

Quality Of Work Life of Private Banking Sector in Kerala Based on The Fee Based Modern Banking Services

Deepa K Sidhardhan¹, Dr. Aneesh Kumar G S²

¹Assistant Professor, Research Scholar, BAM College Thuruthicad

²Dr. Aneeshkumar G S, Assistant Professor, Research & Post Graduate Department of Commerce, BAM College Thuruthicad

Abstract

At present modern banking services, particularly fee-based services, is an unavoidable part of the banking business ensuring a significant income for banks with little capital outlay. It is accomplished through the efficient use of manpower within a bank. They are now being considered in the performance evaluation of bank branch managers in the private sector. A study carried out to determine effect of including fee-based modern banking services in the performance target on the quality of work life of private sector bank branch managers in Kerala. It should be noted that the modern fee-based services targets have a significant impact on their satisfaction, commitment, and productivity. This study investigates the effect of modern banking services on the quality of work life of bank employees in Kerala's private sector and to identify the quality of work life factors most influenced by the inclusion of fee-based banking services in the targeted performance.

Keywords: Fee-based banking services, quality of work life, satisfaction

Introduction

Modern banking services, particularly fee-based services, are an unavoidable part of the banking business in the present time. Along with the traditional activities banks give equal importance to fund based services because they ensure a significant income for banks with little capital outlay. It is primarily accomplished through the efficient use of their manpower. Modern banking fee based services at present included in the evaluation criteria of branch managers in the private banking sector. The performance evaluation criteria of private sector branch managers are now includes the contributions to fee based modern banking services in the form of targets.

Modern fee based financial services

Modern fee based financial services are those services which generate fee income from rendering specialized and customized services to customers. The modern fee based banking services includes Insurance and mutual fund collaborations, gold bonds, capital market advisory services, lockers, account related fees, cards, debt collection services, safe deposit charges, etc.

Bancassurance contributes a major source of commission income to bank in the present scenario because of the intimate relationship of branches with their elite customers. More than this, customers are also

more confident to have alliance with their bank in getting insurance services because of bank's promptness in serving them, and also banks are capable of giving customized advisory services to their customers in terms of innovative, profitable and suitable investment and insurance opportunities.¹

Corporate advisory services by banks on capital market issues like debt fund raising, interest rates, and present economic condition also embrace their fee based income.

Locker facilities providing by banks ensures safety to the valuables of their customers at cheaper cost, but this constitute a significant contribution to the fee income of bank without increasing much of their infrastructure facilities. Account related fees includes the fee charged from customers when they request for cheque books, additional debit cards, penalties for not maintaining minimum balances, more number of withdrawals, etc.

Fee based incomes are the risk free earnings of the banks and also little capital investment is needed which magnifies the importance of such services in the total workspace of the current banking industry.

Quality of Work Life

Quality of Work Life is the experiences of an employee from his work climate on various dimensions or factors such as fair compensation, freedom for work, stride for creativity, space for personal life, infrastructure facilities, supervision of work, social integration, recognition, growth opportunities, etc which make employees feel comfortable in their work environment and their by personal life.

"QWL is a process of work organisations which enable its members at all levels to actively; participate in shaping the organizations environment, methods and outcomes. This value based process is aimed towards meeting the twin goals of enhanced effectiveness of organisations and improved quality of life at work for employees." —The American Society of Training and Development²

"QWL is a way of thinking about people, work and organisations, its distinctive elements are (i) a concern about the impact of work on people as well as on organisational effectiveness, and (ii) the idea of participation in organisational problem-solving and decision making." —Nadler and Lawler

The Walton's eight factor model of QWL consists of eight constraints such as Adequate and fair compensation, Safe and Healthy Working conditions, Opportunity to use and develop human capacities, Future opportunity for continued growth and security, Social integration in the work place, Social relevance of work, Balanced role of work in the total life space and Constitutionalism in the work organization.

Avni Sharma and Roopam Kothari (2014), found that the employees in public sector bank and private sector bank of Rajasthan region enjoy a good work environment and they feel comfortable and safe in that environment. But the private sector bank has better quality of work life since due to the changes in government policies the employees in public sector bank suffers from certain benefits regarding compensation and career development opportunities available in the bank. In work life balance, both the banks are lacking and both the parties agree that the work pressure is high and want to spend in work more than their office hours.³

Walton's model of QWL

The Walton's Model covers eight dimensions of quality of work life such as Adequate and fair compensation, Safe and healthy working conditions, Opportunity to use and Develop human capacities, Future opportunity for continued Growth and security, Social integration in the work place, Social relevance of work, Balanced role of work in the total life space and Constitutionalism in the work

organization. This criteria has been used in this study for assessing the QWL of employees in the banking sector.

Statement of the problem

Quality of work life is the value based process which focuses the twin goals to achieve the overall employee satisfaction from work pace and to improve the productivity and commitment of employees towards the achievement of organizational objectives. Inclusion of fee based financial services in the target structure of bank employees along with other routine banking functions may increase pressure and complexity on the work schedule of managers. Here, the researcher seeks the effect of such inclusion on their quality of work life.

Objectives

The present study focuses on understanding the effect of fee based banking services on the quality of work life of private banking sector in Kerala, the factors which contribute to the most and least towards QWL and to measure the level of quality of work life when they are classified on the basis of experience, marital status and place of residence.

Sampling and data collection

About the branch heads of private sector banks in Kerala, cluster sampling technique has been used for selecting the samples for the study. Different clusters as districts in Kerala have been identified and three districts from Central Kerala have been selected for finding out the sample respondents. Then the sample respondents have chosen by using lottery method. Branch heads from six major private sector banks in Kerala were participated in the survey. For the collection of primary data a structured questionnaire has been used by the researcher. The questionnaire is developed on a five point scale with the help of Walton’s (1973) criteria for measuring the quality of work life. Bu the variables under each construct has been developed based on the fee based services provided by the banks. The confirmatory factor analysis has done to measure the reliability and validity of the research tool and the cronbach’s apha is 0.6 and above for all the constructs under consideration. The questionnaire has administered among 230 managers but the total number of response received is only 137 from that 135 has been fixed as the sample size as the two questionnaires were incomplete and vague in answering.

Analysis and Discussions

For the analysis, Walton’s model of QWL is considered as the well accepted criteria for assessing the quality of work life. Fee based banking services include only those which are offered by banks by receiving fee income.

Criteria for Quality of Work Life- Walton(1973)

Adequate and fair compensation	Reasonable remuneration from fee based banking services Monetary benefits from modern services constitute major part in salary
Working conditions	Can do this modern banking job happily and proudly Technical infrastructure and expert advisory services for effective trading of modern services
Use and develop human capacities	subordinates are contributing to your efforts in achieving targets Adequate training has been available.

Social Integration	Superiors are supportive Review meetings are motivational talks
Social Relevance	These services are beneficial to the customers whom you offer. Such services improves the financial management of a person
Constitutionalism	The individuality is never questioned by anybody while performing this job. Not suffering hectic pressure for achieving monthly/yearly targets Recognition and appreciation for the efforts and successful works.
Balanced work life	Can manage satisfactorily the work life and personal life. Has sufficient time to spend with family and friends. Targets fixed are achievable Time constraints to market these services
Continued growth and security	Customer demand creates more opportunity among customers. Achievement of targets in this segment increase your promotion possibilities

The data used for the study are primary data collected from 135 samples identified by using cluster random sampling technique. The sample size has been arrived by using Cochran formula. The analysis of the primary data has been done by using statistical tools such as percentage, average, rank correlation, t-test, Chi-square test and ANOVA. The analysed data were presented by using tables.

Levels of Quality Work Life

The table showing the levels of QWL among the employees of the private banks showed that only eight percent had high level of QWL. Those who had lowest level of QWL were around 17 percent. It indicates that most of the employees had a QWL of moderate level.

Table 1: Levels of Quality of Work Life

Levels	Frequency	Percent	Cumulative Percent
Low	23	17	17
Moderate	101	75	92
High	11	8	100
Total	135	100	

Source: Primary data

From the analysis of the mean values of the responses received, only 8% are agreeing that they have a high quality of work life and 17% said that their quality of work life is low. But majority, i.e., 75% is said that they are having a moderate level of quality of work life from their work centers. For projecting the levels of quality of work life, the data has used on a five point scale and the mean values of their opinion has considered by the researcher as the mean values below 2.0 came under the category of low, the mean values from 2.0 to 3.99 included in the category of moderate and the values from 4.0 to 5.0 are considered as high levels of quality of work life.

Ranking of Factors of Quality Work Life

H₀ : There is no significant difference in the mean ranks of factors of QWL

H₁ : There is significant difference in the mean ranks of factors of QWL

There existed a difference in the influence of different factors of QWL as the Chi-square test statistic (129.868₍₇₎) is significant at 1 per cent level, as the p-value is <0.001. The ranking depicted in the table below provides that the social relevance of work and fair compensation influence the overall QWL of a person than other factors. The least concerned factors were balanced role of work in the total life space and the constitutionalism in work organisation.

Table 2: Ranking of factors of Quality of Work Life

Dynamics of Quality Work Life	Mean Rank	Rank
Social Relevance of work	4.89	1
Adequate and fair compensation	4.38	2
Opportunity to use and develop human capacities	3.64	3
Social integration in the work place	3.26	4
Safe and Healthy Working conditions	3.01	5
Future opportunity for continued Growth and security	2.04	6
Constitutionalism in the work organization	2.03	7
Balanced Role of work in the total life space	1.23	8

Source: Primary data

Table 2.1: Friedman Test Statistic

N	135
Chi-Square	129.868
df	7
Asymp. Sig.	<0.001**
** 1 % level of significance	

QWL with respect to the Marital status

H₁: There is significant difference in QWL with respect to the marital status of the respondent

The independent sample t-test performed provided that there is no significant difference in the QWL with respect to marital status of a person, as the p-value of the test statistic is greater than 0.05. It indicated that even though the mean value of QWL had a difference, it is not significant at 5 percent level.

Table 3 : Independent Sample t-test of QWL with respect to the Marital status

Marital Status	N	Mean	Std. Dev.	t-statistic	df	P-value
Single	14	4.8571	.53096	1.198	133	0.233
Married	121	2.7934	.16204			

Source: Primary data

QWL with respect to the place of residence

For analysing the QWL of the respondents on the basis of the place of residence, the following hypothesis has been set.

H₁: There is significant difference in QWL with respect to the place of residence of the respondent

The Analysis of Variance performed to identify the difference in QWL as per the place of residence of the respondents had given that the difference is significant at 5 per cent level as the P-value of the F-statistic ($F_{(2, 132)} = 3.69$) is less than 0.05. But the Levene test of Homogeneity of Variances provided that the result was not sufficient for generalization. Hence the multiple comparison, based on Tukey HSD, was done to identify the significance of pair-wise mean difference

The pair-wise comparison gives that those who resides with their family, at native place or not had a significant difference in QWL as the mean difference is significant at 5 per cent level. The respondent who lives with the family in the native place had a lesser QWL. In all other cases the difference is not significant.

Table 4: Descriptive statistic of QWL with respect to the place of residence

	N	Mean	Std. Deviation
Native place with family	42	3.1667	.78203
At distance with family	45	2.6	.39025
At distance without family	48	4.5208	.3897
Total	135	3.4292	.03191

Source: Primary data

Table 4.1: Analysis of Variance of QWL with respect to the place of residence

	Sum of Squares	df	Mean Square	F	P-value	Levene Statistic	df ₁	df ₂	P-value
Between Groups	1026.158	2	513.079	3.686	0.028	5.01	2	132	0.008
Within Groups	18372.61	132	139.186						
Total	19398.77	134							

Table 4.2: Multiple Comparisons of QWL with respect to the place of residence

Place of Residence		Mean Difference (I-J)	Std. Error	P-value
(I)	(J)			
Native place with family	At distance with family	-6.43	2.5312	0.032*
	At distance without family	-5.35	2.49273	0.084
At distance with family	Native place with family	6.43	2.5312	0.032*
	At distance without family	1.08	2.44801	0.899
At distance without family	Native place with family	5.35	2.49273	0.084
	At distance with family	-1.08	2.44801	0.899

* The mean difference is significant at the 0.05 level.

Tukey HSD

I. QWL with respect to the experience

H_0 : There is no significant difference in QWL with respect to the experience of the respondent

H_1 : There is significant difference in QWL with respect to the experience of the respondent

The Analysis of Variance performed to identify the difference in QWL as per the work experience of the respondents had given that the difference is significant at 1 per cent level as the P-value of the F-statistic ($F_{(2, 132)} = 54.146$) is less than 0.001. Here, the Levene test of Homogeneity of Variances provided that the result is not sufficient for generalizations. Hence the multiple comparison, based on Tukey HSD, was done to identify the significance of pair-wise mean difference

The pair-wise comparison gives that respondent having a work experience upto 5 years and 5 to 10 years, had significant difference in QWL as the mean difference is significant at 1 per cent level. Similarly, respondents having a work experience upto 5 years and 10 to 15 years, had significant difference in QWL as the mean difference is significant at 1 per cent level. In both cases respondent with lesser work experience had more QWL.

Table 5: Descriptive statistic of QWL with respect to the Work Experience

Years of experience	N	Mean	Std. Deviation
0-5	82	2.6341	.46535
5-10	34	4.0882	.71524
10-15	19	4.4211	.97654
Total	135	11.1434	.03191

Source: Primary data

Table 5.1: Analysis of Variance of QWL with respect to the Work experience

	Sum of Squares	df	Mean Square	F	P-value	Levene Statistic	df ₁	df ₂	P-value
Between Groups	8742.379	2	4371.19	54.146	<0.001	5.01	2	132	0.008
Within Groups	10656.39	132	80.73						
Total	19398.77	134							

5% level of significance

Table 5.2: Multiple Comparisons of QWL with respect to the Work experience

Work Experience		Mean Difference (I-J)	Std. Error	P-value
(I)	(J)			
0-5	5-10	17.54591	1.83274	<0.001**
	10-15	14.21309	2.28768	<0.001**
5-10	0-5	-17.54591	1.83274	<0.001**
	10-15	-3.33282	2.57359	.401
10-15	0-5	-14.21309	2.28768	<0.001**
	5-10	3.33282	2.57359	.401

**** The mean difference is significant at the 0.01 level.**

Tukey HSD**Conclusion**

A favourable work life quality is to be experienced by the employees from their job for having commitment and increased productivity. The quality of work life of private sector bank branch managers in Kerala is moderate; the banks have to give them more time to spend with their family and friends. The fee based services are indeed profitable to banks but managers should feel that what they are giving to their loyal customers for generating fee income is socially relevant also. The study finds that the feebased banking services are very much relevant to the society and the officers are receiving fair payment for rendering such services. But on the other hand it is realized that the tiring works of managers for reaching their monthly targets on the fee based banking services the managers are sometimes feeling that they are not experiencing constitutionalism in their work organisation. their enough time to leisure and enjoy with their family. And, for the modern business services flourishing, the managers are sometimes forgetting their family because of the tiring work they are handling. Frequent review meetings are welcoming but they must be the venue for motivation, value addition, recognition and support by valuing their efforts.

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