

A STUDY ON HR PRACTICES INFLUENCING JOB SATISFACTION IN PUBLIC AND PRIVATE SECTOR BANKS IN CHENNAI

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ABSTRACT:

This study focuses on analysing the impact of Human Resource (HR) practices on employee job satisfaction in public and private sector banks in Chennai. HR practices such as recruitment, training and development, performance appraisal, compensation, and employee relations play a crucial role in enhancing employee motivation and organizational performance. The research is based on primary data collected from 105 bank employees through a structured questionnaire. The study aims to understand employees' perceptions of HR practices and their influence on job satisfaction. Statistical tools such as correlation, independent sample t-test, and regression analysis were used to interpret the data. The findings reveal that there is a significant positive relationship between working environment and job satisfaction. Compensation and benefits also have a strong impact on employee satisfaction levels. However, the study shows that there is no significant difference in job satisfaction between employees of public and private sector banks. The study concludes that effective HR practices are essential for improving employee satisfaction, motivation, and overall organizational performance. It suggests that banks should focus on better compensation packages, continuous training, and a supportive work environment to enhance employee well-being and productivity.

INTRODUCTION

Human Resource (HR) practices play a vital role in shaping employees' attitudes, motivation, and job satisfaction within an organization. In the banking sector, employees are considered a key resource because their performance directly influences customer service quality and overall organizational success. Effective HR practices such as recruitment, training and development, performance appraisal, compensation, and employee relations help create a positive and productive work environment.

Job satisfaction is an important factor that determines employee productivity, commitment, and retention. Satisfied employees are more likely to perform efficiently, contribute to organizational goals, and maintain better relationships with customers. On the other hand, poor HR practices can lead to dissatisfaction, low morale, and high employee turnover.

The banking industry in India has undergone significant changes due to technological advancements, increased competition, and the growth of digital banking services. Both public and private sector banks are focusing on improving their HR policies to enhance employee performance and customer satisfaction. In this context, understanding the relationship between HR practices and job satisfaction becomes essential.

This study aims to analyse how various HR practices influence job satisfaction among employees in public and private sector banks in Chennai. It also seeks to compare the perceptions of employees in both sectors and identify the key factors that contribute to employee satisfaction and organizational effectiveness.

OBJECTIVES OF THE STUDY:

Primary Objective

- To analyse the relationship between HR practices and employee job satisfaction in public and private sector banks in Chennai.

✓ Secondary Objectives

- To evaluate employees' perception towards existing HR policies in selected banks.
- To examine the effectiveness of training and development programs on employee satisfaction.
- To study the impact of compensation and benefits on employee motivation levels.
- To compare work culture and work-life balance practices between public and private sector banks.

- To identify the major HR factors contributing to employee retention.
- To measure the overall level of job satisfaction among bank employees.

REVIEW OF LITERATURE:

review of literature helps in understanding previous research related to HR practices and job satisfaction in the banking sector.

- **Kumar & Singh (2021)** examined the relationship between HR practices and job satisfaction in Indian banks. The study found that effective training programs and fair compensation significantly improve employee satisfaction and performance.
- **Sharma (2022)** focused on performance appraisal systems in private sector banks. The research revealed that transparent and fair appraisal practices increase employee motivation and enhance job satisfaction among employees.
- **Patel & Mehta (2022)** compared HR practices in public and private sector banks. The study concluded that private sector banks emphasize employee development, while public sector banks provide job security, both of which influence job satisfaction in different ways.
- **Reddy & Kumar (2023)** analysed the impact of HR practices on employee commitment in the banking sector. The findings showed that career growth opportunities and a supportive work environment play a major role in improving job satisfaction.

Research Methodology:

The study adopts a descriptive research design to examine the influence of HR practices on job satisfaction among employees in public and private sector banks in Chennai. The research is based on primary data collected through a structured questionnaire distributed to bank employees. A total of 105 respondents were selected using the convenience sampling technique, based on their availability and willingness to participate. In addition to primary data, secondary data was collected from books, journals, and online sources to support the study. The collected data was analysed using statistical tools such as percentage analysis, correlation, independent sample t-test, and regression analysis. In this study, HR practices such as recruitment, training, compensation, and work environment are considered as independent variables, while job satisfaction is treated as the dependent variable.

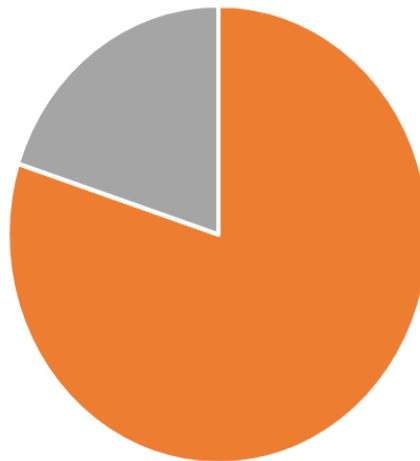
Primary data refers to the original data collected directly from respondents for the specific purpose of the study. In this research, primary data was collected from employees working in

public and private sector banks in Chennai using a structured questionnaire. The questionnaire included questions related to HR practices such as recruitment, training, compensation, work environment, and their level of job satisfaction. This data is first-hand and helps in getting accurate and relevant information

Secondary data refers to data that has already been collected by others and is used for supporting the research. In this study, secondary data was collected from various sources such as books, academic journals, research articles, websites, and previous studies related to HR practices and job satisfaction. This data helps in understanding the background of the study, reviewing existing literature, and supporting the analysis

Data analysis and interpretation is the process of organizing, analysing, and drawing meaningful conclusions from the collected data. In this study, the data collected from 105 bank employees through questionnaires was analysed using statistical tools such as percentage analysis, correlation, independent sample t-test, and regression analysis. The purpose of analysis is to understand the relationship between HR practices and job satisfaction. The results are interpreted in a simple manner to identify patterns, trends, and relationships among variables. The findings help in understanding how factors like working environment, compensation, and training influence employee satisfaction in public and private sector banks.

GENDER

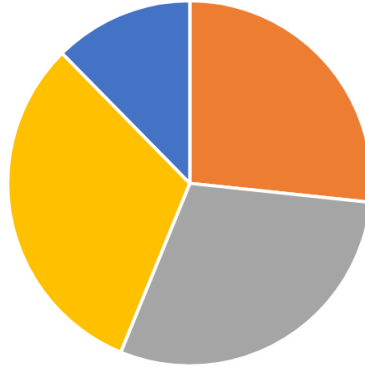


Male Female

INFERENCE

This indicates that the majority of employees in the selected public and private sector banks are male. It shows a gender imbalance in the sample, where male employees dominate compared to female employees

PERCENTAGE ANALYSIS FOR AGE



20-30

31-40

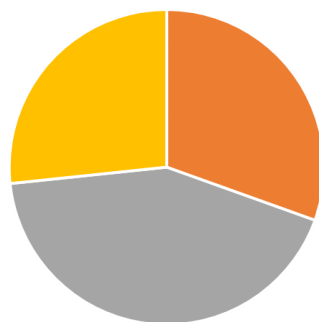
41-50

Above 50

INFERENCE

This indicates that the majority of employees fall in the **41–50 years age group**, showing that most respondents are experienced and middle-aged employees. Younger employees (20–30 years) and older employees (above 50 years) form a smaller proportion of the sample.

PERCENTAGE ANALYSIS FOR YEARS OF EXPERIENCE



Clerk

Officer

manager

INFERENCE

This indicates that the majority of employees in the study are **officers**, followed by clerks and managers. It shows that the sample is mainly composed of mid-level employees, suggesting that officers form a significant part of the workforce in the banking sector.

CORRELATION TEST

The correlation test was conducted to examine the relationship between working environment and employee job satisfaction. The null hypothesis (H_0) stated that there is no significant relationship between the two variables, while the alternative hypothesis (H_1) stated that there is a significant relationship. The results showed that the p-value is less than 0.05 ($p < 0.05$), indicating statistical significance. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. This implies that there is a significant positive relationship between working environment and employee job satisfaction, meaning that a safe and comfortable working environment enhances the satisfaction levels of employees.

		Correlations	
		16.The working environment is safe and comfortable	20. I am satisfied with my current job
16.The working environment is safe and comfortable	Pearson Correlation	1	.364
	Sig. (2-tailed)		<.001
	N	105	105
20. I am satisfied with my current job	Pearson Correlation	.364	1
	Sig. (2-tailed)	<.001	
	N	105	105

- The p-value is less than 0.05, which indicates that the relationship between working environment and job satisfaction is statistically significant.
- There is a positive relationship between working environment and employee job satisfaction, meaning better working conditions lead to higher satisfaction.

A safe and comfortable working environment plays an important role in improving employees' motivation and overall job satisfaction.

Compensation and benefits have no significant impact on employee job satisfaction.

H_1 (Alternative Hypothesis):

Compensation and benefits have a significant impact on employee job satisfaction.

Interpretation

The p-value is less than 0.05 ($p < 0.05$), which indicates that the result is statistically significant. Therefore, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_1) is accepted.

		Independent Samples Test							
		t-test for Equality of Means						95% Confidence Interval of the Difference	
		t	df	Significance		Mean Difference	Std. Error Difference	Lower	Upper
				One-Sided p	Two-Sided p				
20. I am satisfied with my current job	Equal variances assumed	-1.918	51	.030	.061	-.548	.286	-1.122	.026
	Equal variances not assumed	-1.922	50.738	.030	.060	-.548	.285	-1.121	.024

INDEPENDENT SAMPLE t-TEST

H_0 (Null Hypothesis):

There is no significant difference in job satisfaction between employees of public sector banks and private sector banks.

H_1 (Alternative Hypothesis):

There is a significant difference in job satisfaction between employees of public sector banks and private sector banks.

Interpretation:

The p-value (Sig. 2-tailed) is **0.783**, which is greater than 0.05 ($p > 0.05$). This indicates that the result is not statistically significant. Therefore, the null hypothesis (H_0) is accepted and the alternative hypothesis (H_1) is rejected.

FINDINGS OF THE STUDY

1. The study reveals that the majority of respondents (80%) are male, while 20% are female.
2. Most respondents (31.4%) belong to the age group of 41–50 years, indicating a higher proportion of experienced employees.
3. A significant number of respondents (31.4%) have 2–5 years of work experience, showing moderate experience levels.
4. The majority of respondents (42.9%) are working as officers, followed by clerks and managers.
5. The correlation analysis indicates a significant positive relationship between working environment and job satisfaction.
6. The independent sample t-test shows that there is no significant difference in job satisfaction between employees of public and private sector banks.

7. The regression analysis reveals that compensation and benefits have a significant impact on employee job satisfaction.
8. Overall, HR practices such as working environment, compensation, and training play a crucial role in influencing employee satisfaction in the banking sector.

SUGGESTIONS OF THE STUDY

1. Banks should improve compensation and benefits packages to enhance employee motivation and job satisfaction.
2. Organizations should provide regular training and development programs to improve employees' skills and career growth.
3. Management should maintain a safe, positive, and supportive working environment for employees.
4. HR departments should ensure transparent and fair recruitment and selection processes to build trust among employees.
5. Banks should introduce employee recognition and reward systems to encourage better performance.
6. Organizations should promote work-life balance policies to reduce stress and improve employee well-being.
7. Regular feedback and performance appraisal systems should be implemented to identify employee needs and improve satisfaction.

CONCLUSION

The study concludes that HR practices play a crucial role in influencing employee job satisfaction in public and private sector banks in Chennai. The findings clearly indicate that factors such as working environment, compensation and benefits, and training and development programs have a significant positive impact on employees' satisfaction levels. A supportive and comfortable work environment helps employees perform better, while attractive salary packages and benefits increase their motivation and commitment towards the organization. Training programs further enhance employees' skills, leading to improved performance and career growth.

The study also reveals that there is no significant difference in job satisfaction between employees of public and private sector banks, which suggests that both sectors are maintaining similar levels of employee satisfaction. However, it is evident that effective HR policies and practices are essential for maintaining and improving this satisfaction. Overall,

the research highlights that organizations should focus on strengthening their HR practices to create a positive work culture, improve employee morale, and achieve better organizational performance. By adopting effective HR strategies, banks can ensure higher employee satisfaction, productivity, and long-term success.

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