

A STUDY ABOUT THE EMPLOYEE TURNOVER PROBLEM AMONG BANK EMPLOYEES

*CA Reshma Rachel Kuruvilla, Assistant Professor, Bishop Chulaparambil Memorial College,
Kottayam*

Liza Alex, Assistant Professor, KG College, Pampady.

Abstract

Employee turnover is a serious problem for the banking sector. Expectations can create positive and negative thoughts in the minds of the employees. Attempt has been made to identify factors which affect the expectations of employees working in banks. Factors such as excessive workload, low salary and lack of encouragement from the senior officials are contributing factors for employee retention. Association between experience of the bank employees and the stress levels also was analyzed. Even in the midst of workload, if expectations of employees are addressed, it can be beneficial for the organization.

Strong and supportive human resources are the assets of every organization. Goals of an organization is difficult to achieve without human resources. Recruiting the correct person at the right position at the right time will be the best decision an entrepreneur can take for the proper management of an organization. People with good skills can take the organization to great heights. But along with skills, employees should have the required personality to accustom themselves with the work culture of the organization. Reducing labour turnover and employee retention has become a headache for most of the organizations. This makes human resource management one of the most difficult jobs for a company.

Statement of the problem

Banking sector is one of the fastest growing industry in the country and it is one of the sought after options by job seekers. Bank jobs was in high demand for over a few years considering the payscale offered by the banks. But data collected by Compdata survey reveals that Banking & Finance industry has a high turnover rate of 18.6 percent which is one of the highest among all the industries. Retaining committed and experienced employees is important in avoiding the turnover costs which may run even in crores for the big giants in the banking sector. Experienced employees can be useful even in tackling the competition. Even the most modern machines cannot replace the efficiency of human beings. Therefore talent management has turned out as one of the most significant aspects of business.

Literature review

Eriksen (2013) states that labour turnover is an exorbitant cost and owners of organizations should try to avoid the labour turnover expense to the maximum possible. He thinks that employing competent workers at the right job is a tedious job and requires the aid of appropriate skills for the employees hired. So retaining the trained people with skill set would be the appropriate thing to do.

Herzberg (1966) thinks that supervision is an extraneous factor and a "dissatisfier" just as a "demotivator" like payments and allowances.

Dr. P.Kannan & Suma.U (2015)⁵ in order to cope up with stress, the organization has to motivate employee development and stress on training interventions for employees. Trainings which are specifically connected to policies and policy implementation is a key urgency. Stress in banking sector is typically due to excess of work pressure and work life inequity. The organization should support and inspire employees in taking up positions that help them to balance between their work and family.

Dr. Vishal Samartha & Dr. Mushtiar Begum, et al. (2014) is of the view that the stress is obvious in any job and banking is no exception. This study found that factors such as inadequate planning at workplace performance pressure; change to adaptability; family obligations and lack of proficient manpower increased the stress among the bank employees.

Innocent & Agu, Enekwe, Chinedu Charles Ikechukwu, et al. (2014)⁷ they have performed a study based on the mathematical calculation that female and male bankers not to vary significantly with respect to their stress management technique. It can be resolved that stress management is not gender related or gender-centric. This shows that the problem of stress is there among both the genders.

Objective of the study

- To find out about the factors influencing labour turnover among bank employees.
- To find out the association between experience of the employees and the stress levels of employees.

Hypotheses of the study are:

H₀ : There is no association between experience of the employees and the stress levels of employees.

Research methodology

Primary and secondary data were used for analysis. Primary Data were collected through questionnaire. 50 sample respondents are used for the study based on simple random sampling. Respondents of the survey were millennial bank employees tired of hectic schedules of work. Statistical tools like Friedman test was used to find out the desired result. Pearson coefficient was used to find out the association between the variables under study. For the study, Stress levels of the respondents were categorized into three levels based on their self assessment.

Analysis and interpretation

Labour turnover is found to be very high among the bank employees. Brain storming talk was made with the bank employees to identify the reasons considered to be responsible for employee turnover. When bankers were asked about the factors that has influenced them in their work switching, they pointed out that

Particulars	Mean
Work place conditions influenced my choice of switching	4.13
Excessive work demand	4.12
News of mergers, acquisitions and takeovers created anxiety in my mind.	4.39
Technological up gradations made it tough to sustain.	4.45
Challenging customer relationships.	3.92
Job related Stress	3.36
Obstacles in career development.	3.56
Low salary and profits	3.66
Interpersonal relationships at work influenced my decisions.	4.25

Table provides the mean ranks obtained for the labour turnover problems faced by bank employees. Lower the mean ranks, higher will be the preference. Therefore, rank one should have the lowest mean. Thus from the table, it is evident that “Job related Stress” is the most important problem labour problems faced by bank employees. (Mean rank 3.36) followed by “obstacles in career development” and “low salary and profits” with mean ranks of 3.56 and 3.66 respectively. Also the least important labour problems faced by bank employees is “Technological up gradations made it tough to sustain”. Chi-square statistic had the value of 1458.409 which is significant at 5% level ($p < 0.05$). It may be concluded that there is significant variation among the labour turnover problems faced by bank employees.

When the factors influencing labour turnover, was analyzed, stress was identified as a serious issue affecting bankers. Stress is the reaction of a person’s body to a change that requires a mental, physical or emotional adjustment or response, therefore, stress is a part of all of our daily lives. Stress has a debilitating and damaging effect on the body when stress is long term and unremitting, and when a solution cannot be found and the body's equilibrium is not restored. When we have a believe that the demands placed upon our shoulders are greater than our ability to cope with these demands our body’s response can be described as distress. Association between experience of bank employees and their stress levels were then analyzed to see whether sustaining for longer periods in the job can improve their stress levels.

	Experience			Total
	0-5	6-10	Above 10 years	
Highly stressed	0	16	0	16
Stressed	19	11	3	33
No Stress	0	0	1	1
Total	19	27	4	50

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	31.117 ^a	4	.000
Likelihood Ratio	30.713	4	.000
Linear-by-Linear Association	5.833	1	.016
N of Valid Cases	50		

a. 5 cells (55.6%) have expected count less than 5. The minimum expected count is .08.

From the test result, it can be observed that p value is less than 0.05, we will reject the null hypothesis. Here null hypothesis states that there is no significant association between the experience of bank employees and their stress levels. Hence, here we can conclude that there is a relationship between the experience of bank employees and their stress levels.

LIMITATIONS OF THE STUDY

The limitations of the study are mentioned below:

- a) The sample size of the study was very small.
- b) By taking information from a small sample of the population, it is very difficult to comment about the labour turnover rate of the banking sector as a whole.
- c) Shortage of time and money resource was a constraint for the study.

Conclusion

Banking sector have become a sector which sought hard work from the part of employees. Labour turnover is highest in the banking sector compared to other sectors. It may be prescribed from the observation that banks should improve their staff inspiration procedures through a mix of the different parameters followed in the organization. Arrangement of a decent package and offering rewards like quick career advancement options for their staff, a culture of organizational support, a sound workplace, support, supervision and directions from senior employees could help. If these factors are there, employees might prefer to stick back even in the midst of heavy workload.

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