

Comparing the Various Monetary and Non-Monetary Factors Influencing the Happiness of Bank Employees (In Context to the Private Banking Sector in the State of Rajasthan)

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Abstract

The current research paper is aimed to examine the level of employee happiness at different private sector banks in the state of Rajasthan and to compare the various monetary factors such as: Pay-scale, Bonus, Allowances, and Profit-sharing and the various non-monetary factors such as: Work-life balance, Employee engagement, Job security, and Working conditions, with a view to understand the impact of these factors on the level of happiness among the private sector bank employees. Hence, this research paper focuses on comparing the various monetary and non-monetary factors that influence employee happiness and to determine if there exists any empirically provable relationship between these monetary and non-monetary factors. To achieve the research objectives, empirical research was conducted with a research sample, collected at 60 different branches of private sector banks in the state of Rajasthan, with 189 employees surveyed. The result of this research study shows the existence of a significant association between the selected monetary and non-monetary factors with employee happiness. The test results also exhibited that the association of the monetary factors is stronger than the association of the non-monetary factors on employee happiness in the private banking sector.

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BACKGROUND OF THE RESEARCH

It is widely accepted that employees constitute the most important resource in any organization. To a great extent, the performance of employees determines the success of the organization and the level of performance of employees depends on how happy the employees are with their working environment. Some researches indicate that the workplace happiness can help employees to achieve career success, improve their job satisfaction, and encourage them to work harder; at the same time, the turnover rate of happy employees can be at its minimum. Organizations achieve higher profitability and decrease healthcare costs. Workplace happiness can, not only positively

affect employees' efficiency, but can also positively affect other aspects of organizational operations.

Happiness may be defined as the "experience of frequent positive effect, infrequent negative effect, and a sense of overall satisfaction with life" (Myers & Diener, 1995). At present, many organizations have distinguished the criticalness of happy employees in accomplishing their organizational strategies. Hence, for every organization, the "level of employee happiness is turning into the top priority issues", and the private banking sector can be no exception (Kumari and Pandey, 2011).

Happiness is the outcome of a combination of factors. Thus, the various factors that influence employee happiness deserve an investigation. The

current research characterizes the various organizational factors, classified under monetary factors and non-monetary factors, which create workplace happiness among private bank employees. Monetary factors are extrinsic to work, while non-monetary factors are intrinsic to work. Monetary factors include monetary remunerations that enhance the direct satisfaction and happiness of the employees. Non-monetary factors are rewards other than money, which provide a strong sense of security and stability of employment to the employees.

The purpose of this research study is to explore the nature of association between the four monetary factors (Pay-scale, Bonus, Allowances, and Profit-sharing) and the four non-monetary factors (Work-life balance, Employee engagement, Job security, and Working conditions) in relation to employee happiness and make a comparative study of these factors, with special reference to the employees of private banking sector in the state of Rajasthan.

This research paper aims at:

- Evaluating the level of happiness among the bank employees;
- Identifying the various monetary and non-monetary factors influencing the happiness of bank employees;
- Analyzing the nature of the relationship between the monetary and non-monetary organizational factors and happiness of bank employees;
- Measuring the intensity of selected monetary and non-monetary factors on the happiness of bank employees;
- Understanding, which factors are more preferred by the bank employees;
- Drawing conclusions from the findings;
- Suggesting certain recommendations.

REVIEW OF LITERATURE

Happiness is a strong positive emotion and a basic human experience [Diener and Diener, (2002)]. Happiness is a fundamental value. In a few philosophies, it is even regarded as the definitive value. For example, the motive of the official policy of the Bhutan Government is the advancement of Gross National Happiness (GNH) for its citizens. With a view to make happiness a part of the organizational performance culture,

many reputed organizations like Google, McDonalds, etc. have specific job positions allotted for Chief Happiness Officers (CHO). The main job of such officers is to spread positivity, happiness, and motivation among the workforce.

Employee happiness results from workplace practices or policies. Among the scholars in this field, a considerable range of different opinions exists regarding the impact and association of various monetary and non-monetary factors on employee happiness.

Frey & Stutzer (2002) stated that the happiness of employees makes the workplace more productive by enhancing the decision-making ability and reducing the level of stress and uncertainty. They further indicated that happy employees will have greater work achievement and a higher level of job satisfaction.

Prof. Cynthia D. Fisher (2010), an eminent researcher in the Bond University, Australia, published an extensive report on her establishments about “happiness at the workplace”. She stated that what we regard as happiness at the workplace is dependent on constructs associated with socially acceptable judgments and consequences. She defined happiness at work to be a combination of the level at which these constructs exist, the durability of their existence, and the specific quality of each construct.

Jegan & Gnanadhas (2011) mentioned in their study entitled “Job Satisfaction of Bank Employees Working with E-Channels” that, whether the banks are public or private, the main thing is the success of their business and that depends upon its technological updated employees. But now, the working culture is totally changed and the burden of paperwork is reduced; database management is improved with a lesser strain of workload. The employees can even provide the services through e-channel platforms and can spend their saved time on the skill improvement activities.

Erdogan et al. (2012) claimed a conceptual perspective regarding workplace happiness. He suggests that the workplace happiness depends on the level of satisfaction of an employee with the working environment and that employee-environment fit, career

development, leadership, and job characteristics are the factors that contribute to an understanding of the well-being at work or the so-called 'employee happiness'.

Ann Dzurainin & Nathan Stuart (2012) concluded in their article entitled "the effect of tangible and intangible non-cash rewards on performance and satisfaction in a production setting", that the respondents who received a cash bonus and an intangible non-cash reward had the best performance, and those who received only cash bonus, were the lowest-performing respondents.

Tanjeen (2013) suggested that the factors that lead to the highest employee happiness are: a standard pay-scale, job security, satisfactory working conditions, and harmonious relationships with co-workers & superiors. However, freedom at work and promotion are the factors that lead to the lowest happiness drives.

Wang, Zhang, & Jackson (2013) claims that happiness at work depends on 5 "C" factors: Contribution (the effort that the employees make), Conviction (the motivation that the employees have), Culture (how well the employees fit in their work), Commitment (how engaged the employees are) and Confidence (how much believe the employees have in themselves and their work).

Neog & Barua (2014) analyzed that the remuneration is the foremost significant variable for improving the level of employee satisfaction and the impact of other variables like, work-life balance, proper training, healthy working environment, supervisor support, promotion, skill development, career development opportunities, etc. are also significant for improving the level of employee satisfaction.

Bhattacharya (2015) suggested that employees who are happy in their work are more efficient and are more likely to stay in the organization. Thus, happy employees are also an indication that they are satisfied employees.

Gomez A.I. (2017) suggested that happiness is mostly a subjective construct. It's meaning differ from person to person. It is not necessary that any factor that gives happiness to one person will also give the same level of happiness to another person. The workplace happiness means to have good colleagues, good

pay scale, transparency, open negotiation, an opportunity of career growth, efforts of negating unhappiness, and emphasis on achieving harmony.

RESEARCH GAP

Numerous studies have been conducted to assess the role of various organizational factors affecting the employee satisfaction and employee engagement. Researchers have utilized different measurements to gauge the impact of varied organizational factors on employee satisfaction and employee engagement. But limited studies have been conducted regarding the organizational factors affecting the happiness of employees in the context of private banking sector. Hence, the focus of this research paper is to explore the nature of association between the selected monetary and non-monetary factors and to determine if there is an empirically provable relationship between these monetary and non-monetary factors with employee happiness, with special reference to the employees of private banking sector in the state of Rajasthan.

RESEARCH HYPOTHESIS

- **Null Hypothesis 1 (H₀₁)** – There is no significant relationship between the various job positions and the happiness of the private bank employees, i.e. the designation of bank employees do not significantly influence their happiness.
- **Null Hypothesis 2 (H₀₂)** – There is no significant impact of the various monetary factors on the happiness of bank employees, i.e. the monetary factors do not significantly influence the happiness of private bank employees.
- **Null Hypothesis 3 (H₀₃)** – There is no significant impact of the various non-monetary factors on the happiness of bank employees, i.e. the non-monetary factors do not significantly influence the happiness of private bank employees.
- **Null Hypothesis 4 (H₀₄)** – The intensity of the selected monetary and non-monetary factors are almost the same in determining the level of happiness of bank employees, i.e. both monetary and non-monetary factors have similar impact on the happiness of private bank employees.

METHODOLOGICAL CONSIDERATION

The present research is descriptive in nature and a well-designed questionnaire was administered to the employees and executives, in different branches of private banks, situated in the state of Rajasthan, to collect the primary data. The questionnaires were personally distributed among 225 employees of the private banks, in 60 different branches located in the state of Rajasthan. However, only 189 out of 225 questionnaires were received back, duly filled. Thus, the investigation is based on the sample of 189 respondents.

of the questionnaire intends to identify the impact of the selected non-monetary factors on employee happiness. It examines how happy the banking sector employees are with their Work-life balance, Employee engagement, Job security, and Working conditions.

The five points Likert's scale were used in the questionnaire to understand the level of happiness. These were classified as: (1) Most happy; (2) Happy; (3) Indifferent; (4) Unhappy; and (5) Most unhappy.

Table 1: Table showing the response rate of the respondents

Questionnaires distributed	Questionnaires duly filled	Response rate
225	189	84%

Data collection was completed in 9 weeks period, starting the second week of September, 2019 and ending the second week of November, 2019. The research questions were formulated to identify the impact of different monetary and non-monetary factors on the happiness of the private bank employees and to understand the association of the monetary and non-monetary factors.

The first section of the questionnaire mainly focuses on the general demographic profile of the respondents, such as gender, age, experience, and designation. The second section of the questionnaire intends to identify the impact of the selected monetary factors on employee happiness. It examines how happy the banking sector employees are with their Pay-scale, Bonus, Allowances, and Profit-sharing. The third section

STATISTICAL TOOLS

SPSS-21.0 version was used for data analysis purpose and Cronbach's alpha was used to test the reliability of the test. Regression analysis was applied to establish the relationship between selected monetary and non-monetary factors on happiness of employees. Chi-square test was applied to understand the association of respondent's designation with their overall workplace happiness. ANOVA test was used to compare and ascertain the degree of intensity between the selected monetary and non-monetary factors.

DATA ANALYSIS AND INTERPRETATION

Profile of Responding Bank Employees

It is very essential to reveal the demographic profile of the respondents. The profile of the respondents include, gender, age group, experience, and designation. All the bank employees are full time employees at their respective job positions.

Table 2: General Characteristics of Respondents

No.	Demographic (N=189)	Categories	Frequency	Percentage
1.	Gender	Male	148	78.3%
		Female	41	21.7%
2.	Age	Below 30 years	72	38.1%
		31 – 40 years	94	49.7%
		Over 40 years	23	12.2%
3.	Experience	Less than 2 years	38	20.1%
		2 – 4 years	76	40.2%
		4 – 6 years	59	31.2%
		More than 6 years	16	8.5%
4.	Designation	Senior Level Manager	15	7.9%

	Middle Level Manager	84	44.5%
	Lower Level Manager	63	33.3%
	Supporting Staff	27	14.3%

Source: Data collected through questionnaire.

Table 2 summarizes the profile of all the 189 respondents that had responded to the research survey. An aggregate of 148 respondents (78.3%) were male and the rest 41 respondents (21.7%) were female, indicating that male respondents had a majority. Out of total 189 respondents, 72 were of the age below 30 years, 94 were of the age between 30 to 40 years and the remaining 23 were over 40 years of age. Out of total 189 respondents, 38 respondents (20.1%) have service experience of fewer than 2 years in the banking sector, 76 respondents (40.2%) have service experience of 2 to 4 years, 59 respondents (31.2%) have service experience of 4 to 6 years, and the remaining 16 respondents (8.5%) have service experience of more than 6 years in the banking sector. 15 respondents (7.9%) were Senior Level Managers, 84 respondents (44.5%) were Middle Level Managers, 63 respondents (33.3%) were Lower Level Managers, and the remaining 27 respondents (14.3%) were Supporting Staff.

Factor and Reliability Analysis

All the selected monetary and non-monetary factors affecting the happiness of respondents were exposed to factor and reliability analysis. Cronbach's alpha was used to survey the consistency of the entire scale. Reliability scores of those higher than $\alpha = 0.70$ are considered satisfactory, and hence, were acceptable^[*]. The results are shown in Table 3.

Table 3: Reliability of Organizational factors on Employee happiness

Classification of factors affecting happiness of private bank employees	Description of the Organizational factors	Cronbach's Alpha
Monetary Factors	Pay-scale	0.933
	Bonus	0.908
	Allowances	0.893
	Profit-sharing	0.875
Non-Monetary Factors	Work-life balance	0.844
	Employee engagement	0.867
	Job security	0.915
	Working conditions	0.827

Source: SPSS Output

[*] Hair JR, J. F., Anderson, R. E., Tatham, R. L., and Black, W. C. (1998). *Multivariate Data Analysis* (Fifth Edition), Prentice Hall, Upper Saddle River, New Jersey.

Ratings of the overall happiness level with respect to designation

Each respondent was separately asked to express their level of satisfaction on the five-point Likert scale to understand the impact of respondent's designation on the employee's happiness on an overall basis and the data obtained is summarized as under:

Table 4: Table summarizing satisfaction level of respondents on the basis of their designation

Job Positions	Satisfaction Level					TOTAL
	Most Happy	Happy	Indifferent	Unhappy	Most Unhappy	
Senior Level Managers	9	3	1	1	1	15

Middle Level Managers	24	39	18	2	1	84
Lower Level Managers	11	23	7	13	9	63
Supporting Staff	3	1	12	7	4	27
TOTAL	47	66	38	23	15	189

Source: Data collected through questionnaire.

The data obtained was tested using Chi-square to understand the impact of respondent's designation on their overall happiness and the test results obtained were as under:

Table 5: Table showing the test results to prove or disprove the association of Respondent's designation and overall happiness at workplace (Chi-square)

TEST	Calculated Value	p-value	Test Result
Pearson's Chi Square Statistic	59.538	< 0.00001	Significant at $p < .05$

Source: SPSS Output

As $p < 0.05$, we have no reason to accept the null hypothesis H_{01} that respondent's designation and its overall impact on happiness at workplace are independent. Thus, we can conclude that designation has a significant impact on employee's happiness at workplace.

Ratings of the four monetary factors with respect to employee happiness

The overall rating of the selected four monetary factors on the workplace happiness of the respondents from the private banking sector is presented in Table 6.

Table 6: Statistical analysis of monetary factors (N=189)

	Most Happy	Hap py	Indiffe rent	Unha ppy	Most Unha ppy
Pay-scale	71	79	26	9	4

Bonus	42	63	45	24	15
Allowances	46	61	33	27	22
Profit-sharing	38	76	49	17	9
Total	197	279	153	77	50
Mean (%)	26.1 %	36.9 %	20.2%	10.2%	6.6%

Source: Data collected through questionnaire.

Regression analysis between monetary factors and employee happiness

Multiple Regression analysis has been conducted with the help of SPSS-21.0 version, where four monetary factors were assumed as independent variables and employee happiness was assumed as dependent variable. The inclusion of the four monetary factors correlates well with employee happiness. Considering the monetary factors individually, Pay-scale, Bonus, Allowances, and Profit-sharing, all was found highly significant towards the overall happiness of bank employees. The outcome of the regression analysis, conducted to understand the impact of the selected monetary factors on employee happiness is shown in Table 7.

Table 7: Regression analysis between monetary factors and Employee happiness

R	R square	Adjusted R square	Standard Error of the Estimate
0.915 #	0.837	0.820	0.1307

Source: SPSS Output

Predictors (constants): Monetary factors - Pay-scale, Bonus, Allowances, and Profit-sharing.

The Table above demonstrates that R^2 is 0.837 and the relationship is critical at $p < .05$. It suggests that all the four monetary factors explained a total of 83.7% of the variation in the enhancement of employee happiness. In this study, the sample size is 189 with 4 independent variables and the R^2 is 83.7%, at $p < .05$ indicating that the regression model is valid. The Standard

Error of the estimate of 0.1307 also indicates that the outcome of the regression model is substantial. Thus, there seems no reason to accept Null Hypothesis H_{02} .

Ratings of the four non-monetary factors with respect to employee happiness

The overall rating of the selected four non-monetary factors on the workplace happiness of the respondents from the private banking sector is presented in Table 8.

Table 8: Statistical analysis of non-monetary factors (N=189)

	Most Happy	Happy	Indifferent	Unhappy	Most Unhappy
Work-life balance	62	69	31	18	9
Employee engagement	36	61	43	28	21
Job security	31	66	33	32	27
Working conditions	48	56	44	28	13
Total	177	252	151	106	70
Mean (%)	23.4%	33.3%	20.0%	14.0%	9.3%

Source: Data collected through questionnaire.

Regression analysis between non-monetary factors and employee happiness

Multiple Regression analysis has been conducted with the help of SPSS-21.0 version, where the four non-monetary factors were assumed as independent variables and employee happiness was assumed as dependent variable. The inclusion of the four non-monetary factors correlates well with employee happiness. Considering the non-monetary factors individually, Work-life balance, Employee engagement, Job security, and Working conditions, all are found highly significant towards the overall happiness of bank employees. The outcome of the regression analysis, conducted to understand the impact of the selected non-monetary factors on employee happiness is shown in Table 9.

Table 9: Regression analysis between Non-monetary factors and Employee happiness

R	R square	Adjusted R square	Standard Error of the Estimate
0.875 #	0.7656	0.733	0.16143

Source: SPSS Output

Predictors (constants): Non-monetary factors - Work-life balance, Employee engagement, Job security, and Working conditions.

The Table above demonstrates that R^2 is 0.7656 and the relationship is critical at $p < .05$. It suggests that all the four non-monetary factors explained a total of 76.56% of the variation in the enhancement of employee happiness. In this study, the sample size is 189 with 4 independent variables and the R^2 is 76.56% at $p < .05$ indicating that the regression model is valid. The Standard Error of the estimate of 0.16143 also indicates that the outcome of the regression model is substantial.

Thus, there seems to be no reason to accept the Null Hypothesis H_{03} .

Table 10: Model Summary

Organizational Factors	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	Beta	Std. Error	Beta		
(Constant)	3.667	1.167		3.333	0.000
Monetary Factors	0.667	0.133	0.533	4.667	0.000
Non-monetary Factors	0.133	0.107	0.111	1.667	0.333

Source: SPSS Output

Dependent Variable: Employee's Happiness.

The results, as shown in the above Table 10, exhibit that there is a significant difference in the impact of the two variables, i.e. monetary and non-monetary factors, on the employee's happiness. Thus, there seems no reason to accept Null Hypothesis H_{04} . Hence, we observe a pretty weak intensity of the non-monetary factors as compared to the monetary factors.

RESEARCH RESULTS AND FINDINGS

The results of the research indicate that most of the bank's employees in the private banking sector are happy with their employment. All the four Test Hypotheses were rejected. The frequency of the results created by SPSS shows that there is a positive relationship between the level of employee happiness and the various monetary and non-monetary factors, though the non-monetary factors exhibited a pretty weak intensity on employee happiness as compared to the monetary factors.

SUGGESTIONS & RECOMMENDATIONS FOR FUTURE RESEARCHERS

The present research, for the most part, undertakes the selected monetary and non-monetary factors to assess the impact of these

factors on the happiness of the employees, belonging to the private banking sector in the state of Rajasthan. The study can further be built to extend the effect of employee motivation, employee engagement factors, and job satisfaction on the level of employee happiness. The same study can even made applicable to the employees of other industries.

CONCLUSIONS

In view of the findings of the current research, it is concluded that private Indian bank's employees in the state of Rajasthan have reported an acceptable level of happiness in all aspect of their employment. Private Bank's employees were happy with the monetary factors (Pay-scale, Bonus, Allowances, and Profit-sharing) as well as the non-monetary factors (Work-life balance, Employee engagement, Job security, and Working conditions), although the monetary factors proved to have a higher impact on their happiness as compared to the non-monetary factors. Even, their level of happiness at workplace was found to be significantly influenced by their designation.

Happiness is quite a complex concept that is determined by different organizational factors, or to be more precise, by a combination of factors, that often have intertwined impact. Happiness not just leads to a quantitative improvement, by expanding effectiveness & increasing efficiency, but also it leads to a qualitative improvement, by making a better product by virtue of pride, belief, and commitment to one's employment.

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