



Employee Motivation - An Empirical Study on Selected Public and Private Sector Banks

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Abstract: *The present study is conducted among a selected set of public and private sector banks. The data is collected through primary as well as secondary sources and processed using statistical packages to calculate mean and standard deviations. F-Values and p-values are calculated find difference between motivation levels of the employees working in the public and private sector banks. The motivation levels of the employees is calculated based on age, gender, educational qualifications, marital status, community, family occupation, nativity, length of the service and salary ranges. The study found there are significant differences in the motivation levels of the employees with respect to certain category and as a whole found that the motivation levels remains same among both the public and private sector banks. However, the study observed that there is a necessity among the banks to regularly focus on designing strategies to motivate the employees to overcome the challenge of competition by delivering better quality services.*

Keywords: Globalization, Liberalization, Motivation, Privatization, Public Sector Banks

Introduction: Motivation is a state of being heart fully committed to do a particular job or activity. It is observed that a highly motivated individual will perform a job or an activity effectively and efficiently when compared with an individual who performs the similar job or an activity by compulsion or for any other purpose without having any interest in doing that particular job or the activity. A highly motivated employee can deliver better quality services to meet the ever changing requirements of the business organizations. However, the process of motivation is different among various individuals and employees in an organization; hence it is always a challenging task for the manager to keep

motivating the employees to achieve the organizational objectives, especially for an organization operating in a highly competitive business environment like banking sector. In view of the necessity of a highly motivated employee in an ever changing business environment like banking sector, the present study was focused on studying the motivation levels of the employees working in the sector. The primary objective of the study is to help the banking organizations to understand motivation levels of the employees categorized based on age, gender, educational qualifications, marital status, community, length of the service, and salary ranges and to design suitable strategies to overcome the



challenge of motivating an employee in the organization.

Problem Statement : The present study entitled, "Employee Motivation - An Empirical Study on Selected Public and Private Sector Banks", is undertaken to examine the motivation levels of the employees working in public and private sector bank branches in the Nellore district of Andhra Pradesh. This empirical study is, though confined to a few employees of a few branches; extended to draw meaningful inferences on the pattern of motivation of employees.

Objectives of the Study

The Primary objective of the present study is to examine the factors of motivation among the employees of public and private sector banks in Nellore district. The specific objectives of the study are:

1. To review the theories of motivation.
2. To analyze the personal characteristics of the employees working in selected public and private sector banks in Nellore District of Andhra Pradesh.
3. To identify the motivational factors that affect change in the personal characteristics of employees working in selected public and private sector banks under the study area.

Hypothesis of the Study: There is no significant difference between the motivational factors of among the employees of the selected public and private sector bank employees.

Research Design and Methodology: The Research Methodology adopted for the

present enquiry – Employee Motivation - An Empirical Study on Selected Public and Private Sector Banks in Nellore District of Andhra Pradesh, is explained below.

Sources of Data & Tools for Data Collection

The present study is based on both primary and secondary data. The primary data have been collected from the employees of selected public and private sector banks in Nellore District. To collect the primary data the researcher has made several personal visits along with the structured questionnaire for the purpose. The structured questionnaire consists of three parts covering personal profiles of the employees in the first part; factors of motivation in the second part. The questionnaire consists of 50 statements relating to motivation. The responses are measured on a 'five point scale'. The data collected through questionnaire from primary sources have been processed in tune with the objectives set and the results are tested with the help of hypothesis formulated by employing appropriate statistical tools like mean, standard deviation, test of significance and correlation.

The other major sources that were explored for compiling secondary information are published reports, documents, books, journals, statistical abstracts, various web sites, and annual reports of selected sample banks, unpublished thesis and the like.

Sample Design: For the present study purposive sampling technique has been used. Altogether 18 Public Sector Banks and 13 Private Sector are working in



Nellore District of Andhra Pradesh as on 31st March 2009. Out of them Syndicate Bank, State Bank of India and Andhra Bank belonging to public sector banks, and ICICI, HDFC and City Union Banks belonging to private sector are purposely chosen as sample Public Sector Banks and Private Sector Banks in the district.

The particulars pertaining to population and sample of these three private sector banks are given in the below Table-1. All the officers and clerks of HDFC and City Union Bank are selected as sample because the population size itself of HDFC and the City Union Bank is less than ten.

Table . 1: Population and Sample Employees of both Public and Private Sector Banks in Nellore District

Name of the Bank	Population				Sample		
	No. of Branches	No. of Officers	No. of Clerks	Employees	No. of Officers	No. of Clerks	Total Employees
A. Public Sector Banks							
Syndicate Bank	45	64	160	224	23	80	103
State Bank of India	45	106	155	261	53	77	130
Andhra Bank	34	137	81	218	68	40	108
Total (A)	124	307	396	703	144	197	341
B. Private Sector Banks							
ICICI	1	27	-	27	14	-	14
HDFC	1	7	6	13	7	6	13
City Union Bank	1	2	8	10	2	8	10
Total (B)	3	36	14	50	23	14	37
Grand Total (A+B)	127	343	410	753	167	211	378

Source: Prepared by Author based on Primary Information Collected from the Banks.

Results and discussion

AGE: Motivational levels among the sample respondent employees of select public and private sector banks and whose age is ranging from 36-45 years have higher levels of motivation whereas in the select private sector banks the motivational levels of sample respondent employees whose age is below 25 years are high. However, the results of 'p' value reveal that the age has no impact on the motivational levels of the sample respondent employees of public and private sector banks.

GENDER: Motivational levels among the sample respondent employees, whose gender is male and who have been working with the select public sector banks in the Nellore district are high when compared to the female sample respondent employees of the same banking sector. In the case of select private sector banks the motivational levels among the sample respondent employees who belong to female category are high. However, the results of 'p' reveal that the gender has no significant



impact on the motivational factors of and private sector banks in Nellore sample respondent employees of public district.

Table . 2: Age and Motivational Scores of sample respondent Employees of select Public and Private Sector Banks in Nellore district

Age	N	Mean	Std. Deviation	F-value	p-value
Public Sector Banks					
Below 25	6	182.39	10.75	2.126	0.077
26-35 Years	29	191.54	13.65		
36-45 Years	72	193.13	12.84		
46- 55 Years	172	190.82	11.78		
Above 55 Years	62	189.66	10.79		
Total	341	189.51	11.96		
Private Sector Banks					
Below 25	10	197.90	7.72	2.027	0.129
26-35 Years	20	194.70	8.71		
36-45 Years	5	192.20	7.13		
46- 55 Years	2	190.89	7.62		
Above 55 Years	-	-	-		
Total	37	193.92	7.80		

Source: Prepared by Author based on Primary Information Collected from the Banks.

Education Qualification

The motivational levels among the sample respondent employees whose educational qualifications is graduation and who have been working with the public sector banks are high than the sample respondent employees of the same banking sector whose educational qualifications are SSC, Inter or Post Graduation.

In the private sector banks the motivational levels among the sample respondent employees whose educational

qualifications are also graduation are high than the sample respondent employees having SSC, Inter and Post Graduate qualifications. It is surprising to note that the select private sectors banks have not considered the candidatures of job seekers who possess SSC and Intermediate education. However, the statistical results of 'p' reveal that the educational qualifications have not made any impact on the motivational factors of sample respondent employees of public and private sector banks in Nellore district.



Table. 3: Motivational levels among the sample male and female respondent employees

Gender	N	Mean	Std. Deviation	t-value	p-value
Public Sector Banks					
Male	260	194.68	11.92	0.039	0.969
Female	81	194.62	11.95		
Total	341	194.65	11.94		
Private Sector Banks					
Male	30	195.40	8.23	0.319	0.752
Female	7	196.57	10.95		
Total	37	195.99	9.59		

Source: Field survey

Table. 4: Educational Qualifications and the Levels of motivation among the sample respondent employees

Education	N	Mean	Std. Deviation	F-value	p-value
Public Sector Banks					
SSC	31	193.84	15.08	0.952	0.415
Inter	21	191.52	12.54		
Graduation	195	195.48	11.35		
Post-Graduation	94	193.95	11.76		
Total	341	194.66	11.91		
Private Sector Banks					
SSC	-	-	-	0.293	0.771
Inter	-	-	-		
Graduation	18	196.06	7.46		
Post-Graduation	19	195.21	9.83		
Total	37	195.64	8.65		

Source: Field survey

Marital Status: Motivational levels among the unmarried sample respondent employees of public sector banks are higher than the motivational levels among the married sample respondent employees of the sample banking sector. In the case of private sector banks the

motivational levels among the sample respondent employees of unmarried category are higher than the motivational levels the sample respondent employees of male category. However, the results of statistic 'p' reveal that the impact of marital status of sample respondent



employees of public and private sector banks on their motivational factors is insignificant.

Table. 5:
 Motivational levels among the married and unmarried sample respondent employees

Marital Status	N	Mean	Std. Deviation	t-value	p-value
Public Sector Banks					
Married	315	194.58	11.87	0.458	0.647
Unmarried	26	195.69	12.52		
Total	341	195.14	12.20		
Private Sector Banks					
Married	17	195.29	9.92	0.210	0.835
Unmarried	20	195.90	7.66		
Total	37	195.60	8..79		

Source: Prepared by Author based on Primary Information Collected from the Banks.

Community The motivational levels of the sample respondent employees who belong to SC category and who have been working with the select public sector banks are higher than those of the sample respondent employees of other caste categories. The motivational levels among the sample respondent employees of BC category who have been working with private sector banks in Nellore district are higher than those of the sample respondent employees of OC category. The results of the statistic 'p' reveal that caste has an impact on the motivational factors of the sample respondent employees. That means to say that the SC sample respondent employees of public sector banks have exhibited high motivation in the public sector banks in Nellore district. But the results of the statistic 'p' value for the sample

respondent employees of select private sector banks reveal that caste has no impact on the motivational factors of the sample respondent employees though the sample respondent employees of BC category have exhibited significant motivation.

Family Occupation

Motivational levels among the sample respondent employees of agricultural occupation who are working with public sector banks are higher than those of the sample respondent employees whose family occupations are business, profession, employment and others who work with the public sector banks. In the case of private sector banks the motivational levels among the sample respondent employees of agricultural profession are high.



Table. 6
 Caste and Motivational Scores of the sample respondent Employees

Caste Category	N	Mean	Std. Deviation	F-value	p-value
Public Sector Banks					
OC	175	104.19	18.09	12.126	0.009
BC	87	114.77	13.22		
SC	41	124.50	14.32		
ST	23	113.59	15.12		
Minorities	15	109.98	14.11		
Total	341	113.41	14.97		
Private Sector Banks					
OC	21	115.25	17.88	6.082	0.067
BC	16	118.90	13.28		
SC	-	-	-		
ST	-	-	-		
Minorities	-	-	-		
Total	37	117.08	15.58		

Source: Primary Information Collected from the Banks.

Table. 7: Family Occupation and Motivational Scores of the Sample respondent Employees

Occupation	N	Mean	Std. Deviation	F-value	p-value
Public Sector Banks					
Agriculture	49	150.17	13.87	8.211	0.010
Business	25	148.24	16.33		
Profession	21	143.64	18.82		
Employment	221	140.58	18.24		
Others	25	142.43	16.47		
Total	341	145.01	16.74		
Private Sector Banks					
Agriculture	13	150.70	14.27	3.002	0.149
Business	7	141.89	11.41		
Profession	3	141.00	11.23		
Employment	14	149.40	16.06		
Others	-	-	-		
Total	37	145.75	13.24		



The results of statistic 'p' reveal that the family occupation has a significant impact on the motivational factors of the sample respondent employees of public sector banks whereas the same profession has no impact on the motivational factors of the sample respondent employees of private sector banks.

urban nativity of public sector banks in Nellore district are higher than in sample respondent employees of semi urban nativity and rural nativity whereas in the private sector banks the motivational levels among the sample respondent employees of semi urban nativity are higher than in other sample respondent employees of urban nativity and rural nativity.

NATIVITY: Motivational levels among the sample respondent employees of

Table. 8: Native Area and Motivational Scores of the Sample respondent Employees

Native Area	N	Mean	Std. Deviation	F-value	p-value
Public Sector Banks					
Urban	144	196.84	12.56	4.283	0.015
Semi urban	111	192.87	10.90		
Rural	86	193.33	11.58		
Total	341	194.66	11.91		
Private Sector Banks					
Urban	14	108.07	8.12	0.677	0.515
Semi urban	15	111.53	6.48		
Rural	8	110.13	10.32		
Total	37	109.92	7.95		

Source: Primary Information Collected from the Banks.

Length of the Service: Motivational levels among the sample respondent employees whose length of service is above 20 years in public sector banks are higher than the motivational levels among the sample respondent employees whose ages ranging from less than 5 years, 16-20 years. In the case of select private sector banks the motivational levels among the sample respondent employees whose length of service is less than 5 years are high.

income above Rs.40,000 are higher than the motivational levels of the sample respondent employees whose income levels range from Rs.<20,000- Rs.40,000. But the motivational levels among the sample respondent employees of private sector banks whose income ranges from Rs.30001- Rs.40000 are high. However, the impact of income levels of the sample respondent employees of public and private sector banks on their motivational factors is insignificant.

Salary Ranges: Motivational levels among the sample respondent employees earning



Table. 9: Length of service in years and Motivational Scores of the sample respondent employees

Length of service	N	Mean	Std. Deviation	F-value	p-value
Public Sector Banks					
< 5 years	39	196.92	11.41	2.437	0.047
6 - 10 years	89	192.54	10.84		
11 - 15 years	82	193.40	12.57		
16 - 20 years	81	195.01	13.34		
> 20 years	50	198.18	9.63		
Total	341	194.66	11.91		
Private Sector Banks					
< 5 years	25	196.58	9.18	1.034	0.308
6 - 10 years	11	193.36	7.13		
11 - 15 years	1	1923.82	6.58		
16 - 20 years	-	-	-		
> 20 years	-	-	-		
Total	37	194.97	8.15		

Source: Primary Information Collected from the Banks.

Table. 10: Income and Motivational Scores of the sample respondent employees

Income Ranges	N	Mean	Std. Deviation	F-value	p-value
Public Sector Banks					
< 20000	40	193.53	14.72	0.773	0.510
20001 - 30000	124	193.98	11.20		
30001 - 40000	135	194.93	11.72		
> 40000	42	196.90	11.70		
Total	341	194.66	11.91		
Private Sector Banks					
< 20000	19	195.00	8.65	0.861	0.432
20001 - 30000	14	194.93	9.22		
30001 - 40000	4	201.00	6.06		
> 40000	-	-	-		
Total	37	195.62	8.65		



The levels of motivation of the sample private sector banks are presented in the respondent employees of select public and table.11

Table. 11: Motivational levels of the sample respondent Employees of select Public and Private Sector Banks in Nellore district

Name of the Banking Sector		Level of Motivation			Total
		Low	Moderate	High	
Public Sector Banks	No. of Employees	92	158	91	341
	Percentage	27.00	46.30	26.70	100.00
Private Sector Banks	No. of Employees	10	21	6	37
	Percentage	27.00	56.80	16.20	100.00
Total	No. of Employees	102	179	97	378
	Percentage	27.00	47.30	25.70	100.00
Chi-square	2.192				
p-value	0.334				

Source: Prepared by Author based on Primary Information Collected from the Banks.

Table: 11 portrays motivational levels of the sample respondent employees of select public and private sector banks. It is evident from the table above that 179 sample respondent employees out of 378 who are working for the public and private banking sector service organizations are moderately motivated followed by 102 respondents who had low level motivation and 97 respondents who are highly motivated. Out of 341 sample respondent employees who are working with select public sector banks 158 sample respondents employees are moderately satisfied, followed by 92 who had low motivational levels and 91 who are highly motivated. In private sector banks 21 respondent employees out of 37 are moderately motivated followed by 10 respondents (27.00 per cent) who had low level of motivation and 6 respondent employees (16.70 per cent) who are highly motivated.

From the foregoing analysis one can infer that there is an equal per cent of sample respondent employees in both the banking sectors who are having low level of motivation. A high percentage of sample respondent employees of private sector banks are more moderately motivated than the employees of public sector banks and a high percentage of sample respondent employees of public sector banks have higher level of motivation highly motivated than the employees of private sector banks under the study area. It is also evident from the table above that the p-value (0.334) is greater than 0.05, it is not significant at 0.05 level. Hence, the null hypothesis is accepted, that there is no significant difference between motivational levels of the sample respondent employees of public and private sector banks under the study area.

However, a regular interaction with their family members, regular increments in

Conclusion



pay packages, setting focused and achievable targets, providing equal opportunities to all categories of employees by providing suitable training provision and by providing a convenient and feasible environment for the women employees can help to improve the motivational levels, and also contribute for the better performance of the employees resulting in increased efficiency and effectiveness of the operations.

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