

# Employee Engagement in Public and Private Sector Banks in Andhra Pradesh: Impact of Motivational Factors

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**Abstract:** The present study demonstrates that employees working in public sector banks (SBI) have expressed the highest satisfaction with salaries, incentives, and promotions. Private sector bank (ICICI) employees are highly satisfied with incentives and promotions, followed by capacity building and training programs. The study concludes that motivational factors play a significant influence on employee engagement among the respondents working in public and private sector banks in the Guntur district of Andhra Pradesh. It is observed that the majority of the respondents working in both public and private sector banks have positive opinions towards the provision for personal growth and career development that exists in their organizations and also observed that the respondents working in both public and private sector banks have a balanced opinion on the aspect of loyalty towards their jobs.

**Keywords:** Motivational factors, Employee engagement, Public and private banks.

## INTRODUCTION

Employee involvement and engagement are crucial for any organization to succeed. An indicator of employee engagement is the turnover rate of employees. It requires a team effort to conceptualize, plan, and advance. Employee engagement encourages idea-sharing among teammates, which raises spirits and fosters employees' capacity for innovation. More than just attraction, retention, and commitment is involved in the engagement. Being involved in one's job is a "Cognitive or Belief State of Psychological Identification." The degree to which a potential job can satisfy a set of needs is thought to depend on the importance of those needs as well as the potential job itself. As a result, involvement at work is the result of a cognitive assessment of the job's capacity to meet needs. Jobs are related to one's self-image in this perspective. When compared to the job, engagement is different because it is more focused on the individual employee's level of engagement while carrying out their duties. The researcher has therefore made an effort to investigate the various factors that affect employee involvement and engagement in the current environment. The attrition rate of customers is very high in the current environment, particularly after globalisation and from public sector banks to private sector banks. The

inadequate banking services are a contributing factor in the higher attrition. Each commercial bank, therefore, makes an effort to increase customer satisfaction and ensure that their staff members are happy with their work. Private corporate entities own and govern the banks that operate in the private sector. As a result, the banks are effectively run and their employees are well-focused on ensuring that their clients are happy with the service they are receiving under the direct management of the owners. However, good governance is not guaranteed in the nationalised banks that the government owns and that are run by officials. Workers adhere to labour laws and adhere to workplace norms because of poor governance and rising union activity in the banks. As a result, employees in these banks become unhappy. The dissatisfied employees in these banks perform less well than the employees in banks in the private sector. How far Indian public and private sector banks have accomplished their goals, particularly in light of globalization, is the question that is raised as a result. If so, what level of assistance are the staff members providing in achieving the organization's goals? In light of this, it is now more necessary than ever to research the effects of motivational factors on employee engagement in banks operating in both the public and private sectors [1-2].

Research on involvement, empowerment, motivation, commitment, etc. led to the development of the concept of employee engagement, which is still relatively new. It describes employees' positive attitudes toward their work and the company, as well as the drive, commitment, and effort they put into it. The organization is actively working to use human resources effectively to accomplish its goals and encourage positive behavior among staff members in a cutthroat work environment. The effective strategies for employee engagement have changed the contractual relationship between the employer and employee from one where the motivation is limited to "how much I get" to one where it is "how much we gain." It is no longer just a concept that refers to keeping employees on board; instead, it refers to how organizations engage their workforce by fostering a culture in which workers feel intellectually and emotionally invested in the company, is motivated to continue working there, and go above and beyond to ensure its success, and can speak positively about it. Employees who are actively involved with the company see themselves as part of it and care about it succeeding, giving of their own volition. The organizational outcome is directly influenced by the employee engagement initiative. The organization's growth, its leadership, and the employees' sense of value addition are also factors. The degree of a person's involvement and commitment to their organization and its values is known as employee engagement. In addition, a productive workplace encourages everyone to be committed, enthusiastic, and productive to boost business performance. Numerous businesses now understand that an engaged employee is the most productive and dependable employee, as opposed to simply one who is "satisfied" or "happy." This worker goes above and beyond the requirements of the position to delight customers and advance the company. Additionally, a strong retention strategy in a time of waning loyalty is employee engagement. Every night, and occasionally never again, a company's most valuable resource exits through the door. Ensuring that the most valuable resource remains in the same position through employee engagement is a strategy or a means of doing so. The goal is to instill a sense of excitement in the roles

and tasks that the employees perform while also ensuring that they are in line with the organization's values, knowledgeable, and successfully assimilated into both the team's culture and its fabric [3-4].

## REVIEW OF LITERATURE

In their book on employee engagement and HR initiatives, B.N. Mishra and S.K. Tripathy (2012) mention this. The initiatives taken by the organization to increase employee engagement should be highlighted. Initiatives for increasing employee engagement have a direct impact on how well the organization performs, and they also have an impact on how well the organization is growing, how well its leaders are performing, and how much the employees are contributing to the organization. It is a comprehensive idea that is influenced by concerns such as how well-received by employees the company is, whether they see room for growth there, what incentives are offered to them, who the best co-workers are, whether everything is transparent, and whether there is room for independent thought. If the answers are affirmative, they feel as though they can contribute more than is necessary to the success of the organization [5]. According to Frank et al. (2004), the relationships held at work and the behaviours experienced to have an impact on employee engagement and their intention to remain with their organization. As a result, management must be able to foster a sense of community and make sure that positive behaviours are demonstrated, such as trusting employees by granting them the freedom to make their own decisions. The literature does, however, suggest that collegial relationships are also crucial and that managers' actions are not the only thing that matter. The relationship between discretionary behaviour and engagement is very significant. The vast majority of people do, however, feel that their abilities are underutilized at work and that they are not given the chance to act in a discretionary way. Once more, this suggests that management should give job design more thought, thereby giving employees more chances to contribute [6].

According to Harter et al. (2002), employee engagement and business outcomes are related, Organizational success and financial performance are reportedly improved by employee engagement. In addition to being positively correlated with organizational commitment and negatively correlated with quitting, engagement is related to job performance and extra-role behaviour. Over time, engagement can help to increase levels of self-efficacy by starting a positive feedback loop. As a key factor in employee engagement, he also emphasizes the significance of "feeling valued and involved by an employer." The extent to which an employee will feel appreciated, involved, and consequently engaged depends on several factors that vary [7]. According to Holbeche and Springett (2003), there is an obvious connection between an employee's workplace and their levels of engagement and, ultimately, performance. They contend that people actively look for meaning in their work and that companies should make an effort to give their workers a sense of purpose to prevent employee turnover. According to the study, more people seek meaning in their jobs than in other aspects of their lives. This could be due to a variety of factors, including the fact that people spend more time at work than in other areas of their lives on average. They also contend that high levels of engagement can only be attained in workplaces where there is a sense of shared destiny and purpose that emotionally connects people and raises their aspirations [8]. Latha, K. L.

(2013) In the present days retaining employees in organizations is a critical issue In front of Hr managers. It is the responsibility of managers to keep employees for longer periods with utmost happiness on their job fronts. Knowing the time-to-time worker's dissatisfaction with working conditions and other job-related factors. Prepare better hr policies that are helpful to employees and would be in a position to solve employee's difficulties [9].

Glebbeck, A.C., & Bax, E.H.,(2004) Turnover of employees in organizations is neither overly high nor low, both are harmful to organizations. As we see high turnover that hurts firm performance. HR people should know about turnover issues and take measures to reduce such effects. If the company loses one key employee, such key responsibilities of the left employee would be in danger. Companies can see the worsening performance in all aspects [10]. Thirulogasundaram, V. P., & Kumar, S. S. A. (2012) Attrition in professional software employees is very high compared with other industry workers. The main important factors that can influence IT, employees, to change organizations are health-related problems, such not the availability of children's education facilities, being away from the family, attractive salaries, and enjoying changing jobs with job hopping [11]. Mathew, M. J., & Mathew, M. J. Attrition and retention both are opposite sides of a coin. Manufacturing Firms have to spend a considerable amount of time, money, and effort to maintain retention function successfully. Retention is in the stage of control have a positive effect on the profit of companies. Exit interviews, cultural assessment, adaptable workload, and support from coworkers are some of the parameters that have to be taken care of by firms to overcome high attrition [12]. Masood, R. Z., & Alduri, Retention of the employees would depend on salary, proper work environment, and growth opportunities. Private management institutes should take care of effective training programs, recognize and reward performance, recruit employees who are familiar with the sector, and create a sense of belongingness. These are the most powerful parameters that can influence private employees and can stick with companies for a longer period [13].

Gupta, Y., & Kumar, A. (2015). The success and failure of employees depend on Hr Management. High-intelligent IT professionals play a vital role to create a competitive advantage in the IT sector. Managing the shortage of skills and the number of employees is a crucial aspect of HRM. Retention factors are assumed to be equal for all age groups of employees. Job-changing scenarios and job-related aspects for retention are not the same for different segments of employees [14]. Jain, M. S. (2015). Employees are fuel-pumping tools for any firm considerable achievements. Workers in commodity trading export companies are motivated by compensation, work environment, the role of supervisory and training and development. Owners are advised to provide better compensations with monetary incentives, arrange a flexible work environment, and the ideal role of supervisory and needed T&D. These factors are helpful to retain their employees for a longer duration [15]. Rathnayake, R. M., & Gamage, P. N. (2014). Workers in the Garment industry are less intention to quit those organizations when expected benefits are provided. Employers are given financial rewards, better physical and convenient working conditions, and fringe benefits other than salaries. They might have less intention to quit where they are working. There is a strong negative correlation between high-level benefits to employees and the intention of the employees

to leave the job or change the job [16]. Dr. Gurunadham.Goli, Chapala. Nageswara Rao. (2020) Artificial intelligence is helpful to analyse the data effectively where human capability is not worthy. Applying AI in HRM would yield better results for organizations. Mainly AI application has to be done in Training and development to know training effectiveness. Implementation of AI technology is in Recruitment helpful to choose the right candidates following job requirements. In the future indeed all hr operations will be worked out with the support of artificial intelligence. The same technological approaches are followed by the Indian top energy industries. Employee welfare facilities can impact a lot on employees engagement [17-20]

### OBJECTIVES

- To examine how motivational factors affect the level of employee engagement in a few public and private banks.
- To make recommendations in light of the study's findings.

### HYPOTHESES (NULL)

The following null hypotheses were framed and statistically tested to demonstrate the empirical validity of the goal mentioned above.

H01: Motivational factors do not significantly affect the degree of the respondents' level of employee engagement.

### METHODOLOGY

#### Research Design

To study the current conditions and test the variables under those conditions, it was suggested that the current study adopted a descriptive research design.

### Tools and Methods for Collecting Information

Tools and Methods for Collecting Information Both primary and secondary data are used in the current research study. Primary data was gathered through the use of structured questionnaires. There are 8 dimensions in the survey. The 5-point Likert scale was the scaling method used in the questionnaire. The five possible ratings are as follows: 5-Highly Satisfied, 4-Satisfied, 3-Neither satisfied nor dissatisfied, 2-Dissatisfied, and 1-Highly Dissatisfied. The highest score in the relevant dimension will serve as a proxy for the highest level of satisfaction. Low-range scores reflect, in contrast, a low level of employee satisfaction. The secondary data was gathered by consulting annual reports, published government statistical reports, journals, magazines, and published data of different types.

### Sampling Method and Size

Public and private sector banks were both considered for the study's objectives. Only commercial banks from both public and private sector banking organizations were chosen to preserve the uniform mix of organizational structures. The geographical area delimited for conducting the study was marked only as the Guntur district of Andhra Pradesh. Two banks were selected for drawing the samples that sufficed the needs of the present research work. One bank from the public sector and one bank from private sector banking organizations were selected for the study. Industrial Credit and Investment Corporation of India (ICICI), a private company, and State Bank of India (SBI), a public company, were chosen for the study.

To maintain the heterogeneous source of sampling, the respondents were chosen from five cadres, namely Sub-staff, Clerks, Special Assistants, Officers, and Branch Managers. The Convenience Random Sampling Technique was used to draw the respondents from select public and private banks. The total sample size comprises 200 respondents drawn from the abovementioned two banking organizations on an equivalent basis, maintaining 100 respondents from each banking organization with multi-cadre possession. The sample includes both male and female genders, and thus every sampling point was given due importance and utmost care was taken in the sampling process. The details of the sampling respondents' composition are given below.

**TABLE1: Details of the sample selected for the study**

Sl.No	Type of Organization	Name of The Bank	Total No. of Respondents
1	Public Sector	State Bank of India (SBI)	100
2	Private Sector	Industrial Credit and Investment Corporation of India (ICICI)	100
Total			200

### Statistical Tools

To draw meaningful inferences from the collected data the following statistical tools were applied. The collected data was reduced to the form of tables and the proposed hypotheses were verified by the application of Statistical tests like percentage analysis, Mean, and Chi-square test.

## DATA ANALYSIS

### Verification Of Hypothesis

$H_{01}$ : Motivational factors do not have a significant influence on the level of employee engagement among the respondents

Test Applied: Chi-square test

**TABLE 2: Influence of Motivation Factors on Employee Engagement among the Respondents**

Dimensions	Public Sector Banks		Private Sector banks	
	Mean Score	Chi-square Value	Mean Score	Chi-square Value
Job Involvement	5.68	<b>66.218**</b> ( <b>p&lt;.01</b> )	4.92	<b>58.372**</b> ( <b>p&lt;.01</b> )
Salary	8.62		8.94	
Incentives and Promotion	6.72		6.96	
Good coordination with colleagues	5.46		6.12	
Appreciation from superiors on the subordinates	4.86		4.32	
Capacity building and training programs	5.68		6.14	
Admissible workload	6.42		5.74	
Liberty to take decisions on the job	5.94		5.36	

\*\*Significant at 1% level

The chi-square values of 66.218 and 58.372 among public and private sector banks show that there is a significant difference between the respondents' satisfaction levels towards employee engagement practices at 0.01 levels. From this analysis, it can be interpreted that employees working in public sector banks have expressed the highest scores for salaries, incentives, and promotions. Private sector employees are highly satisfied with salaries, incentives, and promotions, followed by capacity building and training programs. Thus, the null hypothesis is rejected.

### FINDINGS OF THE STUDY

- The majority of those surveyed who work for banks in the public and private sectors have positive opinions about the nature of their work.
- The majority of respondents working in both public and private sector banks have a positive attitude toward the interpersonal relationships that exist in their workplace.

- It is observed that the majority of the respondents working in both public and private sector banks have positive opinions towards the pay and allowance structure that exists in their working organizations.
- It is observed that the majority of the respondents working in both public and private sector banks have a positive opinion towards the existing work environment and they feel that a pleasant working environment prevails in their organizations.
- It is observed that the majority of the respondents working in both public and private sector banks have positive opinions towards the existing procedures on redressal of grievances in their organizations.
- It is observed that the majority of the respondents working in both public and private sector banks have positive opinions towards the training and development programs that exist in their organizations.
- It is observed that the majority of the respondents working in both public and private sector banks have positive opinions towards the provision for personal growth and career development that exists in their organizations.
- It is observed that the respondents working in both public and private sector banks have a balanced opinion on the aspect of loyalty towards their jobs.

## SUGGESTIONS AND CONCLUSION

### 1. Motivating factors

Everyone enjoys receiving praise for a job well done. As a result, top managers must continue to recognize employees in a way that encourages increased participation from other team members, which in turn motivates employee engagement.

### 2. Quickly Resolving Complaints

Employee-redressed units can be established to assist employees in difficult situations, whether private or social, and to boost employee engagement.

After thoroughly analyzing the data, it is possible to conclude that motivational factors have a significant impact on employee engagement in both public and private sector banks.

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