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A Study on The Functioning of Co-Operative Bank and Job Satisfaction of Bharat Heavy Electricals Employees' Cooperative Bank Limited, Trichy

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Abstract

Job satisfaction is one of the most crucial but controversial issues in industrial psychology and behavioral management in organization. It ultimately decides the extent of employ motivation through the development of organizational climate or environment satisfaction is specific subset of attitudes held by organizational members. Job satisfaction in a narrow sense means attitudes related to the job. It is concerned with such specific factors has wages, supervision, steadiness of employment, conditions of work, social relation of the job, prompt settlement of grievances, fair treatment of employer and other similar items. Job satisfaction is related to different socio-economic and personal factors, such as: Age, Sex, Incentives, Working Environment, Education, duration of work etc. the present paper will highlight different affecting job satisfaction at Bharat Heavy Electricals employees' cooperative bank limited, Trichy.

Key words:Employment, Satisfaction, Environment, Incentives

Introduction

Co-operation is a form of organization wherein the persons voluntarily associate together as human beings in a basis of equality, for the promotion of economic interests of themselves. In other words, the system of people voluntarily associated working together on terms of equality to eliminate their economic exploitation by middlemen (such as that of the farmers by money

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lenders, merchants; of workers by jobbers or employers; and those of the consumers by traders) in respect of any economic need common to them. Simultaneously themselves eschewing the economic exploitation of others, a method expressed by a nineteenth century advocate of cooperation in these words.“ I shall have any hand in no man’s pocket and no man shall have his hand in mine”. The object of cooperating in this way is the economic and social betterment of persons who so co-operate.

Importance of Cooperation

Cooperation has a particular approach to the problems of economic life with two germinal ideas. “association” and “use”. The significance of cooperative approach to economic life consists in its emphasis on social welfare. Cooperation approaches “man as a whole” never disassociated from the social and moral aspect. Thus, cooperative thought has broken new ground in the traditional social thought in which, as prof.F.H.Knight has observed, “individualism has been seriously overstressed to the neglect of the social side of mind, of thinking and the appreciative moral life”. Cooperation does not look upon man as an economic man of the classical school of economics. The emphasis is laid always on human values.

Cooperation is a practical economic system of transacting business based on all that is best in human nature. It is a happy golden mean between capitalism and socialism. While preserving the instinct of self- interest, it organizes on a higher plane the basis of collective effort. On the one hand, it applies a great brake on all antisocial ills such as greed, selfishness, personal aggrandizement and, on the other, it avoids the tendency to drab uniformity, regimentation and bureaucratization.

Aims of Cooperation

The most important aim of the cooperative movement is the promotion of the social and economic rights of the people and that the pursuit and achievement of this high aim requires active and concerted efforts towards the realization of world peace.

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Cooperation does not aim at mere material benefit. It aims at material and moral benefit simultaneously to achieve both the economic and the social betterment of its members. Every good cooperative insists on honest trading and honest living.

According to the ICA'S Commission, "cooperation aims at something beyond the promotion of the interests of the individual members who compose a cooperative. Its object is rather to promote the progress and welfare of the humanity. Says the commission, "it is this aim that makes a cooperative society something different from an ordinary economic enterprise and justifies its being tested, not simply from the standpoint of its contribution to the moral and social values which elevate human life above the merely material and animal".

Job Satisfaction

Specific employee attitudes relating to job satisfaction and organizational commitment are of major interest to the field of organizational behavior and the practice of human resource management.

Lacke gives a comprehensive definition of job satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or experience". Job satisfaction is a result of employee's perception of how well their job provides those things that are viewed as important.There are three important dimensions to job satisfaction. First, job satisfaction is an emotional response to a job situation. As such, it cannot be seen: it can only be inferred. Second, job satisfaction is often determined by how well outcomes meet or exceed expectations. For example, if organizational participants feel that they are working much harder than others in the department but are receiving ewer rewards, they will probably have a negative attitude toward the work, the boss, and or coworkers. They will be dissatisfied. On the other hand, if they feel they are being treated very well and are being paid equitably, they are likely to have a positive attitude towards the job. They will be job satisfied. Third, job satisfaction represents several related attitudes. Smith, Kendall and Hulin have suggested that there are five job dimensions that represent the most important characteristics of a job about which people have affective responses. They are

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- **The work itself:**The extent to which the job provides the individual with interesting tasks, opportunities for learning, and the chance to accept responsibility.
- **Pay:**The amount of financial remuneration that is received and the degree to which this is viewed as equitable vis-à-vis that of others in the organization.
- **Promotion opportunities:**The chances for advancement in the organization.
- **Supervision:** The abilities of the supervisor to provide technical assistance and behavioural support.
- **Coworkers:** The degree to which fellow workers are technically proficient and socially supportive.

Profile of the bank

The Bharat Heavy Electricals Employees Cooperative Bank Limited is situated at Kailasapuram in Trichirapalli District. The bank was initially started in 1967 as an employee's cooperative thrift and credit society limited with 841 persons as members in order to cater to the credit needs of the BHEL employees. The society was registered on 21-02-1967 (R.NO.1559) and was formally inaugurated on 10th March, 1967 by the pioneer and project administrator of BHARAT HEAVY ELECTRICALS LIMITED, late R.S. Krishnan. This cooperative society was recognized as a primary co-operative bank by the Reserve Bank of India, Mumbai has issued license to this bank to carry on the banking business under sec.23 of Banking Regulations Act, 1949 (as applicable to cooperative societies).

The area of operation of the bank is confined to the limits of BHEL units in Tamilnadu. All regular employees of BHEL whose pay etc. is controlled by the units of BHEL in Tamilnadu can become members of the bank. As on 31-03-2003,12,774 A class members were on the roll. The bank is serving to the BHEL community by its offices situated at the following centers.

Objectives of the Bank

The objectives of the bank may be as follows:

- ❖ Promoting thrift and self help and cooperation among the members.
- ❖ Borrowing of funds.

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- Accepting deposits.
- Lending money on low interest for the following purposes:
    - Education of members children, dependents or relatives.
    - To give loans on the security of gold, bullion and silver.
    - Marriages, funerals or other ceremonies on a scale suitable to the borrowing members income and position in life.
- Obligatory religious rights.
- Transfer expenses, provided it is shown that the advance allowed by the Government is insufficient to meet the expenses of the transfer.
- Treatment of the illness of the members or their family, dependents or relatives.
- Unavoidable litigation expense.
- Discharge of debts obtained prior to his/her admission as a member, provided if a member has resigned and re-admitted, this provision cannot be availed of:
    - Purchase of cycles, mopeds, scooter, motor and car.

Administration of The Bank

A chief officer namely special officer is in-charge of the day to day administration of this bank. He is the top-level authority to control all the transactions of the bank. The Secretary has the power to control the transactions of the bank after the Special Officer. The Special Officer and Secretary are appointed by the BHARAT HEAVY ELECTRICALS LIMITED.

Role of BHEL

The patronage extended by BHEL Management is sumptuous. The management has spared the service of the president and full time Secretary for the management of the bank. The pay and allowance of the secretary are borne by BHEL management. Monthly loan recoveries are tagged on to the pay roll system of BHEL. With the result the Thrift, loan instalments, interest etc., are deducted at source reducing the burden of overdues to a negligible percentage.

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BHEL management has leased out land to the bank in township and constructed four blocks of staff quarters. Similar land for banks own building has also been leased out in a conspicuous place and all formalities like obtaining of Governments approval etc., are almost over and the work is going to be started soon.

Resources of the bank

The resources of the bank consist of the following:

- Share capital
- Reserves
- Deposits
- Borrowings

The share capital is contributed by individual members. Reserves are created out of the profits as laid down in the by-laws of the bank or Tamilnadu Co-operative Societies Act or Rules. The bank accepts deposits from members and non-members. The bank borrows money from higher financing institutions such as NABARD, IDBI, SBI, TDCC Bank Ltd., and commercial banks by way of loans, cash credits, overdrafts etc.

Deposit Mobilization

The primary function of every bank is accepting deposits. Like commercial banks, co-operative banks also raise a large portion of their working capital by way of deposits. The Bharat Heavy Electricals Employees'' Co-operative Bank Ltd., accepts deposits from members and non-members. Savings bank facility is offered at all offices of the bank and all banking functions such as collection and discounting of bills etc., are done. Nearly 9300 employees of BHEL draw their salary/bonus etc., from this bank through savings bank accounts. Rate of interest is offered on all deposits according to the directives of Reserves Bank of India.

Types of deposits

The bank accepts the following types of deposits from their members and non-members.

- Current deposit
- Fixed deposit

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- Savings deposit
- Recurring deposit
- Thrift deposit
- Matured deposit
- Long term fixed deposit
- Staff security deposit
- Pension deposit

Services offered by the bank

- The bank is a member of Tiruchirapalli clearing house and bills drawn on local banks at Tiruchirapalliare collected within 2days.
- Banks head office is functioning from dawn to dusk i.e., from 9 AM to 7 PM on all working days including Saturdays. Branches also function in the evening hours to suit the convenience of members.
- The bank pays a sum of Rs.500 to each member from common good fund in any of the following events.
- To defray funeral expenses of deceased members.
- Towards mitigation of difficulties in the event of a member being on Extraordinary leave exceeding 61 days at a strength on medical grounds.

REVIEW OF LITERATURE

An intensive scrutiny of available literature is of more value in gaining an insight into the path of research problem under study. An attempt is made to review the available literature relevant to the study and is presented under the following sub headings in this chapter:

- Co-operative banking system.
- Employees job satisfaction.

Co-Operative Banking System

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"Co-operation is derived from the Latin word "Co-operari". "Co" means with and "Operari" means to work. The very simple meaning of co-operations is working together.

Definitions of Co-Operation

According to Gordon and O' Brien, "co-operation is a special form of economic organization is which people work together for definite business purposes under certain definite business rules. The roof of the co-operative ideas is a relation between business and ethics which is greater than the necessary commercial honesty of our present industrial systems".

Co-Operation Origin

The origin of co-operative movement can be traced to the period of 18th century. The impact of Industrial Revolution in England created an awareness to explore the avenues for employment opportunities and in that process, the Co-operative movement had been explored. Mr. Robert Owen (1771 -1853) of England, who is called the father of Co-operation, had laid the foundation for the Co-operative movement.

Co-operative banks

Co-operative banks play a vital role in fulfilling credit requirements of the agriculture, business and industry. Their banking business in rural and backward regions paves the way to bridge the gap between demand and supply of credit. In Tamilnadu, Co-operative banks serves for the cause of mobilizing deposits from the people and providing timely credit to the various sectors of our economy. Co-operative banks concentrate in strengthening the principles of co-operation and inculcating the spirit of Co-operation among the masses. Co-operative banks are organized voluntarily by people who could save their money with the banks. The primary motive of a Co-operative bank is to encourage savings. In other words, the basis of co-operation namely 'Thrift and self-help' is the motto of co-operative banks. Members join the co-operative bank to get small loans. Such loans are given out of the savings collected from among the members.

According to the Banking Regulations Act (as applicable to Co-operative societies) a Co-operative institution with a share capital and reserves of Rs. One lakh and above is eligible to become a Co-operative bank.

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Definitions of Co-Operative Bank

Mr. Devine in his book 'People's Co-operative Banks,' defined a Co-operative bank, as "a mutual society formed, composed, and governed by working people themselves, for encouraging regular saving and granting small loans on easy terms of interest and repayment".

Job Satisfaction

Job satisfaction refers to one's feeling towards one's job. An individual having satisfaction is said to possess positive attitude towards the job. Conversely, a dissatisfied person will have negative attitude towards his or her job. Job satisfaction is often determined by how well outcomes meet or exceed expectations. Satisfaction in one's job means increased commitment in the fulfillment of formal requirements. There is greater willingness to invest personal energy and time in job performance. High job satisfaction may lead to improved productivity, improved attendance, reduced accidents and less job stress.

Methodology

The present study was based on the following methodology.

Objective of the Study

The study was conducted in keeping the following objectives in mind:

a. To study the progress made by the bank from 2015-2019.
b. To study the socio-demographic characteristics of the employees.
c. To assess the level of employees' job satisfaction in various personal aspects such as gender, educational qualification, designation, age and experience.
d. To suggest the ways and means for the better perform ace of the bank,
e. To suggest suitable ways to improve the level of job satisfaction of the employees.

Design of the Study

It is a descriptive and explorative study design, which had enabled to know the level of job satisfaction and functioning of co-operative bank among the executives working at BHEL Trichirapalli.

Scope of the Study

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The scope of the study is Limited to the employees of the BHEL.

Sampling

Out of 88 employees, 30 employees were selected by simple random sampling five years (2015-2019).

The period was a very method and they were provided with questionnaire for collecting data on job satisfaction.

Tools of Data Collection

Though the researcher has taken only employees of BHEL and all of them are well educated, she had selected structured questionnaire method for the collection of data from the universe.

Pilot Study

Before distributing questionnaire among the respondents, researcher first did her pilot study. She had distributed five questionnaires to five employees to know the response and also to know the lacunas. It was revealed from the filled in questionnaire that they were all west and clear. Then the questionnaire was finalized.

Methods of Data Collection

Primary data and secondary data were collected for this study. Primary data was obtained through questionnaire method and secondary data was collected from the annual reports of the bank and from books and journal. The collected data have been processed and interpreted with the following statistical tools:

- Students ‘t’ test
- Anova
- Chi-square test
- Karl Pearsons co-efficient of correlation.

Universe

The universe of the study comprises of 88 employees in Bharat Heavy Electricals Employees Co-operative Bank Limited, Tiruchirapalli.

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major findings of the study

On the basis of the methodology adopted for the study, the following findings were drawn:

Findings Related To The Functioning Of The Bank

- The Bharat Heavy Electricals Employees Co-operative Bank Limited was started in 1967 as an Employees Co-operative Thrift and Credit Society Limited with 841 persons as members.
- The bank has five branch offices.
- The bank is serving to the BHEL community.
- The area of operation of the bank is confined to the limits of BHEL units in Tamilnadu.
- The top affairs of the bank is being managed by the special officer.
- The day-to-day affairs of the bank is conducted by the Secretary.
- All regular employees of BHEL whose pay etc., is controlled by the units of BHEL in Tamilnadu can become members of the bank.
- The bank has the total strength of 12774 A class members.
- The total number of staff members at present is 88.
- The bank accepts deposits such as fixed deposit, savings deposit, matured deposit, current deposit, recurring deposit, Thrift deposit, long term deposit, pension deposit and staff security deposit.
- The deposits made with the bank is increasing year after year. During 2018-2019, the deposit made with the bank was Rs. 172,83,31,207.
- The loans issued by the bank to their members include personal loan, jewel loan, education loan, vehicle loan, NSC/IVP/KVP and special loans.
- The loans issued by the bank has been increasing every year except in the year 2016-2017, during 2018-2019, the amount of loan issued by the bank was Rs. 108,77,72,075.

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- The working capital of the bank is also growing every year, in 2018-2019, the working capital amounts to Rs. 18916 lakhs.
- The resources of the bank comprise of share capital, reserves deposits and borrowings.
- The bank borrows funds from NABARD, IDBI, SBI, Commercial Banks and TDCC Bank Ltd.

Suggestions For Better Functioning Of The Bank

- As the transactions of the bank is increasing day by day, the bank could open some more branches in Tiruchirappalli.
- Loans could be provided to non-members also, in the same way as it provided to the members.
- General public i.e., non-BHEL employees may also be allowed to become a member of the bank.
- Proper space for carrying out the operations of the bank should be arranged.
- The bank could also introduce ATM facility.

Findings Related To The Job Satisfaction Of The Employees

Socio-demographic Findings

- Majority of the respondents i.e., 90% belong to the male category, while 10% of the respondents belong to the female category.
- The majority 63.3% of the respondents are degree holders, the remaining 36.7% of the respondents have studied upto HSC.
- The majority i.e., 63.3% of the respondents belong to the category of accountants, 13.3% of the respondents belong to the category of managers. The remaining 23.4% of the respondents belong to others category.
- The majority 40% of the respondents belong to 51-55 years of age. 36.7% of the respondents belong to 46-50 years of age, 13.3% of the respondents belong to

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upto 45 years of age and the remaining 10% of the respondents belong to 55 years of age.

- The majority 46.7% of the respondents have 21-25 years of experience, 40% of the respondents have above 25 years of experience and 13.3% of the respodents have only upto 20 years of experience.

Findings Related To The Level Of Job Satisfaction

- More than half of the respondents i.e., 53.3% have high level of job satisfaction, while 46.7% of the respondents have low level of job satisfaction.

Suggestions for better job satisfaction of the employees.

- Periodical training and seminar sessions could be arranged in order to update their skills and knowledge related to their field.
- Though 53.3% of the respondents have high level of satisfaction, the remaining46.7% of the respondents have low level of satisfaction. This is the indication that nearly half of the respondents are not satisfied in their job which may be attributed to various reasons like lack of motivation, lack of proper training, lack of opportunity for promotion, Inadequate welfare measures etc. Thus, there should be a proper system for promotion with increment respective of their designations.
- Adequate welfare measures should be provided.
- Employees should be protected with job security measures in order to develop the effectiveness of organization.
- Social and recreational clubs could be formed.

Conclusion

Effectiveness of an organization could be achieved only through the proper utilization of human resources available by the way of satisfying employees in their work environment in terms of providing adequate welfare measured, adequate and fair compensation, opportunity for growth, job security measures, new reward system and new motivational strategies and

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techniques. Besides personnel provisions, the employees should be properly trained in order to update themselves with a view to withstand in the changing scenario.

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