

“An analysis of various ‘Attributes of Rewards,’ ‘Leadership Models’ and ‘Social Support’ aiming quality in work among Employees’ Performance with reference to Banking Sector”

Chapter 1

Paradigm Shift in Business Philosophy for Economic Growth & Sustainable Development

1.1 History of Earth

The history of earth concerns the development of planet earth from its formation to the present day. Nearly all branches of natural science have contributed to understanding of the main events of Earth's past, characterized by constant geological change and biological evolution. Earth formed around 4.54 billion years ago, approximately one-third the age of the universe, by accretion from the solar nebula. Volcanic out gassing probably created the primordial atmosphere and then the ocean, but the early atmosphere contained almost no oxygen.

Much of the Earth was molten because of frequent collisions with other bodies which led to extreme volcanism. While the Earth was in its earliest stage (Early Earth), a giant impact collision with a planet-sized body named Theia is thought to have formed the Moon. Over time, the Earth cooled, causing the formation of a solid crust, and allowing liquid water on the surface.

The earliest undisputed evidence of life on Earth dates at least from 3.5 billion years ago, during the Eoarchean Era, after a geological crust started to solidify following the earlier molten Hadean Eon. There are microbial mat fossils such as stromatolites found in 3.48-billion-year-old sandstone discovered in Western Australia. Other early physical evidence of a biogenic substance is graphite in 3.7-billion-year-old metasedimentary rocks discovered in southwestern Greenland as well as "remains of biotic life" found in 4.1-billion-year-old rocks in Western Australia.



Figure 1.1: Changing of Earth

1.2 History of human being

We humans can trace our lineage back some 60 million to 70 million years. Our earliest primate ancestors were small, tree dwelling mammals like modern tree shrews. Gradually over millions of years primates grew into ape like creatures. Then perhaps 6 million years ago, a split occurred in the primate line. Some species branched off to evolve into what we know as modern apes, while another line led to Homosapiens, the modern human.

Genetic measurements indicate that the ape lineage which would lead to Homosapiens diverged from the lineage that would lead to chimpanzees and bonobos, the closest living relatives of modern humans, around 4.6 to 6.2 million years ago. Anatomically modern human arose in Africa about 300,000 years ago, and reached behavioural modernity about 50,000 years ago.

Early Primates

The best evolutionary theorist was drawn by Charles Darwin (1809-82), one of the ideas that he made famous was “survival of the fittest”. According to the theory, species tend to retain traits and attributes and flourish them. Species that adapt to the environment will survive and others will die out.

Life in trees had made early primates alert and agile animals. They developed excellent muscular co-ordination and could leap and swing from one branch to other and even they could maintain balance. Slowly and steadily, they developed sense of smell, nose was reduced in size, they could grasp and pick up objects. The early primates searched for sources of food and ate variety of foodstuffs.

All the characteristics were associated with development of brain. The development was most pronounced in the cerebrum. The cerebrum in primates is primarily involved with the analysis of what is seen, what is heard, and what is touched. The evolution of the primates progressed in the direction of this greater brain development.

Hominids

Scientists use the name hominids to refer to the various primate species that gave rise to modern humans. The ramapithecines were honoured as real ancestors of modern human. These creatures stood perhaps 3 feet tall and weighed about 40 pounds, lived approximately 10 million years ago. They started moving from trees to open environment and started walking upright on two feet. But somehow now the scientists believe that species have died out. Scientists believe that now the earliest true human ancestors are believed to be species of genus Australopithecus. Among the many fossils remains found in this species were those of a partial female skeleton nicknamed Lucy, discovered in northern Ethiopia and footprints found in Tanzania. Slowly there were modifications in the muscles and hominids stood and walked erect. With the development of more advanced tools and use of fire, early humans were no longer dependent on limited food sources. The development of language was a further uniting force.

An upright existence

Then came the modern age and humans started developing physical attributes like backbones, curves of body, hips, head, chest, bones, arms, fingers. Because of this, high manual skills were developed and there was a great degree of precision. Freeing of hand was made possible by an upright posture and this was important development in human evolution. Another important attribute that separates

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humans from other animal inhabitants of the planet was the human brain. With this now the humans developed an ability to think.

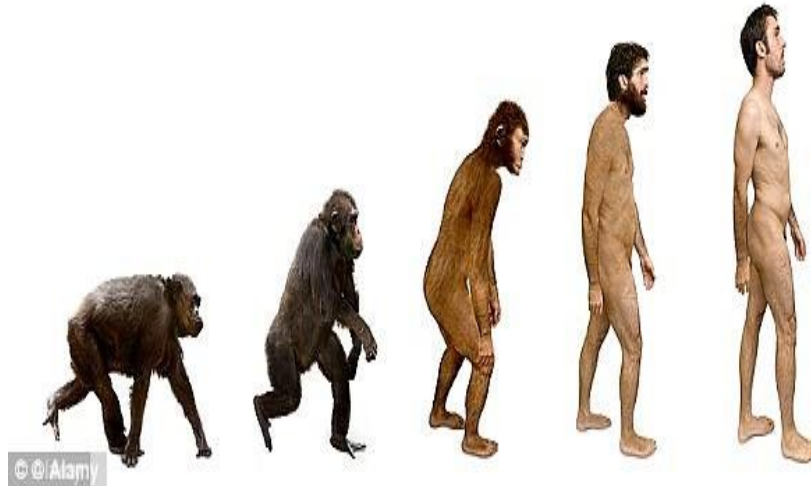


Figure 1.2: Upright existence of Humans

As we have seen first there was beginning of earth and then after the existence of the human beings found. Initially they were satisfied with the basic need i.e., food, cloth, and shelter but as the time progressed their needs and wants increased in every area. This led to development of technology to satisfy their increasing needs. Due to development of technology, they started the utilization of the untapped resources which now brings the modern era competitive world. The use of various resources depends upon human abilities which are explained further.

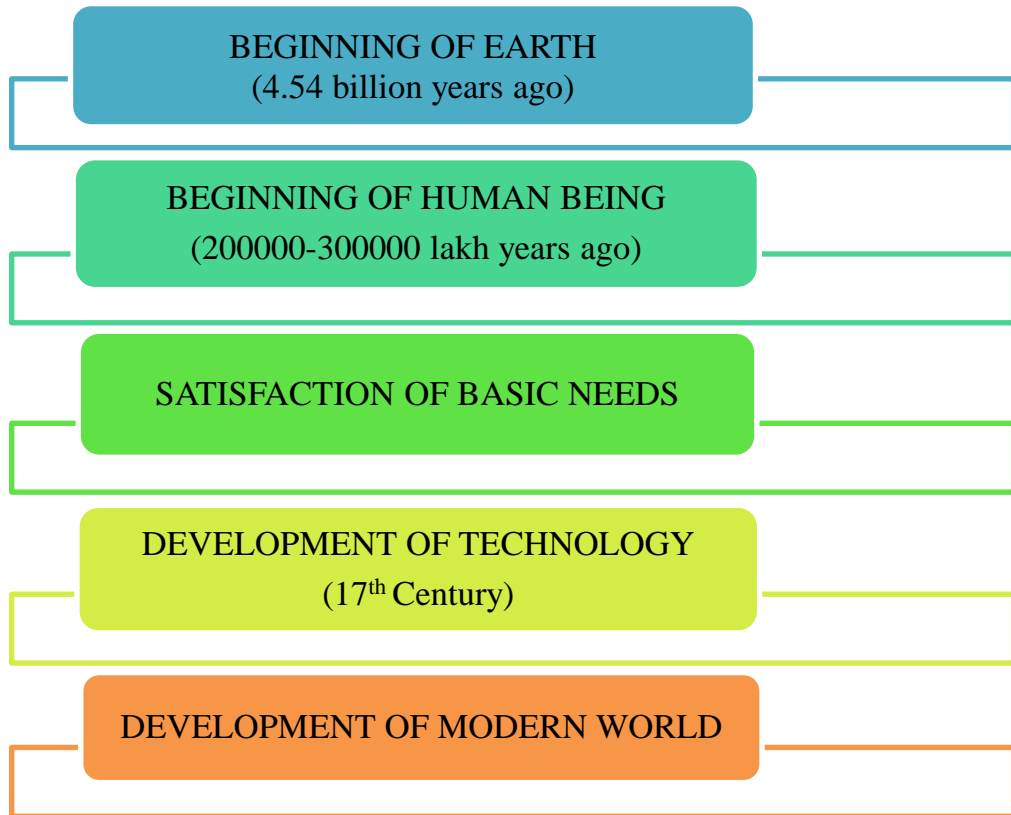


Figure 1.3: Beginning of Earth

1.3 Human abilities

Every human being possesses some set of abilities for their survival and future growth. These abilities are developed by them through their education and surrounding environment with their abilities, they differentiate themselves from others in modern world. Basically, human beings have two types of abilities:

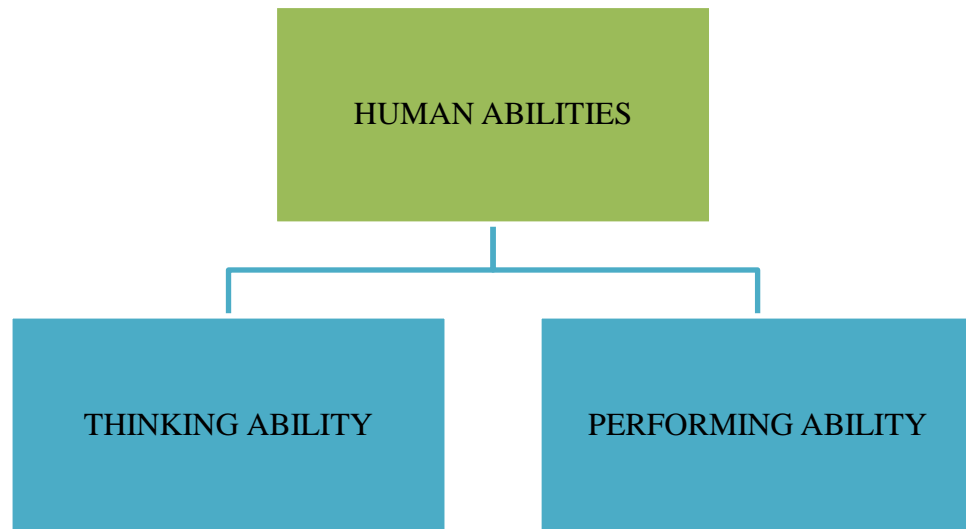


Figure 1.4: Human Ability

Thinking ability

Then with the development of brains, humans started developing thinking ability. Thinking skills are the mental activities you use to process information, make connections, make decisions, and create new ideas. You use your thinking skills when you try to make sense of experiences, solve problems, make decisions, ask questions, make plans, or organize information.

They even started to use language. The use of language and the high level of social interaction that language makes possible seem to be factors that differentiate humans from other animals.

Performing ability

The conversion of thinking ability into performance is called performing ability. These are the skills which a human being converts into working activities. This is the conversion of thoughts of human beings into working process. With his/her performance abilities, human being either does business or profession. Businesses are mainly done by risk takers and professional activities are taken up by people who want to specialize somewhere like doctors, chartered accountants or someone who has special creativity.

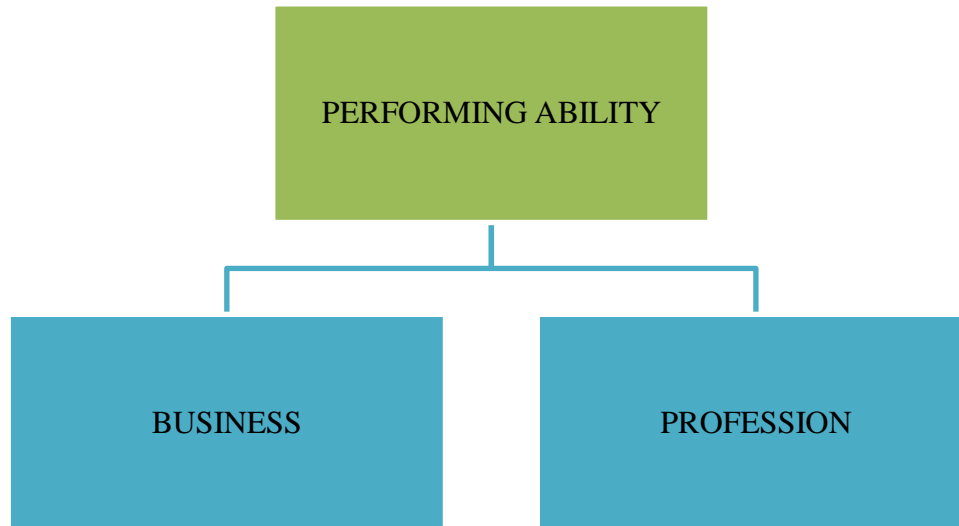


Figure 1.5: Performing ability

1.3.1 Business

Definition

According to Stephenson, “The regular production or purchase and sale of goods undertaken with an objective of earning profit and acquiring wealth through the satisfaction of human wants.”

According to Lewis Henry, “Human activity directed towards producing or acquiring wealth through buying and selling of goods.”

Meaning

Any activity done by any organization for commercial, industrial, or professional purpose is known as business. It is organized efforts and activities of individuals to produce and sell goods and services for profit. It may be sole proprietorship to multinational organizations. Business is activity done to satisfy human needs and wants against profit or sometimes for charity purpose. The success or failure of business depends on idea developed and its implementation.

BUSINESS & FACTORS OF PRODUCTION

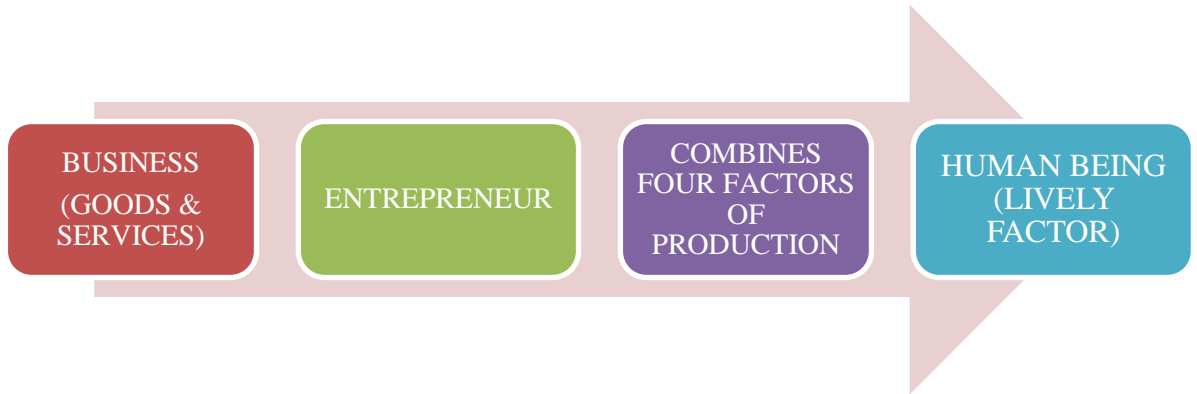


Figure 1.6: Business & factors of production

An entrepreneur is the person who takes risk of starting the business. He/she produces the goods or services as per human wants and earns profit. Entrepreneur starts business by combining four factors of production i.e., land, labour, capital, and entrepreneur. Among them man is the only lively factor who have emotions and feelings. It is very tough for any entrepreneur to manage man. The success of entrepreneur and business depend upon how well he/she manages these factors of production. By successfully managing man, an entrepreneur may receive immense success. Entrepreneur can differentiate his/her organization by satisfying the people working in his/her organization.

1.3.2 Profession

According to business dictionary” Occupation, practices, or vocation requiring mastery of a complex set of knowledge and skills through formal education and/or practical experience. Every organized profession (accounting, law, medicine, etc.) is governed by its respective professional body.”

According to Australian council of profession, “A Profession is a disciplined group of individuals who adhere to ethical standards and who hold themselves out as, and are accepted by the public as possessing special knowledge and skills in a widely

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recognized body of learning derived from research, education, and training at a high level, and who are prepared to apply this knowledge and exercise these skills in the interest of others. It is inherent in the definition of a Profession that a code of ethics governs the activities of each Profession. Such codes require behaviour and practice beyond the personal moral obligations of an individual. They define and demand high standards of behaviour in respect to the services provided to the public and in dealing with professional colleagues. Further, these codes are enforced by the Profession and are acknowledged and accepted by the community.”

Meaning

A profession is something a little more than a job; it is a career for someone that wants to be part of society, who becomes competent in their chosen sector through training; maintains their skills through continuing professional development (CPD); and commits to behaving ethically, to protect the interests of the public.

Professionals are self-motivated people who have some special knowledge and skills through which they serve the society in many ways.

We all rely on professionals at many points of our lives – from dentists to teachers, from pension managers to careers advisers, from town planners to paramedics. We rely on professionals to be experts and to know what to do when we need them to.

Back in the nineteenth century, the professions were defined as law, religion, and medicine. Nowadays, the number of professions is much wider and ever-increasing, as occupations become more specialised in nature and more ‘professionalised’ in terms of requiring certain standards of initial and ongoing education – so that anything from automotive technicians to web designers can be defined as professionals.

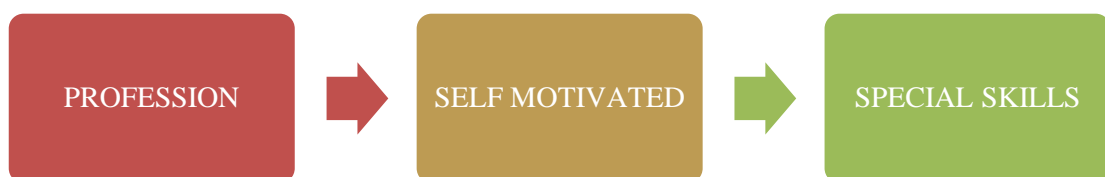


Figure 1.7: Profession

1.4 Role of corporates for civilization or social growth

1.4.1 Main resources for business

Any business uses four factors of production i.e., MONEY, MATERIAL, MACHINE, MAN.

All the factors are treated equally. But here there is a contrast.

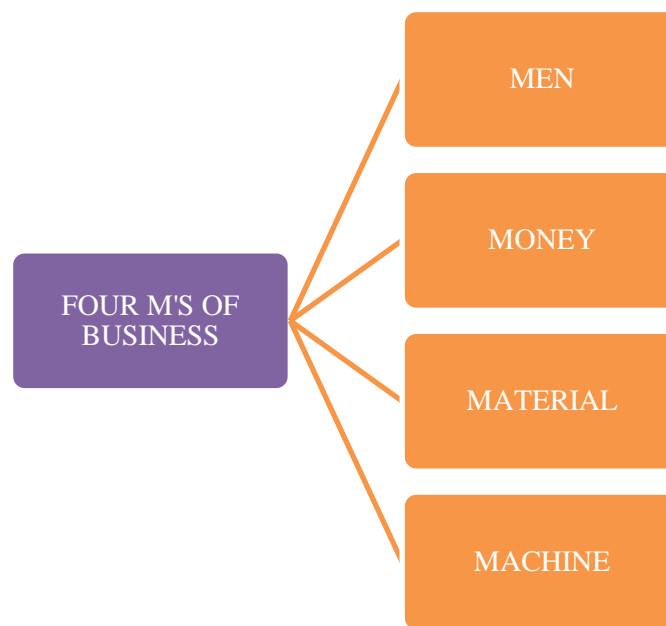


Figure 1.8: 4 M' s of Business

Money, Material and Machine are either natural or man-made resources but they are not having values, emotions, feelings & spiritual belief. All these 3Ms can be easily acquired and could be used up to fullest capacity. It is believed that we must use money, material, and machine optimally (Economies of scale). Therefore, every business focuses on cost minimization & profit maximizes resulting high competition and more over corruption. There are two main focuses for business and that is optimum utilization of resources and cost minimization.

Man, on the other hand is a god-gifted resource with his/her wisdom. Man has values, emotions, feelings, spiritual belief & most important intellect. All the business entities

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are considering man equal to all the other resources. This researcher found as an emerging problem in terms of dealing with human(s).

If any business tries to minimize cost by cutting down their salaries, by downsizing or by retrenching, then there will be survival issues for manpower in the organization. They will not be motivated to do work with efficiency while continuing within the organization; hence turnover is increasing worldwide due to insecurity of job. Researcher realized that business tries to do optimum utilization of manpower by increasing their working hours or by giving them more targets to fulfil and it is resulting into job stress.

Thus, researcher selected the study area i.e., an emerging need of good leadership, an emerging need to reward them in an appropriate manner & ensure hand-in-hand social support as human is a social animal, which will convert into the high-performance standards **such as rewards, leadership, social support, organization culture, employee compensation, job satisfaction, employee training, workers participation in management, employee empowerment, job enrichment, self-motivation.**

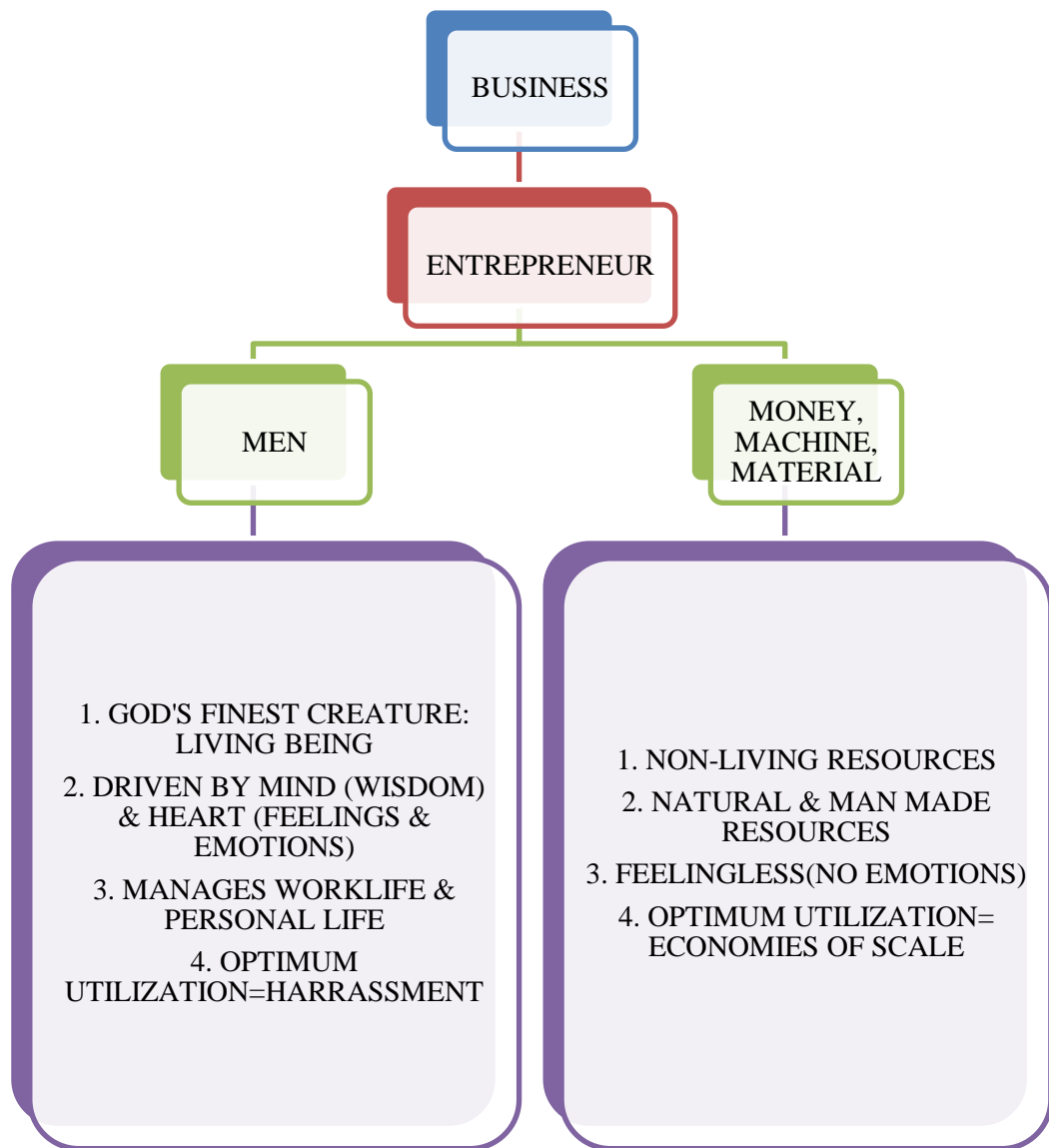


Figure 1.9: Importance of Men in business

1.4.2 Role of Corporates for society

Introduction

Like human being, Corporates are born in society, live in society and end in society. They are integral part of the society. Various Corporates serve the society in different ways with different missions and visions. It is because of the society they survive and exist so they need to return to the society, what they acquired from there. Beside this now a day’s government is pressurizing Corporates to do certain social activities during

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a financial year. Corporate Social Responsibility has emerged now as one of the important concepts. The primary objective of any business is to develop, produce and supply goods and services to customers. The social skills of company owners, together with relationships maintained with customers, suppliers, and other business people, are always vital if companies are to be run well and developed with a view to the future.

THE BUSINESS IN SOCIETY



Figure 1.10: Quality of management

Role of Business in society

It is responsibility of organization to bring in new technique of production and improve productivity. This is how a society gets improved quality and value-added products. Society’s values and level of knowledge are reflected in company’s working. Companies must provide goods and services as per the requirement of the society otherwise must exit from there. They also must work within society’s norms and protect the interest of the society. Also, the various regulations mentioned in the company’s act are to be followed by the organization be it private or public. They must not harm the environment which has negative influence on the society.

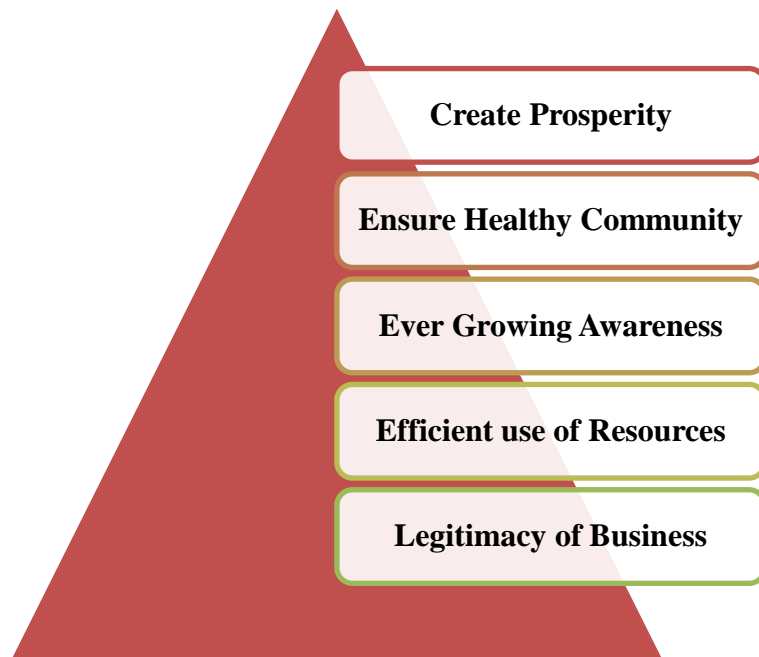


Figure 1.11: Role of business in society

Role of company in its communities: Evolving Approaches

Companies that have clear mindset and vision find it easier to implement ethical and social values along with protecting the environment. Due to presence of clear objectives, it makes easier to formulate and implement goals based on norms within the company and for general public.

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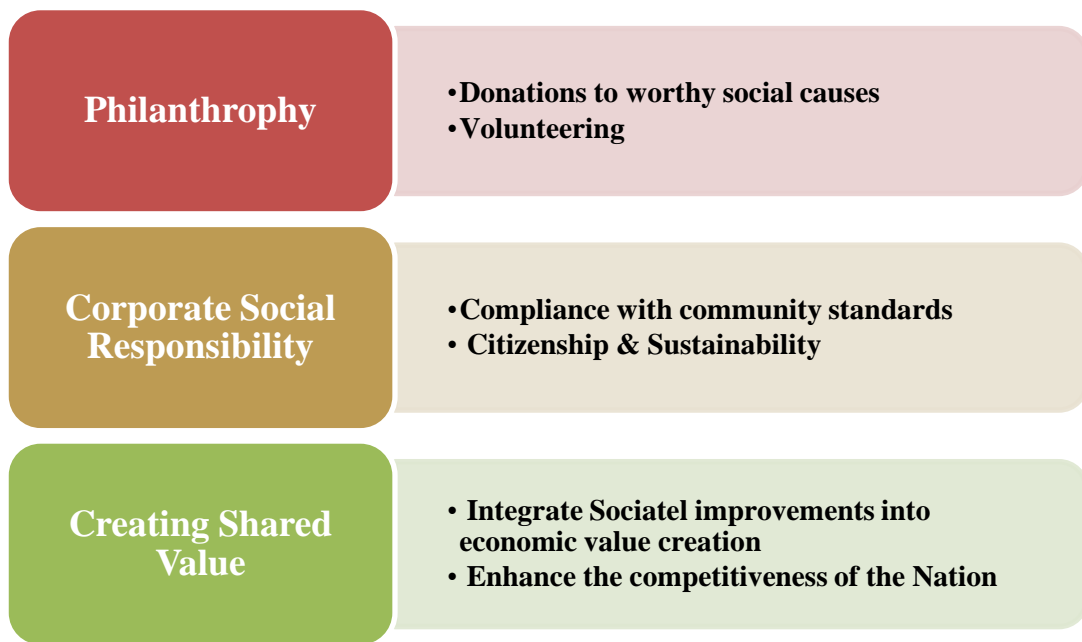


Figure 1.12: Role of company in community

CSR is often described as a voluntary responsibility above and beyond the demands of national legislation and which encompasses issues such as human rights, environmental responsibility, and civic freedoms. Good profitability, environmental accountability and social responsibility are all connected:

- If profitability is ignored, it will be difficult in the long term to finance environmental improvements and responsibilities towards the community.
- If the environment is ignored, companies risk their reputation, customers, and business options, all affecting profitability.
- If companies ignore their social responsibilities – regarding human resources issues, for example – they may lose skills, which would also affect profitability.

1.4.3 Role of Banks in the Society

Bank has been existing in the society since much longer time. Its first prototype has been developed in world around 2000 BC. It plays an important role in prosperity of general masses and economic development of country. It is one type of financial institution which is involved in borrowing and lending of money. Bank borrows money

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from individuals and corporates who want to save the money and advance it to that entrepreneur who want additional capital or who want to start new enterprise. Interest will be provided to the customers who have provided money to bank in the form of saving account/ Fixed deposits, on the other hand interest will be changed from the customers to whom bank provides loan. In this process, bank will increase its business day by day which will ripe benefits for the economy in both terms financially and non-financially.

- Here for our research work, there is much importance of non- financial benefits of bank i.e., Employment generation.

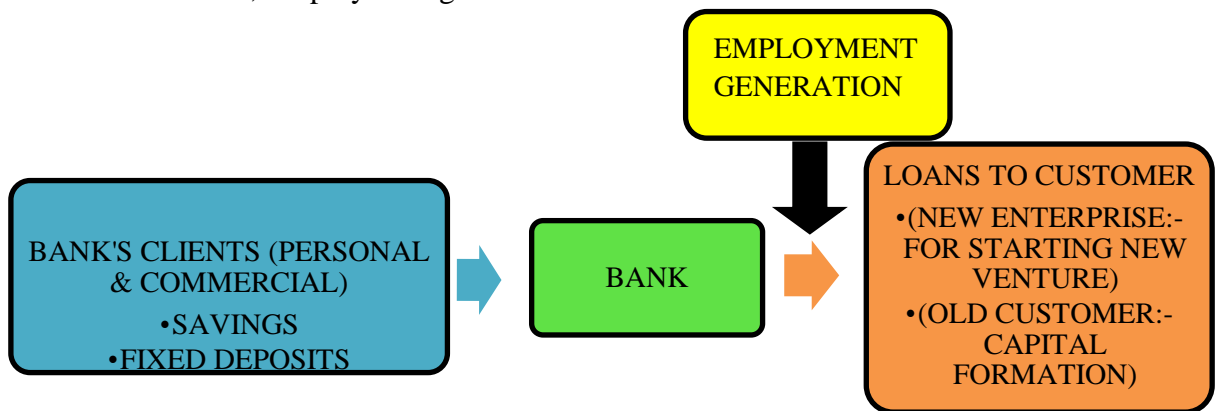


Figure 1.13: Role of Banks in society

As with growth of banks and its reach all over the country, the employment they are creating is continuously increasing. Besides this the role of bank in society is evolving to a great extent, which is asking for new recruitment. There are many new services in banking industry which has been started. Also, the competition between the banks has been risen in last few decades. This all is creating pressure on employees of bank and it does have great impact on employee performance.

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TOTAL BANK EMPLOYEES (2018) (IN LAKHS)	
OFFICERS	8.59
CLERKS	3.60
SUB-ORDINATES	1.61
TOTAL	14

Table 1.1: Total bank employees

Hereby, researcher presents the data of turnover ratio of employees in different sectors:

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<u>Sectors</u>	<u>Ratio</u>
Retail	18.5%
Insurance	18.3%
Financial services	18.2%
Professional services	18.1%
Banking	17.8%
ITeS	15.1%
Life sciences, pharmaceuticals, and healthcare	14.8%
IT	14.6%
Telecom	14.6%
Transport and Logistics	13.7%
Infrastructure and real estate	13.3%
Overall average	13.1%
Consumer goods	12.8%
NGO/NPO	9.2%
Energy and natural resources	8.5%
Engineering/Manufacturing	8.4%

Table 1.2: Turnover data of Employees

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Working pressure on employees’ have direct impact on the performance of employees. Here the research is based upon how employee stress can be reduced and their productivity with the help of reward, leadership models and social support.

Rewards

Rewards are return given to an employee against the work taken from him. Basic principle is that employee should be given adequate rewards in accordance with their work. Management should try to keep their employees satisfied by giving proper financial or non- financial rewards. Financial rewards will give employee a good standard of living, on the other hand non- financial rewards will increase motivation of employee.

Leadership Models

It is the most vital criteria for influencing employees’ behaviour and performance. Productivity of employees’ is highly dependent upon attitude of leader. Immediate boss of employees’ and top management must be efficient to keep employees satisfied, which will automatically direct them towards models that can be implemented to have good organization strategies which will lead to best possible outcome of workforce.

Social support

In this competitive environment, stress of an employee has increased to great extent, which can be reduced with the help of social support. It is the best medicine for maintaining and motivating the efficient employees. Different sources of social support are found from both inside and outside the organization.

1.4.4 Responsibility towards different class of society

Corporate Social Responsibility towards Owners

Owners are the persons who own the business and they are responsible for the profit or losses and they contribute the capital and bear the risks. The primary responsibility of the business towards its owners is to,

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- Should run the business efficiently
- Proper utilization of capital and resources
- Timely repayment of capital invested

Corporate Social Responsibility towards Investors

Investors provide the capital by way of investment, it is in the form of debentures, deposits, and bonds etc. without investors companies may not be run successfully. The investors included in this category are banks, public and financial institutions. The responsibilities of the business towards its investors are,

- Providing assurance to their investment
- Paying interests timely to the investors
- Giving important updates to the investors
- Repayment of principle amount timely

Corporate Social Responsibility towards Employees

Business needs workers or employees to work for the organisation they put their efforts for the growth of the firm. It is the basic responsibility of the organisation to take care of the interest of the employees and to fulfil their needs. Employee satisfaction leads to the achievement of the organisational goals. The responsibilities of the organisation towards its employees or workers include, wages and salaries should be paid timely and regularly

- Providing proper welfare amenities and working conditions
- Providing better opportunities for the career prospects
- Providing Job security and social security
- Providing facilities like pension, provident fund, retirement benefits, and group insurance, etc.
- Providing housing, canteen, transport, and creches etc.
- Identifying and fulfilling training and developmental needs

Corporate social responsibility towards Suppliers

Suppliers are the persons who supply semi-finished goods, finished goods, raw materials and other items required by the firms. Market demand conditions can only be fulfilled based on the supply of the raw materials. So, the suppliers are the part of the success of the business. Managers should always notice the importance of the suppliers. Certain suppliers are called as distributors because they supply finished products to the consumers. The responsibilities of business towards these suppliers are,

- Giving regular orders to purchase goods
- Dealing with fair terms and conditions
- Maintaining reasonable credit period
- Dues should be paid timely

Corporate social responsibilities towards Customers

Business can only be survived with the support of customers. The success of the business completely depends on the customer satisfaction and customer loyalty. Brand image comes from these two factors, so being responsible towards the customers not only benefits the customers but it maximizes the revenues and makes possible to get the market empire. The responsibility of business towards customers is,

- Products and services must fulfil the needs of the customers
- Qualitative Products and services must be delivered
- Regularity in supply of goods and services must be maintained
- Prices of the goods and services should be fixed reasonable and affordable
- Procedure, advantages and disadvantages of the product and the use of the products must be informed to the customers
- Organizations must provide after sales service
- Grievances of the customers must be settled quickly
- Fewer quality services, under weighing the product and adulteration must be avoided

Corporate social responsibility towards Competitors

Competitors always help the business in becoming more innovative and dynamic. But it is not that much easy to face a severe competition. Firms always try to overcome the competition by giving discounts, by using various advertisement strategies, and so on. To become better than their competitor’s firms sometimes may follow unfair practices like giving sales commissions to the agents, heavy discounts to the customers, false advertisements, bribing the competitor’s employees to know the business secrets etc. The responsibilities of business towards its competitors are,

- Not to offer high sales commission to distributors and agents
- Not to offer heavy discounts to the customers
- False advertisements should not be given to defame the competitors
- Should not bribe the competitor’s employees to copy their products and services

Corporate social responsibility towards Government

Firms should follow the rules framed by the government. These guidelines are for the safety measures and for the benefit of the society. Responsibilities of the firms towards government are,

- Following the guidelines given by the government
- Fees, duties, and taxes should be paid regularly and honestly
- Should not follow the restrictive trade practices
- Firms should follow the pollution control norms
- Should not follow the corruption and other unlawful activities

Corporate social responsibility towards Society

In almost all activities individuals, groups, organizations, and families, etc. interact with each other and dependent on each other. A relationship exists between them which may be direct or indirect. The increase in per capital income increases the value of the money and national income. With the increase in national income revenues of the business also

increases. Thus, it has certain responsibilities towards the society which may be as follows,

- Firms should help the weaker sections of the society
- Organizations should protect the social and cultural values
- Firms should generate the employment by extending their business
- Should protect the environment by taking proper measures
- Natural resources and wildlife should not be harmed

Conclusion:

In today’s modern competitive era and technology driven society change does not come by one individual, one organization or one government. Companies can show the world through their work and can inspire millions of people. Successful companies like Tata and Reliance stay up to date with surrounding environment along with minimizing business risks.

1.4.5 Parameters of Social growth

1. Standard of Living

It is one of the most important parameters to measure social growth. Increase in standard of living will reflect growth & vice-versa. Government should try to use all the resources in optimum way & try to increase standard of living at general level. This is root of social growth & increase in this will benefit society in long term.

2. Environment Protection

Another thing that reflects social growth is quality of environment. Use of modern appliances and methods along with good culture will protect the environment to a great aspect. It will improve the health of people which will increase their efficiency. Ultimately, this will have impact on productivity of people.

3. No Promotion to Corruption

Another important aspect of growing economy is they give no promotion to corruption. This is the factor which hinders social growth of the economy. Through

corruption, funds go another way which will decline the standard of living of people.

4. Per Capita Income

Per capita income is per person income of the nation. It is obtained by dividing total national income by number of people. This is directly connected to standard of living which relates to social growth. Increase in per capita income will increase social growth & vice-versa.

5. Increase in Literacy Rate

Literacy rate has special effect on the social growth of the economy. Increase in literacy level will increase per capita income which will increase national income which will increase social growth & vice-versa. Almost every government in every economy is emphasizing on this because it will have long term impact on social growth.

6. National Income

National income is the sum of income of entire nation. Increase in national income will increase social growth & vice-versa. For social growth it is necessary that there is equal distribution of national income. Distribution of national income is the difference between developed & developing nation.

1.5 Factors affecting Employee Performance

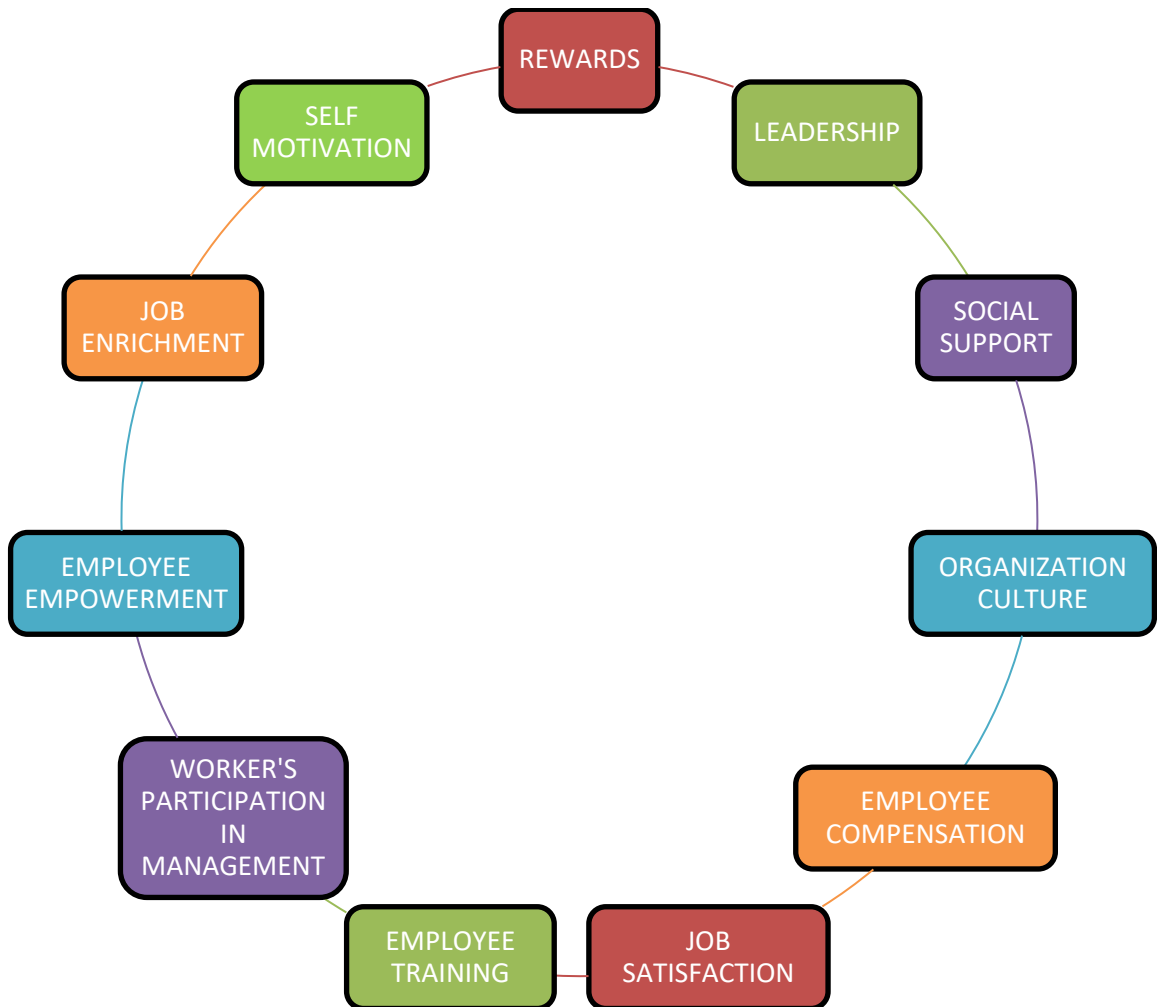


Figure 1.14: Factors affecting Employee Performance

1.5.1 Rewards

Definition

According to Schultz (2006), “Rewards can be defined as a particular monetary return, object or event that an employee receives in exchange for his/her work or for having done something”.

According to Malhotra (2007), “Rewards are all forms of financial return, tangible services and benefits an employee receives as a part of employee relationship.”

Overview

Rewards means a return given to employee against their services to an organization. It can be either monetary or non- monetary form or both. The main motto of organization behind this is to attract and maintain efficient employees. In this technologically advancing and competitive world, every employee is expecting rewards as per their skills and capabilities.

Reward can be said as system or programme of influencing action or reaction of employees.

It has an indirect influence on performance and job satisfaction of employees. Adequate and timely rewards to employees increase their motivation and productivity. Along with this there will be reduction in employee turnover, through which an organization will be able to maintain efficient workforce.

Factors affecting Rewards

Individual attributes (Employee knowledge and skills)

The reward provided by organization to an employee is highly dependent on his skills and abilities. If employee possess some extraordinary skills, the rewards provided to him will also be extra ordinary and vice-versa. Besides this also if management sees that if employees’ skills are long time useful for organization, they will pay good amount of reward to maintain that employee.

Organization system

The systems and policies of organization play a vital role in deciding the rewards provided to an employee. There are some organizations which are positive at increasing the rewards if any employee performs outstanding. Beside this annual increment in rewards of employees depends upon organization policies.

Supply of labour

The supply of labour plays an important role in deciding the rewards for management of organization. If there is adequate labour supply available in market, the wage rate provided will be normal and on the other hand if an employee possesses extra ordinary skills and there is limited supply, the organization will provide more better rewards to maintain them in organization and keep them satisfied.

Cost of living

Cost of living in the area where organization is working is the factor which the management must take into consideration while deciding rewards for employees. Employees’ must get the rewards which are sufficient to have proper standard of living. Cost of living will be the minimum benchmark where the organization is functioning.

Worth of Job

Job description and job specification are the important criteria’s which will decide amount of reward to be given for job. If job require less skills and monotonous job the reward provided will be lower, on the other hand if job requires high skills and analytical thinking, the reward given that employees’ will be much higher.

Government rules and regulations

Central and state government norms regulate the reward system of organization. Various laws like payment of wages act, minimum wages act govern the norms. Organization must provide minimum rewards as per laws and anything extra as per the policy of organization.

Refer brief discussion of rewards in chapter three

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1.5.2 Leadership

Definition

According to Peter Drucker,

“Leadership is the lifting of a man’s vision to higher sights, the raising of a man’s performance to a higher standard, the building of a man’s personality beyond its normal limitations.”

According to FORBES,

“Leadership is a process of social influence, which maximizes the efforts of others, towards achievement of a goal.”

Factors affecting Leadership

Training

The adage "leaders are born, not made" may only be partially true when it comes to business leadership. All supervisors and managers should receive training, even if it is purely tactical in nature, such as how to conduct performance evaluations. Training on practical matters and management duties encourages supervisors and managers to be responsible leaders. Absent leadership and management training, supervisors and managers lose out on the fundamental aspects of leadership principles and practices.

Support

Business leaders cannot survive without the organization's support. Company support of their department decisions and their career aspirations is essential for professional development of business leaders. Supervisors and managers whose actions are acknowledged and commended by executive directors and company owners are apt to perform well as business leaders. Business leaders who do not have the support of their employers can fail.

Employee Performance

The aptitude and career interests of staff members form the basis for decisions that business leaders make on delegating tasks and responsibilities to employees, but the leaders who delegate and assign the work are ultimately responsible for the outcome. This means that employee performance is crucial for a business leader's success. Employee performance may be one of the most important factors that affect business leadership, simply because employees whose performance meets or exceeds their employers' expectations are a direct reflection of the leadership and guidance they have received from their supervisors and managers.

Company Values

Supervisors and managers who work for successful, well-respected organizations are inclined to demonstrate pride and commitment to their official positions, as well as in their unofficial capacity as ambassadors of the organization. Demonstrating principles that are congruent with the organization's core values are the signs of effective business leaders. Leaders who happen to work for companies that do not have sound business principles and ethics may view their roles as insignificant and inconsequential to the company's success.

Technology

Technology solutions enable greater productivity and efficiency. Technology is a critical factor that affects business leaders because it can impact a supervisor's or manager's performance. It also can affect the way supervisors and managers are able to interact with their staff. Technology today influences virtually every aspect of business, so leaders who encourage their employees to use technology to improve their performance are in lockstep with business practices that contribute to overall success.

Leadership styles

Even leader use many styles to guide their followers towards the achievement of goals. There are many Styles of Leadership given by many Authors’ but the most accepted among them was given by Psychologist Kurt Lewin in the 1930. He argued that there are mainly 3 Styles of Leadership, accompanied by some other styles:

Autocratic style

In this Style leaders make decisions without consulting their team members, even if their input would be useful. This can be appropriate when you need to make decisions quickly, when there is no need for team input, and when team agreement is not necessary for a successful outcome. However, this style can be demoralizing, and it can lead to high levels of absenteeism and staff turnover.

Democratic style

In this Style leaders make the final decisions, but they include team members in the decision-making process. They encourage creativity, and people are often highly engaged in projects and decisions. As a result, team members tend to have high job satisfaction and high productivity. This is not always an effective style to use when you want to make a quick decision.

Laissez faire style

In this Style leaders give their team members a lot of freedom in how they do their work, and how they set their deadlines. They provide support with resources and advice if needed, but otherwise they do not get involved. This autonomy can lead to high job satisfaction, but it can be damaging if team members do not manage their time well, or if they do not have the knowledge, skills, or self-motivation to do their work effectively.

Consultative leaders

Consultative leadership is basically task oriented and always focuses on the result by using the skills of others in formulating plans and taking decisions. But then the final decision-making power is always retained with the leader. But still, that final decision is not arrived at without looking for inputs from the members who will be affected by the decision. The consultative leadership stands out through its attempt to involve people who have problems in seeking ideas for the solution. This way, it helps those to develop leadership and decision-making ability in them. Team building is a prime target in Consultative leadership.

- The leader takes up the role of a mentor / player and becomes the facilitator of the team
- Usually [not always] accepts ideas and thoughts from the team even when it contradicts with his own
- Pays more attention in stimulating creativity and innovation

Charismatic leaders

This type of leadership develops the feeling of oneness between the two people or the personal attraction to be like the other the stronger the attraction is the stronger would be the power. (Bass 1990 Harris and House 1999). Charismatic theory of leadership tries to explain how leaders get followers to exceed their own self-interest for the sake of an organization leaders use charisma to empower the followers that is transforming them into much higher performers. Charismatic leaders include expressing a vision, making sense of missions, showing determination, and communicating high performance expectations. The favorable effects of charismatic leadership behaviour on followers include producing followers' confidence in the leader, making followers feel good in the leader's presence, and obtaining strong admiration or respect from employees. One focuses on the tasks or performance of the firm, such as planning, articulating the vision or goals for the organization, monitoring subordinate activities, and providing necessary support, equipment, and technical assistance.

Transactional leaders

Transactional leadership behaviours primarily aim at the maintenance and monitoring of organizational operations. These leadership behaviours shape the strategies to be pursued by the organization, develop the structure to implement them, direct subordinates’ efforts, and attention, and correct any mistakes or deviations from expectations. These actions are directed at enhancing organizational performance either through dealing with the tasks directly or through influencing the behaviours of followers. The other focuses on relationships with employees, including being supportive of and helpful to subordinates, showing trust and confidence in employees, being friendly and considerate, trying to understand subordinates’ problems, showing appreciation for a subordinate's ideas, and providing recognition for subordinate’s contributions and accomplishments.

Transformational leadership style

Transformational leadership is the ability of leaders to change the belief, values and needs of the followers. This leadership style will enhance the performance of organization by inviting new thoughts from sub-ordinates & implementing them with organization strategies. It can be said as process of lifting or raising leader’s consciousness, so by seeing that lower order themselves lead their own performance.

Transformational leaders put full trust on their sub-ordinates for taking decisions related to their assigned job. This leadership style gives employee more freedom which can help them in presenting their creative thoughts and give chance to find new solutions to old problems.

Servant leadership

Robert K Greenleaf first coined the term “Servant Leadership” in the year 1970. The crux of the servant leadership style is the word “serve.” The first role of leader is to be “servant” to employees. Leader must focus first on the team member’s needs, before considering own. Leader tries to acknowledge perspective of other, giving guidance to meet his/her deadlines, involve employees in decision making related to their work, which will help in developing better organization structure. This will lead to higher

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engagement of employees,’ develop strong communication & relationship among the members of team.

Bureaucratic leadership

Bureaucratic Leadership was first termed by Max Weber in the year 1947. It is the leadership style which is based upon fixing of official duties of employees,’ where a hierarchy of authority works & also particular discipline system works.

Features of Bureaucratic Leadership

- Fixed official Duties.
- Hierarchy of Authority.
- Technical expertise.
- System of Rules.

Situational leadership style

Situational leadership is a style which has been developed and studied by Kenneth Blanchard and Paul Hersey. The perfectly it can be referred as flexible. Leader must adopt to the existing working environment and requirements of organization. It refers to leadership style where leader adjusts his management style in accordance with needs of his sub-ordinates. In this style it is dependent upon leader to adapt to the situation not the followers. Here, there is possibility that leader may change the style frequently as per the needs of the situation. Situational leaders should have insights about when to change management style and which style would fit to current challenges.

Pace-setting leadership style

This leadership style was first coined by Daniel Goleman in 2002. This type of leadership style is useful when team is highly motivated and competent. In this leader set very high standards for himself and his sub-ordinates and reflects what is expected from sub-ordinates. This style can be effective when team is working together from a long time and leader must meet deadline in the project. But there are chances that due to continues challenges provided to sub-ordinates they may get de-motivated.

Refer brief discussion of leadership models in chapter three

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1.5.3 Social Support

Definition

According to Weiten and Lloyd “Social support refers to various types of aid and succor provided by members of one’s social networks.”

According to Cutrona “Social support is helping behaviour which included the acts of listening, offering advice, expressed viewpoints, positive feedback and expressing caring or concern”

Overview

The main aim of any organization is to improve its performance which is dependent upon performance of its employees. The performance of employees is influenced by workload, job complexity, social support, and many other factors. Social support plays a vital role in driving employee performance towards organizational goals. It has a direct relationship with employee performance which means higher the social support higher the employee performance and vice versa. In today’s competitive era it is very necessary that employee gets proper social support because they are much pressured by their job due to its complexity. Employees can get social support from both inside and outside the organization. From inside they can get it from peers and superiors and from outside they can get it from family, friend, and relatives. Proper social support can improve employee’s productivity and sustainability ultimately which will improve organizations performance.

Sources/Factors of social support

Attitude of Immediate Boss

This is the best support that any employee can get. Employees superior are much closer to them and their work. If employees’ superior attitude is positive it will enhance the performance of employee & vice versa. The growth of an employee depends upon how his superior treats and train him.

Bonding with Peers

During his/her work time an employee gets continuously in touch with their peers. They almost develop one type of family relationship with them. It is very necessary that they get proper support from them. Employee can share problems and feelings with peers and can get relaxed. Good Bonding with peer can improve the productivity of employee.

Family Culture

This is the most important factor from which employee should get maximum support. Employee earns for a family and shares their valuable feelings with them. Family should understand employee’s feeling properly and support accordingly which will be motivational force to the employee.

Friends and Relatives

Another factor outside the organization that plays vital role in supporting employees is his/ her friends and relatives. Some types of issues employee cannot tell to his/her family which can be shared to friends and relatives for reducing stress and get guidance from them.

Organization support

Employee’s work in organization & it is very important that they get support from there. Employee’s will feel their importance if their family is called upon during celebration of occasions. Beside this certain extra-ordinary pay benefits are given to employees. The growth of organization depends upon employee. So, they must be given priority during CSR activities.

Refer brief discussion of social support in chapter three

1.5.4 Organization Culture

Definition

According to business dictionary,” The values and behaviour that contribute to the unique social and psychological environment of the organization is called organization culture.”

According to Needle, “Organization culture is behaviour or interaction of humans within an organization.

Overview

Organizational culture includes an organization’s expectations, experiences, philosophy, and values that hold it together and is expressed in its self-image, inner workings, interactions with the outside world, and future expectations. It is based on shared attitudes, beliefs, customs and written and unwritten rules that have been developed over time and are considered valid.

Organization culture refers to the beliefs and principles of a particular organization. The culture followed by the organization has a deep impact on the employees and their relationship amongst themselves.

Every organization has a unique culture making it different from the other and giving it a sense of direction. It is essential for the employees to understand the culture of their workplace to adjust well.

Factors affecting Organization culture

Leadership

One of the major factors that affect organization culture is leadership. There is major impact of executives and managers on the working environment of the organization. Leaders must be aware about the way they act around their subordinates and the processes they develop. An effective leader is never short-sighted about his/her decision and will think about every person working around.

The people you hire

Only leadership does not affect organization culture but also the employees hired by them. Co-workers always spend more time with peers rather than their friends so how they behave and interact also have effect on environment of office. The arrangement of co-worker social event outside office will enhance unity among them. When employees get to know each other on a personal level, they begin to understand one another’s personal strengths, passions, and areas for improvement.

Your Work Environment

Organization culture is always affected by the work environment. Suppose there is too much disturbance around employee would not enjoy to work. So, there must be work environment which will boost employee’s morale and confidence. Beside this it should give chance to employee to grow themselves. Work environment must be totally positive and should create cordial relationship among management and workers.

The Work You Do

Managers need to see if employee is right fit, that person is also judging whether they will enjoy working for the company. If the interviewee is extremely qualified, you are going to want to make the work environment as attractive as possible, and that starts with touting the work they will be doing. To most employees, having the chance to show their skills and grow in their career is an essential part of organizational culture in business.

Your Clients/Customers

It might not seem obvious at first, but the clients and customers that support your business also help define it. There is no getting around the fact that these are the people your team caters to, and as a result, your business begins to take on some of their traits.

What many business leaders forget is that this factor is completely in their control. The product or service they offer appeals to a certain type of person, but they can always

make changes to that offering to attract a new audience. Determine your ideal customer or client by asking who they are and what they care about. You may find that a shift in how you market your business changes your organizational culture over time.

A Human Approach

There is a reason one of the first things we learn is how to treat others with respect and kindness. In the world of business, it often feels like ambition is everything, but human approach impacts far more. Treating fellow employees like human beings rather than cogs in a machine is essential. In the past, a lack of respect for a team member may have flown under the radar, but organizational culture has evolved, and everything you do at work is open to scrutiny. Employment review sites have made it easier than ever to expose workplaces that treat employee wellbeing as an afterthought, and the companies that make it a priority are reaping the benefits.

Types of organization culture

Normative culture

In such a culture, the norms and procedures of the organization are predefined and the rules and regulations are set as per the existing guidelines. The employees behave in an ideal way and strictly adhere to the policies of the organization. No employee dares to break the rules and they sticks to already laid policies.

Pragmatic culture

In this culture, more emphasis is given to clients and external parties of an organization. Customer satisfaction is the main motto of all corporate. There are no set of rules and every employee tries hard to satisfy clients and brings business from their side.

Academy culture

Organizations that are following academy culture hired skilled individuals. The roles and responsibilities are delegated according to the background, educational qualification, and work experience. Organizations that are following academy culture are very particular about training existing employees. Management makes sincere

efforts to improve their professional competence. Educational institutions, universities, hospitals practice such a culture.

Baseball team culture

A baseball team culture considers the employees as the most treasured possession of the organization. In such a culture, the individuals have an upper edge and they do not bother much about the organization. Advertising agencies, event management companies, financial institutions follow such a culture.

Club culture

Organizations that follow a club culture are very particular about the employees that they recruit. The individuals are hired as per their specialization and does that work in which they have a competence. Appraisals are regular feature of this culture.

Fortress culture

There are certain organizations where employees are not sure about career and longevity. Such organizations follow a fortress culture. The employees are terminated if employees are not performing well. Stock broking industries follow such a culture.

Tough guy culture

In this culture, feedback is essential. Performance of employees is reviewed from time to time and work is thoroughly monitored. Team managers are appointed to guide the employees.

Bet your company culture

Organizations which follow this culture, takes decisions that involve a huge amount of risk and consequences are also unforeseen. The principles and policies are formulated to address sensitive issues and it takes time to get the results.

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Process culture

As the name suggests the employees are adhered to process and policies of the organization. Employees abide by the rules and regulations and stick to the ideologies of the workplace. All government organizations follow this culture.

1.5.5 Employee compensation

Definition

According to Milkovich and Newman’s “All forms of financial returns and tangible services and benefits employees received as part of an employment relationship.”

According to W F CASIO “Compensation includes direct cash payments, indirect cash payments in the form of employee benefits, incentives, rewards, to motivate employees to strive for higher levels of productivity. Thus, compensation includes all expenditures of valued resources by organizations for the employees, including managers and professionals.

Overview

Being entrepreneur and manager as an employer in any organisation is very difficult challenge. Now day’s employees are the most precious asset to any organisation at any level. To keep employees motivated and loyal towards organisation is most important task for any HR manager. Employees who are being cared by organisation not only have high commitments but also take various responsibilities. Employee compensation is most important part and parcel of employee performance. In today’s era compensation package is very important part of organizations strategy. It must be reviewed periodically for maintaining the employee’s motivation. Any worker in any organisation of the world is working for compensation which includes various financial and non-financial factors. Compensation has direct influence on any employee’s performance. How much employees are committed towards his/her organisation depends on compensation. It is very necessary for HR manager to figure out a balanced financial and non-financial compensation package.

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Factors affecting employee compensation

1. Internal factors:

The internal factors exist within the organization and influence the pay structure of the company. These are as follows:

Ability to Pay

The prosperous or big companies can pay higher compensation as compared to the competing firms whereas the smaller companies can afford to maintain their pay scale up to the level of competing firm or sometimes even below the industry standards.

Business Strategy

The organization’s strategy also influences the employee compensation. In case the company wants the skilled workers, to outshine the competitor, will offer more pay as compared to the others. Whereas, if the company wants to go smooth and is managing with the available workers, will give relatively less pay or equivalent to what others are paying.

Job Evaluation and Performance Appraisal

The job evaluation helps to have a satisfactory differential pays for the different jobs. The performance Appraisal helps an employee to earn extra based on his performance.

Employee

The employee or a worker himself influences the compensation in one of the following ways.

- ⇒ Performance: The better performance fetches more pay to the employee, and thus with the increased compensation, they get motivated and perform their job more efficiently.

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- ⇒ Experience: As the employee devotes his years in the organization, expects to get an increased pay for his experience.
- ⇒ Potential: The potential is worthless if it gets unnoticed. Therefore, companies do pay extra to the employees having better potential as compared to others.

2.External Factors

The factor that exists out of the organization but do affect the employee compensation in one or the other way. These factors are as follows:

Labour Market

The demand for and supply of labour also influences the employee compensation. The low wage is given, in case; the demand is less than the supply of labour. On the other hand, high pay is fixed, in case; the demand is more than the supply of labour.

Going Rate

The compensation is decided based on the rate that is prevailing in the industry, i.e., the amount the other firms are paying for the same kind of work.

Productivity

The compensation increases with the increase in the production. Thus, to earn more, the workers need to work on their efficiencies that can be improved by way of factors which are beyond their control. The introduction of new technology, new methods, better management techniques are some of the factors that may result in the better employee performance, thereby resulting in the enhanced productivity.

Cost of Living

The cost-of-living index also influences the employee compensation, in a way, that with the increase or fall in the general price level and the consumer price index, the wage or salary is to be varied accordingly.

Labour Unions

The powerful labour unions influence the compensation plan of the company. The labour unions are generally formed in the case, where the demand is more, and the labour supply is less or is involved in the dangerous work and, therefore, demands more money for endangering their lives. The non-unionized companies or factories enjoy more freedom with respect to the fixation of the compensation plan.

Labour laws

There are several laws passed by the Government to safeguard the workers from the exploitation of employers. The payment of wages Act 1936, The Minimum wages act 1948, The payment of Bonus Act 1965, Equal Remuneration Act 1976, Payment of Gratuity Act 1972 are some of the acts passed in the welfare of the labour, and all the employers must abide by these.

Types of compensation

1. Financial

Wages

This is one of the basic forms of financial compensation that every employee will receive. Wages is used for the bottom level employees. Lump sum or day to day wages are fixed for the employees who do labour work.

Salaries

Like wages it is used for middle and top-level employees. They are paid in accordance with their position, authority, and responsibility. In salary employee have increment plan yearly and based on authority and responsibility.

Bonus

Bonus is a reward that is paid to an employee for his good work towards the organisation. The basic objective to give bonus is to share the profit earned by the organisation amongst the employees and staff members. In India there is a principal law relating to this procedure of payment of bonus to the employees and that principal law is named as Payment of Bonus Act, 1965.

Stock options

Employee Stock Option Plan or Employee Stock Ownership Plan, abbreviated as ESOP, under the Indian system, enables employees of a company to purchase a certain number of shares of that company. The price of the stock, referred to as Exercise Price, is either pre-decided at a lower rate than their existing market value or an employee is offered a certain percentage of his/her monthly stipend in the form of company’s stocks. It is an efficient tool that improves remuneration mechanism and employee retention.

2. Non-Financial

Health and Life Insurance

Employees are always looking for various non-financial incentives which are useful to them. Among them one of the important is life and health insurance. In today’s world global warming is continuously increasing which is risky for employee’s health. These insurances will cover up the sudden expenses of employee.

Paid time off

There are various types of leaves in employee’s job. Some of the employees are working on day-to-day basis they are not paid for days they do not work. They will get motivated and will be more satisfied if they are paid for non-working days. Beside this management will also have cordial relationship with employees.

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Retirement/pension plans

Every employee will/want to plan for themselves and their family. He/ she is saving money for his/her future. Employees will be more relaxed if the employer provides that. They can concentrate on present rather than thinking about future.

Educational assistance

Now a day’s modern concept of education assistance to employee’s children has come into existence. It will give greater motivation to employee’s as they will have to less worry about their children’s education. This can increase employees and organization’s productivity.

1.5.6 Job Satisfaction

Definition

According to Cranny, Smith, and Stone “Job satisfaction as employees’ emotional state regarding the job, considering what they expected and what they got out of it. In fact, an employee with low expectations can be more satisfied with a certain job than someone who has high expectations. If one’s expectations are met or exceeded by the job, then one is happy and satisfied with the job.”

Overview

Job performance of employees is always a major challenge for any organization and developing effective ways to motivate employees and give better performance. The main objective for any business is to increase organizational competitiveness. For any organization achieving high priority goals employee must work with full productivity which is only possible through their Job satisfaction. Satisfied worker leads to more and increased job performance. That is why every organization tries to create a conducive and satisfied work force to operate the well-being of the organization. There is a saying “a happy worker is a productive worker”(Tyson Burke).

Factors lead to Job satisfaction

Challenging and responsible job

Talented employees will never like the monotonous job and they will get bored with it. Challenging and job with more responsibility will give them job satisfaction. It is because they possess skills and talent to that level of job and employee will be much happy to do challenging job.

Numerous promotional opportunities

No employee in any organization of the world would like to work at the same position. He/she would like to get promoted from his/her position. It will give them much more Job satisfaction. Employee’s skills, creativity, confidence, and experience will help in getting promotion.

Impartial treatment by the management

This is one of the most important factor employee job satisfactions. Management must treat all their employees equally. This will increase employee’s productivity and organization’s co-ordination and effectiveness. It will make them feel important part of organization.

Attractive salary and perks

One of the main aims of any organization is to earn maximum profit and an employee is to earn maximum salary and perks. If employees get proper salary and perks, they will be much satisfied and work with efficiency which ultimately will increase organization profit. So, employee’s job satisfaction has direct link with organization benefit.

Freedom in work situation

In today’s competitive era controlling has gained a great importance and that has restricted the freedom of employees. Freedom at work will reduce the stress of employees and increase their concentration at work which will result into employee’s job satisfaction.

1.5.7 Employee Training

Definition

According to Flippo (1971), “Training is the act of increasing the knowledge and skills of an employee for doing a particular job.”

According to Drucker (1984), “Training is a systematic process of altering the behaviour and attitude of employees in a direction to achieve organizational goals.”

Overview

For any kind of entity be it a living or non-living it is necessary that it must be continuously growing for its survival. To survive in today’s tough stiff competition business organization must continuously grow and adapt itself to changing environment. The growth of any business depends upon training & development of its employees. Employee training will enhance the knowledge and skills of the employees and make employees sharper and creative. It will lead to the training of employee and ultimately will influence his/her performance. With training provided in employee development programme employee would perform his/her job more efficiently and confidently. Employee’s training has direct and positive relationship with employee’s performance. Ultimately all this would result into better and profitable result for business in many ways.

Factors affecting Employee Training

Management support

It is the most crucial factor without which employee development is not possible. Management of organization plan dynamic training and learning program for the employees, without which it is not possible for employees to get new knowledge and skills.

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Legitimate Training needs

Training must be provided to employee’s by doing need analysis of the job. This will increase the interest of employee’s receiving training. By this, employees can apply in their job, which can ultimately benefit to organization.

Effective experienced trainer

Whether regular or professional, a trainer must have effective communication skills, should able to generate conversation which fulfil the needs of learner. Also, trainer must be able to present information effectively and clearly, which enhance skills and knowledge of employees. An effective trainer makes candidates keenly involved, so they can ask wherever doubtful.

Learning objectives

Learner’s ability and motivation is needed to effectively transfer training knowledge into workplace. Employee’s must get enough opportunities to implement training knowledge at workplace. Besides this employee must believe that this new knowledge will ripe benefits for organization.

1.5.8 Workers participation in management

Definition

According to Keith Davis, “Participation refers to the mental and emotional involvement of a person in a group situation which encourages him to contribute to group goals and share the responsibility of achievement.”

According to Walpole, “Participation in Management gives the worker a sense of importance, pride and accomplishment; it gives him the freedom of opportunity for self-expression; a feeling of belongingness with the place of work and a sense of workmanship and creativity.”

Overview

Human Resource is a key to success for any organisation. In today’s competitive world, Worker’s participation in management plays important role in now optimum utilization of resources. It is because different persons are working at different positions and they know how that work can be done more perfectly. Another advantage of worker’s participation will be that they will be highly motivated to work. Employee participation will result into more autonomy in organization and lead to smooth communication. Employee participation has direct influence on employee performance. Employees will feel that they are given importance in decision making and they are crucial part of organisation. Employee performance will be influenced by this and they will do work with another level of commitment. Ultimately by this organisation will be benefited because it will be able to achieve maximum organizational goals through employee performance.

Factors Affect to the WPM

Individual Belief System

The beliefs and mindset of individual is important in determining level of employee’s participation in management. Here we are talking about belief system of both employer and employee. There must be co-ordination among thought process of both regarding participation in decision making. Employer should think that employee’s viewpoint is important in decision making and employee should believe that representing their own view can benefit the organization.

Political issues within the organization

Where there are number of people exist, there is always politics. Worker’s participation is influenced by level of politics in organization. If there is more politics from top level, they will be not motivated to represent their viewpoints and vice versa. Politics has direct effect on employee’s commitment and trust.

Inferiority complex

This is one of the modern issues in an organization. Previously workers were not given much importance but now their role has increased. It is dependent on top management how to deal with their employees. If they make them feel inferior, they will be demotivated on the other hand if the good viewpoint of employees is implemented, they will be motivated.

Decisions not implemented

Level of worker’s participation is influenced by implementation of top management of employee’s viewpoint. If executives just take viewpoint of employees but good ones are not implemented it will reduce the worker’s participation in management decision making.

Levels of Employee Participation

Information participation

In today’s modern era information plays a vital role in growth and development. Information participation of employees means sharing of information to them. Management should share them of latest happening in the organization. So, employees are aware of latest thing in the organization.

Consultative Participation

The word consultative suggests that it is something regarding consultation. Employees can consult regarding their job to their superiors. They can learn how their work can be done in best possible way. Beside this they can consult the problems they are facing but final decision lies with management.

Associative participation

It is the broad form of consultative participation. In this employee not only can consult but can force management to implement employee’s decision. Here employees are

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given more freedom to express their views which can lead to betterment of organisation if implemented in proper way.

Decisive Participation

This is the highest form of employee participation. In this all the important decision of organization are taken collectively by management and employees. Employees have equal right to present their views. This can be implemented in organization where management and employees have cordial relationship.

1.5.9 Employee Empowerment

Definition

According to Gill, “Employee empowerment refers to the meaningful job of employees, their feelings of competence, autonomy, and contribution to the decision making or application of leadership.”

Overview

Employee empowerment is long term process of providing the tools, training, and motivates the workers to perform at optimum level. Entrepreneurs and managers believe employee as a major source of bringing competitive advantage to establishment. Employee empowerment is giving autonomy to the employees and powers for decision making regarding certain specific task. It will allow decision making at the employee’s level where they have different views regarding their job. The main goal of HR in organization is to manage employees effectively and increase their productivity and Job satisfaction. Empowering employees would lead to developed mindset of employees which in return will give motivational drive to employees to do their job more skillfully and with whole-hearted commitment.

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Factors/Sources of Employee Empowerment

Job Enrichment

It is one of the most important and modern form of the employee empowerment. Job enrichment will increase the employee’s skills and make them more diversified. It will be beneficial for the organization in the sense that any of their workers would not have monopoly.

Performance Based Reward system

This is criteria which is more beneficial to the larger organisation. All the employees will get return in accordance with their performance. This will motivate the employees to work with commitment and have greater level of job satisfaction. Beside this there will be less employee turnover.

Participative management

In today’s tough stiff competition worker’s participation in management is at great advantage to any organization. Employee’s working at any level can give the best views how that job can be performed in better way. This can increase organizational productivity and profit.

Promotion

Every employee has desire of his/her own growth which in business terms is said to be promotion. It is the movement of employee in upward direction. It will increase the authority and responsibility of the employee. Promotion to employee will come as he/she progresses in his/her job.

1.5.10 Job enrichment

Definition

According to Williams “Job Enrichment is a fundamental aspect of stimulating the effort of employees by expanding job responsibilities and giving increased autonomy over the task processes and completion.”

According to Feder “Job Enrichment is a systematic way of inspiring employees by giving them the opportunity to use a number of different types of skills and capabilities in performing a task.”

Overview

In today’s competitive era organization are continuously facing problem of productivity and employee’s commitment towards organization. No organization can achieve its objective without its employee commitment and satisfaction. Job Enrichment has become fundamental tool for management in enhancing the employee’s skills and motivation. Job enrichment increased job challenge and responsibilities but makes it interesting for the employees. After some sort of time employees are bored of doing the monotonous job so job enrichment is necessary for making job more interesting. It will also improve skills, thinking, accuracy and diversity of employees. Due to this employee will be trained to work in multiple areas which ultimately improve his performance which will be beneficial for organization. Job enrichment influences the performance of employees to great level. The success of organization depends upon how efficient the structure of job enrichment is created.

Factors influencing Job Enrichment

Variety of tasks

In today’s modern era of competition employees need diversified skills which they can learn by performing different jobs. On the other hand, also, organization need employee who has variety of skills so they can have optimum utilization of it and has cost benefit.

Employee Development

This is one of the modern and most useful forms of job enrichment. Various techniques are used for the employee skills and knowledge development. After enhancing employee skills, they are given more responsibility which will enrich the job of employee and make it less monotonous.

Incentive programmes

Various incentive programmes like commission, bonus, increment etc. along with increased responsibility will be beneficial for organization and employee both. It will enrich the job of employee and on the other hand organization is developing skilled workforce.

Rotating shifts

This is one of the dynamic ideas in job enrichment. Some of the employees get bored doing the same routine work. For them this method is best suitable for their job enrichment. Here employee can be shifted to another shift along with another work to reduce their monotony.

1.5.11 Self-motivation of employees

Definition

According to Business Dictionary, “Ability to do what needs to be done, without influence from other people or situations. People with self-motivation can find a reason and strength to complete a task, even when challenging, without giving up or needing another to encourage them.”

Overview

Now day’s employees are the most asset for any organization. Any organization to operate smoothly and without any interruption, cordial relation with employees cannot be replaced with anything else. It is much important that employees have good relationship with top management and with the co-workers. Employees must be self-motivated to do for the organization. Due to this their productivity will increase which

will lead to growth of organization. Employee’s contribution to organization plays a very vital role in many small matters. In short, self-motivation has high impact on employee performance.

Motivation is mainly done for developing positive behaviour of employees towards organization. In any organization, motivation leads to productivity and performance. Motivated employees are self-driven and working with freedom for the development for the organization.

Factors leading to self-motivation

Awareness

Employee’s self-awareness will increase his/her productivity which is much crucial for the organization. Beside this employee must be aware of the surrounding environment which will motivate them to work accordingly and in the betterment for organization.

Realizing their potential

For the self-motivation employee must realize their full potential. It is because it will increase the confidence of employees. Beside this it will also increase their confidence, productivity, and accuracy. Employees will also know their limitation so they can manage their work more efficiently.

Overcome negative sequences

One of the major benefits of self-motivation to employees they can easily overcome their negative consequences. It will increase both employees and organizational productivity. Beside this employee also will be confident when any tough situation will occur.

Desire of their recognition

Employees who have desire that they should be recognized for their work are self-motivated. They will work with full commitment for their organization. Employees

will consider organization as their own business and give personal attention to their own work.

1.6 Organization of the Thesis

Chapter one of the thesis reflects growth of human being, economy, business & services over the years. It shows how human has converted his thinking ability into performing ability. Role of the bank in the society is described here. And, the basic idea regarding all the three parameters is given i.e., Rewards, Leadership and Social support.

Chapter two identifies the research gaps that has been seen in previous researches and that are presented in the form of different models. Researcher here has found four research gaps from different viewpoints and this chapter also includes the literature reviews that researcher has used for the purpose of gathering knowledge.

Chapter three of the thesis shows the conceptual framework of entire thesis. All the three concepts i.e. Rewards, Leadership and Social support are discussed in detail. Different tools have been identified in these parameters that have influence on employee performance. Detailed analysis of Types of Rewards, Leadership Models and Sources of Social Support is made here.

Chapter Four consists of Research Methodology that has been adopted in thesis. It consists of blue-print of reaching the concrete result through a proper method. Descriptive research design is used here along with both primary and secondary data with more importance given to primary data. Total number of respondents were 501. Data was represented through graphs and chi-squared was applied on hypothesis framed.

Chapter Five shows the data analysis and interpretation of data collected through questionnaire. Graphs were presented of various responses and Hypothesis was analysed through chi-square test. Through analysis it was found that all the three parameters i.e., Rewards, Leadership and Social support have high influence on the performance of employees. Also detailed study regarding each element is made to find out level of impact on employee.

“An analysis of various ‘Attributes of Rewards,’ ‘Leadership Models’ and ‘Social Support’ aiming quality in work among Employees’ Performance with reference to Banking Sector”

Chapter Six is the highlight of the entire analysis. It shows findings & suggestions made by researcher in the data analysis process. It was found that employees are demanding linkage of rewards with annual employee performance. Financial rewards are more impactful than non-financial rewards in the short-run. Employees also said that leader are giving them enough flexibility to present their thoughts and giving the balanced authority and responsibility. Social support is needed for motivation from both inside and outside the organization. Models of Rewards, Leadership & Social Support are developed which are useful not only in Banking sector but in all sectors of Economy.

“An analysis of various ‘Attributes of Rewards,’ ‘Leadership Models’ and ‘Social Support’ aiming quality in work among Employees’ Performance with reference to Banking Sector”
