

A STUDY ON JOB SATISFACTION AND EMPLOYEE MORALE IN COMMERCIAL BANK - AXIS BANK

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I. INTRODUCTION OF BANKING INDUSTRY

In today's competitive business world, satisfied employees are treated as the essential human capital. Though, it is very easy to measure the financial performance of a firm by using various financial tools and techniques, but it is very difficult to determine whether the organization is doing the right thing for its employees to remain satisfied in their workplace. There was so many extensive research conducted to measure job satisfaction of employees working in different organization. During the last few decades banking sector plays a dominant role in the financial service industry. At present, there are forty-nine (48) schedule banks among those, three (3) are Nationalized Commercial Banks (NCBs)*, five (5) are Specialized Banks (SBs), thirty-one (31) are Private Commercial Banks (PCBs) and nine (9) are Foreign Commercial Banks (FCBs). Among those 31 PCBs and 9 FCBs there are 6 and 1 i.e., total 7 Islamic Banks (IBs) operating in Bangladesh. After March 2005 there are six thousand three hundred and eighty-eight (6388) branches of schedule bank in our country (MOF, 2006). In spite of thousands of people working in this sector, there is not enough research going on to know the actual job satisfaction of employees.

Job satisfaction can be defined as an individual's general attitude toward his or her job. (Robbins, 2003, p-78); Job satisfaction has been defined as the degree to which employees have a positive affective orientation towards employment by the organization (Price, 1997). Another defines job satisfaction as an affective (emotional) reaction to a job that results from the incumbent's comparison of actual

outcomes with those that are desired (Cranny, Smith, Stone, 1992, p.1).

A bank is defined as "accepting deposits from the public that can be repaid on demand and withdrawn by check, draft, or otherwise for the purpose of lending or investing."

Banks are an industry that involves the processing of cash, lending, and other financial transactions. Banks provide a safe place to store extra cash and balances.

They offer savings accounts, certificates of deposit, and check accounts. Banks use these deposits to make loans. These loans include mortgages, personal loans, business loans, gold loans and car loans.

Banking sector is one of the crucial pillars of an economy; the stronger the banking sector is the stronger will be the economy. So, it becomes very important to study this sector in this technological oriented century. (Dr. Viral Bhatt, Farana Kureshi, 2018). The banking industry has been continuously upgrading its operation by making use of technology. With the advancement of this technology, banks have implemented various systems to carry banking transactions easily and quickly. In a developing country like India, where customers possess a varied form of needs and desires it becomes legitimate for the banks and service providers to offer quality services speedily and efficiently to meet the customer's expectation. (Jyotsna Sharma, Jagdeep Singh, Amandeep Singh, 2020)

The banking industry is under increasing pressure to demonstrate that their services are customer-focused and that continuous performance improvement is being

delivered. However, in introducing improvement, banks need to ensure that their customers' satisfaction are met. (Wan Nur Syafinas Jaafar, 2020)

The Reserve Bank of India (RBI), as the central

bank of the country, closely monitors developments in the whole financial sector. The banking sector is dominated by Scheduled Commercial Banks (SCBs). As at end-March 2002, there were 296

Commercial banks operating in India. This included 27 Public Sector Banks (PSBs), 31 Private, 42 Foreign and 196 Regional Rural Banks. Also, there were 67 scheduled co-operative banks consisting of 51 scheduled urban co-operative banks and 16 scheduled state co-operative banks. Scheduled commercial banks touched, on the deposit front, a growth of 14% as against 18% registered in the previous year. And on advances, the growth was 14.5% against 17.3% of the earlier year. State Bank of India is still the largest bank in India with the market share of 20% ICICI and its two subsidiaries merged with ICICI Bank, leading creating the second largest bank in India with a balance sheet size of Rs. 1040bn. Higher provisioning norms, tighter asset classification norms, dispensing with the concept of 'past due' for recognition of NPAs, lowering of ceiling on exposure to a single borrower and group exposure etc., are among the measures in order to improve the banking sector. A minimum stipulated Capital Adequacy Ratio (CAR) was introduced to strengthen the ability of banks to absorb losses and the ratio has subsequently been raised from 8% to 9%. It is proposed to hike the CAR to 12% by 2004 based on the Basle Committee recommendations. Retail Banking is the new mantra in the banking sector. The home loans alone account for nearly two-third of the total retail portfolio of the bank. According to one estimate, the retail segment is expected to grow at 30-40% in the coming years. Net banking, phone banking, mobile banking, ATMs and bill payments are the new buzz words that banks are using to lure customers. With a view to provide an institutional mechanism for sharing of information on borrowers / potential borrowers by banks and Financial Institutions, the Credit Information Bureau (India) Ltd. (CIBIL) was set up in August 2000. The Bureau provides a framework for collecting, processing and sharing credit information on borrowers of credit institutions. AXIS are the promoters of the CIBIL. The RBI is now planning to transfer of its stakes in the SBI, NHB and National bank for Agricultural and Rural Development to the private players. Also, the Government has sought to lower its holding in PSBs to a minimum of 33% of total capital by allowing them to raise capital from the market. Banks are free to acquire shares, convertible debentures of corporate and units of equity-oriented mutual funds, subject to a ceiling

of 5% of the total outstanding advances (including commercial paper) as on March 31 of the previous year. The finance ministry spelt out structure of the government-sponsored ARC called the Asset Reconstruction Company (India) Limited (ARCIL), this pilot project of the Commercial banks operating in India. This included 27 Public Sector Banks (PSBs), 31 Private, 42 Foreign and 196 Regional Rural Banks. Also, there were 67 scheduled co-operative banks consisting of 51 scheduled urban co-operative banks and 16 scheduled state co-operative banks. Scheduled commercial banks touched, on the deposit front, a growth of 14% as against 18% registered in the previous year. And on advances, the growth was 14.5% against 17.3% of the earlier year. State Bank of India is still the largest bank in India with the market share of 20% ICICI and its two subsidiaries merged with ICICI Bank, leading creating the second largest bank in India with a balance sheet size of Rs. 1040bn. Higher provisioning norms, tighter asset classification norms, dispensing with the concept of 'past due' for recognition of NPAs, lowering of ceiling on exposure to a single borrower and group exposure etc., are among the measures in order to improve the banking sector. A minimum stipulated Capital Adequacy Ratio (CAR) was introduced to strengthen the ability of banks to absorb losses and the ratio has subsequently been raised from 8% to 9%. It is proposed to hike the CAR to 12% by 2004 based on the Basle Committee recommendations. Retail Banking is the new mantra in the banking sector. The home loans alone account for nearly two-third of the total retail portfolio of the bank. According to one estimate, the retail segment is expected to grow at 30-40% in the coming years. Net banking, phone banking, mobile banking, ATMs and bill payments are the new buzz words that banks are using to lure customers. With a view to provide an institutional mechanism for sharing of information on borrowers / potential borrowers by banks and Financial Institutions, the Credit Information Bureau (India) Ltd. (CIBIL) was set up in August 2000. The Bureau provides a framework for collecting, processing and sharing credit information on borrowers of credit institutions. AXIS are the promoters of the CIBIL. The RBI is now planning to transfer of its stakes in the SBI, NHB and National bank for Agricultural and Rural Development to the private players. Also, the Government has sought to lower its holding in PSBs to a minimum of 33% of total capital by allowing them to raise capital from the market. Banks are free to acquire shares, convertible debentures of corporate and units of equity-oriented mutual funds, subject

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AXIS BANK INTRODUCTION –

Axis Bank is the third largest private sector bank in India. The Bank offers the entire spectrum of financial services to customer segments covering Large and Mid-Corporates, MSME, Agriculture and Retail Businesses.

The Bank has a large footprint of 4,758 domestic branches (including extension counters) with 10,990 ATMs & 5,972 cash recyclers spread across the country as of 31st March 2022. The Bank has 6 Axis Virtual Centres with over 1,500 Virtual Relationship Managers as of 31st March 2022. The Overseas operations of the Bank are spread over eight international offices with branches in Singapore, Dubai (at DIFC), and GIFT City-IBU; representative offices in Dhaka, Dubai, Abu Dhabi, Sharjah and an overseas subsidiary in London, UK. The international offices focus on Corporate Lending, Trade Finance, Syndication, Investment Banking, Liability Businesses, and Private Banking/Wealth Management offerings.

Axis Bank is one of the first new generation private sector banks to have begun operations in 1994. The Bank was promoted in 1993, jointly by Specified Undertaking of Unit Trust of India (SUUTI) (then known as Unit Trust of India), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC), National Insurance Company Ltd., The New India Assurance Company Ltd., The Oriental Insurance Company Ltd., and United India Insurance Company Ltd. The shareholding of Unit Trust of India was subsequently transferred to SUUTI, an entity established in 2003.

After the liberalization, privatisation and globalization, banking industry has expanded its wings across the globe. Axis bank is one such bank which is providing multi varied services to its customers. In the process of satisfying their customers employees are undergoing lot of stress. This stress is leading to dissatisfaction among employees. The researcher is making an attempt to find out the job satisfaction levels of employees associated with Axis bank. The major objectives of the study are 1. To find out the impact of demographic variables like age, gender, designation and work experience on the satisfaction level of Axis bank employees and 2. The factors influencing the job satisfaction. 250 employees from 12 branches in five major cities of Andhra Pradesh were

resurveyed. Convenience sampling method was used to collect the data. A structured questionnaire was administered to collect the data. ANOVA, Chi-square, standard deviation and regression analysis were used to analyse the data. From the analysis it was found that demographic variables are having a greater impact on the employee satisfaction levels. Factors like pay, promotion, supervision etc. are having significant roles in deciding the satisfaction levels.

The productivity of any organization largely depends upon the job satisfaction which employees achieve in an organization. In some way or the other job satisfaction is also linked with life satisfaction. Every person spends a large portion of his day, working in an organization. If a person is able to derive satisfaction from his job, he will be satisfied in his personal life as well. Many researches have pointed out that the job satisfaction plays an important role in motivating employees, increasing his morale, enhanced work performance etc. job satisfaction means the level of contentment a person has from his job. In other words, if an employee is satisfied from his job means he like his and vice-versa. Locke (1976) says that the job satisfaction is an emotional state which is positive due to positive experience in job. As per the study conducted by Lease (1998), less absent from the job, more efficient, more commitment is a result of job satisfaction.

A. Company profile –

Axis bank Axis bank was formerly known as UTI bank. Axis bank is the third largest private sector bank operating in India. The bank offers various services to its customers. The customer of Axis bank varies from individuals, MSME, business related to agriculture, companies etc. The registered office of Axis bank is in Ahmedabad. The Axis bank has its branches in eight foreign countries including Hong Kong, Singapore and Dubai. The Axis bank offers services in four segments; treasury operations, retail banking, corporate banking and other banking business. Investment in corporate debt, shares, mutual funds, derivative trading are the services included in treasury operations. Retail banking includes services like loans, deposits, locker facility, internet banking, ATM facility, RTGS, financial advisory services etc. The bank offers capital market related services, appraisal of project, cash management services and management of private issue under corporate banking. Other banking services include banking facilities provided to NRIs.

The present study was carried out with an aim to help decision makers to improve job satisfaction among expatriate employees of Axis Bank.

nkthroughemployee'sempowermentMany studies on employee's empowerment provide a conceptual framework about the impact of employee's empowerment on jobs satisfaction. Therefore, there is an urgent need for more systematic and empirical efforts to investigate the role of empowerment among employees. The Axis Bank, a private commercial bank having branches in New Delhi. It covers employees working in the Axis bank. The employees belong to different categories such as officers, clerical staff and support-staff. The study explores level of employee empowerment among team working in the Axis Bank and examine it in organizational context, such as, rewards, promotion policies, working conditions, career development, inter-relationship etc., which affect job satisfaction, motivation. Hence, another important question emerges, to what extent employees are satisfied with the organization structure? Above all, it can be said, that empowerment is very important for the individual and as well as an organizational concern. In today's competitive work environment with diversity in human resource, technological interventions, changing nature of job, differential expectations, new management practices, demands for specialized skills etc., the success and growth of any organization, to a great extent, depends on its employees. In this phase when employee's expectations are not met by the organization and vice versa then various disputes take place. These disputes may cause loss of workforce, wages and production. This is also true to the banking sector

II. LITERATURE REVIEW:

1. Manish Mittal and Arunna Dhademad (2005) they found that higher profitability is the only major parameter for evaluating banking sector performance from the shareholders point of view. It is for the banks to strike a balance between commercial and social objectives. They found that public sector banks are less profitable than private sector banks. Foreign banks top the list in terms of net profitability. Private sector banks earn higher non-interest income than public sector banks, because these banks offer more and more fee-based services to business houses or corporate sector. Thus, there is urgent need for public sector banks to provide such services to stand in competition with private sector banks.
2. I.M. Pandey (2005): An efficient allocation of capital is the most important financial function in modern times. It involves decision to commit the firm's funds to the long-term assets. The firm's value will increase if investments are profitable and add to the shareholders wealth. Financial decisions are important to influence the firm's growth and to involve commitment of large amount of funds. The types of investment decisions are expansion of existing business, expansion of new business and replacement and modernization. The capital budgeting decisions of a firm has to decide the way in which the capital project will be financed. The financing or capital structure decision. The asset of a company can be financed either by increasing the owners claims on the creditors' claims. The various means of financing represent the financial structure of an enterprise.
3. Medhat Tarawneh (2006) financial performance is a dependent variable and measured by Return on Assets (ROA) and the intent income size. The independent variables are the size of banks as measured by total assets of banks; assets management measured by asset utilization ratio (Operating income divided by total assets) operational efficiency measured by the operating efficiency ratio (total operating expenses divided by net income)
4. Vasant Desai (2007): The Reserve Bank of India plays a very vital role. It is known as the banker's bank. The Reserve Bank of India is the head of all banks. All the money formulations of commercial banks are done under the Reserve Bank of India. The RBI performs all the typical functions of a good central bank as it is involved in planning the economy of the country. The main function is that the RBI should control their credit. It is mandatory for the Bank to maintain the external value of the rupee. Major function is that it should also control the currency.
5. K. C. Sharma (2007) Banking has entered the electronic era. This has been due to reforms introduced under the WTO compliance. Private sector banks have been permitted to open their shops in the country. These banks are either foreign or domestic banks with foreign partnerships. Some of them have been set up by Development Financial Institutions in order to embrace concept of universal banking, as practiced in advanced countries. The private sector on the other hand have begun their high tech operations from the initial stage and made the elite of the country to taste the best banking practices that happens in the western countries. They have for seen the digital world and have seen the

- emerging electronic market, which has encouraged them to have a better customer service strategy that would be able to deliver the things as per customer's requirement.
6. HrMachiraj international publishers (2009): Efficiency can be considered from technical, economical or empirical considerations. Technical efficiency implies increase in output. In the case of banks defining inputs and output is difficult and hence certain ratios of costs to assets or operating revenues are used to measure banks efficiency. In the Indian context public sector banks accounts for a major portion of banking assets, it is necessary to evaluate the financial decisions of these banks and compare them with private sector banks to know the quality of financial decisions on its impact or performance of bank in terms of efficiency, profitability, competitiveness and other economic variables.
 7. DR.S. Guruswamy (2009): One of the key elements of importance for shaping the financial system of a country is the pension fund. The fund contributes to the development of social security systems of a country is the pension fund. The fund contributes to the development of social security system of a country. A fund is established by private employers, governments, or unions for the payment of retirement benefits. Pension funds are designed to provide for poverty relief, consumption smoothing etc. Pension funds not only provide compensation for the loyal service rendered in the past, but in a broader significance. Works as a measure of socio-economic justice. Pension system refers to the framework of arrangement under which individuals gain specified entitlements to a regular income in retirement called pension.
 8. Dangwal and Kapoor (2010) also undertook the study on financial performance of nationalized banks in India and assessed the growth index value of various parameters through overall profitability indices. They found that out of 19 banks, four banks had excellent performance, five banks had good performance and six banks had poor performance. Thus, the performance of nationalized banks differs widely.
 9. Prasanna Chandra (2010): Fundamental of financial management covers all the aspects of the subject from the basics overview of the financial environment to the financial analysis and financial planning. The basic consists of forms of business organization which gives detailed information about the financial management of the organization. After the analysis part budgeting of capital and fundamental valuation of concept is in detail. It provides an introduction to the financial management and to the financial environment. The fundamental of financial management provides a good coverage of the basic concepts relating to the financial environment. The topics are explained with various examples like the tax system, financial institution, banking arrangement & regulatory framework. All the concepts are explained using numerous examples & illustration besides the illustration given within the chapter, additional concepts, tools & technique with illustration are provided at the end of chapter section. The book takes an analytical approach and explains the various analytical methods in context.
 10. Jha DK and D S Sarangi (2011): The financial performance of seven public sector and private sector banks during the period 2009-10. They used three sets of ratio, operating performance ratio, financial ratio and Efficiency ratio. The study revealed that Axis bank was on the top of these banks followed by ICICI, BOT, PNB, SBI, IDBI and HDFC. This ratio enables the bank to meet the contingencies of repayment of deposit. The ratio of capital to deposit in decline. The ratio of capital to working fund also indicates that the overall efficiency of these selected public sector banks is good. On the other hand, the ratios of demand deposit to total deposit is declining. This indicates better liquidity position of bank. The credit deposit ratio of most of the bank shows an increasing trend. It shows that the profitability of the banks in government. The return on average net worth also shows an increasing trend.

III. RESEARCH DESIGN

Research means finding something new or providing a solution to an existing problem. Nowadays, research day is becoming more and more important because people's needs, wants and expectations are changing rapidly. People want something new every day.

Research helps an organization provide goods and services based on people's needs. Research is a systematic process of gathering knowledge and facts to find a solution to a problem. Research method is a systematic way of solving a research problem. It includes the overall study design, sampling procedures, data collection methods, and analytical procedures.

RESEARCH OBJECTIVES

- 1) To analyze different forms of E-banking services. What are the services that a customer demands from the banks. By the research small variations can be known which can give better growth to the banking sector
- 2) To analyze the effect of different factors on customer satisfaction in E-Banking services. By the research it can be found whether which factor has how much impact on the satisfaction level of customer.
- 3) To examine the influence of various demographic factors on E-Banking services. Demographic factors place an important role in the satisfaction level in E-Banking services.

3.1 RESEARCH DESIGN

Research Design defined as the detailed outline of the study which helps in achievement of the research objectives and decisions related to research process and data collection methods used. (Dr. Viral Bhatt, Dhawal S. Jadhav, Dr. Keyur Nayak, 2021)

Descriptive research:

Descriptive research design helps to describe the various characteristics of people under study, help to predict behaviour in specific situations as well as variables, helps to identify clear research question, problem statements and helps to analyze hypotheses. (Jigar N, Dr Keyur Kumar Nayak, Dr Viral Bhatt., 2021)

Descriptive research is used to describe characteristics of a population or phenomenon being studied it does not answer question about how/when/why the characteristics occurred rather it addresses what question. The descriptive research design used here is through survey method in form of questionnaire data is collected.

A detailed picture regarding the situation can be only studied with the help of descriptive research. A descriptive study is one in which information is collected without changing the environment. It is used to obtain information concerning the current status of the occurrence to describe "what exists" with respect to variables or conditions in a situation. This is a cross sectional attempt of researcher to understand a classification of senior personnel with respect to psychological and demographic aspect of workplace stress in financial services. This is a unique attempt made by researcher trying to derive new conclusions with fresh

collection of data in different geographical region, demographic profile and with different techniques. (Ms. Hiral Borikar, Dr. Viral Bhatt, 2020)

A cross-sectional study involves looking at data from a population at one specific point in time. The participants in this type of study are selected based on particular variables of interest. This type of research can be used to describe characteristics that exist in a community, but not to determine cause-and-effect. This method is often used to make inferences about possible relationships or to gather preliminary data to support further research and experimentation.

Cross-sectional study

design is a type of observational study design. In a cross-sectional study, the investigator measures the outcome and the exposure in the study participants at the same time. Unlike in case-control studies (participants selected based on the outcome status) or cohort studies (participants selected based on the exposure status), the participants in a cross-sectional study are just selected based on the inclusion and exclusion criteria set for the study. Once the participants have been selected for the study, the investigator follows the study to assess the exposure and the outcomes. Cross-sectional designs are used for population-based surveys and to assess the prevalence of diseases in clinic-based samples. These studies can usually be conducted relatively faster and are inexpensive **What are you studying about?**

This survey looks at customer satisfaction with electronic banking services. This study is primarily aimed at analyzing the satisfaction of the electronic banking services based on various variables. This study analyzes the different impacts of different variables such as accessibility, support, capabilities, complexity, connectivity, security, and customer satisfaction.

Why is this study required?

This study is necessary to know which variables have a positive impact on customer satisfaction using e-banking services and which variables have a negative impact on satisfaction with e-banking services. Therefore, research is necessary to know what factors affect users of e-banking services.

Who is the respondent?

Subjects of the survey are users of e-banking services provided by banks. Here, we only take data from people who have used the E-

Banking service. Respondents are those who directly or indirectly use banking services.

What factors are being considered in this study?

This study explores various factors such as accessibility, support, capabilities, complexity, connectivity, security, and customer satisfaction. This survey identifies the factors that influence and the few factors that affect customer satisfaction with electronic banking services.

When was the survey conducted?

Whether it is appropriate to study the subject finalized for the research? If the study is too early the outcome will be not that much useful. Conducting the research at the right time makes it most beneficial for the parties concerned. This survey will be conducted over a 23-month period and data will be collected and analyzed.

IV. CONCLUSIONS-

- AXIS needs to improve on mainly these three factors i.e., Promise, doing it right and Competency as these factors are more important for banking industry. AXIS should maintain these four factors i.e., Promptness, Willingness, Competency and Understanding as in these factors either AXIS is performing well or doing up to the mark and these four factors are important for banking industry.
- AXIS should deemphasize on factor Appearance and Approachable as in these factors they are performing well, but these factors have less importance as compared to other factors.

AXIS should concentrate on insisting on error free records, on performing the service correctly the first time and employees telling customers exactly what services will be performed.

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