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To Study the Impact of Organizational Culture on Employee Satisfaction in the Banking Sector: A Comparative study of Public and Private sector Bank

Pooja Kasliwal (Research Scholar)

Dr.Neha Sharma

Abstract:

The aim of my paper is to identify the drivers of the employee satisfaction in the banking sector with special reference to Madhya Pradesh. This study used a sample of 300 actual employees who are working in HDFC [Private Sector] and PNB [Public Sector].The data were composed through self structured questionnaire based on five point likert scale. Result showed through graph and Percentage for further analysis. The present study analysis resulted that there is a significant relationship between organizational culture and Employee Satisfaction. The study also focuses on organizational culture factors which is measurement tools such as openness,confrontation,Trust,Authenticity,Proaction,Autonomy,Colaboration and experimentation that effect the employee satisfaction level and performance that act as a driver for engaging the bank employees. It is expected that the findings will provide essential inputs to managers in framing and regulating the strategies for better work environment. The research will further attempt to examine factors that are useful for satisfying the employees and can be utilized effectively by HR of different companies in different sector.

Keywords: Organizational Culture, Employee Satisfaction, Octapace, Banking Sector.

Introduction:

After 1980's, there were various academicians and analysts who have centered towards association culture as an imperative determinant for authoritative achievement. In this specific circumstance, culture is the self-managing example of conduct that decides the things that are to be looked after and dealt with. Association culture can be characterized as the arrangement of shared convictions and implications that are held by individuals. It can likewise be alluded to as the arrangement of qualities esteemed by the association (Martins, et al., 2007). Culture of an association directly affects representative fulfillment. It has been seen concluded from available sources on representative's fulfillment. The investigations recommend that associations that are more adaptable, adopt an administration style of support, have a solid system of correspondence and

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recognize the representatives with rewards have an eminent state of fulfillment among its workers(Chang, et al., 2007)

Organization Culture:

Organization Culture includes the organization's vision, values, norms, systems, symbols, language, assumptions, beliefs, and habits (Needle, 2004).

Organization culture is "the way things are done around here" (Deal & Kennedy, 2000).

Organization culture is reflected in how things are done and how problems are solved in an organization. It may be defined as the ethos of a company or the shared values and team sprit (Flanagan, 1995)

In short, Organization culture is the way in which 'things are done in the organization'.

It is important in organization to work in unity, uniformity; it gives the direction to the employees to understand the policies and procedures of their role in organization, it is the culture which makes the organization unique n distinct from one another, it gives the common platform to all employees who are coming from different background. Culture directs and extracts talent from the employees for better productivity. It impacts positively on employee satisfaction.

Employee Satisfaction:

Employees satisfaction is a job satisfaction. It is a feeling of pleasure, happiness, contentment, self motivation, achievement, which an employee experience at their job. Employee satisfaction also depends upon career growth, comfortable working environment, and job security. Now a day, Human resource industry examines the organization culture and its influence on employee satisfaction to understand the overall health of organization.

Banking Sector:

Now a days, banking sector acts as a backbone of modern business. Development of any country depends upon the banking system. Indian Banking System with the arrival of Indian Financial & Banking Sector Reforms after 1991". Banks is financial institution licensed to receive deposits and make loans. RBI which is central bank which controls the issuance and supply of the Indian

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rupee.RBI govern the whole banking in India. It was found on April 1, 1935, in accordance with the RBI Act, 1934.

My study is under the commercial bank of India, i.e Public bank n private sector bank .these both type of bank comes under commercial bank.

Commercial Bank: It is a financial institution which performs the function of accepting deposits from general public and giving loans for investment with aim of earning profit.

Public Sector Bank: They are major type of banks in India, where a majority of stake, i.e more than 50% is held with the government. The share of these banks is listed on stock exchange.

Punjab National Bank comes under public sector bank, which is one of the oldest bank and my study is with Punjab national bank. Its headquarters is in New Delhi.

Private sector bank: In this banking sector, majority of shares or equity are not held by the government but by the private share holders.

HDFC bank: This bank was incorporated in August 1994, headquarter is in Mumbai, Maharashtra. Housing and development finance corporation (HDFC) Bank was the first bank in India, which got the 'In Principle' approval from RBI in the private sector bank. These two banks on which my study is based on PNB and HDFC bank.

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Review of Literature:

S. No.	Author's Name	Title	Year	Objective	Test Used	Findings
1.	Akhund A. and Shamsul Alam	Organizational Culture: An Empirical Study on Selected Garment Factories in Bangladesh	2016	The study is an attempt to identify and measure the perceived organizational culture in selected sample factories in the ready-made garments (RMG) sector.	Kolmogorov-Smirnov, Shapiro-Wilk and Mann-Whitney U tests	The results show that there is a significant difference in perception between managers and workers towards "Openness" and "Autonomy". The study also identifies the strong, fairly strong and weak aspects of culture in terms of values and beliefs that prevail in the select organizations. Finally, the degree and direction of correlation between the various elements of the OCTAPACE profile are measured for developing and maintaining a better organizational culture.
2.	Shravasti Jain and Gincy Varghese	OCTAPACE: Impact of Organisational Cultural Instrument on Employee Performance and Satisfaction	2016	The main objective is to explore studies on OCTAPACE culture variables and how are they perceived by the employees and the organisation and to find out the impact of organisational culture on employee performance	Conceptual Study	In-depth study of the research papers on organisational culture and its variables under OCTAPACE Model has stated that there is a huge impact of organisational culture on any organisations' performance. No organisation can ignore impact of culture on its employees. An open environment with a proper flow of information has been given weightage in most studies. This states that an organisation which gives proper opportunity to its employees and value their opinion in success of organisation get productive results.
3.	R. Wiwi Widarsih, Madhakomal	The Effect of Organizational Culture,	2016	The purpose of this study was to determine the	Structural Model	Based on the results of this study then it can be concluded that: (1) organizational culture has a direct positive effect

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	a and Yetty Supriyati	Personality, and Job Satisfaction Toward Employees Performance In Directorate General Of Industrial Resilience And International Access Development		effect of organizational culture, personality, and job satisfaction towards employee's performance.		on performance. (2) Personality has a direct positive effect on performance . (3) Job satisfaction has a direct positive effect on performance . (4) Organizational culture has a direct positive effect on job satisfaction. (5) Personality has a direct positive effect on job satisfaction.

There is wide gap and lacuna was found in review of literature due to weak organization culture which impacts the performance of employee into dissatisfaction. It's a serious concern for employee dissatisfaction, present globalised organization where cross culture and diverse people are working together. In addition to that, this present study identifies the different factors which influence employee satisfaction. The comparative study has been conducted in Madhya Pradesh to analyze the satisfaction level of employees in public and private sector banks (Punjab National Bank and HDFC Bank).

Objective of my study :

- To access and compare the organisational culture of public and private sector banks.
- To access and compare the employee satisfaction differs in public and private sector banks.
- To determine impact of organisation culture on employee satisfaction.

TheResearch Methdology:

This is a descriptive study, which involves collection and analysis of the primary data was

Collected from the structured questionnaires.

The Sample

For the purpose of this study primary data as well as secondary data is being used. The population of this study consists of the employees of the Punjab National Bank and HDFC bank. To achieve the objectives of the study 300 questionnaires were distributed to the employees of PNB and HDFC bank.

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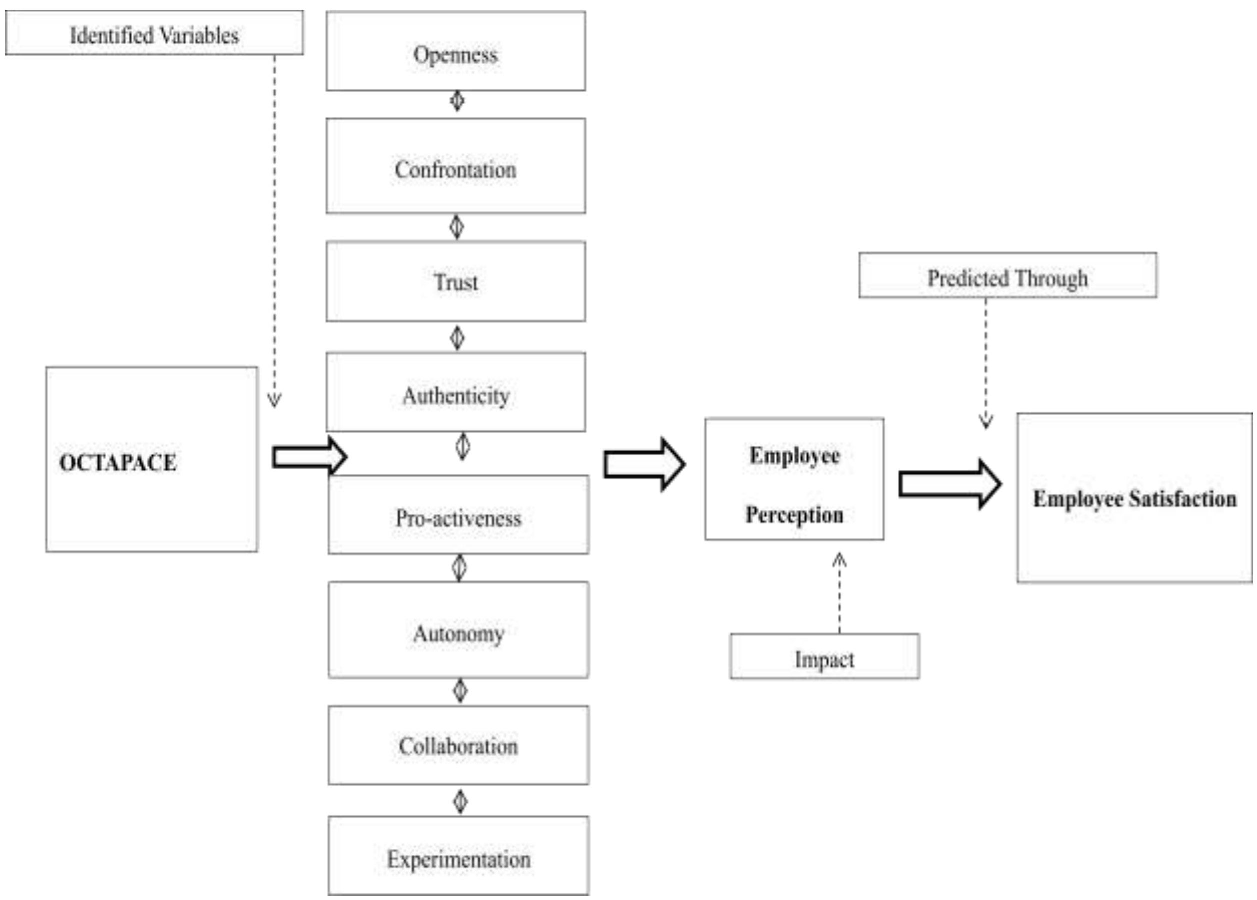
The Tool of Data Collection

The Primary data was collected through a self structured questionnaire based on Employee The Secondary data was collected from existing literature.

The Tool of Data Analysis

The tool used for analysis was Octapace factors [Openness, Confrontation, Trust, Authencity, Pro-activeness, Autonomy, Collaboration, and Experimentation] which are independent variable and employee satisfaction is dependent variable. The variable used in the Study is depicted in the figure below.



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Data Interpretation and Analysis-:

Correlation Comparison Analysis of impact of identified variables organisation culture on employee satisfaction in public and private sector banks			
Different Identified Variables		Private Sector Banks	Public Sector Banks
Openness	Pearson Correlation	0.489	0.548
Confrontation	Pearson Correlation	0.594	0.473
Trust	Pearson Correlation	0.623	0.457
Authenticity	Pearson Correlation	0.585	0.526
Pro-activeness	Pearson Correlation	0.675	0.534
Autonomy	Pearson Correlation	0.571	0.391
Collaboration	Pearson Correlation	0.741	0.448

It is evident from the above table that organisation culture is higher in private sector banks as compared to public sector banks**.** It can see than in terms of ***Confrontation, Trust, Authenticity, Pro-activeness, Autonomy, Collaboration and Experimentation*** *r* value of private sector bank is more than public sector bank, it implies organisation culture in terms of these variables is higher in private sector banks whereas in terms of ***Openness*** *r* value of public sector bank is more, it implies organisation culture in terms of only openness variables is higher in public sector banks.

The above analysis revealed that on the basis of public sector banks there is a significant relationship between all the identified variables of **organisation culture** and **Employee Satisfaction**. ***Openness*** is a prominent factor which has highest **Pearson correlation *'r'* value 0.548** where, ***p value (sig value)* is 0.000** through which it can concluded that "there is a statistically significant moderate positive correlation between" ***openness*** and ***employee satisfaction***.

In case of ***Pro-activeness***, "**Pearson correlation *'r'* value 0.534** and ***sig. value (p value)* is 0.00"**. Analysis indicated that "there is a statistically significant" moderate positive "correlation between" ***pro-activeness*** and ***employee satisfaction***.

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In regards of ***Authenticity*** has "**Pearson correlation *'r'* value" 0.526** and "***p value (sig value)*** **is 0.000".** Conclusion drawn that "there is a statistically significant moderate positive correlation between" ***authenticity*** and ***employee satisfaction***.

Confrontation has "**Pearson correlation *'r'* value 0.473** and ***p value" (sig value)*** **is 0.000 "**which indicates that there is a statistically significant moderate positive correlation between" ***confrontation*** and ***employee satisfaction***.

Trust has "**Pearson correlation *'r'* value 0.457** and ***p value" (sig value)*** **is 0.000.** It has analysed that "there is a statistically significant moderate positive correlation between" ***trust*** and ***employee satisfaction***.

Collaboration has "**Pearson correlation *'r'* value 0.448** and ***sig value" (p value)*** **is 0.000 "**which indicates that there is a statistically significant moderate positive correlation between" ***collaboration*** and ***employee satisfaction***.

Autonomy has "**Pearson correlation *'r'* value 0.391** and ***p value" (sig value)*** **is 0.000** which signposts that "there is a statistically significant low positive correlation between" ***autonomy*** and ***employee satisfaction***.

Experimentation has "**Pearson correlation *'r'* value 0.334** and ***p value" (sig value)*** **is 0.000** which concluded that "there is a statistically significant low positive correlation between" ***experimentation*** and ***employee satisfaction***.

Findings and Conclusion:

- Respondents of both public and private sector bank that they are comfortable in interacting with the bank employees.
- It can be concluded that in private sector banks employees are more satisfied that their work gets acclaimed and respected and they receive periodic feedback for their contribution and efforts.

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- Most employees in private sector banks agree that during emergency or difficult circumstances, they get all the needed encouragement from their colleagues.
- Employees in both public and private sector banks agree that they get all necessary flow of information with clear terms and conditions; however employees of private sector banks seem to be more satisfied.
- The feeling of job security in public sector banks make the employees say that the congruity between feelings and expressed behaviour do not lead to personal animosity.
- In private sector banks most employees say that they do not feel any discrimination on the basis of caste, colour, gender or creed.
- Results drawn from the present research work unveils that most employees of HDFC bank agree that they trust on promotional polices of the organization, but respondents of public sector banks felt little more dissatisfied.
- Respondents of private sector banks say that they maintain confidentiality of information shared among the company.
- It has found that the employees of private sector banks more accountable for the responsibility they receive from their authority for achieving the goal.
- Employees in both public and private sector banks say that they know what is expected from their job, however private sector bank employees seem to be more committed towards their jobs.
- The employees of private sector banks have more freedom to make decisions related to their responsibility, than public sector banks.

Suggestion and Recommendation–:

Public Sector Banks (Punjab National Bank)

1. Proper **Recreation & Refreshment Facilities** should be provided to the employees.
2. **Employers Should** show **Concern** for their employees.
3. **Recognition & Appreciation** should be given timely to the employees.
4. **Grievance System** should be improved
5. **Remuneration Policy** should be enhanced.

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6. Banks should adopt **Creative HRM Strategies** to cope up with employee satisfaction.

Private Sector Banks (HDFC Bank)

1. **Job Security** should be provided to the employees.
2. Banks should reduce the level of **Stress, Pressure & Anxiety** of Employees.
3. **Promotion Policies** should be implemented.
4. **Employee Welfare Provisions** should be implemented.

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