

# **A Review Of Literature Of Empirical Research Methodology On Role Of Human Resource Leadership On Employee Satisfaction And Performance In The Financial Services Sector**

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## **Abstract**

*The Role Of Human Resources Is Ever Evolving As The Importance Of The Employees In Any Organisation Is Pivotal. The Purpose Of This Paper Is To Review The Existing Literature On Empirical Research On Role Of Human Resource Leadership On Employee Satisfaction And Performance In The Financial Services Sector. It Provides A Critical Assessment Of Empirical Research Methodology Of Research Articles Published From 2003-2023 On The Subject. The Research Methodology Consisted Of Critical Review Of The HR Practices And Their Implications On The Human Capital Of The Organisation. The Study Indicated That The HR Leadership Of The Organisation Needs To Treat Employees As An Investment Rather Than The Cost To The Organisation. The Organisation Needs To Further Integrate The Inputs Such As Employee Training And Development, Take Steps Towards Improving Job Satisfaction For Better Motivation And To Boost The Productivity Of Employees Among Others.*

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## **I. Introduction:**

The Indian economy has undergone a tremendous growth in the past two decades. This has resulted in the organisations scaling new heights and the number of employees growing at a steadfast rate. In order to manage the growth of organisation the human resources have come to play an important role in the overall profitability of the organisation. Therefore, the Human resources leadership too has changed their outlook towards employees in order to boost their personal growth and overall job satisfaction which will ultimately affect the consumer satisfaction.

In an industry such as the financial services, the interaction of the employees with the customers is indispensable. The customers have a direct connection with the organisation through the employees who serve as the face of the organisation. Therefore, in order to engage the customers, the employees need to have a dynamic personality and should to achieve this they themselves need to be motivated. The goals of the employees should align with those of the organisation.

## **II. Objectives:**

The study aims to study the effect of HR Leadership on the performance, job satisfaction and level of motivation among employees.

To evaluate, through the review of literature, the factors affecting the performance, job satisfaction and level of motivation among employees.

To establish a premise for the HR leadership to facilitate policy formation and steps to boost employee morale.

### **III. Methodology:**

This paper is an accumulation of previously carried out research in HR practices which were done using the empirical methodology.

The works of various empirical researches were used to derive the conclusions in this paper. The papers selected for the study were published in national and international peer reviewed journals. The period of the study was from 2003-2023.

### **IV. Review of Literature:**

Poornima Madan and Shalini Shrivastava (2016) conducted the research to analyse the effect of enhancing engagement in order to create a competitive advantage for organisations to create quality workforce and to investigate the differences (if any) among employee engagement dimensions. The study gathered the responses from 88 managers from 4 private sector banks in Delhi/NCR. The responses were analysed using one way ANOVA, Independent T-test and Regression Analysis. The study indicated that there exists a significant relation between employee engagement and job satisfaction. Further, demographic variables do not statistically impact employee engagement and job satisfaction.

T. Velnampy and S. Balaputhiran (2014) carried out the study to find out the impact of leadership styles on job satisfaction. The sample for this study included 45 managers and 205 subordinates from 18 banking organisations. The responses were analysed using leadership profile sheet. The study found out that the managers were more task oriented and less people oriented in the banking organisation. In terms of shared leadership most of the leaders were found to be in medium level and none in the high level. The study suggested that the leadership must approach the employees with a people centric approach, which will ultimately lead to customer satisfaction.

Koohang, A., Paliszkievicz, J. and Goluchowski, J. (2017) conducted the research to study leading organisation and leading people on trust and the organisational performance in the service sector during the Covid-19 pandemic. The study employed a purposive sampling technique which recorded responses from 103 respondents. The responses were analysed using partial least squares path to test the hypotheses. The results of the study determined that there is a positive and linear relationship between leading people on trust and organisational performance. The study suggested that successful leaders must be able to elevate trust among people and motivate employees.

Hira Khan & Maryam Rehmat & Tahira Hassan Butt & Saira Farooqi & Javaria Asim (2020) the study was carried out with the objectives of a) to study the effects of transformational leadership on employees' work outcomes like work performance, working burnout and their working behaviour such as social loafing and b) to examine the impact of intrinsic motivation as a mediator between transformational leadership and other stated variables. The study was conducted as a cross sectional survey of 300 employees working in telecommunication sector. Model 4 Process -Hayes was used to test hypotheses to determine direct and mediating effects among transformational leadership and employee work outcomes. The study stated that transformational leadership has a significant positive relationship with mediator intrinsic motivation. The study further stated that work performance has a positive relationship with transformational leadership.

Mathew (2015) conducted the research to determine the impact of talent management practices that were executed in some leading organisations in India. For the purpose of this research a sample of 30 organisations (including MNCs) operating in India were selected on the basis of their international presence. A sample of 159 HR professionals were approached for their responses using a web based structured questionnaire. The study concluded that banking and telecommunication sectors were focussing on flexible work strategies and outsourcing of talent. The study also highlighted that leadership and succession planning were not a major focus towards managing talent across majority of the industries.

Mittal and Verma (2013) this study was conducted to examine the employees' perception of top management support for HRM practices followed by SBI. The data was collected through a structured questionnaire from 100 respondents. The results of this study indicated that the perception regarding HRM practices varied among the employees. Through the study it can be implied that various HRM practices such as performance appraisal, training, reward, feedback mechanisms, career planning and potential appraisal need to be different for employees with various levels of work experience.

Pillai (2008) conducted the research with the objective to determine the influence of HRM practices on the learning orientation of bank employees in Kerala state, India. They conducted the research considering a total sample of 300 respondents (including the managerial and clerical staff) belonging to two public and two private sector banks. The data for this research was collected by way of a structured questionnaire. The study highlighted a strong influence on the learning orientation of bank employees in Kerala.

Rani and Singh (2016) carried out research to examine the employee-management relationship in the banking sector. They secured 750 employees in total for the survey (250 from public sector banks, 250 private sector banks, 250 from foreign banks). To record the responses a structured questionnaire was developed which

consisted of 28 variables and was distributed among different banks located in Haryana, Delhi, Punjab. The data was analysed using factor analysis. The study concluded that employee counselling, effective communication, discipline and grievance handling mechanism have a significant impact on employee-management relationship which have a long-term impact on the organisational performance.

Singh (2011) carried out research with the objectives to ascertain the influence of HRM practices and organisational culture on managerial effectiveness among Indian Public sector and Private sector firms. To conduct the research a sample of 214 managers from various firms were collected. The data collection was done by way of a structured questionnaire consisting of 121 items. The study treated the variables between HR practices and organisational culture as two variables and determined their interaction with each other. This interaction of variables in the study indicated that the HRM practices and organisational culture were strong indicators of managerial effectiveness both in public as well as private sector.

Sinha (2015) researched the comparative analysis of various HRM dimensions that lead to employee satisfaction in various public sector and private sector banking firms in India. The data for the research was gathered from 100 public and 100 private sector bank employees using a structured questionnaire. The study concluded that there exists a significant difference in the perception of public and private sector bank employees towards the socio-economic and political factors affecting HRM practices in banks.

## **V. Conclusion**

From the study of the above empirical researches, we can conclude that the leadership plays an important role in the HR development of any organisation. The employees are greatly affected by the policies that the HR leadership formulate. These policies have a huge impact on the performance and job satisfaction of the employees. As in the financial sector, the employees are the face of the company, the higher the satisfaction level of the employees the better will be their interaction with the customers. Therefore, the management needs to follow a people centric approach and develop an organisational culture which creates a feeling of belongingness among the employees.

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