

A Comparative Study on Satisfaction of Reward System: from the Perspectives of Employees of State Banks and Private Banks in Batticaloa District



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ABSTRACT

It has been generally observed that there is an empirical knowledge gap regarding the satisfaction of reward system (To what extent employees are satisfied with their reward system) perspective of the employees of the selected banks (Bank of Ceylon, People's Bank, Hatton National Bank PLC and Seylan Bank) in this study area. In general, the selected banks have various reward schemes to convey the message to employees about the organization's values and their contribution. Therefore, in order to fill this empirical knowledge gap, this study constructed three research objectives such as to find out the current level of satisfaction regarding different reward schemes/options which are provided by the selected state and private banks to their employees in Batticaloa district and to find out the current level of reward system satisfaction from the perspectives of employees of selected state and private banks and also to explore the differences in the current level of reward systems satisfaction of state and private banks employees in terms of position, experience, gender, age, marital state and educational qualification.

In order to achieve the first objective of this study data were collected from the secondary sources, and content analysis was applied. In this case unit of analysis was individual bank. Regarding second and third objective primary data were collected from 175 employees of selected bank branches and the structured questionnaire was administered to collect the data from the respondents. The collected data were analyzed by using univariate analysis (descriptive measures such as mean and standard deviation) and bivariate analysis (only cross-tabulation). In this case unit of analysis was individual employee of selected banks.

The research framework of study consists of eight variables which are used to measure the level of reward system satisfaction of bank employees such as fairness, equity, consistency, transparency, performance promoting, competitiveness, strategic perspective, and motivation. Purpose of the study, type of investigation, extent of researcher interference with the study, study setting and time horizon were descriptive.

In connection with first objective, findings of the study revealed that different reward schemes were practiced by both private and state banks. In the private sector HNB has more reward schemes (22) than Seylan bank (20). At the same time People's bank and Bank of Ceylon have 21 reward schemes. Regarding the second objective, the results of the study showed that there is a moderate level satisfaction regarding the reward system among the employees of the four banks (mean value is above 3.1) but there were slight differences can be observed. The mean value for the Bank of Ceylon, People's Bank, Hatton Nation Bank, and Seylan bank were 3.44, 3.14, 3.40 and 3.13 respectively.

In cross-tabulating the overall level of satisfaction regarding the reward system with position, experience, gender, age, marital state and educational qualification of employees there were fewer differences were observed. In comparing position or grade, employees who are belonged to the manager and assistant manager position have little bit more satisfaction level related to the reward system. When comparing male and female employees, female employees have little bit higher satisfaction level regarding the reward system than male employees. When comparing four different employee age groups, from 40 to 50 have more reward system satisfaction than other groups (below 30, from 30 to 40 and Above 50). Comparing employees' experiences people who have above 10 years experience has higher level of reward system satisfaction than other two ranges. In comparing marital status, the married people have more satisfaction towards the reward system than the single employees. Finally comparing five different educational qualifications relatively master's degree holders have more satisfaction level towards the reward system than others. Finding of the study will be important in understanding empirical knowledge regarding the reward system satisfaction among employees of banks.

Keywords: Reward scheme, Reward system, satisfaction and Employee

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