

CHAPTER SIX

Personnel Policies and Practices related to Wages and Salaries, Employee Benefits and Services, Employee Grievance, and Job-Satisfaction.

CHAPTER SIX

Personnel Policies and Practices related to

- A) Wages and Salaries
- B) Employee Benefits and Services
- C) Employee Grievance
- D) Job - Satisfaction.

A) Wages and Salaries Policies and Practices

Wage and salary is one of the most vital areas of personnel administration. Wage and salary policy plays an important role in the personnel administration. Development and administration of sound wage and salary policy is one of the most important yet complex managerial functions. In the absence of a sound policy in that respect, wages are likely to be based on 'Personalised' arbitrary decisions without regard for the overall wage structure. Its importance is evident from the fact that a majority of union-management problems and disputes involving loss of millions of man-days relate to the question of the wage payment.² It is also one of the important determinants of their social status inside and outside the organisation. It has come to stay as a status symbol.³ As such, an organisation cannot expect to attract and retain its personnel unless it pays them fair and equitable compensation. In the words of Pigors and Myers "If the general level of wages and salaries in the organisation is too low in relation to other comparable firms, management will find it difficult to attract and hold qualified personnel, particularly:

those in short supply such as technical, professional and managerial personnel".⁴ Managers, therefore must give considerable attention to sound wage and salary policies.

6.1 Objectives of wage and Salary Policies

A sound wage and salary policy should aim at achieving the following objectives.⁵

- 1) Keep labour and administrative cost of operating the business in line with its ability to pay;
- 2) establish internally consistent wage rates for various categories of jobs;
- 3) ensure that wage rates compare favourably with those in other companies in the same industry and/or companies in the same geographical area;
- 4) provide for wage and salary rates which are adequate to attract and retain employees;
- 5) Keep in view the incentive aspects of wages and salaries to improve productivity; and
- 6) enable the company to project the image of a progressive employer.

6.2 Elements of wage and salary Policies

According to M.N. Rudrabasavaraj, there are various elements of wage and salary policies and they relate to;⁶

- 1) What should be a normal work day?
- 2) What should be overtime policy?
- 3) What should be the pay for ~~over~~ time work?

- 4) What should be the pay period?
- 5) How should the employees be paid?
- 6) Where should they be paid?
- 7) What should be deducted from employees pay?
- 8) What should be the methods of incentives?

On all these matters, it is better to establish policies and they must be written down and all the employees including supervisors and management must be made aware of the company policies.

6.3 Wage and Salary in Urban Cooperative Banks

Aim of the cooperative banks should be to create and maintain such conditions whereby an employee feels like giving his best, gets satisfaction out of his job and is suitably rewarded. It has been observed that some of the Urban Cooperative Banks are unwilling to pay fair salaries to their employees and hence there had been a general feeling amongst personnel working in cooperatives that "inadequate salary structure, poor service conditions, want of scope for career development, are the general features of employment in Cooperatives"⁷ Thus, salaries of urban cooperative bank employees are far less than that of commercial Bank even though the nature of work is more or less the same.

6.4 Mode of Payment in Urban Cooperative Banks

In almost all urban co-operative banks understudy

except one bank, permanent employees were paid salary on the 'Pay-scale basis'. In Sainik Sahakari Bank all the employees were getting consolidated salary every month. It is because, the Sainik Sahakari Bank was established very recently (1985) and had yet to frame pay-scales for different categories of employees. Pay-scales of various urban co-operative banks under study are shown in following Tables.

Table 6.1 Pay- Scales in the Rayar Sēvak Cooperative Banks on 30th June, 1988.

Sr.No.	Cadre	Pay-Scale in Rupees
1.	Manager	Rs. 600-35-810-40-1010 EB.-50-1210
2.	Accountant	Rs. 400-30-700-35-1050.
3.	Br. Manager	Rs. 400-20-600-25-800.
4.	Inspector	Rs. 400-20-600-25-800.
5.	Sr. Clerk	Rs. 365-15-500-20-600. E.B. 20-760.
6.	Jr. Clerk	Rs. 290-10-390-15-480. E.B. 20-540.
7.	Peon & Watchman	Rs. 220-5-250-7-285-10-325 E.B. 15-385

Source : Data compiled from the official records of R.S.C.Bank.

Table 6.2 Pay Scales in the Prathamik Shikshak Sahakari Bank Ltd, as on 30th June 1988.

Table : 6.2 : Pay Scales in P.S.S.B. Ltd.
as on 30th June 1988.

Sr.No.	Cadre	Pay Scales in Rupees
1.	Manager	Rs. 680-40-1000-50-1250
2.	Asstt. Manager	Rs. 600-30-750-40-1150
3.	Accountant/Auditor	Rs. 500-20-700-25-900
4.	Br. Manager	Rs. 395-15-500-20-700-20-800
5.	Cashier/Clerk	Rs. 290-10-390-15-465-EB-15-540
6.	Sub-ordinate staff	Rs. 220-5-250-7-285-10-325-EB-10-375

Source : Data compiled from the official records of P.S.S.B.

Table 6.3 : Pay Scales in the Janata Sahakari Bank Ltd., Satara
as on 30th June 1988

Sr. No.	Cadre	Pay Scales in rupees
1.	Manager	Rs. 800- $\frac{40}{5}$ -1000- $\frac{60}{5}$ -1300- $\frac{75}{5}$ -1675- $\frac{100}{5}$ -2175- $\frac{125}{5}$ -2800
2.	Asstt. Manager	Rs. 500- $\frac{20}{5}$ -600- $\frac{25}{5}$ -725- $\frac{30}{5}$ -875- $\frac{35}{5}$ -1050- $\frac{40}{5}$ -1250
3.	Br. Manager	Rs. 500- $\frac{20}{5}$ -600- $\frac{25}{5}$ -725- $\frac{30}{5}$ -875- $\frac{35}{5}$ -1050- $\frac{40}{5}$ -1250
4.	Sr. Clerk	Rs. 350- $\frac{12}{5}$ -410- $\frac{15}{5}$ -485- $\frac{20}{5}$ -585-EB- $\frac{25}{5}$ -710
5.	Jr. Clerk	Rs. 230- $\frac{10}{5}$ -280- $\frac{12}{5}$ -340- $\frac{15}{5}$ -415-E.B.- $\frac{18}{5}$ -505
6.	Peon & Watchman	Rs. 175- $\frac{5}{5}$ -200- $\frac{10}{5}$ -250- $\frac{13}{5}$ -315-E.B.- $\frac{15}{5}$ -390

Source : Data collected from official records of J.S.B. Satara

Table 6.4 : Pay Scales in Sainik Sahakari Bank Ltd. as
on 30th June 1988

Sr.No.	Cadre	Total pay (including D.A.)
1.	Manager	Rs. 2,000/- including D.A.
2.	Br. Manager	Rs. 1,000/- including D.A.
3.	Sr. Clerk	Rs. 800/- including D.A.
4.	Jr. Clerk	Rs. 500/- including D.A.
5.	Peon & Watchman	Rs. 450/- including D.A.

Source : Data compiled from official records of S.S.B., Satara.

Table 6.5 : Pay scales in Karad Urban Co-operative Bank Ltd.,
Br. Satara, as on 30th June 1988

Sr.No.	Cadre	Pay scales in rupees
1.	Br. Manager	Rs. 700- $\frac{25}{5}$ -825- $\frac{30}{5}$ -975- $\frac{40}{5}$ -1175- $\frac{50}{5}$ -1425
2.	Sr. Clerk	Rs. 500- $\frac{20}{5}$ -600- $\frac{25}{5}$ -725- $\frac{30}{5}$ -875- $\frac{35}{5}$ -1050
3.	Jr. Clerk	Rs. 325- $\frac{15}{5}$ -400- $\frac{20}{5}$ -500- $\frac{25}{5}$ -625- $\frac{30}{5}$ -775- $\frac{40}{5}$ -975
4.	Peon & watchman	Rs. 250- $\frac{7}{3}$ -271- $\frac{10}{4}$ -311- $\frac{15}{4}$ -371- $\frac{20}{4}$ -451- $\frac{25}{4}$ -551

Table 6.6 : Pay Scales in S.T. Co-operative Bank Ltd.,
Br. Satara, as on 30th June, 1988.

Sr.No.	Cadre	Pay-Scales in rupees
1.	Br. Manager	Rs. 660- $\frac{60}{5}$ -960- $\frac{65}{10}$ -1610- $\frac{25}{4}$ -1910
2.	Accountant/Sr.Cl	Rs. 400- $\frac{25}{5}$ -525- $\frac{30}{5}$ -675- $\frac{35}{5}$ -850- $\frac{40}{8}$ -1170
3.	Clerks	Rs. 300- $\frac{20}{5}$ -400- $\frac{25}{5}$ -525- $\frac{30}{5}$ -675- $\frac{40}{8}$ -995
4.	Peon & watchman	Rs. 275- $\frac{8}{5}$ -315- $\frac{12}{5}$ -375- $\frac{16}{5}$ -455- $\frac{20}{6}$ -575

Source : Data collected from official records of S.T.C.B.Br.Satara

6.5 Minimum Monthly Basic Salary

An effort was made to find out minimum basic salary paid to various categories of employees. Table 6.7 shows minimum basic salary paid to subordinate staff, clerks, officers and managers of urban co-operative banks under study.

Table 6.7 : Minimum Basic Pay in Urban Banks. (In Rupees)

Bank	Minimum Basic Monthly Pay				
	Peon w.m.	Jr.Clerk	Sr.Clerks	Br.Manager	Manager
R.S.C.B.	220	290	365	400	600
P.S.S.B.	220	290	500	600	680
J.S.B.	175	230	350	500	800
S.S.B.*	450*	500*	800*	1,000*	2000*
K.U.C.B.	250	325	500	700	-
S.T.C.B.	275	300	400	660	-

* Total salary including D.A.

Table 6.7 indicates that 83 percent of urban banks (5 banks out of 6 banks) were paying minimum basic salary to their subordinates staff (Peons, watchmen) in the range of Rs.175/- to Rs. 275/-. Minimum lowest pay scale was paying in J.S.B and Minimum highest pay scale was in S.T.C Bank, and S.S.Bank was paying total pay Rs.450 to its subordinate staff.

Table also shows that 5banks out of 6 banks were paying minimum basic salary in the range of Rs. 230 to Rs 325 to their junior clerks and Rs. 350 to Rs. 500 to their senior clerks respectively. While S.S.Bank was paying minimum total pay Rs 500

and Rs. 800 to its junior and senior clerks respectively. Karad Urban Co-operative Bank was paying highest minimum salary to its employees, whereas lowest was paying in J.S. Bank.

Table further depicts that urban banks were paying minimum basic to their managerial staff (Br. managers and managers) in the range of Rs. 400 to Rs. 700, and Rs. 600 to Rs. 800. Lowest minimum basic salary was paying by R.S.C.B. to its Br. Managers and highest was paying in K.V.C.B. and J.S.B. was paying highest minimum pay to its manager. Sainik Sahakari Bank was paying total salary to its Br. Manager Rs. 1,000 and Manager (H.O.) Rs. 2,000 respectively.

6.6 Maximum Monthly Basic Salary

Maximum basic salary of various categories of employees (i.e. peon, clerk, Br. manager and manager) of urban co-operative banks is shown in below Table 6.8

Table 6.8 Maximum Monthly Basic Salary in Rupees.

Banks	Maximum Monthly Basic Salary of				
	Peons	Jr. Clerk	Sr. Clerk	Br. Manager Asstt. ,,	Manager H.O.
R.S.C.B.	385	540	760	800	1210
P.S.S.B.	375	540	800	1150	1250
J.S.B.	390	505	710	1200	2800
S.S.B.	450*	500*	800*	1000*	2000*
K.U.C.B.	551	975	1050	1400	-
S.T.C.B.	575	995	1170	1910	-

* Total Salary including all allowances.

Table 6.8 shows that maximum monthly basic salary of subordinate staff was ranging in between Rs. 375 to Rs. 575. Lowest maximum basic pay was paying in P.S.S.B and highest was paying in S.T.C. Bank. 50 percent junior clerks of urban co-operative banks (3 out of 6 banks) were receiving maximum monthly basic pay in the range of Rs. 505 to Rs. 540, whereas two banks' junior clerks were receiving maximum monthly basic pay near about Rs. 1000. Which was twice of maximum basic pay receiving by junior clerks of other urban banks. Branches were paying highest maximum basic pay than the parent banks.

Similarly, 50 percent senior clerks of urban banks were receiving maximum basic pay in the range of Rs. 710 to Rs. 800, while two branch banks (K.V.C.B and S.T.C.B) were paying highest maximum basic pay to their senior clerks, which was more than Rs 1,000. Table 6.8 further indicates that in 4 banks maximum basic salary of branch managers was in between Rs. 1150 to Rs. 1910, while 2 urban banks were paying maximum basic salary to their branch managers less than Rs. 1,000. S.T.C.B. was paying highest maximum basic salary to its branch manager , Chief executives/managers maximum basic salary was in between Rs. 1210 to Rs. 2800. J.S.B was paying highest maximum basic salary to its chief executive Rs.2800 and lowest maximum basic salary was paying in R.S.C.B, while s.s.bank was paying maximum salary to its manager Rs.2000. Thus, there was wide difference in maximum basic pay

amongst the employees of urban Co-operative banks.

6.7 Minimum and Maximum Annual increments

An effort was made to collect minimum and maximum annual increments of all categories of employees of urban co-operative banks in order to know the time span required to attain the maximum basic salary in the particular grade. Table 6.9 shows clear picture of minimum and maximum annual increments of various categories of bank employees.

Table 6.9. Minimum and Maximum Annual Increments.

Bank	Category of employees									
	Peon/wm		Jr. Clerk		Sr. clerk		Br. Manager		Manager	
	Mini. mum	Maxi. mum	Mini. mum	Maxi. mum	Mini. mum	Maxi. mum	Mini. mum	Max. mum	Mini. mum	Maximum mum
R.S.C.B.	5	15	10	20	15	20	30	35	35	50
P.S.S.B.	5	10	10	15	15	20	30	40	40	50
J.S.B	5	15	10	18	12	25	20	40	40	125
S.S.B	-	-	-	-	-	-	-	-	-	-
K.V.C.B	7	25	15	30	20	35	25	50	-	-
S.T.C.B.	8	20	20	30	25	35	60	75	-	-

Table 6.9 indicates that there was great variation in the minimum and maximum annual increment rates among various categories of employees of urban co-operative banks. Annual increments were varied from Rs. 5 to Rs. 25 of peons, Rs. 10 to Rs. 30 of junior clerks, Rs. 12 to Rs. 35 of senior clerks, Rs. 20 to Rs. 75 of branch manager and Rs. 35 to Rs. 125 of managers. Annual increment rates were varied vertically (within particular category) and

horizontally (within two categories of employees) in great volume. Which resulted into variation in the time span required to attain particular grade.

The analysis of different pay-scales adopted by various urban co-operative banks under study indicated that there was full of variations in salary structure of selected urban banks. These variations were in the minimum and maximum basic salary paid to various categories of employees.

Such variations were due to several reasons, such as size of the bank, deposits, profits, capital, paying capacity, and attitudes of management. The result of these variations was that internal outflow (urban banks to urban banks) and external outflow (urban co-operative banks to commercial banks) of talented and efficient employees of poorly paid urban co-operative banks for better prospects. In this way, urban co-operative banks lose or fail to attract good staff, especially in their earlier stages. Thus, the urban co-operative banks cannot attract talented and motivated personnel unless they establish their image of MODEL EMPLOYERS because an organisation which cannot pay its personnel adequately has no right to exist in the modern world⁷

6.8 Dearness Allowances in Urban Co-operative Banks.

The object of granting dearness allowance is to compensate the employees for increase in the cost of living. Adjustment in wage levels became necessary, amongst other factors,

on account of increase in the cost of living and improvement in economic conditions. There are numerous systems of payment of D.A. In the study, it was found that D.A. rates were varied from urban bank to bank. The D.A. rates of urban co-operative banks are shown in table 6.10.

Table 6.10. D.A. Systems in Urban Co-operative Banks.

Bank	systems/methods of D.A.
1) R.S.C.B	D.A. as per Maharashtra Government rules
2) P.S.S.B.	D.A. as per Maharashtra Government rules
3) J.S.B.	Subordinate staff and Junior clerks D.A 274 percent of Basic pay. Senior clerks and managers 216 percent of basic pay
4) S.S.B.	D.A. merged into total pay
5) K.W.C.B	Subordinate staff D.A. 200 percent of basic pay, D.A. of clerks and managers 100 percent of basic pay
6) S.T.C.B.	Basic pay upto Rs. 200 = D.A. Rs. 625 Basic pay above Rs.200 .D.A. 25% of basic pay.

Table 6.10 shows that 33 percent of urban banks (2 out of 6 banks) were followed graded percentage of D.A. and

linked to wages and salaries, In one bank (i.e. S.S.B) , D.A. was merged into Basic pay and hence there was not separate D.A. In two banks (R.S.C.B and P.S.S.B), it was given at the same rate at which State Government gave to its employees, S.T. Co-operative Bank was followed flat rate D.A. upto Basic pay Rs. 200 and thereafter D.A. was varied according to wage or salary slabs. Thus, urban co-operative banks under study were not strictly adhering to any system of payment of D.A. and hence D.A. rates were varied from bank to bank and even within a same bank.

Apart from D.A., employees are paid several other type of allowances forming a part of their wages and salaries. Bank employees were paid H.R.A., City Compensatory Allowances, Cash Handling Allowance, Tension Allowance, Washing Allowance, Conveyance Allowance, Transfer Allowance and so on.

6.9 Employees' Satisfaction with Salary Policies.

Employees' satisfaction with wage and salary policies and practices is very important. This is reflected in satisfaction with pay also. Researches in Western Countries have shown that if pay satisfaction is low, job satisfaction is also low. As a consequence absenteeism and turnover will be high and more costly.⁹

It is revealed that there was great variation in the pay scales and D.A. rates of urban co-operative banks. An idea about employees' satisfaction with wage and salary policies and practices can be had from the Table 6.11.

Table 6.11 Employees' Satisfaction with wage and salary Practices.

Category	No. of respondents								
	Degree of satisfaction								
	Highly 'satisfied		Satisfied '		Dis-sati 'sfied		Undecided '	Total	
	%		%		%		%		
Officers	-		3	20	10	67	2	13	15
Clerks	2	3	31	41	35	47	7	9	75
Subordinate Staff	-		7	70	2	20	1	10	10
	2	2%	41	41%	47	47%	10	10%	100%

Table 6.11 confirms that 41 percent of employees were found to be satisfied and 47 percent of employees were found dis-satisfied with wage and salary policies and practices, while 10 percent employees were undecided. Subordinate staff was more satisfied (i.e. 70 percent), whereas 67 percent of officers were dissatisfied and clerical staff was neither highly satisfied (i.e. 43 percent) nor highly dis-satisfied (i.e. 47 percent) with wage and salary policies and practices of urban banks. Thus, in the study, out of 100 respondents, only 43 employees said that they drew good salary^{as} compared to similar jobs in other urban co-operative banks. 47 respondents were of the opinion that their pay scales were poor and rest 10 respondents did not make any comment on this topic. In all, majority of employees particularly officers and clerical staff of urban banks were dis-satisfied with present wages and salaries policies and practices.

B) Employee Benefits and Services

Direct wage and salary payments constitute only a part of the total compensation package. The rest is constituted by employees' benefits and services. Such benefits and services are provided under a variety of titles. Some refer to them as "Service Programmes," Other characterise them as "non-wage payments," Still others emphasize the costs and label them "hidden payroll". Typically, they have been most often referred to as "fringe benefits"¹⁰

These benefits provide protection from the contingencies of life since the time of employment to retirement and even beyond¹¹ and that is why, many employees feel that " they have the equivalent of a property right in their perpetuation." These benefits are enjoyed by the employees either as a result of management's policy decisions made voluntary (Receptions) or forced upon it by legislation (Provident Fund) or as a result of bargaining with the Employees' Unions (Housing). But management is interested in fringes for other reasons as well. Some fringes such as profit-sharing or bowling teams, are designed to promote team work and a sense of identification with the company. Overall, fringes are a prime example of the " be good " approach to motivation. George Strauss and L.R. Sayles observed "Thus fringes serve as 'golden handcuffs' in that they reduce turnover"¹² They make it easier for the management to lure high talent and retain it.

These benefits, statutory or otherwise, cover a wide range such as social security benefits (provident fund, gratuity and other retirement benefits); welfare benefits (educational, housing, recreational, canteen, leave etc) and bonus. These employee benefits have largely been extended mainly to employees in the organised sector. In co-operative enterprise (like banks), concern for employee welfare is still on a low key.

6.10 Employee Benefitsⁱⁿ Urban Co-operative Banks.

Employee benefits and services provided by urban co-operative banks under study are varied from bank to bank. It is evident from actual benefits provided to the employees in selected urban co-operative banks. Following are the important observations on the employee benefits and services of urban co-operative banks under study.

a) Benefits Without Work

Besides the paid holidays which are given on account of national and religious festivals, the employees were entitled to casual/earned leave. In this study, paid holidays and leaves with pay were found to be provided for all permanent employees. Such holidays and leaves with pay were governed by rules in the agreement with the management. Various types of leaves granted to employees by urban co-operative banks are shown in the following Table 6.12

Table 6.12 Kinds of leaves in Urban Co-operative Banks.

Bank	(Leaves in days)					
	Casual	Sick	Earned	Privilage	Special 'medical'	Maternity
1) R.S.C.B	20	10	30		--	--
2) P.S.S.B	20	30	--	33	--	--
3) J.S.B	15	15	--	16 $\frac{1}{2}$	--	90
4) S.S.B	10	10	15	--	--	--
5) K.U.C.B	20	15	--	30	--	--
6) S.T.C.B.	15	33	--	--	33	--

Note :- Above leaves are same to all categories of employees

Table 6.12 reveals that mainly four types of 'paid leave' were provided by the employers of urban co-operative banks to their employees viz, casual leave, sick leave, earned leave and maternity leave

i) Casual Leave :- 3 banks out of 6 banks (50 percent) were granting maximum 20 days casual leave to their employees for a year; 2 banks (33 percent) were granting 15 days casual leave and one bank (i.e. 17 percent) was allowing 10 days casual leave to its employees. Casual leaves granted by urban banks were ranging from 10 days to 20 days.

ii) Sick Leaves :- Sick leave was provided by all urban co-operative banks to their employees in varied ways. Two banks out of 6 banks (i.e. 33percent) were granted minimum 10 days sick leave for one year; other 2 banks were made provision of sick leave for 15 days and rest 2 banks (i.e. 33 percent) were

providing maximum 30 days and 33 days sick leave to their employees for one year.

iii) Earned Leave :- (including privilege leave)

The earned leave facility was available to confirmed employees only. Generally, earned leave was granted on the basis of 11 full working days to one day earned leave. There was a provision in majority urban banks to accumulate earned leave upto 90 days. In two urban banks employees were entitled to encash their earned leave. 5 banks out of 6 banks (i.e. 83 percent) were made provision of earned leave (including privilege leave). Earned leave provision was ranging in between 15 days to 33 days. Two banks were providing 30 days earned leave, one bank (i.e 20 percent) was granting 33 days, while two banks made provision of 15 days and 16½ days earned leave to their employees. One bank was granted 33 days special medical leave in addition to sick leave.

iv) Maternity leave :- It was observed that majority of urban co-operative banks were reluctant to recruit woman employees. However, the Janata Sahakari Bank had two woman employees and made provision of maternity leave for 90 days, which was restricted to two occasions only.

b) Benefits Protecting against hazard

i) Provident Fund

The study reveals that 4 urban co-operative banks were allowing statutory C.P.F (Contributory Provident Fund) at the rate of 8.33 percent, while in two banks the rates of C.P.F were

9 percent of pay and retaining allowances.

ii) Pension

The study shows that the personnel working in the urban co-operative banks were not entitled to pensionary benefits as applicable to State Government employees. However, the employees were covered under the Employees' Family Pension Scheme, 1971. In our Survey, 62 respondents out of 100 respondents told that they are members of the Employees' Family Pension Scheme.

iii) Gratuity

It was revealed that 66 percent of urban co-operative banks were paying gratuity to their employees according to Gratuity Act of 1972. Gratuity was payable at the rate of 15 days wages for every completed year of service with a ceiling at 16½ months wages. Two banks had not yet made provision of gratuity to their employees, because so far, they had not framed terms of employment.

iv) Welfare benefits

Welfare is directly related to the state of well-being of the employees. Good welfare activities help to build esprit de-corps among the employees, thereby encouraging them to identify themselves with their work and also develop sense of belongingness in them. If an organisation, therefore, wants to function effectively and efficiently, it has to ensure better welfare activities to its employees.¹³

However, employee welfare benefits are meagre and scanty in the selected urban banks. An account of the welfare activities existing in various urban co-operative banks is given in below Table 6.13 .

Table 6.13 shows that urban banks under study were not providing majority of welfare activities to their employees except H.R.A and uniforms to fourth class employees. 3 urban banks out of 6 banks (i.e 50 %) were granting housing loans Rs. 50,000 to Rs. 1,00,000 at concessional rate of interest. Medical allowances were given by 3 banks. No urban bank was providing educational facilities to the sons and daughters of its employees except Prathamik Shikshak Sahakari Bank, which was granting special educational loan upto Rs. 25000 to its employees for their children's education in the faculty of medical and engineering. Transportation canteen, co-operative stores, and picnics were not provided by any urban banks. However, almost all urban banks were providing uniforms to their fourth class employees i.e. Peons, Watchmen and drivers.

Thus, amount spent on welfare activities by urban banks was very meagre, because they were not doing anything for the benefit of their employees except providing uniforms to fourth class employees.

C) Bonus

It was found in the study that 3 banks out of 6 banks (i.e. 50 %) were paying bonus at the maximum rate of 20 percent

Table 6.13 Employees' Welfare Activities in the Selected Urban Co-operative Banks.

Welfare	R.S.C.B.	P.S.S.B.	J.S.B.	S.S.B.	K.U.C.B.	S.T.C.B.
1. Housing	H.R.A. as per State Govt. employees Housing loan Rs. 50000 at 14% Int-crest	H.R.A. as with State Govt. empl-oyees Housing loan Rs. 50000 at 14% Int-crest	H.R.A. 10% of the basic pay and hous-ing loan Rs. 100000 at 6% Int-crest per annum	No H.R.A. and no quarters	H.R.A. 15% on the £ to Br. Manager Housing loan Rs. 25000 at 5% Inter-est per annum	Quarterly to Br. Manager H.R.A. 10% of the basic pay 5% Inter-est per annum
2. Medical	None	Medical allowance Rs. 300 per year	None	None	Medical allowance Rs. 275 per year	Medical allowance Rs. 40 per month
3. Education	None	Education Loan Rs. 25,000/-	None	None	None	None
4. Transport	None	None	None	None	None	None
5. Canteen	None	None	None	None	None	None
6. Recreation	None	None	None	None	None	Recreation allowance Rs. 250 per year
7. Cycle stand	None	Provided	Provided	None	None	None
8. Uniforms	Provided to four-th class employees	Provided	Provided	Provided	Provided	Provided
9. Co-operative Stores	None	None	None	None	None	None
10. Picnics	None	arranging one day picnic	None	None	None	None

and 2 banks (i.e. 33 %) were giving bonus at the rate of 18 percent and 15 percent bonus to their employees. But Sainik Sahakari Bank was not paying bonus to its employees. However, two banks (P.S.S.B and K.U.C.B) , in addition to 20 percent bonus, were paying one month basic salary as a closing allowances to their employees.

Compensation

It was revealed by the study that urban banks under study were not paying compensation for employment injury. One bank out of 6 banks had provision of Compensation on a few occasions. For example, if an employee expired on duty, a sum of Rs. 5000 was paid to his wife, in addition to full a salary of that month .

6.11 Employees' Opinion about Fringe Benefits

In order to have an idea about employees' views on fringe benefits, some questions were asked to respondents to express their opinions on fringe benefits provided by urban banks under study. An idea of their opinions can be had from Table 6.14

Table 6.14 Employees' Opinion about Fringe Benefits.

Category	Degree of satisfaction			No of employees	
	Satisfied	Unsatisfied	Undecided	Total	
Officers	4	10	1	15	
Clerks	31	38	6	75	
Subordinate Staff	6	2	2	10	

Table 6.14 indicates that 27 percent of officers interviewed were satisfied with their fringe benefits, 41 percent

of clerical staff was expressed good opinion about fringe benefit, while 60 percent of sub-ordinate staff had good opinion about welfare activities. Subordinate staff were more satisfied with provision of fringe benefits, because they were getting uniforms once in the two years. On the other hand, 67 percent of officers and 51 percent of clerks were dis-satisfied with provision of fringe benefits. Some of them suggested that there should be full reimbursement of medical expenses, introduction of pension schemes, provision of educational facilities to their children. All employees were dis-satisfied on the provision of housing facilities. The degree of dis-satisfaction as regards housing was higher among clerks than officers. This is particularly necessary when they are not able to find a suitable rental accommodation and have to spend about one - fourth of their salary towards rent. Thus, majority of bank employees who were interviewed expressed their dis-satisfaction about fringe benefits provision of urban co-operative banks under study.

6.12 Union Leaders' Opinion about Fringe Benefits

Really speaking there were no powerful employees' unions in the selected urban co-operative banks except P.S.S. Bank employees' union. According to 3 out of 4 union representatives (i.e 75 percent), interviewed in the course of this study, that their banks were not providing substantial welfare activities and expressed their dis-satisfaction about fringe benefits. They expressed their dis-satisfaction on the non-provision of proper

housing facilities and leave travel concession as available to Central Government employees.

On the whole, the employee benefits and services are very inadequate in the selected urban co-operative banks. It was observed that management had conservative attitude in providing welfare activities. There is no problem of money but is problem of attitude of management. It is indeed a matter of Concern that co-operatives (including urban banks) which are primarily organised for and by the people themselves should care less about their employees welfare than their counterparts in organised industry and services sector, be the private or public.¹⁴

C Employee Grievance Redressal

There is hardly a company where the employees do not have grievances. Real or imaginary, valid or invalid, truthful or not, employees have grievances with regard to some aspects of the company. Edwin B. Flippo observed " Despite the best efforts of all conflict among people and between people and organisation will occur ".¹⁵ The grievance produces unhappiness, frustration, discontentment, indifference, poor morale and ultimately it hurts employee concentration, efficiency and productivity, A discontented workforce is a sure sign of potential turmoil affecting adversely the interests of the organisation¹⁶

Grievances in the work place may be inevitable. However, prompt redressal of individual grievance is essential for sustaining good labour management relations and promoting efficiency. For prompt redressal of individual grievance, there should be an effective grievance handling system serves as an outlet for employee frustrations, discontents, and gripes. It operates like a pressure release valve on a steam boiler. Employees do not have to keep their frustrations bottled up until eventually seething discontent causes an explosion"¹⁷ Absent of machinery for it leads small grievances development into a collective dispute.

6.13 Redressal Machinery

There are various procedures of settling grievances. Size of organisation and union-management relationship are main

determinants in the selection and use of particular procedure. Main procedures of setting grievances are as follows :-

- 1) One-step redressal machinery
- 2) Five steps machinery

1. One -step Redressal Machinery

Under this machinery an employee desirous of seeking redressal of his grievance relating to unfair treatment on the part of supervisor or organisation, lodges a complaint directly to the Chief executive. This procedure is also called as ' Open door policy '. The chief executive investigates the complaint in time and decision taken by the chief executive is informed to the concerned complainant. At first glance, this policy may appear both suitable and workable but it is unsound in principle. Experience has shown that, except in very small concerns, it is rarely workable. Edwin B. Flippo observed "The open-door policy is commonly announced but seldom works"¹⁸

2. Five steps Machinery

This procedure is used, where the organisation is big and employees are working in large number in several departments. Under this method, the employee lodges his complaint with his immediate superior, if not satisfied with superior's decision he can appeal to departmental head. Again if not satisfied, he can further take it to the sectional head and ultimately to the chief executive of the organisation. This is the fourth step in

the grievance handling procedure. The final step is taken when the grievance is referred to an arbitrator, who is acceptable by the employee as well as management.

Whatever machinery may be used but grievances must be settled without delay. The golden rule as I.I.P.M. has said for handling the day-to-day problems is that "they should be dealt with quickly, thoroughly and fairly"¹⁹

6.14 Grievances in Urban Co-operative Banks

Urban co-operative banks under study had two types of grievance, viz, individual and collective grievances. Individual grievances were connected to promotion, transfer, confirmation, leave etc. and collective grievances were related to pay scale revision, better working conditions, heavy workload etc. However problem of employees' grievances was not so serious in the selected urban co-operative banks. It is clear from number of respondents reporting grievances against management. In the course of the study the question was asked to respondents "Did you have any grievances against management during your service?" In response to this question, over 80 Percent of the respondents reported that they did not make any grievance against their employers. However, 20 percent respondents grievances were related to pay scale, promotion, and heavy workload.

Causes of Grievance in Urban Banks.

There are various causes of grievance in urban banks such as promotion, transfer, leave, confirmation etc. and pay scales and working conditions are common causes. The causes of grievance are shown in Table 6.15

Table 6.15 Causes of grievance against management.

	Degree of grievance							
	Total respondents	Did not have grievance	Did have grievance	Promotion	Transfer	Leave	Heavy work	Confirmation
Officers	15	11 (73)	4 (27)	1 (25)	2 (50)	1 (25)	-	-
Clerks	75	59 (29)	16 (21)	10 (63)	3 (19)	-	7 (44)	2 (13)
Subordinate Staff	10	8 (80)	2 (20)	-	1 (50)	-	2 (100)	-

Note :- Respondents stated more than one cause.

Table 6.15 shows that nearly 77 percent (average) of respondents did not have any grievance against management and 23 percent (average) of respondents had grievances against management. Of which 75 percent of officers, and 63 percent of clerks made grievances related to promotion, 50 percent of officers and 50% of subordinate staff had grievances connected to transfer, while 44 percent of clerks and 100 percent of subordinate staff made grievances against heavy work, 13 percent of clerks had confirmation problem, Thus, there were only three main causes of (i.e. promotion, transfer, and heavy work) grievances against

management in the selected urban banks.

By the observation of Table 6.15 one may come to conclusion that there were very few grievances against management (i.e 28 percent) in the selected urban banks. Does it mean urban banks employees were really satisfied with their service condition? But personal discussion with respondents revealed that majority of employees' were not satisfied with conditions of urban co-operative banks, but they were not opening their mouths against management due to the following reasons

- a) Majority of employees were recruited through the recommendations of management.
- b) There are no unions or no strong unions.
- c) Critical unemployment situation prevailing in the employment market.
- d) Fear of the dismissal - if an employee is a trouble maker and if there is not employees' union, it is not difficult for the employer to dismiss such an employee.
- e) Friendly atmosphere, due to the small size of urban co-operative banks.

These and some other causes might have suppressed employees' complaints and grievances and hence employees may not bringing up their complaints.

6.15 Grievances Settlement Procedures used in Urban Banks.

There are two important grievance settlement procedures viz; Open door policy and step ladder procedure. During the course of the study, it was revealed that 5 banks out of 6 urban banks

(i.e. 83 percent) were using 'Open door policy'. This method was found most suitable and effective for grievance settlement, in the selected urban banks, due to the small size and friendly atmosphere.

In Prathamik Shikshak Sahakari Bank step ladder procedure was used. All complaints arising out of wrongful execution or unfair treatment on the part of the employer or his agent could be submitted by the complainant to the immediate superior or branch manager. He should personally investigate into the complaints. The decision of the branch manager and the action, if any, taken by him has to be intimated to the complainant. In case of dissatisfaction, an employee could appeal within seven days against decision of the branch manager to the General manager. Again if complainant not satisfied with decision of the General Manager, he could appeal within 15 days against decision of the General Manager to Management i.e., Chairman of the bank. Decision given by the Chairman of the bank would be binding upon the both parties i.e., complainant and management. However, no urban co-operative bank under study had appointed arbitrator for grievance settlement. It indicates that employee-management relations were not found to be serious in the selected urban banks.

6.16 Employees' Opinion about the Manner of the Grievance Handling

An attempt was made in the study to ascertain the general opinion of the respondents about the manner in which the grievances were handled and for that purpose the question was asked in the questionnaire "Do you think that the grievance was

handled in just manner?" An idea of employees' opinion is given in Table 6.16

6.16 Employees' Opinion about the Manner of the Grievances Handling

Opinion					
Category	Yes	No	Cannot Say	Total respondents	
Officers	2 (13%)	1 (7%)	12 (80%)	15	
Clerks	8 (11%)	7 (9%)	60 (80%)	75	
Subordinate staff	2 (20%)	-	8 (80%)	10	

As already stated that only 20 percent of respondents had grievances against management and 80 percent of respondents did not make any comment on the manner of the grievances handling. More than half (out of 20 percent) of respondents were appear to be satisfied with the manner in which their grievances were handled. Satisfaction about handling of grievance was higher in subordinate staff (i.e 20 percent). and lower in case of clerical staff (i.e 11 Percent). But in general, respondents were avasive due to fear of the employer and a sense of helplessness.

6.17 Grievances Prevention Policies of Urban Banks

The problem of grievances was not so serious in selected urban co-operative banks, it was not only because of suppression policy adopted by management but also because of some positive

steps were being taken by the management of urban banks to prevent grievances in their banks. Management of 4 banks out of 6 banks (i.e. 66 percent) were adopted policy of frequent revision of pay scales of their employees as it was a main cause of collective grievances. Moreover, they were giving more promotional opportunities to the existing competent employees and, if necessary, appointing new additional employees to reduce heavy workload of the existing employees. Thus, they were trying to minimise individual and collective grievances. However, the management of 2 banks had not given due attention for the prevention of grievances, because in their opinion as the problem was not so serious and deserved no special attention.

D Job Satisfaction

The word 'job' is in a restricted sense and refers to a specific job. However, the expression job satisfaction covers the satisfaction derived from being engaged in work or in any pursuit of a higher order. It is essentially related to human needs and their fulfilment through work. It expresses the amount of agreement between one's expectations of the job and the rewards that the job provides²⁰ It is, in fact, generated by an individual perception of how well his job satisfied his various needs.

Traditionally job satisfaction has received emphasis because of its effect on productive efficiency. Job satisfaction has an impact on both the physical and mental health of a worker. High job satisfaction is an important element of co-operation and teamwork, so employers want to develop it among their employees²¹ Moreover who are satisfied with their jobs generally hold good opinions about their enterprises.

6.13 Job Satisfaction in Urban Co-operative Banks.

Job satisfaction is very important for efficient performance of urban co-operative banks, because high job satisfaction leads to high employee performance. Higher job satisfaction usually is associated with lower turnover, fewer absences, older employees and higher occupational levels. However, Keith Davis observed " The satisfaction performance relationship is more complex than the simple path of 'satisfaction leads to performance'²²

In the course of the study, in order to know the job satisfaction of employees of urban banks, some questions were asked to them to express their job satisfaction. Their responses are as follows.

Table 6.17 Employees' Job Satisfaction in Urban Banks

category of employees	No of respondents.				Total
	Highly satisfied	Satisfied	Dis-satisfied	Indifferent	
1. Officers.	-	4 (27)	9 (60)	2 (13)	15
2. Clerks.	2 (3)	21 (28)	47 (63)	5 (6)	75
3. Sub-ordinate staff.	2 (20)	6 (60)	-	2 (20)	10
	4 (4)	31 (31)	56 (56)	9 (9)	100 (100)

Note :- Figures in brackets show percentage.

Table 6.17 shows that 27 percent of officers, 28 percent of clerks were satisfied with their jobs, while 60 percent of sub-ordinate staff was ^{more} satisfied with present job. However, 60 percent of officers and 63 percent of clerks were dis-satisfied with their jobs. Dis-satisfaction was more in officers (i.e 73 percent including indifferent) than clerical staff. It was because important items which determine the satisfaction are salary, job security, freedom and authority in work and chances of promotion. These important aspects of the work situation were bound to affect the job-satisfaction of the officers and their outlook on work. The highest level of dis-satisfaction had been expressed by the officers about low salary and very few chances of promotion. Thus, majority of officers and clerks were not satisfied with their jobs and that was affected on their efficiency.

6.19 Reasons of employees' job satisfaction

Job satisfaction arises from a complex set of circumstances in the same way that motivation does. Factors which contribute to job satisfaction are handsome salary, good placement, liking job, superiors' behaviour, promotion chances etc. Employees of urban co-operative banks were stated the following reasons of their job satisfaction.

Table 6.18 Reasons of employees' job satisfaction

Category	Reasons				Total satisfied employees
	Liking job	Good Pla cement	Superiors' behaviour	Other reasons	
1. Officers	-	3 (75)	1 (25)	-	4
2. Clerks	4 (17)	10 (44)	4 (17)	5 (22)	23
3. Subordinate staff	-	-	5 (63)	3 (37)	8
	4 (11)	13 (37)	10 (29)	8 (23)	35 (100)

Table 6.8 shows that 75 percent of officers, and 44 percent of clerks were satisfied with their jobs due to good placement, 25 percent of officers, 17 percent of clerks and 63 percent of subordinate staff were received job satisfaction due to superior's good behaviour,

17 Percent of clerks job satisfaction arose from liking jobs. 22 percent of clerks and 37 percent of subordinate staff were satisfied with their jobs because of fair a salary and other reasons. In all, Superiors' treatment (i.e, 29 percent) and good placement

(i.e 37 Percent) were main causes of employees' job satisfaction in urban co-operative banks under study.

6.20 Superiors' attitude towards employees

Since work is always performed in a social context, the quality of the relationship with superiors is very important. Attitude of superiors' towards the subordinates is an important factor which is bound to affect the effectiveness of the subordinates. In order to understand superior and subordinates relationships, employees of urban banks were asked to state their superiors' attitude towards them and their responses are as follows

Table 6.19 Superiors' attitude towards employees.

(Figures in brackets show percentage)

Employee	Attitude				No of respondents
	Very good	good	Bad	Can't Say	
1.Officers	--	11 (73)	--	4 (27)	15
2.Clerks	2 (3)	59 (79)	3 (4)	11(14)	75
3.Subordinate Staff	---	7 (70)	--	3(30)	10
	2 (2)	77(77)	3 (3)	18 (18)	100 (100)

Table 6.19 reveals that 77 percent of total respondents stated that their superiors' attitudes towards them were good and only 3 percent of total respondents had no good relations with their superiors and hence their superiors' attitudes towards them were bad. However, 18 percent of total respondents did not make any comment on this matter. 73 percent of officers, 73 percent

of officers, 79 percent of clerks and 70 percent of subordinate staff expressed that their superiors' attitudes towards them were good. The study reveals that superiors' attitude towards employees was main reason for employees' job satisfaction. Moreover, despite poor working conditions, low pay-scales, limited promotional scope, majority of the urban banks were not facing the problem of employees grievances due to the good superiors' and subordinates relationships.

REFERENCES

1. George Strauss and Leonard R. Sayles : 'Personnel. the human problems of management'. Prentice Hall of India Pvt. Ltd; New Delhi 1977 P. 553.
2. R.D. Agarwal : 'Wage and Salary Policies and Administration' in R.D. Agarwal (ed) ' Dynamics of Personnel Management in India; Tata McGraw - Hill Publishing Co. Ltd; 1977 P. 225.
3. M.N. Rudrabasavaraj, 'Dynamics of Personnel Administration'- Management of Human Resources, Bombay, Himalaya, 1983, P295
4. Paul Pigors and C.A. Myers: 'Personnel Administration - a point of view and a method'. McGraw-Hill Kogakusha Ltd; Tokyo, 1973, P. 362.
5. R.D. Agarwal. op. cit. P.P 226-227.
6. M.N. Rudrabasavaraj: op. cit. P. 280.
7. Quoted by S.L. Goel and B.B. Goel: 'Administration of Personnel in Co-operatives', Sterling Publishers Pvt. Ltd; 1979, P 89.
8. Ibid P. 88
9. William F. Glueck : 'foundation of Personnel' Business Publications, Inc. Ontario, 1979 P. 286
10. Edwin B. Flippo : 'Principles of Personnel Management McGraw-Hill Kogakusha, Ltd. Tokyo 1976 P. 543.
11. George Strauss and Leonard R. Sayles: 'Personnel- The Human Problems of Management' Prentice-Hall of India Private Ltd, New Delhi, 1977, P 591,
12. Ibid P. 593.

13. R.K.Sapru : ' Personnel Management in Commercial Bank '
Deep and Deep Publications, New Delhi, 1987, P. 147.
14. S.S.Jyothi : ' Human Resource Management in Co-operative
Sector ' Inter-India Publications, New Delhi, 1986, P. 158.
15. Edwin B Flippo. op. cit P 445
16. M.N.Rudrabasavaraj op.cit P 526
17. Dale S.Beach : ' Personnel - The Management of People at
Work ' Macmillan Publishing Co, Inc. New York 1980, P. 539
18. Edwin B. Flippo Op. cit P. 427
19. Indian Institute of Personnel Management (II PM) 'Personnel
Management in India', Asia Publishing House, Bombay,
1962 P. 172
20. Keith Davis : ' Human Behaviour at work-Organisational
Behaviour' Tata-Mc-Graw-Hill Publishing Company Ltd, New
Delhi, 1982, P. 83.
21. Ibid P. 98
22. Ibid P. 84.