

Influence Of Motivation on Employees Job Satisfaction – An Empirical Study with Reference to Private Sector Banks in India

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Abstract:

Every human being is motivated on an interior level. People's conscious actions are always the result of their motivation. People's enthusiasm in many sectors of effort has led to the present level of improvement in every corner of the world. People are driven to live in this world by their motivations. Motivation is a fundamental psychological mechanism that gives human behaviour energy, direction, and sustainability. The Latin word "movere," which meaning "to move," is where the word motivation originates. "The process that accounts for an individual's intensity, direction, and persistence of effort towards attaining a goal" is Mitchell's definition of motivation. "The psychological process that gives behaviour purpose and direction" is how Kreitner defined motivation.

Keywords: Motivation, Job Satisfaction, Recognition, Private Banks

1. Introduction

1.1 Banking Sector in India

India's banking industry is vital to the nation's economic growth since it mobilises savings and directs them towards profitable ventures. Public and private sector banks, international banks, regional rural banks, and cooperative banks are all part of this well-organised system. To maintain financial stability, the Reserve Bank of India (RBI), as the nation's central bank, oversees and controls all banking activities. Significant changes have been made to the sector over time, including digitalisation, liberalisation, and financial inclusion programs like Jan Dhan Yojana. Innovations in technology such as online services, UPI, and mobile banking have revolutionised consumer experiences and increased productivity. Not with standing obstacles including growing non-performing assets (NPAs) and heightened competition, the Indian banking sector is still developing and growing, making a substantial contribution to the country's objectives for financial inclusion and economic progress.

Employees in India's banking industry are essential to the financial system's expansion and seamless operation. Customer service, loan processing, account management, financial advising, and regulatory compliance are just a few of the many tasks they perform. Employees must now have both traditional banking knowledge and contemporary technological skills due to the growth of digital banking and financial services. Diverse job opportunities are provided by public, private, and international banks, drawing workers with a range of backgrounds and specialities. To improve productivity and service quality, training, skill development, and performance-based assessments have received more attention over time. Employees in the banking industry continue to be the foundation of India's financial infrastructure, guaranteeing efficiency, client pleasure, and trust despite the demands of targets, work-related stress, and regulatory changes.

1.2 Research Methodology

In this Descriptive study was used to collect data from employees working in the Indian private banking sector. A questionnaire was designed with Demographic variable, Employee motivation and Job satisfaction for this study to collect the primary data. A well-structured Questionnaires were distributed to employees of HDFC Bank, ICICI Bank and Axis Bank anonymously. Out of 21 private sector banks the researcher selected top 3 banks, based on high number of branches established in India. The researcher selected this sample since it was convenient to collect data from these three banks, and it was suitable for the time limitation of the research.

In this Descriptive study, motivation of employees and Job satisfaction was used as the dependent variable. These items were measured on 1 to 5 Likert scale where 1 = strongly disagree and 5 = strongly agree.

The independent variable in this study was the Age, Gender, Marital Status, Educational Qualification, Number of Dependent and Monthly Income, Experience. These variables were used to predict motivation of employees and Job satisfaction.

1.3 Objectives

- To study the background of the Indian private sector banks.
- To understand the impact of HRM policies and practices on employee motivation and job satisfaction.
- To explore effective ways of motivation and challenges of it practiced by organizations.
- To analyse and identify the factor which contribute more for Employee motivation and Job satisfaction.

1.4 Hypotheses Development

H0: Organizational Motivation is negatively related to Job satisfaction

2. Background and Legal Framework

2.1 Literature review

Aamir. A, Jehanzeb. K, Rasheed. A, Malik. O. M, 2012, compares the intrinsic and extrinsic rewards to identify impact of those factors in motivating bank employees of Saudi Arabia. With the study they found that both intrinsic and extrinsic rewards motivate them and in specific extrinsic motivates them more[1].

Agada. J. A, 2014, he analyses the impact of leadership in motivation of employees. The positive sense of leaders encourages and motivates employees to perform well. It improves the performance of employees by enhancing the realization of performance goals and their objectives[2].

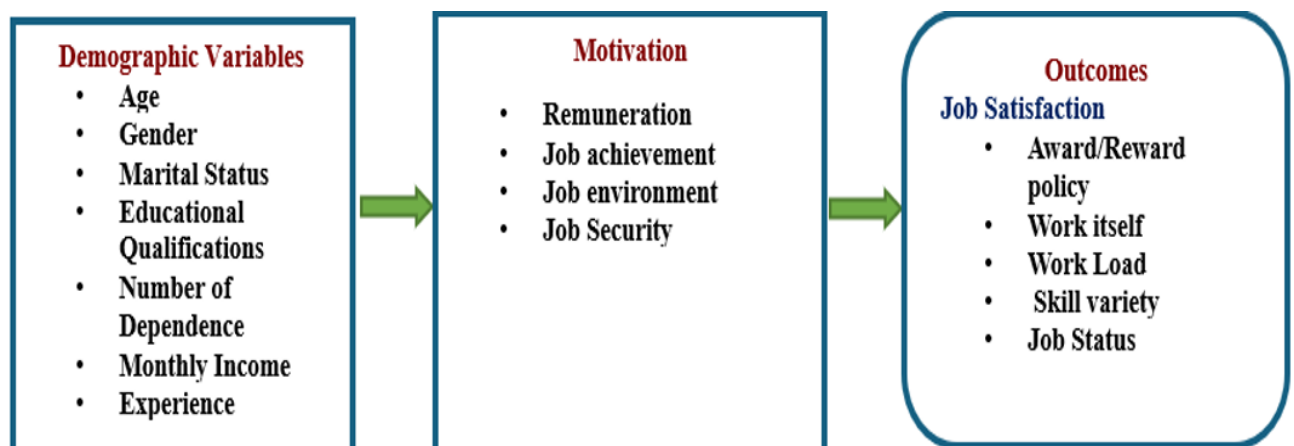
Bishop. J, 1987, he analyses the relative wages impact on productivity of employees. Elasticity of wages is taken into consideration. Response of relative productivity and training cost is taken into consideration for the study[3].

Burton. K, 2012, he analyses the motivation of employees based on financial and non-financial way. How the financial resources used to motivate the employees are identified and influenced by the performance of sales are taken into consideration[4].

Marjaana. G, 2006, stresses that Employee Motivation has been done through regular incentives, hike in compensation. Accomplishment of target has to be rewarded properly to retain the level of performance. And he identifies influence of institutional framework in employee motivation[5].

Connie Bao, Dr. Ismail Nizam identifies the motivation of employees through various factors such as training and development, delegation of authority, reward and recognition, and he concludes that all the three given factors have direct impact on motivation of employees [6].

2.2 Conceptual Framework



3. Data Analysis

3.1 Cronbach's Alpha Test

Variables	Cronbach's Alpha Value
Motivation	0.875
Job Satisfaction	0.889

The instrument must have a minimum reliability of 0.6 to 0.8. Cronbach's alpha values for variable Motivation are 0.875 and Job Satisfaction is 0.889.

3.2 Demographic Variables

TABLE 1

S. No	Demographic Factors				
1.	Age (Yrs)	less than 30	31-40	41-50	>51
		68	56	41	15
	%	37.78%	3.11%	22.78%	8.33%
2.	Gender	Male		Female	
		98		82	
	%	54.44%		45.56%	
3.	Marital Status	Married		Single	
		119		61	
	%	66.11%		33.89%	
4.	Educational Qualification	Bachelor Level	Master Level		
		126	54		
	%	70%	30%		
5.	Number of Dependents	<2	3-4	5-6	>6
		57	81	34	8
	%	31.67%	45%	18.89%	4.44%
6.	Monthly Income	<20,000	20,001-35,000	35,001- 50,000	>50,000
		52	86	26	16
	%	28.89%	47.78%	14.44%	8.89%

When the demographic profile of the respondents taken for study was analysed, 68 respondents fall in the age group of less than 30 years forming 37.78 percent of the total, 56 respondents fall in the age group of 31-40 forming 31.11 percent of the total, 41 respondents fall in the age group of 41-50 forming 22.78 percent of the total and 15 respondents fall in the age group of 51 years and above forming 8.33 percent of the total. When the gender of the respondents was analysed, 98 respondents were male founding 54.44 percent of the total and 82 respondents were female founding 45.56 percent of the total

When the marital status of the respondents was analyzed, 119 respondents were married constituting 66.11 percent of the total, 61 respondents were single representing 33.89 percent of the total. When the educational

qualification of the respondents were considered, 126 respondents were Graduate representing 70 percent of the total and 54 were Post Graduate forming 30 percent of the total respondents.

When number of dependent for the respondents under study was considered 57 respondents have less than 2 dependents constituting 31.67 percent of the total, 81 respondents have 3 – 4 dependents representing 45 percent of the total, 34 respondents have 5 – 6 dependents constituting 18.89 percent of the total respondents, 8 respondents have 6 and above dependents constituting 4.44 percent of the total respondents.

When the monthly Income of the respondents were analysed, 52 respondents earned less than 20,000 representing 28.29 percent of the total, 86 respondents earned 20,001 – 35,000 representing 47.78 percent of the total, 26 respondents earned 35,001 – 50,000 representing 14.44 percent of the total, 16 respondents earned more than 50,000 representing 8.89 percent of the total respondents.

3.3 KMO and Bartlett's Test – Motivation

TABLE 2

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.667
Bartlett's Test of Sphericity	Approx. Chi-Square	4.396
	df	66
	Sig.	.000

The KMO values (between 0.5 and 1.0) indicate that factor analysis is appropriate. From the above table, the KMO Measure of Sampling Adequacy for the current study is 0.667, which is extremely high, and it indicates that the sample size is adequate to perform factor analysis. Bartlett's test of Sphericity studied the relevance of the hypothesis of correlation matrix and concludes is an identity matrix, indicating that the variables are related and suitable for structured detection. Small values (less than 0.05) indicate the level of the significance and the usefulness of the factor analysis application.

3.4 Rotated Component Matrix – Motivation

TABLE 3

Variable Statement	Factor Component			
	1	2	3	4
Salary	.944	Remuneration		
Bonus	.898			
Increment	.890			
Allowances	.561			
Promotion opportunities		.914	Job Achievement	
Job recognition		.886		
Job responsibility		.881		
Relationship between co-workers and superior	Job Environment		.937	
Personal development			.904	
Workplace environment			.825	
Job safety	Job Security			.980

Employee Insurance		.979
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The above table shown in the results revealed four factors. They are arranged as per the highest value labelled and described as follows.

Factor 1 is “Remuneration” factor composed of four items; “Salary” had the highest factor loading on this factor. The other three items include “Bonus”, “Increment” and “Allowances”. The factor was identified as “Remuneration”.

Factor 2 termed “Job achievement”, considered of three items, namely, “Promotion opportunities”, “Job recognition” and “Job responsibility”

Factor 3 is “Job environment” factor composed of three items, “Relationship between c-workers and superior” had the highest factor loading on this factor. The other two items include “Personal development” and “Workplace environment”. The factor was identified as “Job environment”.

Factor 4 designated “Job security” composed of two items. “Job safety” and “Employee Insurance”

3.5 KMO and Bartlett's Test – Job Satisfaction

TABLE 4

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.689
Bartlett's Test of Sphericity	Approx. Chi-Square	4.203
	df	66
	Sig.	.000

The KMO values (between 0.5 and 1.0) indicate that factor analysis is appropriate. From the above table, the KMO Measure of Sampling Adequacy for the current study is 0.689, which is extremely high, and it indicates that the sample size is adequate to perform factor analysis. Bartlett's test of Sphericity studied the relevance of the hypothesis of correlation matrix and concludes is an identity matrix, indicating that the variables are related and suitable for structured detection. Small values (less than 0.05) indicate the level of significance and the usefulness of the factor analysis application.

3.6 Rotated Component Matrix – Job Satisfaction

TABLE 5

Variable Statement	Factor Component				
	1	2	3	4	5
Reward Policy are fair and Equitable	.954	Award/Reward policy			
Able to see progress in work though reward system	.954				
Always Superior appreciated the good performance	.728				
Increase my ability		.927	Work itself		
Autonomy provided for my work		.924			
Teamwork is possible		.517			
Workload is reasonable in my workplace			.960	Workload	
Work load is assigned based on working hours			.959		

I am recognized for the skill which I expressed	Skill variety	.855	
Enough opportunity given to express my skill		.853	
I feel my job is secured	Job status		.853
I feel honour about my work			.852

The above table shown in the results revealed four factors. They are arranged as per the highest value labelled and described as follows.

Factor 1 is “Award/Reward policy” factor composed of Three items, “Reward Policy are fair and Equitable” had the highest factor loading on this factor. The other two items include “Able to see progress in work though reward system” and “Always Superior appreciated the good performance”. The factor was identified as “Remuneration”.

Factor 2 termed “Work itself”, considered of three items, namely, “Increase my ability”, “Autonomy provided for my work” and “Teamwork is possible”

Factor 3 is “Workload” factor composed of two items, “Workload is reasonable in my workplace” had the highest factor loading on this factor. The other item is “Workload is assigned based on working hours”. The factor was identified as “Workload”.

Factor 4 designated “Skill variety” composed of two items. “I am recognized for the skill which I expressed” and “Enough opportunity given to express my skill”

Factor 5 designated “Job status” composed of two items. “I feel my job is secured” and “I feel honour about my work”

Hypothesis: There is no significant relationship between organizational Motivation and Employee Satisfaction

Table 6.13 Relationship between organizational Motivation and Employee Satisfaction among the respondents

3.7Correlations

TABLE 6

Correlations			
		Organizational Motivation	Employee Satisfaction
Organizational Motivation	Pearson Correlation	1	.705**
	Sig. (2-tailed)		.000
	N	227	227
Employee Satisfaction	Pearson Correlation	.705**	1
	Sig. (2-tailed)	.000	
	N	227	227
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: Compiled from Respondents’ Schedule

From the above correlation table, it was found that Organizational motivation was positively influenced by Employee job satisfaction.

3.8 ANOVA

TABLE 7

Dimensions	Monthly Income of the Respondents				F-ratio	P-Value
	Mean					
	<20,000(52)	20,001-35,000(86)	35,001-50,000(26)	>50,000(16)		
Organizational Motivation						
Remuneration	4.4231	4.2791	4.5000	4.3222	3.278	.022
Job achievement	4.1154	4.1163	4.0769	3.5625	3.229	.049
Job environment	4.6346	4.5116	4.6538	4.2500	2.386	.071
Job Security	2.7115	3.2326	3.0769	3.0625	2.746	.044
Job Satisfaction						
Award/Reward policy	4.5769	4.3488	4.6154	4.3750	1.887	.013
Work itself	3.4423	3.6163	3.5769	3.4375	0.489	.690
Skill variety	4.7692	4.5698	4.2308	4.6250	2.898	.037
Job status	4.7115	4.3953	4.1538	4.3125	3.987	.009

The above table shows the results of the ANOVA test of the differences in the level of satisfactory assigned to organizational motivation and job satisfaction with monthly income.

4. Result and Discussions

- The researcher employed Cronbach's alpha reliability test to determine the instrument's reliability in the study. Cronbach's alpha is one of the most often used dependability measures (Cronbach, 1951). Cronbach's alpha is a reliability test that determines the internal consistency of items in a survey instrument.
- Out of the total respondents, 68 individuals (37.78%) are below 30 years of age. Another 56 respondents (31.11%) fall in the 31–40 age group. A further 41 respondents (22.78%) belong to the 41–50 age group, while 15 respondents (8.33%) are aged 51 years and above. The survey shows that 98 respondents (54.44%) are male, while 82 respondents (45.56%) are female. A majority of the respondents, 119 (66.11%), are married. The remaining 61 respondents (33.89%) are single. Most respondents are graduates, with 126 individuals (70%) holding a bachelor's degree. The remaining 54 respondents (30%) are postgraduates. When dependents were considered, 57 respondents (31.67%) reported having fewer than two dependents. Another 81 respondents (45%) have three to four dependents. A smaller group of 34 respondents (18.89%) have five to six dependents, while 8 respondents (4.44%) reported having more than six dependents. Income analysis reveals that 52 respondents (28.29%) earn less than ₹20,000 per month. The largest group, 86 respondents (47.78%), earn between ₹20,001 and ₹35,000. Meanwhile, 26 respondents (14.44%) fall in the ₹35,001–₹50,000 range, and 16 respondents (8.89%) earn above ₹50,000.
- The Kaiser-Meyer-Olkin (KMO) value ranges between 0.5 and 1.0, and values within this range indicate that factor analysis is appropriate. In this study, the KMO value is 0.667, which is considered high. This confirms that the sample size is adequate for conducting factor analysis. The test produced a significance value less than 0.05, which indicates that the correlations among variables are statistically significant. This further validates the usefulness of applying factor analysis in the current study.

- The KMO Measure of Sampling Adequacy for this study is 0.689, which is considered high and confirms that the sample size is sufficient for conducting factor analysis. Bartlett's Test of Sphericity was applied to examine the correlation matrix and the results reject the null hypothesis of it being an identity matrix. This indicates that the variables are interrelated and suitable for structure detection. Moreover, the significance value obtained (less than 0.05) further validates the appropriateness and usefulness of applying factor analysis in this study.
- Award/Reward Policy: This factor includes variables such as fair and equitable reward policy, progress through reward system, and superior appreciation for good performance. These items show strong loadings, indicating that employees perceive fair rewards and recognition as key motivators in their work environment.
- Work Itself: The second factor comprises ability improvement, autonomy in work, and teamwork. High loadings suggest that employees value opportunities for skill development, independence, and collaboration, which contribute positively to job satisfaction.
- Workload: This factor includes reasonable workload and workload assigned based on working hours. The strong loadings indicate that balanced and well-managed workloads are essential for maintaining employee efficiency and satisfaction.
- Skill Variety: The fourth factor consists of recognition for expressed skills and opportunity to use skills. These findings highlight that employees feel motivated when their abilities are acknowledged and when they have sufficient scope to apply their talents.
- Job Status: The final factor includes job security and feeling of honour in work. High loadings here show that employees derive satisfaction from stability and pride in their roles within the organization. The KMO value of 0.689 confirms that the sample size is adequate for factor analysis. Bartlett's Test of Sphericity indicates that the correlation matrix is not an identity matrix, meaning the variables are interrelated and suitable for structure detection. The significance level (< 0.05) further validates the appropriateness of applying factor analysis in this study.
- Correlation table provides that organizational motivation was positively influenced by Employee job satisfaction.
- Anova table reveals that income level influences several dimensions of motivation and satisfaction, particularly remuneration, job achievement, job security, reward policy, skill variety, and job status. However, satisfaction with the work itself remains stable across all income groups.

5. Suggestions

- Banks should develop clear and performance-based compensation systems (monetary and non-monetary) to boost motivation and job satisfaction.
- Clear career advancement plans, skill development initiatives, and regular training all contribute to employees' motivation and sense of worth.
- A culture of incentive is created when employee contributions are immediately acknowledged through prizes, letters of gratitude, and peer recognition initiatives.
- Promoting collaborative decision making promotes satisfaction among workers and fosters a sense of ownership.
- Employee autonomy, difficult work, and defined roles all increase motivation and job satisfaction.
- Job morale is raised in a supportive workplace with cooperative managers, open communication, and teamwork.
- To retain talent in private sector banks, competitive pay structures, allowances, and performance linked incentives are essential.
- The distance between management and staff can be reduced by regular surveys, feedback systems, and employee engagement initiatives.

6. Conclusion

The study concludes that employee work satisfaction in Indian private sector banks is significantly influenced by organizational motivation. Motivational elements that have been identified as important predictors of satisfaction include growth opportunities, fair compensation, acknowledgment, and participative leadership. Motivated workers are more likely to be more dedicated, perform better, and have fewer plans to leave their jobs. Strengthening motivational methods becomes essential for maintaining a contented and devoted workforce because private sector banks confront fierce competition and substantial employee churn. The results also show that non-monetary motivators like recognition, encouraging leadership, and chances for professional growth are just as important to work satisfaction as pay.

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