. Deolalkar)

## Technology and Banking

The events of previous years notably demonetisation in India, Brexit and US election has influenced radical changes in banking sector. The recent technological trends like open banking, block chain, cloud technology, Artificial intelligence and Unified Payment Interface is reshaping the Indian banking sector.

### HR role in banking sector

In the current scenario, human resources are the capital of the organisation. Bank's main objective is to integrate the HR strategies with bank strategies. Banks are depending on three tier factors like investment, technology and human factors. So, it is important to maintain the skills and intellectual capital. Organisation is always focusing on people who work enthusiastically and are highly passionate about their work.

### Employee Happiness and Employee Engagement

Employees' happiness is the measurement of employee satisfaction in the current job and conditions. Employee emotional condition says employee engagement in the work is important to strengthen the employees bond and motivate them towards the work which can lead to the betterment of the organisation.

## REVIEW OF LITERATURE

As per the Reserve Bank of India (RBI), India's banking sector is sufficiently capitalised and well-regulated. The financial and economic conditions in the country are far superior to any other country in the world. Credit, market and liquidity risk studies suggest that Indian banks are generally resilient and have withstood the global downturn well.

Indian banking industry has recently witnessed the roll out of innovative banking models like payments and small finance banks. RBI's new measures may go a long way in helping the restructuring of the domestic banking industry.

The Indian banking system consists of 27 public sector banks, 26 private sector banks, 46 foreign banks, 56 regional rural banks, 1,574 urban cooperative banks and 93,913 rural cooperative banks, in addition to cooperative credit institutions. Public-sector banks control more than 70 per cent of the banking system assets, thereby leaving a comparatively smaller share for its private peers. Banks are also encouraging their customers to manage their finances using mobile phones.

As the Reserve Bank of India (RBI) allows more features such as unlimited fund transfers between wallets and bank accounts, mobile wallets are expected to become strong players in the financial ecosystem.

The bank recapitalisation plan by Government of India is expected to push credit growth in the country to 15 per cent and as a result help the GDP grow by 7 per cent in financial year 2019.

Enhanced spending on infrastructure, speedy implementation of projects and continuation of reforms are expected to provide further impetus to growth. All these factors suggest that India's banking sector is also poised for robust growth as the rapidly growing business would turn to banks for their credit needs.

Also, the advancements in technology have brought the mobile and internet banking services to the fore. The banking sector is laying greater emphasis on providing improved services to their clients and also upgrading their technology infrastructure, in order to enhance the customer's overall experience as well as give banks a competitive edge.

Many banks, including HDFC, ICICI and AXIS are exploring the option to launch contact-less credit and debit cards in the market shortly. The cards, which use near field communication (NFC) mechanism, will allow customers to transact without having to insert or swipe.

Mr Bill Gates, Co-founder of Microsoft Corp, has stated that India will move quite rapidly to a digital payments economy in as little as seven years, based on the introduction of digital payment banks combined with other things like direct benefit transfers, universal payments interface and Aadhaar.

Exchange Rate Used: INR 1 = US\$ 0.015 as on January 4, 2018.

Ementa, Christiana Ngozi (2015)<sup>4</sup> the study looked into the bank secretaries' perceived causes of stress, its effect on their performance and effective strategies for coping with stress. The study showed that bank secretaries consider most of the work functions as causes of stress in the workplace, and these stressors has great effect on their performance, and have considered a number of factors as effective strategies for coping with occupational stress.

The HR Factor has been very important for the growth of any industry, because the industry works on the human resources (HR) augmentation mode (Upadhya & Vasavi, 2006). This means that the returns of an organization are directly related to the number of projects accomplished and the number of people working on a project (T Schang, 2001). A study by Edgar and Geare (2005) also suggest that high levels of employee commitment is related to HRM practice and results from investing in HRM practices which benefit employees (not the number of HRM practices implemented) and whether they are being treated fairly.

Emotional intelligence, a crucial element responsible for determining success in psychological well-being and life, seems to play a significant role in shaping the interaction between person and their environment of work. The study conducted by Oginska (2005) which was intended to examine the relationship between perceived stress and emotional intelligence in the organization and health-related consequences in human service employees.

## OBJECTIVES

1. To study about employee happiness and organisational performance in banking sector
2. To study the various reasons for satisfaction among employees.
3. To study the best HR practices for employee happiness in banking sector

## METHODOLOGY

The study is based on secondary data. For the purpose of the study various on-line journals were reviewed and data was collected from libraries.

## ANALYSIS

### Raise Of 'Comprehensivism'

Right employees in right place. Utilising full skill set of employees than stopping for one skill. As per their interests in other areas of work encourage them and evolve them towards that work.

### Integration

Sharing the business aligned with HR objective should quickly align the team to a common goal and rally all our energies to achieving the organisation's objective. HR operation vision focussed on building organisational capacity, it gives premium employee experience. Treat the employees as business partners.

### Self-Steering Learning

Apart from traditional annual performance reviews give importance to self- learning. Employees are always free to take feedback from customers and peers to whomever and whenever they want improve their skill by constant learning. Continuous feedback and review mechanisms from the service quality for all roles help in constant progress and periodic corrections.

### Empower- Learning

With the companies facing rapid revolutionary changes, previous skills are obsolete at a rapid speed. Re-skilling is necessary to ensure one talent is very much relevant in the current business. The employees have ready access to learn continuously from thought leaders through various mediums.

### Employee Wellness

Work life balance is emerging as one of the critical employee concern. Accelerating changes and globalisation in banking sector creates lot of stress to employees. Wellness and emotional wellbeing has



impacted employee productivity and happiness. HR data analytics should use the available employee data and identify employees who are prone to critical health issues and provide customised health plans, medical check-ups, exercise regime which can create awareness of health and keep employees emotionally happy.

### **Millennials and Engagement**

Today, more than 75% of the employees are millennials. Their presence is increasingly being felt throughout organizations — from early career roles to middle managers to leadership. It's very important to engage them, motivate them which ultimately lead to building an effective organisation with their performance. Employee recognition and rewards motivates the millennials.

### **Corporate University Concept**

It is formed when a corporation seeks to relate its training and development strategies to its business strategy and coordination and integration and by development of intellectual capital within organisation in pursuit of its corporate aims & objectives ( Henley Management college 2000). Change management, leadership, business development, customer & supplier relationship all these are various forms.

### **CONCLUSION**

The performance of the employee is most important in the banking industry. The performance is dependent on wellbeing of the employees. A good supervisor makes employee feel valued and assured, but a great leader generates a feeling of enthusiasm. These emotions are the primary drivers of motivation among banking employees. In the digital era, the soft skill leadership influencing, delegation, decentralisation of authority, team management and human interaction skills are more important than ever before. Functional and emotional elements impact employees work in organisations. Committed employees create the customer stories which make the organisation credible. For this commitment, employee happiness is very important. Team work plays a vital role. So, the performance and retention of the employees depends on employee communication, interpersonal skills among co-employees. It gives due importance apart from traditional methods like annual performance system, compensation etc. If the above-mentioned factors are incorporated in the functioning of banking system greater employee happiness may be realised.

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