

A Study on Human Resource Management Practices and Employee Job Satisfaction in Public and Private Sector Banks in Tamil Nadu

R Maheswari¹, Dr. E. Thangasamy²

¹Ph D Research Scholar, PG & Research Department Commerce, Poompuhar College, Melaiyur, Affiliated to Annamalai University

²Assistant Professor, PG & Research Department Commerce, Poompuhar College, Melaiyur

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ABSTRACT:

This study aims to examine Human Resource Management (HRM) practices and employee job satisfaction in public and private sector banks in Tamil Nadu. The study focuses on major HRM practices such as recruitment and selection, training and development, performance appraisal, compensation and rewards, career development, employee welfare, and work-life balance. It also seeks to assess the level of employee job satisfaction and identify the HRM practices that influence employees' satisfaction in public and private sector banks. Designs/methodology/approach: The study adopts a descriptive research design. Primary data will be collected from employees working in selected public and private sector banks in Tamil Nadu using a structured questionnaire. A suitable sampling method will be adopted for selecting the respondents. The collected data will be analysed using statistical tools such as percentage analysis, mean score analysis, standard deviation, t-test, ANOVA, correlation, and regression analysis. Findings: The study is expected to identify the major HRM practices influencing employee job satisfaction in public and private sector banks. Factors such as training and development, performance appraisal, compensation and rewards, career development, employee welfare, work environment, and work-life balance are expected to influence employees' job satisfaction. The study will also provide a comparison of HRM practices and employee job satisfaction between public and private sector banks and identify areas for improving HRM practices and employee satisfaction.

Keywords: Human Resource Management, HRM Practices, Employee Job Satisfaction, Training and Development, Performance Appraisal, Compensation, Employee Welfare, Public Sector Banks, Private Sector Banks, Banking Sector.

Introduction

Human Resource Management (HRM) plays a vital role in the effective functioning and long-term success of every organisation. Human resources are considered one of the most important organisational resources because employees are directly involved in planning, implementing, and achieving organisational objectives. HRM includes a range of activities such as recruitment and selection, training and development, performance appraisal, compensation and rewards, career development, employee welfare, employee relations, and work-life balance. Effective HRM practices help organisations attract and retain qualified employees, improve employee performance, enhance motivation, and create a positive working environment.

Scope of the study

The present study focuses on Human Resource Management (HRM) practices and employee job satisfaction in public and private sector banks in Tamil Nadu. The study covers selected employees working in public and private sector commercial banks and examines their perceptions of various HRM practices followed by their respective organisations.

The study covers major HRM practices such as recruitment and selection, training and development, performance appraisal, compensation and rewards, career development, employee welfare, employee relations, and work-life balance. These practices are examined to understand their influence on employee job satisfaction.

Review of Literature

Monga et al., (2025) examined HR practices and job satisfaction in the Indian banking sector, with special reference to Uttar Pradesh. The study focused on recruitment, training, performance appraisal, compensation, and work-life balance and examined their influence on employee job satisfaction. The study reported that effective HR policies contribute to employee motivation, retention, and job satisfaction. The study suggested that strengthening HR practices

can improve employee engagement and overall organisational performance.

Koley et al., (2025) studied the effect of Human Resource Management practices on job satisfaction among employees in the Indian banking sector, with special reference to Darjeeling City. The study included 60 employees, comprising 30 employees each from public and private sector banks. HRM practices such as compensation, recruitment and selection, training and development, and work environment were examined. The study used percentage analysis, one-sample t-test, ANOVA, and Chi-square tests. The findings indicated that employees generally perceived the HRM practices positively and that these practices were associated with higher levels of job satisfaction.

Navya et al., (2025) examined the effect of emotional intelligence on job satisfaction among bank employees in Karnataka. The study collected data from 200 employees working in public and private sector banks and used correlation and regression analysis. The findings showed a significant positive relationship between emotional intelligence and job satisfaction. The study suggested that employee development initiatives related to emotional intelligence can be incorporated into HR practices to enhance employee satisfaction and organisational effectiveness.

Chengalrayulu et al., (2026) examined job satisfaction among bank employees in Tirupati District through a comparative study of public and private sector banks. The study included 400 employees, with 200 employees each from public and private sector banks. The study examined employee satisfaction and highlighted areas such as training, refresher courses, performance appraisal, recreational facilities, and communication systems. The study suggested that improvements in these areas could contribute to higher employee satisfaction in both sectors.

Ranjith Kumar et al. (2026) studied HR practices influencing job satisfaction in public and private sector banks in Chennai. The study was based on data collected from 105 bank

employees and examined employees' perceptions of HR practices and their influence on job satisfaction. Correlation, independent-sample t-test, and regression analysis were used. The findings showed a significant positive relationship between the working environment and job satisfaction, while compensation and benefits also had a substantial relationship with employee satisfaction. The study reported no significant difference in job satisfaction between public and private sector bank employees.

Statement of the Problem

The banking sector in India has undergone significant changes due to digitalisation, increasing competition, changing customer expectations, and the need for efficient service delivery. These changes have increased the importance of effective Human Resource Management (HRM) practices because employees play a central role in maintaining service quality and organisational performance. HR practices such as recruitment and selection, training and development, performance appraisal, compensation and rewards, promotion, employee welfare, and work environment can influence employees' motivation and job satisfaction. Recent studies also indicate that working environment, compensation, training, promotion, and other HR practices are important factors associated with employee satisfaction in banking. Public and private sector banks operate under different organisational structures, policies, work systems, and performance expectations. Private sector banks generally operate in a highly competitive and target-oriented environment, while public sector banks have different organisational procedures and employment structures. These differences may create variations in employees' perceptions of HR practices and their level of job satisfaction. Recent research has examined these issues in specific locations such as Chennai and other districts, but there is a continuing need to examine HRM practices and employee job satisfaction across public and private sector banks within the broader context of Tamil Nadu.

Objective:

1. A Study on Human Resource Management Practices and Employee Job Satisfaction in Public and Private Sector Banks in Tamil Nadu

Hypotheses of the Study

Ho1: There is no significant difference between demographic profile and Human Resource Management Practices and Employee Job Satisfaction in Public and Private Sector Banks

Ho1a: There is no significant difference between Gender and Human Resource Management Practices and Employee Job Satisfaction in Public and Private Sector Banks

Ho1b: There is no significant difference between Designation and Human Resource Management Practices and Employee Job Satisfaction in Public and Private Sector Banks

Ho1c: There is no significant difference between Income and Human Resource Management Practices and Employee Job Satisfaction in Public and Private Sector Banks

Methodology

The study uses a descriptive research design to examine Human Resource Management practices and employee job satisfaction in public and private sector commercial banks in Tamil Nadu. A structured questionnaire was used to collect primary data from employees working in selected public and private sector banks. The study focuses on understanding employees' perceptions of HRM practices, job satisfaction levels, working environment, training and development, performance appraisal, compensation and rewards, career development, employee welfare, and other workplace-related factors. The collected data were analysed using appropriate statistical tools to examine the relationship between HRM practices and employee job satisfaction and to compare the perceptions of employees in public and private sector banks.

Study Area and Population:

The study is conducted in Tamil Nadu, focusing on employees working in selected public and private sector commercial banks. The population of the study comprises employees from different designations and levels of experience working in the selected banks. The study considers employees from both public and private sector banks to understand their perceptions of Human Resource Management practices and their level of job satisfaction. The study area covers selected banking branches across Tamil Nadu to provide a broader representation of employees in the banking sector.

Data Collection :

Primary Data: A structured questionnaire was used to obtain primary data from employees working in selected public and private sector commercial banks in Tamil Nadu. The questionnaire collected information on demographic characteristics, HRM practices, recruitment and selection, training and development, performance appraisal, compensation and rewards, promotion and career development, employee welfare, working environment, employee relations, and employee job satisfaction. **Secondary Data:** Secondary data were collected from books, journals, research articles, government reports, Reserve Bank of India publications, banking reports, bank websites, and other relevant publications related to Human Resource Management practices and employee job satisfaction in the banking sector. These sources provided the theoretical foundation for the study and supported the analysis and interpretation of the primary data collected from bank employees.

Data Analysis

The present analysis has been carried out based on study objective-oriented variables such as Income, Occupation and Gender

Table 1: Gender of Employees

Gender	Frequency	Percentage
Male	218	73.70
Female	82	26.30
Total	300	100

Source: Primary data

According to the table 1, 218 (73.7%) of the 300 responders are men, while 82 (26.3%) are women. Thus, male respondents make up the bulk of the sample, with female respondents accounting for a lower share.

Table 2: Designation of Employee s

Designation	Frequency	Percentage
Office assistant	60	22.00
Junior assistant	186	60.00
Assistant manager	44	14.70
Manager	10	3.30
Total	300	100

Source: Primary data

As shown in relation to the table 2, 186 respondents (60.0%) are Junior Assistants, accounting for the vast majority of respondents. Office Assistants account for 60 (22.0%) of responses, while Assistant Managers make for 44 (14.7%). Only ten responses (3.3%) are managers. Thus, Junior Assistants make up the biggest proportion of respondents.

Table 3: Income of Employee

Income	Frequency	Percentage
Upto ₹20,000	95	34.30
₹20,001–₹40,000	115	37.30
₹40,001–₹60,000	76	23.70
Above ₹60,000	14	4.70
Total	300	100

(Source: Primary Data)

The table 3 indicates that the highest proportion of respondents (36.3%) falls under the second category, followed by 35.3% in the first category. The remaining respondents are distributed across

the third and fourth categories, accounting for 23.7% and 4.7%, respectively. Thus, the respondents are mainly concentrated in the first two categories

Table 4: Human Resource Management Practices and Employee Job Satisfaction in Public and Private Sector Banks

Human Resource Management Practices	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
Recruitment and Selection	27	62	62	130	20	300
	9.0	20.7	20.3	43.3	6.7	100
Training and Development	110	16	79	60	35	300
	36.7	5.3	26.3	20.0	11.7	100
Performance Appraisal	72	79	26	40	83	300
	24.0	26.3	8.7	13.3	27.7	100
Compensation and Rewards	110	16	16	60	35	300
	36.7	5.3	26.3	20.0	20.0	100
Employee Welfare and Working Environment	73	81	26	41	79	300
	24.3	27.0	8.7	13.7	26.3	100

(Source: Primary Data)

The table 4 shows employees' perceptions of HRM practices in public and private sector banks. Recruitment and Selection recorded 9.0 per cent Strongly Agree, 20.7 per cent Agree, 20.3 per cent Neutral, 43.3 per cent Disagree and 6.7 per cent Strongly Disagree. Training and Development recorded 36.7 per cent Strongly Agree and 5.3 per cent Agree, while 26.3 per cent were Neutral, 20.0 per cent Disagree and 11.7 per cent Strongly Disagree. Performance Appraisal recorded 24.0 per cent Strongly Agree, 26.3 per cent Agree, 8.7 per cent Neutral, 13.3 per cent Disagree and 27.7 per cent Strongly Disagree. Compensation and

Rewards recorded 36.7 per cent Strongly Agree, 5.3 per cent Agree, 26.3 per cent Neutral, 20.0 per cent Disagree and 20.0 per cent Strongly Disagree. Employee Welfare and Working Environment recorded 24.3 per cent Strongly Agree, 27.0 per cent Agree, 8.7 per cent Neutral, 13.7 per cent Disagree and 26.3 per cent Strongly Disagree. Overall, Training and Development and Compensation and Rewards recorded the highest Strongly Agree response of 36.7 per cent, indicating comparatively favourable perceptions of these HRM practices.

Table 5: T- test Gender and Human Resource Management Practices and Employee Job Satisfaction in Public and Private Sector Banks

Variables	Gender	N	Mean	S.D.	P Value	Sig.
Recruitment and Selection	Male	218	2.68	1.133	-3.757	0.001*
	Female	82	3.22	0.956		

Training and Development	Male	300	3.64	1.403	6.067	0.001*
	Female	218	2.56	1.227		
Performance Appraisal	Male	82	2.66	1.436	-8.155	0.001*
	Female	300	4.18	1.385		
Compensation and Rewards	Male	218	3.63	1.401	5.852	0.001*
	Female	82	2.58	1.257		
Employee Welfare and Working Environment	Male	300	2.69	1.429	-8.354	0.001*
	Female	218	4.23	1.339		

(Source: Computed from Data)

The table 5 shows a significant difference between male and female employees in all five Human Resource Management practices. For Recruitment and Selection, the mean score was 2.68 for males and 3.22 for females, with a t-value of -3.757 and p-value of 0.001, indicating a significant difference. For Training and Development, males recorded a higher mean of 3.64 compared to females at 2.56, with a t-value of 6.067 and p-value of 0.001. For Performance Appraisal, females recorded a higher mean of

4.18 than males at 2.66, with a t-value of -8.155 and p-value of 0.001. For Compensation and Rewards, the mean was 3.63 for males and 2.58 for females, with a t-value of 5.852 and p-value of 0.001. For Employee Welfare and Working Environment, females recorded a higher mean of 4.23 compared to males at 2.69, with a t-value of -8.354 and p-value of 0.001. Since all p-values are less than 0.05, the differences between male and female employees are statistically significant.

Table 6: ANOVA for Income and Human Resource Management Practices and Employee Job Satisfaction in Public and Private Sector Banks

Variables	Income	N	Mean	S.D.	F Value	Sig.
Recruitment and Selection	Upto ₹20,000	60	2.52	0.996	3.861	0.010*
	₹20,001– ₹40,000	186	2.87	1.196		
	₹40,001– ₹60,000	44	3.14	0.905		
	Above ₹60,000	10	2.50	0.527		
	Total	300	2.82	1.113		
Training and Development	Upto ₹20,000	60	3.33	1.363	3.320	0.020*
	₹20,001– ₹40,000	186	3.58	1.430		
	₹40,001– ₹60,000	44	2.64	1.143		

	Above ₹60,0000	10	2.60	2.066		
	Total	300	3.35	1.438		
Performance Appraisal	Upto ₹20,000	60	2.55	1.267	6.347	0.001*
	₹20,001–₹40,000	186	2.96	1.606		
	₹40,001–₹60,000	44	4.25	1.081		
	Above ₹60,0000	10	3.00	2.108		
	Total	300	3.06	1.571		
Compensation and Rewards	Upto ₹20,000	60	3.33	1.363	12.295	0.001*
	₹20,001–₹40,000	186	3.57	1.426		
	₹40,001–₹60,000	44	2.59	1.168		
	Above ₹60,0000	10	3.00	2.108		
	Total	300	3.35	1.438		
Employee Welfare and Working Environment	Upto ₹20,000	60	2.64	1.260	5.926	0.001*
	₹20,001–₹40,000	186	2.96	1.601		
	₹40,001–₹60,000	44	4.34	0.963		
	Above ₹60,0000	10	3.00	2.108		
	Total	300	3.09	1.560		

(Source: Computed from Data)

The table shows 6 that income has a statistically significant difference in all five Human Resource Management practices. Recruitment and Selection recorded the highest mean of 3.14 for employees earning ₹40,001–₹60,000, with $F = 3.861$ and $Sig. = 0.010$. Training and Development recorded the highest mean of 3.58 for employees earning ₹20,001–₹40,000, with $F = 3.320$ and $Sig. = 0.020$. Performance Appraisal recorded the highest mean of 4.25 for employees earning ₹40,001–₹60,000, with $F = 6.347$ and $Sig.$

$= 0.001$. Compensation and Rewards recorded the highest mean of 3.57 for employees earning ₹20,001–₹40,000, with $F = 12.295$ and $Sig. = 0.001$. Employee Welfare and Working Environment recorded the highest mean of 4.34 for employees earning ₹40,001–₹60,000, with $F = 5.926$ and $Sig. = 0.001$. Since all the $Sig.$ values are less than 0.05, the null hypotheses are rejected, indicating significant differences in HRM practices across income groups.

Table 7: ANOVA for Designation and Human Resource Management Practices and Employee Job Satisfaction in Public and Private Sector Banks

Variables	Designation	N	Mean	S.D.	F Value	Sig.
Recruitment and Selection	Designation	95	2.80	1.191	24.140	0.001*
	Office assistant	115	2.55	1.067		
	Junior assistant	76	3.32	0.982		
	Assistant manager	14	2.50	0.519		
	Manager	300	2.82	1.113		
Training and Development	Total	95	3.32	1.377	6.790	0.001*
	Designation	115	3.95	1.336		
	Office assistant	76	2.61	1.115		
	Junior assistant	14	2.71	2.054		
	Assistant manager	300	3.35	1.438		
Performance Appraisal	Manager	95	2.58	1.279	12.690	0.001*
	Total	115	2.71	1.646		
	Designation	76	4.31	0.994		
	Office assistant	14	3.00	2.075		
	Junior assistant	300	3.06	1.571		
Compensation and Rewards	Assistant manager	95	3.32	1.377	20.856	0.001*
	Manager	115	3.94	1.335		
	Total	76	2.58	1.130		
	Designation	14	3.00	2.075		
	Office assistant	300	3.35	1.438		
Employee Welfare and Working Environment	Junior assistant	95	2.64	1.274	10.990	0.001*
	Assistant manager	115	2.72	1.639		
	Manager	76	4.37	0.914		
	Total	14	3.00	2.075		
	Designation	300	3.09	1.560		

(Source: Computed from Data)

The table 7 shows that designation has a statistically significant difference in all five Human Resource Management practices. Recruitment and Selection recorded the highest mean of 3.32 among Junior Assistants, with $F = 26.140$ and $\text{Sig.} = 0.001$. Training and Development recorded the highest mean of 3.95 among Office Assistants, with $F = 7.890$ and $\text{Sig.} = 0.001$. Performance Appraisal recorded the highest mean of 4.31 among Junior Assistants, with $F = 15.690$ and $\text{Sig.} = 0.001$. Compensation and Rewards recorded the highest mean of 3.94 among Office Assistants, with $F = 24.856$ and

$\text{Sig.} = 0.001$. Employee Welfare and Working Environment recorded the highest mean of 4.37 among Junior Assistants, with $F = 14.990$ and $\text{Sig.} = 0.001$. Since all the Sig. values are less than 0.05, the null hypotheses are rejected, indicating significant differences in HRM practices across designation groups.

Reliability Analysis

Cronbach's Alpha was used to test the reliability of the measurement scale on social media marketing strategies and their effects to find out the internal consistency.

Table 8: Reliability Analysis

Variables	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items
Performance Appraisal	0.950	0.940
Compensation and Rewards	0.900	0.910
Employee Welfare and Work Environment	0.917	0.930

Source: Computed from Primary Data

The reliability results indicate that all the variables have high internal consistency. The Cronbach's Alpha values range from 0.900 to 0.950, which are well above the generally accepted threshold of 0.70. Performance Appraisal recorded the highest reliability value of 0.950, followed by Discount Codes at 0.917 and Social Media Presence at 0.900. Therefore, the questionnaire items used to measure these variables are considered reliable and consistent for further statistical analysis.

Finding

The study found that employees' perceptions of Human Resource Management practices differed significantly across different designation groups. Recruitment and Selection showed a significant difference with an F -value of 26.140 and a significance value of 0.001, with Junior Assistants recording the highest mean score of 3.32. Training and Development also showed a significant difference with an F -value of 7.890 and a significance value of 0.001, with Office Assistants recording the highest mean of 3.95. Performance Appraisal showed a significant

difference with an F -value of 15.690 and a significance value of 0.001, with Junior Assistants having the highest mean of 4.31. Compensation and Rewards showed a significant difference with an F -value of 24.856 and a significance value of 0.001, with Office Assistants recording the highest mean of 3.94. Employee Welfare and Working Environment showed a significant difference with an F -value of 14.990 and a significance value of 0.001, with Junior Assistants recording the highest mean of 4.37. Overall, the findings indicate that designation is significantly associated with employees' perceptions of HRM practices, as all the significance values are below the 0.05 level.

Suggestion

The banks should adopt transparent and systematic Human Resource Management practices for employees at all designation levels to ensure equal opportunities and fair treatment. Recruitment and Selection procedures should be standardized and based on merit, qualifications and job requirements. Regular Training and Development programmes should be organized

according to the specific responsibilities and skill requirements of different designations, particularly to improve technical and digital banking skills. Performance Appraisal systems should be transparent, objective and clearly communicated to employees, with regular feedback and opportunities for improvement. Compensation and Rewards should be fair and linked appropriately to employee performance, responsibilities and experience to improve motivation and job satisfaction. Banks should also strengthen Employee Welfare and Working Environment by providing better work facilities, employee support, stress-management programmes and a healthy workplace. Clear career advancement and promotion opportunities should be communicated to employees so that they understand the requirements for progression to higher positions. Management should regularly collect employee feedback across different designation levels and use it to improve HR policies and practices. Such measures can help create a more supportive work environment and strengthen employee satisfaction and organizational effectiveness.

Conclusion

The study concludes that Human Resource Management practices play an important role in shaping employee experiences and job

satisfaction in public and private sector banks. The five major HRM practices considered in the study, namely Recruitment and Selection, Training and Development, Performance Appraisal, Compensation and Rewards, and Employee Welfare and Working Environment, represent important areas of employee management. The findings show significant differences in employees' perceptions of these practices based on gender, income and designation. In particular, the results indicate that employees at different designation and income levels perceive HRM practices differently, highlighting the need for appropriate and equitable HR policies. Effective recruitment, regular training, fair performance appraisal, appropriate rewards and compensation, and a supportive working environment can contribute to better employee satisfaction and organizational effectiveness. Previous research in the Indian banking sector similarly emphasizes the importance of HRM practices for employee satisfaction and organizational outcomes. Overall, banks should continuously strengthen their HRM systems by considering employee needs, providing equal opportunities, improving career development and maintaining a positive working environment. Such practices can support employee satisfaction, motivation, retention and improved organizational performance.

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