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A Comparative Study on The Employee Engagement in Public and Private Sector Banks in Bangalore

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ABSTRACT

Employee Engagement is one of the vital approaches to improve the quality and productivity in any enterprise. Employee engagement is not a replacement for management nor is it the final word in quality improvement. It is a means to bettermeet the organizations goals for quality and productivity at all levels of an organisation. Employee engagement, therefore, pushes up the level of commitment, involvement and dedication that an employee has towards the organisation. The concept of employee engagement overlaps with the concept of commitment and organisational citizenship behaviour to a large extent but is different conceptually. The latter two concepts are uni-directional but engagement is a two-way concept- organisation work hard to engage their employees and the employees in turn decide on the level of engagement they would offer their employers. The present research paper focusses on the Employee engagement practices incorporated in Banking sector, since the banking sector plays a crucial role in the revenue generation under the service industry it is important to study the factors influencing to contribute more revenue as part of which from the literatures we understood that in recent years the employee engagement is the major contributing factor for the improvement of overall performance of the organization, hence, the study is conducted to explore and through light on the comparison between the public and private sector banks in incorporating the employee engagement practices.

Key Words: Employee Engagement, Productivity, Organizational citizenship, organizational goals, Banking Sector, Public Sector, Private Sector, Performance of Organization.

INTRODUCTION

Employee engagement refers to the level of commitment, motivation, and enthusiasm that employees have towards their work, organization, and goals. Engaged employees are more likely to be productive, proactive, and committed to the success of their company. They are also more likely to remain loyal to their employer and less likely to leave for other opportunities.

There are many factors that contribute to employee engagement, including effective communication, recognition and rewards, opportunities for growth and development, a positive work culture, and meaningful work. Employers can foster engagement by providing these factors and creating a supportive and inspiring work environment.

Engaged employees have many benefits for organizations, including higher productivity, better customer service, lower absenteeism and turnover rates, and improved financial performance. As such, employee engagement is an important aspect of talent management and a key factor in the success of any organization.

There are several factors that can influence employee engagement, including:

Leadership: The behavior and actions of leaders can have a significant impact on employee engagement. Effective leaders should communicate regularly, provide feedback and recognition, and foster a positive work environment.

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Communication: Open and transparent communication is essential for employee engagement. Employees need to understand their roles and responsibilities, as well as the goals and objectives of the organization.

Work environment: A positive work environment that is supportive, inclusive, and fosters a sense of belonging can promote employee engagement.

Training and development: Providing employees with opportunities for learning and development can help them feel valued and invested in their work.

Recognition and rewards: Recognizing and rewarding employees for their contributions can help increase their motivation and engagement.

Work-life balance: Offering flexible work arrangements, such as telecommuting or flexible schedules, can help employees balance their work and personal lives, leading to higher engagement and satisfaction.

Overall, employee engagement is a crucial factor in the success of any organization. By prioritizing engagement and creating a positive work environment, employers can create a more motivated and productive workforce.

REVIEW OF LITERATURE

Schaufeli W et.al.,(2006)[1] revealed that the employee engagement is having a high positive, fulfilling work related state of mind that is characterized by vigor dedication and absorption, which leads to high performance individuals coupled with organizational productivity. Maha Ahmed and ZakiDajani (2015)[2], in their research study found that the effect of engagement on employment execution and hierarchical duty in view of social trade hypothesis had critical effect on job satisfaction, however less effect on authoritative duty. Collins Badu Agyemang and Samuel BatchisonOfei (2013)[3] in their study they uncovered that a huge positive relationship between executive engagement and executive responsibility. Executives of private banks have a larger amount of engagement and authoritative responsibility than employees out in the public banks. Susan Abraham (2012)[4]in their study discussing the employee fulfillment is input to employee engagement. Engaged workers perform remarkably well in their profession. The revision highlighted the for the most part influencing factors of worker fulfillment in the organization. A design for a worker engagement has been proposed to the management to improve employee commitment.Mokaya et.al., (2014)[5] in their study revealed that Lowengagement and job satisfaction can contribute to multipleorganizational problems and have been associated with increased levels of turnover and absenteeism, adding potential costs to the organization in terms of low performance and decreased productivity.

[1]Schaufeli W. B., Bakker A. B. and Salanova M. (2006), ―The measurement of work engagement with a short questionnaire: A cross-national study‖, pp.701–716.

[2]Maha Ahmed, ZakiDajani (2015), ―The Impact of Employee Engagement on Job Performance and Organizeal Commitment in the Egyptian Banking Sector‖, Journal of Business and Management Sciences, Vol. 3, No. 5, pp. 138-147.

[3] Collins Badu Agyemang, Samuel BatchisonOfei (2013) ―Employee Work Engagement and Organizational Commitment: A Comparative Study of Private and Public Sector Organization in Ghana‖, European Journal of Business and Innovation Research Vol.1, No.4, pp.20-33

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Statement of problem

One of the challenges for today's human resource management is not only to create a highly motivated workforce which is both dedicated and involved with their work and organisation but to sustain them to a point where they become 'engaged employee'. Employees feel engaged in their organisation when they find: personal meaning and motivation towards their work, receive positive interpersonal support, operate in an efficient work environment, part of the decision-making process, employees ideas are incorporated in the final plan and many more other factors. It generates self-responsibility among the employees. This sense of self-responsibility instils accountable for each and every decision they take. This results in the commitment and prides for success of not only the organisation but also for the employees himself/herself. Employee engagement is not only important in manufacturing industries, it is equally important in service industries too; hence this study is undertaken to study the factors which enhances the level of employee engagement in public and private sector banks.

OBJECTIVES

1. To study the employee engagement in private and public sector banks
2. To compare and contrast the employee engagement factors between private and public sector banks.

Conceptual definition of the study and Hypothesis Formulation

1. Employee Engagement:

Employee engagement is defined as the level of commitment and involvement an employee has towards his organisation and its values.

2. Organisational culture:

It is about making employees feel engaged in their daily activities, making them feel devoted to their work and enabling them to achieve their goals. It's about making the overall working environment conducive for achieving goals, It is about aligning day-to-day activities with the business strategy to ensure that the organization meets its goals.

3. Empowerment:

Empowerment is an environment in which people have the ability, the confidence and the commitment to take the responsibility and ownership to improve the process and initiate the necessary steps to satisfy customer requirements within well-defined boundaries in order to achieve organizational values and goals.

4. Team Work:

Team work is the cumulative actions of the team during which each member of the team subordinates his individual interests and opinions to fulfil the objectives or goals of the group.

5. Employee growth and development:

Providing learning opportunities by building a learning culture where employees are rewarded for sharing ideas and experiences. This would motivate the employees and can engagement and reduce employee turnover.

6. Recognition and Reward:

Recognition is a form of employee motivation in which organization publicly acknowledges the positive contribution of individual or team has made to the success of the organisation. Reward is something tangible such as theatre tickets, dinner for two or a cash award to promote desirable behaviour.

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7. Work environment:

Work environment is described as an environment in a work place, which motivates every employee to put in his/her best to improve his/her productivity as well as the productivity of the organisation.

Hypothesis.

Based on the objective of the study, the following hypothesis was formulated to test in

H_{01}: Employee engagement is effective in public sector than that of private sector banks.

VI. Data Analysis and Results

Organisational Culture

N=300

Table showing the organisational culture of respondents

Sl.No.	Statements	Private Banks		Public Banks	
		Mean Per cent	S.D	Mean Per cent	S.D
1	The right people in the right jobs	70	0.26	88	0.80
2	Highly engaged and supportive senior leaders	77	1.60	89	1.06
3	Skilled senior leader	77	1.60	88	0.80
4	You are well informed about the changes in the organizational that affect your work group.	67	1.06	73	3.20
5	Your work group makes efficient use of its resources, time and budgets.	65	1.60	89	1.06
6	In your work group meetings are focused and efficient.	76	1.33	88	0.80
7	In your work group, people are held accountable for low performance	64	1.87	84	0.26
	Total	71	1.33	86	1.04
	't' test	-2.51^{NS}			

S.D = Standard Deviation

Source: Primary Data

Note: If the mean percentage of various statements of organisational culture is less than the total average percentage, such areas were considered to be weak areas for future improvement.

Analysis and interpretation:

- The mean % of organisational culture in private sector banks is 71%, whereas in case of public sector banks, it is 86%.

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- 't' test between private and public sector banks exhibits a non significant difference with regard to organisational culture.

The study has identified several weak areas for improvement. They are

Private sector banks:

- The company has not placed the right people in the right job.
- Employees are not informed about the changes in the organisation.
- Employees do not make use of its resources, time and budget efficiently.
- People are not held accountable for low performance.

Public sector banks:

- Employees are not informed about the changes in the organisation.
- People are not held accountable for low performance.

Employee Empowerment

N=300

Table showing the employee empowerment of respondents

Sl.No.	Statements	Private Banks		Public Banks	
		Mean Per cen	**S.D**	**Mean Per cen**	**S.D**
1	You can make meaningful decision about how you do your job.	72	0.80	66	0.13
2	You find personal meaning and fulfilment in your work	66	0.80	65	0.13
	Total	69	0.8	65	0.13
	't' test	-2.376^{Ns}			

S.D = Standard Deviation

Source: Primary Data

Note: If the mean percentage of various statements of employee empowerment is less than the total average percentage, such areas were considered to be weak areas for future improvement.

Analysis and interpretation:

- The mean % of employee empowerment in private sector banks is 69%, whereas in case of public sector banks, it is 65%.
- 't' test between private and public sector banks exhibits a non significant difference with regard to employee empowerment.

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- Employees do not find personal meaning and fulfilment in their work is the weak areas for improvement in both the banks.

Team Work

N=300

Table showing the team work of respondents

Sl.No.	Statements	Private Banks		Public Banks	
		Mean Per cen	**S.D**	**Mean Per cen**	**S.D**
1	People in your work group co-operative with each other to get the job done	73	1.07	88	1.20
2	In your organisation, different work group reach out to help and support each other.	75	1.60	80	0.94
3	People in your work group quickly resolve conflicts when they arise.	56	3.47	83	0.13
4	People trust each other in your work group.	75	1.60	83	0.13
	Total	70	1.94	83	0.6
	't' test	-1.59^{NS}			

S.D = Standard Deviation

Source: Primary Data

Note: If the mean percentage of various statements of team work is less than the total average percentage, such areas were considered to be weak areas for future improvement.

Analysis and interpretation:

- The mean % of team work in private sector banks is 70%, whereas in case of public sector banks, it is 83%.
- 't' test between private and public sector banks exhibits a non significant difference with regard to team work.
- The study has identified several weak areas for improvement. They are:

- People do not resolve conflicts quickly whey they arise both in private and public sector banks.
- In case of public banks, people do not resolve conflicts quickly when they arise and people do not trust each other.

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Employee growth and development

N=300

Table showing the Employee growth and development of respondents

Sl.No.	Statements	Private Banks		Public Banks	
		Mean Per cen	**S.D**	**Mean Per cen**	**S.D**
1	Your job provides you with changes to grow and develop.	71	0.13	81	0.66
2	In your work group, people try to pick up new skills and knowledge.	79	2.00	84	0.13
3	In your work group, people are assigned task that allow them to use their best skills.	65	1.74	85	0.40
4	We have all the training we need.	71	0.19	84	0.13
	Total	72	1.01	83	0.33
	't' test	-2.25^{NS}			

S.D = Standard Deviation

Source: Primary Data

Note: If the mean percentage of various statements of employee growth and developmentis less than the total average percentage, such areas were considered to be weak areas for future improvement.

Analysis and interpretation:

- The mean % of employee growth and developmentin private sector banks is 72%, whereas in case of public sector banks, it is 83%.
- 't' test between private and public sector banks exhibits a non significant difference with regard to employee growth and development.
- The study has identified several weak areas for improvement. They are:

- Employees are not provided with job changes to grow and develop both in private and public banks.
- There is no required training in private sector banks.

Recognition and Reward

N=300

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Table showing the Recognition and Reward of respondents

Sl.No.	Statements	Private Banks		Public Banks	
		Mean Per cen	S.D	Mean Per cen	S.D
1	In your work group, your ideas and opinions are appreciated	64	0.86	81	0.80
2	You get sufficient feedback about how well you are during the work.	73	1.55	85	1.87
3	People in your work group understand and respect the things that make you unique.	68	0.21	73	1.33
4	You appreciate the motivation scheme practiced in your company	64	0.85	67	2.93
5	Your company rewards for their employees excellent contribution.	67	0.05	84	1.60
	Total	67	0.70	78	1.70
	't' test	-2.01^{NS}			

S.D = Standard Deviation

Source: Primary Data

Note: If the mean percentage of various statements of Recognition and Rewardis less than the total average percentage, such areas were considered to be weak areas for future improvement.

Analysis and interpretation:

- The mean % of Recognition and Rewardin private sector banks is 67%, whereas in case of public sector banks, it is 78%.
- 't' test between private and public sector banks exhibits a non significant difference with regard to Recognition and Reward.
- The study has identified several weak areas for improvement. They are:

- In case of private sector banks, employee's ideas and opinions are not appreciated and employee's excellent contributions are not rewarded.
- People do not understand and respect the things in the public sector banks.

Work Environment

N=300

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Table showing the Work Environment of respondents

Sl.No.	Statements	Private Banks		Public Banks	
		Mean Per cen	S.D	Mean Per cen	S.D
1	You are treated with respect by your supervisors.	73	0.67	85	0.06
2	You understand the goals, policies and objectives of your organisation.	73	0.67	91	1.53
3	Management has a sincere concern for the employees.	65	1.47	80	1.40
4	The working conditions in this organisation are excellent.	71	0.13	85	0.06
	Total	70	0.73	85	0.76
	't' test	-2.75^{NS}			

S.D = Standard Deviation

Source: Primary Data

Note: If the mean percentage of various statements of Work Environmentis less than the total average percentage, such areas were considered to be weak areas for future improvement.

Analysis and interpretation:

- The mean % of Work Environmentin private sector banks is 70%, whereas in case of public sector banks, it is 85%.
- 't' test between private and public sector banks exhibits a non significant difference with regard to Work Environment.
- The study has identified several weak areas for improvement. They are:

- Management does not have a sincere concern for employees both in private and public sector banks.
- In case of public sector banks, employees are not treated with respect by their supervisors and working conditions are not conducive to the employees.

Table Employee Engagement

Sl. No.	Components	Private Banks		Public Banks	
		Mean per cen	S.D	Mean per cen	S.D
1	Organisational culture	71	1.33	86	1.04
2	Employee Empowerment	69	0.8	65	0.13

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Sl. No.	Components	Private Banks		Public Banks	
		Mean per cen	S.D	Mean per cen	S.D
3	Team work	70	1.94	83	0.6
4	Employee growth and development	72	1.01	83	0.33
5	Recognition and Reward	67	0.70	78	1.70
6	Work environment	70	0.73	85	0.76
	Total	70	1.08	80	0.76
	't' test	-7.79^{NS}			

S.D Standard Deviation

Note: If the mean percentage of various statements of employee engagement is less than the total average percentage, such areas were considered to be weak areas for further improvement.

Analysis and interpretation:

- The mean % of the employee engagement in private sector banks is 70%. Whereas in case of public sector banks, it is 80%
- 't' test between private and public sector banks exhibits a non significant difference with regard to employee engagement
- The study has identified several weak areas for improvement. They are

- Private sector banks:
  - Employees are not empowered
  - Team work is not effective
  - Recognition and reward system is not effective
  - Working conditions are not conducive to the employees.
- Public sector banks:
  - Employees are not empowered
  - Recognition and reward system is not effective.

SUMMARY OF FINDINGS AND RECOMMENDATIONS

Major Findings

- The mean % of organisational culture in private sector banks is 71%, whereas in case of public sector banks, it is 86%.

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- The mean % of employee empowerment in private sector banks is 69%, whereas in case of public sector banks, it is 65%.
- The mean % of team work in private sector banks is 70%, whereas in case of public sector banks, it is 83%.
- The mean % of employee growth and developmentin private sector banks is 72%, whereas in case of public sector banks, it is 83%.
- The mean % of Recognition and Rewardin private sector banks is 67%, whereas in case of public sector banks, it is 78%.
- The mean % of Work Environmentin private sector banks is 70%, whereas in case of public sector banks, it is 85%.
- 't' test between private and public sector banks exhibits a non significant difference with regard to organisational culture, employee empowerment, team work, employee growth and development, Recognition and Rewardand Work Environment.

RECOMMENDATIONS

- Involve all employees from all levels in teamwork activities, in order to eliminate communication barriers and to faster the culture of continues improvement.
- Banking sector is changing at a faster rate, hence employees should be involved in planning a change that affect them and provide the required time to them to adjust constructively to the proposed changes.
- Define authority and responsibility of every employee in clear terms and make them accountable for quality advancement in their areas.
- Drive out fear, create an environment for innovation and personal development and instil in every employee a sense of pride in the work they do.
- Every organisation should impose their employees to practice effective team working approaches, so as to improve knowledge sharing and individual performance levels.
- All the stakeholders should have one strategy i.e., uncompromising values at work.
- Research into employees requirements to design benefits and rewards.

CONCLUSION

The real challenge in today's workplace is having an effective and courageous leadership for fully engaging each team member as a valued individual. This challenge can be overcome by providing the people with a supportive and engaging environment and thus obtaining gainful results without the need to drive the team or the leader over the edge. In effect, successful companies are those that recognize an opportunity to nurture employee engagement, and are willing to capitalize on the linkage between employee engagement and monetary results.

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