

Quality of Work Life in Banking Sector : A Study of Public, Private and Foreign Banks in Chandigarh and Punjab

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Abstract

Quality of Work Life is a generic phrase that covers a person's feelings about every dimension of work including economic rewards and benefits, security, safe and healthy working conditions, and organizational and interpersonal relationships. The employee spends a major portion of his active hours of the day at the workplace. Therefore, the need for introducing improvements in the quality of work life arises. The study highlights the importance of quality of work life in the banking sector. The sample includes 250 employees of public, private and foreign banks in Chandigarh and Punjab. The overall quality of work life has been found to be the highest in public sector banks, followed by private sector banks and foreign banks. The dimensional analysis of quality of work life shows that Fringe Benefits and Welfare Measures have been perceived as the highly prevalent dimension and Equity Justice and Grievance Handling as the least prevalent dimension in all the categories of banks.

Key Words

Quality of Work Life, QWL, Public Sector Banks, Private Sector Banks, Foreign Banks

INTRODUCTION

Work is an integral part of our life, as it is our livelihood or career or business. On an average, we spend 8-10 hours in the work place i.e. one-third of our entire life, it does influence the overall quality of our life. It should yield job

satisfaction, give piece of mind, a fulfillment of having done a task, as it is expected, without any flaw and having spent the time fruitfully, constructively and purposefully. A happy and healthy employee will give better turnover, make good decisions and positively contribute to the organizational goals. An assured good quality of work life (QWL) will not only attract young and new talent but also retain the existing experienced talent.

The term Quality of Work Life refers to the favorableness or unfavorableness of a total job environment for people. It is the extent to which the workers can satisfy important personal needs through their experiences in the organization. Its focus is on creating a humane work environment where employees work cooperatively and contribute to organizational objectives. Quality of Work Life programmes are another way in which organizations recognize their responsibility to develop jobs and working conditions that are excellent for people as well as the economic health of the organization. Professor Richard E Walton of Harvard (1973) was one of the major interpreters of the Quality of Work Life Movement. He defined Quality of Work Life, as a process by which an organization responds to the employees needs by developing mechanisms to allow them to share fully in making decisions that design their lives at work. Professor Walton was also the first one to categorize the conceptual variables to have better understanding of the Quality of Work Life. He proposed eight major conceptual categories relating to Quality of Work Life as : Adequate and fair compensation, Safety and healthy work environment, Opportunity to use and develop human capabilities, Opportunities for continuous growth and security, Constitutionalism in the work organization, Work life balance and social integration at the work place, Protection of individual rights, Pride in the work itself and in the organization. Delamotte and Walker (1974) hold the view that Quality of Work Life refers mainly to the workers' need for meaningful and satisfying work and participation in decisions that affect their work situation.

According to Jain (1991), QWL consists of a whole parcel of terms and notions all of which really belong under the working life umbrella. These include industrial effectiveness, human resource development, organizational effectiveness, work restructure, job enrichment, socio-technical systems, working humanization, group-work concepts, labour-management cooperation, working together, worker's involvement, worker's participation and cooperative work structures. According to Serey (2006), Quality of Work Life includes (i) an opportunity to exercise one's talents and capacities, to face challenges and situations that require independent initiative and self-direction; (ii) an activity thought to be worthwhile by the individuals

involved; (iii) an activity in which one understands the role individual plays in the achievement of some overall goals; and (iv) a sense of taking pride in what one is doing and in doing it well.

REVIEW OF LITERATURE

Nadler and Lawler (1983), in their study, identified the following activities as being representative of the Quality of work life efforts : (a) Participative problem solving such as Quality Circles and Labour-Management Cooperative Problem Solving Groups. (b) Work restructuring activities such as those directed at job enrichment. (c) Innovative reward systems, which provide for division of gains, accrued from cost-saving innovations among workers. (d) Improving the work environment by changing working hours, physical environment and rules and regulations. They concluded that quality of work life programmes encouraged workers to be participative with management in making decisions about problems and opportunities in the work place, as a way of increasing organizational effectiveness, and improving satisfaction, commitment and performance.

Sengupta (1985), conducted a study on quality of work life of Indian bank employees and found that Quality of Work Life is not high in banks. By keeping in view the findings of the study he suggested that the government should formulate broad policies for designing the jobs with greater decentralization, more autonomy, power and rewards to enhance quality of work life.

Sayeed (1989), in a study on Indian managers, suggested three broad categories of antecedents of organizational commitments, namely, (1) Personal characteristics such as age, tenure, education level, personality variables, etc. (2) Role-related factors such as job challenges, role conflict, role ambiguity and role over-load which may influence member's motivation to work and (3) structural factors such as organization size, span of control, participation in decision making etc. His findings suggest that the longer an individual has been with an organization (which has good fringe benefits cordial management – subordinate relationships and positive organizational policies) the more would be the individual's level of commitment and period of attachment to the organization.

Ghosh (1992), carried out a comparative study on the Quality of Work Life in two Indian organizations – a manufacturing organization, TELCO Ltd. selected from the private sector and a bank, Canara Bank selected from the public sector. Both TELCO and Canara Bank have attained A Grade quality of work life according to the categories identified and measured by the author in spite of the differences in ownership and sectoral identity. Thus, given other conditions for effectiveness

and high grade, the quality of work life may be good or excellent in any organization whether public or private, irrespective of their ownership.

Krishna *et al.* (1996), conducted a survey on women employees working in the Anantapur region of Andhra Bank. The authors found that the elements like effective relationships, open communication, skill development and commitment are also important. They pointed out that effective collaboration of both management and employees are responsible for the existence and effectiveness of the QWL in the organization, therefore, both should share and promote it for their better living.

Hossain (2000), conducted a study to investigate the satisfaction of commercial bank employees in Bangladesh and its consequences on related issues. The sample consisted of 440 commercial bank employees from both public and private sector. The results revealed that the public sector bank employees were in a better position in terms of their job satisfaction than the private sector bank employees and the executives were more satisfied than the non-executives. Job satisfaction had significant positive correlation with performance but significant negative correlation with job stress and propensity to quit the job. Job satisfaction had the highest positive contribution to performance. Bank employees perceived their job as highly stressful irrespective of their rank and status in the organization. Moreover, banking employees in Bangladesh were highly dissatisfied with their salary, lack of fair promotional opportunity, low job status and absence of recognition for good work.

Saklani (2004), in his study on quality of work life in the Indian context made an attempt to empirically evaluate the importance of various QWL factors pertaining to employees and to measure the status of their existence in work organizations. Rejecting the commonly held stereotype assumptions, evidence has been found to suggest that apart from monetary considerations, employees in India accord a high value to the factors that satisfy self-esteem and self-actualization needs of a higher order. Similarly, as against the observations of earlier researchers, the existing status of QWL in Indian organizations is not poor.

Dzeba (2011), in his study on Quality of Work Life among the employees of public and private sector in Croatia found certain aspects of the quality of work life like – advancement prospects, good and fair pay, capable management, favourable working conditions and participation in decision-making as higher in the private sector; whereas job security and interesting job as higher in the public sector.

Katyal *et al.* (2011), conducted a study to find out job stress of employees working in nationalized and non-nationalized banks in Chandigarh. The findings revealed highly significant difference in job stress of employees working in nationalized and non-nationalized banks, with employees of non-nationalized banks

having higher job stress as compared to their counterparts working in nationalized banks. Highly significant difference also existed between the mean scores of nationalized and non-nationalized bank employees with regard to neuroticism. The employees working in non-nationalized banks were found to be more neurotic than those working in nationalized banks. They concluded that employees working in Government banks were found to far better than those working in private sector.

Malik (2011), conducted a study to analyze the level of occupational stress among the public and private bank employees in Quetta city. The results reveal that occupational stress is found higher among private bank employees compared to public bank employees. Among different occupational stress variables role overload, role authority, role conflict and lack of senior level support contribute more to the occupational stress.

The perusal of exiting literature on Quality of Work Life has revealed that although there has been a lot of research on the quality of work life of different industries, but there are only a few studies in banking sector, especially in this region. The banking industry, being the most important financial institution, plays an important role in the economic development of a country. Experience shows that as and when the banking sector of an economy gets into trouble, the economic development of that country suffers. The present study is undertaken to study the perception of bank employees about Quality of Work Life and its dimensions.

OBJECTIVES

1. To study the overall Quality of Work Life perceived by the employees in select Public Sector, Private Sector and Foreign Banks.
2. To study the perception of employees in select public sector, private sector and foreign banks regarding various dimensions of quality of work life.

HYPOTHESIS

H_0 : There is no significant difference in the perception of employees regarding the quality of work life in select public sector, private sector and foreign banks.

RESEARCH METHODOLOGY

The present study attempts to evaluate the Quality of Work Life in public sector, private sector and foreign banks in Chandigarh and Punjab. The study is descriptive in nature. The population for the study comprises employees working in public, private and foreign banks in Chandigarh and Punjab. A sample of six

banks, two from public sector (State Bank of India and Punjab National Bank); two from private sector (HDFC Bank and ICICI Bank); and two from foreign banks (HSBC Bank and Citi Bank) has been selected. The banks included in this study are based on their net profit (as % total assets), i.e. the highest profitable banks to present a comprehensive and comparative analysis of Quality of Work Life. Both primary and secondary data has been collected to present a comprehensive analysis of banking sector scenario regarding Quality of Work Life. Primary data has been collected through filling of questionnaires from employees at managerial, supervisory and clerical level. Journals, books, magazines, reports of the selected banks, different websites and newspapers have been scanned to know the contemporary Quality of Work Life scenario and the research undertaken in the field so far. The sample includes 250 employees of public, private and foreign banks in Chandigarh and Punjab. Out of which 100 employees are from public sector banks, 100 from private sector banks and 50 from foreign banks. The respondents were selected on stratified random sampling basis.

For the purpose of measuring Quality of Work Life prevalent in public sector, private sector and foreign banks a self-developed questionnaire has been used. A set of nine dimensions has been selected for the study after going through the literature. The questionnaire comprises 33 items, which describe the nine dimensions of QWL. Likert's five point continuum was used to prepare the scale to measure QWL. The reliability of the scale has been determined by using Cronbach's coefficient Alpha (α). The reliability coefficient indicates that the scale used for measuring Quality of Work Life is quite reliable as the alpha value is 0.934. To test the content validity of the questionnaire an extensive interaction with the eminent experts and practitioners has been undertaken.

FINDINGS OF THE STUDY

To study the overall Quality of Work Life as perceived by the employees in select public, private and foreign banks a comparison of the mean scores and standard deviation has been done. To test the significance of the difference among the sample means an Analysis of Variance (ANOVA) is done. Through F-test the significance of the difference of Quality of Work Life in select public sector, private sector and foreign banks has been tested.

Quality of Work Life depends on dimensions like Adequate and Equitable Compensation, Fringe Benefits and Welfare Measures, Physical Working Conditions, Work Load and Job Stress, Opportunities for Training Development and Continued Growth, Co-workers and Supervision, Equity Justice and Grievance Handling, Work and Family Life, and Reward System. Therefore, an attempt has also been made to

study dimension-wise Quality of Work Life as perceived by the employees in public sector, private and foreign banks.

Table 1 presents the mean values and standard deviation for the nine dimensions of Quality of Work Life and the overall Quality of Work Life as perceived by the employees in public sector, private sector and foreign banks.

Table 1
Mean Values and Standard Deviation of Overall Quality of Work Life and Its Dimensions

Dimensions of QWL	Public Sector Bank		Private Sector Banks		Foreign Banks	
	Mean	Standard Deviation	Mean	Standard Deviation	Mean	Standard Deviation
Adequate and Equitable Compensation	9.57	3.095	8.98	2.636	8.74	2.363
Fringe Benefits and Welfare Measures	18.19	3.792	17.36	4.448	17.86	4.101
Physical Working Conditions	10.97	1.732	11.35	2.447	10.52	1.821
Work Load and Job Stress	13.04	3.117	12.34	2.910	12.38	2.941
Opportunities for Training Development and Continued Growth	13.94	2.960	12.59	2.625	12.30	3.518
Co-workers and Supervision	15.18	2.236	15.18	3.261	13.90	2.845
Equity Justice and Grievance Handling	7.87	1.515	6.91	1.621	7.22	1.765
Work and Family Life	10.54	2.110	9.62	2.150	9.90	2.621
Reward System	10.94	2.145	10.03	2.276	10.02	2.527
Overall Quality of Work Life (QWL)	110.240	15.695	104.360	17.739	102.840	17.723

Table 2 shows the Analysis of Variance (ANOVA) of the overall Quality of Work Life (QWL) in select public sector, private sector and foreign banks.

Table 2**Analysis of Variance (ANOVA) of Overall Quality of Work Life (QWL)**

Sources of Variation	Sum of Squares	Degree of Freedom	Mean Square	F-Value	Significance
Between Groups	2524.384	2	1262.192	4.395	0.013*
Within Groups	70934.000	247	287.182		
Total	73458.384	249			

* Significant at $p < 0.05$

** Significant at $p < 0.01$

The F-value is 4.395 and p-value is 0.013, which is significant at 95% significance level. The results indicate that there is significant difference in the overall Quality of Work Life in the public sector, private sector and foreign banks. Hence the Null Hypothesis that there is no significant difference in the perception of employees regarding overall Quality of Work Life in select public sector, private sector and foreign banks is rejected.

The overall Quality of Work Life has been found to be the highest in public sector banks with $\bar{X} = 110.240$ and $SD = 15.695$; followed by private sector banks with 104.360 and $SD = 17.739$; and foreign banks with 102.840 and $SD = 17.723$.

For the dimension Adequate and Equitable Compensation, the mean score has been found to be the highest in public sector banks ($\bar{X} = 9.57$ and $SD = 3.095$); followed by private sector banks ($\bar{X} = 8.98$ and $SD = 2.636$); and foreign banks ($\bar{X} = 8.74$ and $SD = 2.363$).

For the dimension Fringe Benefits and Welfare Measures, the mean score has been found to be the highest in public sector banks ($\bar{X} = 18.19$ and $SD = 3.792$); followed by foreign banks ($\bar{X} = 17.86$ and $SD = 4.101$); and private banks ($\bar{X} = 17.36$ and $SD = 4.448$).

For the dimension Physical Working Conditions, the mean score has been found to be the highest in private sector banks ($\bar{X} = 11.35$ and $SD = 2.447$); followed by public sector banks ($\bar{X} = 10.97$ and $SD = 1.732$); and foreign banks ($\bar{X} = 10.52$ and $SD = 1.821$).

With regard to Workload and Job Stress Quality of Work is found to be the highest in public sector banks ($\bar{X} = 13.04$ and $SD = 3.117$); followed by foreign banks ($\bar{X} = 12.38$ and $SD = 2.941$) and Private Banks ($\bar{X} = 12.34$ and $SD = 2.910$).

Opportunities for Training Development and Continued Growth are found

to be the highest in public sector banks ($\bar{X} = 13.94$ and $SD = 2.960$); followed by private sector banks ($\bar{X} = 12.59$ and $SD = 2.625$); and foreign banks ($\bar{X} = 12.30$ and $SD = 3.518$).

Regarding Co-workers and Supervision mean scores have been found to be the same in public sector banks ($\bar{X} = 15.18$ and $SD = 2.236$) and private banks ($\bar{X} = 15.18$ and $SD = 3.261$); followed by foreign banks ($\bar{X} = 13.90$ and $SD = 2.845$).

For Equity Justice and Grievance Handling System mean score are the highest in public sector banks ($\bar{X} = 7.87$ and $SD = 1.515$); followed by foreign banks ($\bar{X} = 7.22$ and $SD = 1.765$) and private sector banks ($\bar{X} = 6.91$ and $SD = 1.621$).

Regarding Work and Family Life, mean scores are the highest in public sector banks ($\bar{X} = 10.54$ and $SD = 2.110$); followed by foreign banks ($\bar{X} = 9.90$ and $SD = 2.621$) and private sector banks ($\bar{X} = 9.62$ and $SD = 2.150$).

For the Reward System, mean scores are the highest in public sector banks ($\bar{X} = 10.94$ and $SD = 2.145$). In case of Private Banks ($\bar{X} = 10.03$ and $SD = 2.276$) and foreign banks ($\bar{X} = 10.02$ and $SD = 2.527$) the perception of employees is almost the same.

\bar{X}

CONCLUSION

The overall results reveal that there is significant difference in overall Quality of Work Life as perceived by the employees in select public sector, private sector and foreign banks. The overall Quality of Work Life has been found to be the highest in public sector banks followed by private sector banks and foreign banks. While observing the dimension-wise mean values of Quality of Work Life as perceived by the employees in select public sector banks, private sector banks and foreign banks it has been found that the dimension Fringe Benefits and Welfare Measures has been perceived as highly prevalent and Equity Justice and Grievance Handling as least prevalent in all the categories of banks. The possible reason for the present finding could be that the employees working in private sector and foreign banks have longer working hours as compared to their counterparts working in public sector banks.

The results are similar to the studies by Hossain (2000) and Katyal *et al.* (2011) which stated that public sector bank employees are enjoying more quality of work life than private sector bank employees.

LIMITATIONS OF THE STUDY

The present study suffered from some limitations like limited area of investigation, which might not be true representative of the whole population of the country. So, before generalization, there is a need to conduct an in-depth study covering larger sample size and broader area of investigation. In spite of all these limitations, the findings may be helpful in improving Quality of Work Life of public, private and foreign banks.

IMPLICATIONS AND RECOMMENDATIONS

The findings of the study have implications for the public sector, private sector and foreign banks to improve Quality of Work Life for the employees. There should be employee feedback surveys in banks after regular intervals so that information from employees on areas like personal health and wellness, workplace relationships and measures of a healthy workplace can be collected. Banks should encourage participative management and good communication within the organization. It will help employees express their views on various issues and official problems. An effective training and development programme for enhancing the quality of work life of employees for which timely workshops with the help of organizational / industrial counseling psychologists can be arranged. A supportive climate and culture should be encouraged by providing opportunity to individuals to make meaningful contribution, involving employees in team work, planning and administration, career guidance and various other growth opportunities.

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