

# QUALITY OF WORK LIFE IN BANKS – A COMPARATIVE STUDY OF PUBLIC AND PRIVATE SECTORS OF KOTTAYAM DISTRICT

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**ABSTRACT**-Human resources are the most important assets of an organisation . An organisation will succeed only when the human resources are managed effectively. Also, the emergence of service organisations has further increased the demand of highly efficient employees with great interpersonal ability and technical skills. Quality of Work life (QWL) is an approach which tries to integrate the needs and desires of employees with the organisation structure. This has great influence in determining the overall satisfaction and performance of employees in an organisation. Banks are the most important institutions in the financial service sector and work in present day banks involves great stress and pressure. Only a proper QWL can help employees give the best results to the organisation. It is also important to make a comparison between QWL aspects of public and private sector banks and find out the level of satisfaction of employees regarding various aspects of QWL.

**Keywords:** Quality of Work Life, Banks, Human Resources, Dimensions

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## INTRODUCTION

As the technological, socio-economic and politico-legal environments of business have been witnessing a rapid change, management of workforce has become a tedious job for business organisations. No organisation can survive without effective management of human resources.

Quality of Work life is a major factor that influences the satisfaction level and performance of employees in businesses. The quality of work life is often termed as 'harmonising work'. Rather than concentrating just on remuneration, the concept of QWL aims at integrating the needs and personal goals of employees with the job environment. This includes various aspects like providing proper working conditions, welfare and social security, growth prospects, proper handling of grievances, participative management and so on. Various researches have proved that an employee who enjoys a good work life quality tends to be more satisfied and productive than others.

Bank employees are often subject to huge workloads and only a good quality of work life can encourage them to work effectively and efficiently. The present study focuses on analysing and comparing the quality of work life of public and private bank employees.

## STATEMENT OF THE PROBLEM

QWL is a concept that integrates the needs and desires of personnel with the organisation structure. This incorporates person's feelings regarding various aspects like working condition, interpersonal relationships and growth prospects. Banking organisations are service organisations where the personnel need high levels of interpersonal skills, technical ability and administrative efficiency. Employees of banking companies are in constant and direct touch with the customers and require the best possible outcome to be obtained. A sound QWL can enable the employees to bring out their best performance. Since the various private and public banks have different work environments, the problem is stated as a comparative study of QWL dimensions between public and private banks.

## SCOPE AND SIGNIFICANCE OF THE STUDY

Special attention is to be paid towards the studies on service oriented organisations which play a pivotal role in liberalized economy. Banks are one such major service oriented organisations where there is a dearth of research studies on QWL. Hence, it is felt that there is a greater need for a study on QWL in banks. The study of QWL in banks assumes greater significance in view of economic liberalization and need for qualitative human resource. Hence, an attempt is made to conduct a study on QWL in private and public sector banks.

## OBJECTIVES OF THE STUDY

- 1) To analyse the opinion and rating of employees on the various dimensions of QWL.
- 2) To find out which dimension has the maximum influence on employees.
- 3) To compare the ratings of QWL aspects by employees – sector-wise and cadre-wise

### HYPOTHESES OF THE STUDY

1. There is no sector-wise difference in the satisfaction of employees on the various dimensions of QWL
2. There is no cadre-wise difference in various dimensions of QWL of bank employees
3. There is no significant difference in the mean ranks of various dimensions for strengthening QWL.

### RESEARCH METHODOLOGY

The primary data are collected by using a structured Questionnaire from 100 respondents- 50 each from public and private sectors, identified at random from the selected public and private sector banks of Kottayam district, Kerala. The questionnaire consists of 26 statements which are categorised under 6 broad heads. Respondents were asked to express their rating on a 5 point scale.

The primary data collected have been categorised on the basis of factors like sector of banks, cadre, experience etc. For statistical analysis of data, various tools like percentage analysis, Mann Whitney U Test, Kruskal-Wallis H Test and Friedman's Test have been used. Analysis has been done mainly using SPSS software

### LITERATURE REVIEW

**Buwaneswari (2011)** analysed the quality of work life and overall satisfaction of employees of public and private banks. The study revealed that employees of private banks are more satisfied than employees of public banks. It has also been observed that providing autonomy, proper working conditions, grievance handling system and workers participation in management would help improve their participation and job involvement.

**Gupta (2014)** in his study also has made a comparative study of QWL dimensions among Nationalised and Private sector employees. The study shows a significantly higher level of Quality of Work Life score for Nationalised bank employees when compared to private bank employees. It has been also revealed that the higher QWL of Nationalised bank employees is due to factors like job security and status. Private bank employees consider their job as less secure and more performance based.

**Madhu & Kumar Mohan R. (2015)** in their study analysed the various factors affecting Quality of Work Life of Public and Private sector bank employees in Tirunelveli district. The study revealed that the various factors affecting the quality of work life differ significantly among public and private sector bank employees. Leadership is the most influencing factor for public sector employees while in case of private sector employees, Job Security is the most influencing factor. However, Work Environment is the least affecting factor for both the sectors. Also, it can be noticed that inter personal relationship has a major influence on quality of work life of both sectors.

**Victor (2015)** studied the relationship of Quality of Work Life with job involvement and affective commitment. The researcher has identified a strong relationship among the three dimensions. He concludes that if employees are satisfied with quality of work environment, it leads to enhancing job involvement and in turn leads to stronger commitment to the organisation.

### DATA ANALYSIS AND INTERPRETATION

The study analysed six major dimensions of QWL namely Working Conditions, Compensation, Welfare and Social Security, Grievance Handling System, Group Cohesiveness and Relations and Work and Role. The dimensions were measured on a five point Likert scale of Excellent, Good, Adequate, Poor and Very Poor reflecting the current level of satisfaction of employees on the available conditions. The results of the analysis are as follows:

#### Dimension 1- Working Conditions

Physical working conditions play a very important role in employee satisfaction, particularly in service oriented organisations like banks. Four aspects have been studied namely, ventilation, noise control measures, drinking water facilities and lighting facilities.

**Table 1- Rating of Working Conditions**

Statements	Minimum	Maximum	Mean
Ventilation at work place	2.00	5.00	4.0800
Noise control measures	2.00	5.00	3.8100
Drinking water facilities	3.00	5.00	4.1900
Proper lighting facilities	1.00	5.00	4.2600
<b>Working Conditions</b>	<b>2.50</b>	<b>5.00</b>	<b>4.0850</b>

It is clear from Table 1 that the physical working condition facilities provided are good as indicated by high mean scores. However, 'noise control measures' shows a slightly low score compared to other aspects.

#### Dimension 2- Compensation

Economic incentives play a major role in determination of quality of work life. The various aspects of prevailing compensation packages were rated by employees

**Table 2 – Rating of Compensation**

Statements	Minimum	Maximum	Mean
Remuneration is proportionate to work and abilities	1.00	5.00	3.5800
Overtime Allowance	1.00	5.00	3.0500
Incentives and Increment	1.00	5.00	3.5700
Other allowances and perquisites	1.00	5.00	3.6900
<b>Compensation</b>	<b>1.00</b>	<b>5.00</b>	<b>3.4725</b>

From Table 2, it is evident that the compensation provided by banks is rated as average to good with an overall mean score of 3.47. However, this gives an idea that compensation aspects may be improved further, particularly in case of overtime allowance which has been rated with the lowest mean score of 3.05.

### **Dimension 3- Welfare and Social Security**

The third dimension – welfare and security measures include the steps taken by banks in connection to the well being of the employees. The fringe benefits and non monetary aspects are covered under this dimension.

**Table 3 – Rating of Welfare and Social Security**

Statements	Minimum	Maximum	Mean
Holidays and leave entitlement	2.00	5.00	3.8500
Medical Reimbursement	1.00	5.00	3.8500
Recreation	1.00	5.00	3.3600
Provision for employee welfare scheme	2.00	5.00	3.6600
Children's education	1.00	5.00	3.5500
Accident benefit scheme	1.00	5.00	3.7300
<b>Welfare and Social Security</b>	<b>1.83</b>	<b>5.00</b>	<b>3.6667</b>

From the table given above, the rating of welfare and security measures provided by banks is good with on overall mean score of 3.6667. None of the factors involved has been rated excellent. The element with the least mean score is recreation.

### **Dimension 4- Grievance Handling System**

Like any organisation, banks need to have a good grievance handling system in vogue. Feedback mechanism has to be proper. Respondents' rating on this dimension has been summarised in Table 4.

**Table 4 – Rating of Grievance Handling System**

Statements	Minimum	Maximum	Mean
Proper grievance handling laid down procedures and policies	2.00	5.00	3.7500
Grievance dealing mechanism in the organisation	2.00	5.00	3.7100
Maintaining proper suggestion box for communicating the grievances	1.00	5.00	3.7100
Ensures proper feedback system	1.00	5.00	3.7000
<b>Grievance Handling System</b>	<b>2.00</b>	<b>5.00</b>	<b>3.7175</b>

The overall score of 3.7175 indicates that the grievance handling system in banks is good. Mean scores of all the aspects of grievance handling system are almost close to the overall score of Grievance Handling System.

### Dimension 5- Group Cohesiveness and Relations

The fifth dimension deals with the team spirit and relationship existing in the organisation. An organisation can function smoothly only if there is a strong bondage and cohesion. Table 5 depicts the rating by bank employees on this dimension.

**Table 5 - Group Cohesiveness and Relations**

Statements	Minimum	Maximum	Mean
Team work is done in most of the cases	2.00	5.00	3.9400
Organisation interest are primary for employees rather than private interests	2.00	5.00	3.9000
There is strong superior and subordinate relationships	1.00	5.00	3.8000
Peer relation is strong	1.00	5.00	3.8100
<b>Group Cohesiveness and Relations</b>	<b>1.50</b>	<b>5.00</b>	<b>3.8625</b>

The average score of 3.8625 indicates that there exists a good sense of cohesiveness among the employees. The employees are also able to maintain good relations with their peers, superiors and subordinates. Mean scores as observed from the above table reveals that team effort is done in most cases and organisational interests are considered primary by employees rather than their personal interests.

### Dimension 6- Work and Role

The sixth dimension of QWL is the work and role available. This is a motivating factor for employees leading to success of the organisation.

**Table 6 -Work and Role**

Statements	Minimum	Maximum	Mean
Work pressure and stress is normal	1.00	5.00	3.3900
There is ample scope for promotion and career advancements	1.00	5.00	3.9500
Participatory decision making is in practice	1.00	5.00	3.6100
The work provides job enrichment	2.00	5.00	3.6900
<b>Work and Role</b>	<b>1.50</b>	<b>5.00</b>	<b>3.6600</b>

The 'Work and Role' dimension shows an adequate score of 3.66. Employees feel that the scope for career advancement and promotion is good and has the highest score of 3.95. At the same time, they do not strongly support the view that the work pressure and stress is only normal.

### OVERALL QUALITY OF WORK LIFE

An attempt has been made to find the rating of Overall Quality of Work life considering all dimensions. Equal weightage has been assigned to each of the dimension.

**Table 7- Overall Quality of Work Life**

QWL Dimensions	Mean
Working Conditions	4.0850
Compensation	3.4725
Welfare and Social Security	3.6667
Grievance Handling System	3.7175
Group Cohesiveness and Relations	3.8625
Work and Role	3.6600
<b>Quality of Work Life</b>	<b>3.7440</b>

The above table shows the mean scores for QWL dimension and overall QWL. From the table, it can be identified that employees rate Working conditions prevailing in banks as good. On the other hand, compensation is the factor with the lowest mean score of 3.47. Scores of all other dimensions also show an adequate score. The overall mean score of 3.744 indicates a quite high satisfaction of bank employees regarding QWL.

**Table 8- Sector-wise classification of QWL Dimensions**

QWL Dimensions	Bank	N	Mean
Working Condition	Private Sector	50	4.0400
	Public Sector	50	4.1300
Compensation	Private Sector	50	3.7200
	Public Sector	50	3.2250
Welfare and Social Security	Private Sector	50	3.7033
	Public Sector	50	3.6300
Grievance Handling System	Private Sector	50	3.8950
	Public Sector	50	3.5400
Group Cohesiveness and Relations	Private Sector	50	3.9650
	Public Sector	50	3.7600
Work and Role	Private Sector	50	3.8600
	Public Sector	50	3.4600
<b>Quality of Work Life</b>	<b>Private Sector</b>	<b>50</b>	<b>3.8639</b>
	<b>Public Sector</b>	<b>50</b>	<b>3.6242</b>

From the above table of sector wise mean scores of QWL dimensions and overall QWL, it is observed that there are differences in the mean scores of dimensions between public and private sector banks. Private sector shows a higher mean score. However, in order to analyse whether the differences is significant or not, following hypothesis is proposed

H<sub>0</sub>: There is no sector-wise difference in the satisfaction of employees on the various aspects of QWL

H<sub>1</sub>: There is sector-wise difference in the satisfaction of employees on the various aspects of QWL

The hypothesis is tested using Mann Whitney-U

**Table – 8.A- Mann Whitney U test**

Particulars	Mann-Whitney U	Asymp. Sig. (2-tailed)
Working Condition	1142.500	.455
Compensation	828.500	<b>.003</b>
Welfare and Social Security	1211.500	.790
Grievance Handling System	867.500	<b>.007</b>
Group Cohesiveness and Relations	1073.500	.217
Work and Role	858.00	<b>.006</b>
<b>Quality of Work Life</b>	874.00	.010

From the above table, the dimensions like Compensation, Grievance Handling System, Work and Role and Overall Quality of Work Life show a significant difference between public and private banks.

**Table – 9 - QWL Dimensions on the Basis of Cadres**

Particulars	Clerical		Officer		Manager	
	Mean	S.D.	Mean	S.D.	Mean	S.D.
Working Condition	4.0972	.56722	3.9583	.69816	4.2813	.52341
Compensation	3.4630	.77765	3.4750	.71423	3.5000	1.02062
Welfare and Social Security	3.6605	.59958	3.6278	.63831	3.7604	.70702
Grievance Handling System	3.7639	.70279	3.5750	.67960	3.8281	.57532
Group Cohesiveness and Relations	3.9583	.63087	3.6667	.79148	3.9063	.47324
Work and Role	3.7824	.63885	3.4500	.73226	3.6406	.74704
<b>Quality of Work Life</b>	3.7876	.46899	3.6255	.48344	3.8194	.49076

The satisfaction on overall quality of work life is the highest in case of Managers compared to Clerical staffs and Officers. Among the dimensions, working condition is the dimension with the highest score in all cadres. Among the cadres, officer cadre has the lowest quality of work life. In order to check whether the dimensions and overall QWL differ significantly among different cadres, the following hypothesis is put forward:

$H_0$ : There is no cadre-wise difference in various aspects of QWL of bank employees

$H_1$ : There is cadre-wise difference in various aspects of QWL of bank employees.

Kruskal Wallis H Test has been applied to test the hypothesis.

**Table – 9.A -Kruskal –Wallis H Test**

Particulars	Chi -Square	df	Asymp. Sig.
Working Condition	2.622	2	.269
Compensation	.041	2	.980
Welfare and Social Security	.288	2	.866
Grievance Handling System	1.866	2	.393
Group Cohesiveness and Relations	2.643	2	.267
Work and Role	5.247	2	.073
<b>Overall Quality of Work Life</b>	<b>3.707</b>	<b>2</b>	<b>.157</b>

Since significance value is more than 0.05, there is no evidence to reject the null hypothesis. Thus none of the dimensions differ significantly on the basis of cadre

### STRENGTHENING OF QWL IN BANKS

The respondents were asked to rank the aspect that needs attention for betterment of QWL in banks. The mean score obtained has been summarised in the following table.

**Table – 10- Ranking of Strengthening of QWL**

QWL Dimensions	Mean Rank
Working condition	<b>2.3000</b>
Compensation	2.8800
Welfare and Social Security	3.2100
Grievance Handling System	4.1900
Group Cohesiveness And Relations	4.2100
Work and role	4.2100

Working condition is the highest ranked factor that has to be improved further as per the opinion of the respondents. The following hypothesis is put to test to find out whether the above shown differences between dimensions are significant or not.

$H_0$ : There is no significant difference in the mean ranks of various dimensions for strengthening QWL

$H_1$ : There is significant difference in the mean ranks of various dimensions for strengthening QWL

Friedman's test is applied to test the hypothesis.

**Friedman's Test**

**Table – 10.A**

N	100
Chi-Square	96.937
df	5
Asymp. Sig.	.000

Since the significance value is **0.000**, the null hypothesis is rejected. This means there is a significant difference in the mean values computed. Working condition is the most important dimension to be concentrated in order to improve the QWL in banks.

### MAJOR FINDINGS OF THE STUDY

The major findings of the study are as follows:

- Working Condition is identified as the most satisfactory dimension of QWL in the banks studied and Compensation can be seen as the dimension with least rating. In case of compensation, it is also seen that overtime allowance is not adequately provided by the banks.
- Private sector dominates in case of QWL compared to public sector banks. The differences have also been identified as significant in case of overall QWL as well as dimensions namely Compensation, Grievance Handling System, Work and Role.
- Managers have a slightly higher degree of QWL compared to the other cadres. However, the differences in QWL scores among various cadres were identified as not significant.
- Though employees have lesser satisfaction on the present compensation package received, they are of the opinion that in order to strengthen QWL, working condition is the most important dimension that shall not be compromised upon.

## CONCLUSION

To sum up, it can be said that QWL plays a significant role in the development of any organisation especially a service providing entity like bank. A detailed analysis has given the insight that employees are very conscious and aware about the various QWL dimensions in their organisation. Improving the QWL will pave way for increased quality and better output from the employees. Comparative analysis of various QWL dimensions among public and private sector banks reveal that employees of private sector banks have in general a greater degree of satisfaction compared to public sector banks. Employees, in general, also suggest that working condition should be improved more than other factors. Banks should concentrate on improving the various aspects with low scores such as compensation and management of work pressure. Only providing a good QWL would result in a satisfied and efficient work force.

## SUGGESTIONS

- As the employees feel that Overtime allowance is not that attractive, enhancing the same may be considered.
- More recreation facilities may be provided and stress reduction techniques may be employed more.
- Public sector banks may concentrate on compensation aspects as well as Work and Role of the employees.

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