



WWJMRD 2017; 3(11): 305-309  
www.wwjmr.com  
International Journal  
Peer Reviewed Journal  
Refereed Journal  
Indexed Journal  
UGC Approved Journal  
Impact Factor MJIF: 4.25  
e-ISSN: 2454-6615

**Vijay Rathee**  
Assistant Professor, University  
Institute of Law and  
Management Studies,  
Maharishi Dayanand  
University, Rohtak, India

**Ritu Yadav**  
Research scholar, Maharishi  
Dayanand University, Rohtak,  
India

**Correspondence:**  
**Vijay Rathee**  
Assistant Professor, University  
Institute of Law and  
Management Studies,  
Maharishi Dayanand  
University, Rohtak, India

## An Empirical Investigation of Relationship between Gender and Employer Attractiveness in Banking Sector

**Vijay Rathee, Ritu Yadav**

### Abstract

Banking sector is the lack back bone of a healthy economy. Countries that have well developed banking structure grow much faster as compared of weaker one (Pathak, B.V., 2013). Banking sector is becoming a preferred career choice among job seekers. The main purpose of this study is to measure the association of gender with private & foreign sector bank attractiveness. 200 questionnaires were distributed in NCR for collecting their responses about preferred sector choice of employment among private and foreign sector banks. 186 responses found correct for further research with 93 % average response rate of data collection. Chi square test is used for data analysis. This study highlighted that there is a significant association between gender and employer attractiveness of private and foreign sector banks.

**Keywords:** Gender; Employer Attractiveness; Private sector banks; foreign sector banks

### Introduction

India is one of the fast emerging economy with GDP growth rate of 7.1% in year 2016-17 (Wikipedia), but it is facing the problem of attracting and retaining quality employees because of entering many global organizations (Ready, Hill & Conger, 2008). There are various problem like shortage of caliber, cost cutting pressure by recruiting right person for right job, increasing productivity of employees and maintaining growth and profitability of organization face by the organizations that creates a challenge for them (Backhaus and Tikoo, 2004). To face these challenges it becomes essential for the organizations to establish their organization as an attractive workplace in the job market. Turban et. al., (1998) highlighted that attractiveness of organization as an employer is essential for the organization to attract qualified talented employees. Any loss of highly qualified applicants decreases the utility of selection system. Drury, P. (2016) point out that best employers gets twice job applications as compared of other organizations.

Employer attractiveness (Ritz, A. and Waldner, C., 2011) term is interchangeably used by various terms like organizational attractiveness (Vroom, 1966), company attractiveness (Highhouse et. al., 2003). Chapman, et. al. (2005) argued that attractiveness of an organization as an employer determined by potential applicants. They defined organizational attractiveness as “an overall evaluation of the attractiveness of the organization from the point of view of prospective applicants.” Gomes and Neves (2010) defined attractiveness in context of organization as the “attitude regarding an organization, by addressing a general feeling of favorableness towards it”. Jiang and Iles (2011) explained organizational attractiveness as the power that draws attention of applicants and encourage already existing employees to stay within organization.

Pathak, B.V., (2013) favored that banking sector is the life line of modern economy and depicts the economic health of the country. Banks are considered as the pillars of the financial system which plays a significant role in the success and failure of the economy. Countries with well-developed banking sector grow much faster as compared of weaker one. India-banking-sector-report (April-2014) highlighted that banking sector contributes about

7.7% in Gross Domestic Product (GDP) and helps in 1.5 million employment generation. As per the KPMG-CII (2016), it is expected that banking sector becomes 5<sup>th</sup> largest industry in the world by 2020. As per the Universum talent survey, (2014) banking sector comes under five 'ideal employers' category. Banks are ranked at second place on the basis of attractiveness of bank as an employer. Banking sector attracts more females as compared of men. A Survey conducted by Price Waterhouse and Coopers (PwC, 2013) found that there is less employees' turnover in banking sector. Employees Turnover rate in case of foreign sector banks is less than 10% This study focuses on to determine the relation of gender with preferred banking sector among potential hires of banking sector.

### Review of Literature

Banking sector becomes less attractive career choice after financial crisis (2008). But the decline in attractiveness of banking sector is less as compared of other industries like engineering and manufacturing and accounting (Deloitte analysis, 2013). For the long term career orientation banking sector considered as an attractive industry (Universum Talent Survey, 2014). A survey conducted on banking industry found that major problem that banks are facing today is related with recruitment, people development and retention strategies (Mckinsey report, 2010). Banks requires innovative, knowledgeable and creative work base for developing committed, motivated and loyal work attitude among the employees. A survey conducted by PwC (2013) on foreign sector banks in India found that 89 % of the employers found Indian talent equivalent to rest of the world talent. 68% supported that in India talent is available at cheaper rates as compared of other emerging economics. But development of various sectors of economy creates the problem of war for talent. The entry of new players (private and foreign sector banks) in the banking sector makes this problem vary critical and establishing itself as a competitive edge.

Universum talent survey (2014) highlighted the top 10 aspirations of bank oriented students that are: Professional training and development, leaders who supports employees' development, good reference for the future career, high future earning, and financial strength, recognizing performance (meritocracy), market success, creative and dynamic work environment, prestige, friendly work environment. This survey also argued that banks are stronger as compared of other employers on the ground of financial strength; high future earning and performance recognition. This survey highlighted the contributing attributes of employer that makes it attractive among the potential hires of banks.

### Private sector banks attractiveness

Indian banks proved their identity at global level. As per global league ranking in year 2013, 3 private sector banks named ICICI, HDFC, and Axis bank make a place among top 200 banks. As per the RBI report (2014) private sector banks are performing in a better way as compared of public sector banks. Private sector banks have less staff expenses and low non-performing assets and higher net profit as compared of public sector banks. Aslan, G. (2010) highlighted the attractiveness of public and private sector among university students in Turkey. This study

highlighted that private sector treated more attractive among students.

Business today- KPMG best bank 2013 study highlighted that HDFC bank is the best bank on the basis of asset quality, high loan growth and health capital adequacy ratio. Yes bank ranked best bank in the category of mid-sized bank. HDFC bank, Axis bank, ICICI bank, bank of Baroda is the top banks in the category of large banks having asset size equal or more than Rs. 100,000 crore. India Banking sector report (2014) ranked top five private sector banks on the basis of employment and these are HDFC banks (69400), ICICI bank (62100), Axis bank (37900), Kotak Mahindra (13600) and IndusInd Bank (11500). Venkatesh, Mahua (2015) studied that growth of new private sector banks such as IndusInd, Kotak, Axis Bank and Yes Bank draws the attention of those job seekers who are chasing jobs in multinational organization some years ago. Sound performance of private sector banks also diverts the attention of applicants from foreign sector banks to private sector bank.

**Table 1:** Ranking of Indian banks in the global league (2013)

Name of Indian bank	Global League Ranking*
SBI	38
ICICI Bank	99
HDFC Bank	126
Axis Bank	175
PNB	189
BoB	206

Source [http://brandirectory.com/league\\_tables/table/banking-500-2013](http://brandirectory.com/league_tables/table/banking-500-2013)\*lower raking represents the good brand value of bank and higher ranking depicts to low brand value of bank

### Foreign sector banks

As per the business today- KPMG top banks in 2013 study, HSBC bank, Deutsche bank, bank of America got best bank award on the basis of asset quality under the category of large, mid and small sized banks respectively. India banking report (2014) ranked foreign sector banks on the basis of no of employees and no of branches. Top five foreign sector banks on the basis of no of employees are standard chartered banks (7200 employees), Citi bank (5400 employees) followed by HSBC, Deutche bank and Royal bank of Scotland.

Standard chartered bank (100 branches) ranked as best bank on the basis of no. of branches followed by HSBC, Citi bank, and Royal bank of Scotland and Deutche bank. Standard chartered bank is a leading foreign sector banks having assets 30,000 crore followed by Citi Bank. Standard chartered bank become the leading bank on the basis of no. of branches in India with 92 branches in India. This bank evolved as Asian- oriented bank. Foreign banks like standard chartered bank, Citi bank, ABN Amro banks have a strong presence in metro cities and in big cities of India (Pathak, B.V., (2013).

Turban, et. al. (2001) highlighted that job seekers are more attracted towards the foreign owned and foreign supervised firms as compared to domestic and national supervised firms. This is because foreign owned and supervised firms provide risk taking opportunities to employees and satisfy their greater need to pay. Lievens, F. et. al. (2001) researched that potential applicants are more attracted towards multinational or foreign owned organizations. As per the survey conducted by PwC India (2013) on foreign

sector banks: At an inflection highlighted that foreign sector banks found that elite and best educational institutions students preferred choice is foreign sector banks.

**Banking sector association with gender:**

Holtbrugge, D. and Kreppel, H. (2012) conducted a survey for measuring the attractiveness of Indian, Russian and Chinese companies (includes banking sector). This study found that there is no significant difference between perceived employer attractiveness regard to gender and age. Newburry, W. (2006) highlighted that women are less interested to work with foreign companies. Chow and Ngo (2002) highlighted that women preferred foreign owned organizations for their career choice that offers them more rewards, challenging jobs.

After economic reforms, 1991, foreign sector banks and private sector banks becomes attractive career choice among female job seekers (Srivastava, 1999). As per the Universum talent survey, (2014), banking sector attracts more females as compared of male. Bezbaruah, S. (2015) highlighted that there is a gender inequality among private, foreign and public sector banks. Raghurama and Ramya (2016) highlighted that woman job seekers found banking sector more attractive and suitable for their career choice. Singh and Manisha (2016) highlighted that woman employees are more attracted towards private sector banks. This study also highlighted that married women face more problems like time management, work load, work schedule control, working hours etc. at workplace as compared of unmarried women employees and men.

**Objectives of the Study**

Main focus of this study is to measure the association between gender and banking sector (private sector banks & foreign sector bank) attractiveness as an employer.

**Hypothesis for the Study**

**Ho1:** There is no significant association between gender and banking sector (private sector banks & foreign sector banks) attractiveness as an employer.

**Ha1:** There is a significant association between gender and banking sector (private sector banks & foreign sector

banks) attractiveness as an employer.

**Research Methodology**

A sample of 200 students who are potential hires of private and foreign sector banks has been drawn from NCR (Delhi, Gurgaon, Noida). Out of 200 distributed questionnaire 186 response received back. Average response rate of data collection is 93 %. Purposive sample design is used for the study because only those respondents are considered for the study that have interest in banking sector specifically private and foreign sector banks. Sample has been drawn from NCR because most of foreign and private sector banks branches are located in this area. This is an empirical investigation and measures the association of gender with banking sector attractiveness (private and foreign sector banks). Chi square test of association has been used for checking association between gender and private & foreign sector bank choice for career.

**Data Analysis and Interpretation**

Chi square test is used for checking the association of gender with banking sector attractiveness (private sector banks and foreign sector bank). Gender is independent variable and banking sector (private and foreign) is dependent variable for the study. As both dependent and independent variables are on nominal scale then Chi square test is considered as a suitable test for measuring their association.

**Table 2:** Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
<b>GENDER * preferred sector</b>	186	100.0%	0	0.0%	186	100.0%

Source: Primary data

Table 2 shows the case processing summary of responses. It is found that among both variables i.e. gender and banking sector attractiveness, there is no missing response. So that, valid and total no. of cases are same i.e. 186 and missing case is zero.

**Table 3:** GENDER \* preferred sector Cross tabulation

		Preferred sector		Total	
		Private sector bank	Foreign sector bank		
GENDE R	Male	Count	32	68	100
		Expected Count	54.3	45.7	100.0
	Female	Count	69	17	86
		Expected Count	46.7	39.3	86.0
Total		Count	101	85	186
		Expected Count	101.0	85.0	186.0

Source: Primary data

Table 3 represents the cross tabulation matrix output. This table presents the counts of one variable (male, female) separated across the group of second variable (private and foreign sector bank). Gender (male & female) is presented in the rows and banking sector (private and foreign sector banks) is presented in columns. Within each cell observed value is listed first and termed as count and expected value presented below the observed value and named as expected

count. On the basis of observed frequency, it is found that male (68) considered foreign sector banks more attractive as compared of private sector banks (17). Female (69) responded private sector banks more positively as compared of male (32). On the basis of total no of counts private sector bank (101) is a preferred choice as compared of foreign sector banks (85

**Table 4:** Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
<b>Pearson Chi-Square</b>	43.346 <sup>a</sup>	1	.000		
<b>Continuity Correction<sup>b</sup></b>	41.424	1	.000		
<b>Likelihood Ratio</b>	45.587	1	.000		
<b>Fisher's Exact Test</b>				.000	.000
<b>Linear-by-Linear Association</b>	43.113	1	.000		
<b>N of Valid Cases</b>	186				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 39.30.

b. Computed only for a 2x2 table

Source: Primary data

Table 4 depicts that 0 cells have expected count less than 5 and minimum expected count is 39.30. This value depicts that sample size is adequate for the chi – square test. The value of Pearson Chi-Square is 43.346 with P value.000 at 95% of level of significance. P value is less than 0.05 because of this null hypothesis Ho1 i.e. there is no association between gender and banking sector attractiveness (Private and foreign sector banks) as an employer is rejected. The results of chi square test proved that there is a significant association between male and female perception about the private and foreign sector bank attractiveness as an employer

**Table 5:** Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	-.483	.000
	Cramer's V	.483	.000
N of Valid Cases		186	

Source: Primary data

Phi and Cramer’s value shows that there is a strong association between both variable i.e. gender and banking sector attractiveness.

**Conclusion**

This study highlighted that there is a significant association between gender and banking sector attractiveness. Male and female perceive private and foreign sector attractiveness differently. Female employees favored positively private sector banks and men favor foreign sector banks. Private sector banks found more attractive as compared of foreign sector banks. This study highlighted that there exist strong association between male and female perception about the private and foreign sector banks.

This study has some limitations also. This study is conducted over a limited geographical area i.e. NCR and only among students who are potential hires of private and foreign sector banks. So that, it becomes difficult to generalize the results of the study.

**Future Scope of the Study**

Future research can be conducted to measure the association of other demographics like age, qualification, income etc. with banking sector attractiveness as an employer. A comparative analysis of employer attractiveness can be conducted among private, public and foreign sector banks.

**References**

1. Aslan, G., Alince, M., Araza,A. and Dural, S. (2010).

Organizational attractiveness: An empirical study on student’s public and private sector choice.  
 2. Bezbaruah, S. (2015). Banking on equality: women, work and employment in the banking. Retrieved from <https://books.google.co.in/books?isbn=1138778338> on Sept. 6, 2017.  
 3. Business today- KPMG best bank (2013). Retrieved from <http://www.businesstoday.in/magazine/special/best-banks-2013-india-banking-sector-intro/story/200612.html>  
 4. Chapman, D.S., Uggerslev K.L. & Carroll, S.A. (2005). Applicant attraction to organization and Job choice: A Meta analytical review of the correlates of recruiting outcomes. Journal of applied psychology, 90(5), 928-944  
 5. Chow, I.H.S. and Ngo, H.S. (2002), “Gender differences in job attribute preferences and job choice of university students in China”, Journal of Applied Business Research, Vol. 18 No. 2, pp. 15-25.  
 6. Drury, Pauline (2016). Employer branding: You not-so-secret weapon in the competition for young workers. Human Resource Management International Digest, 24(3), 29-31  
 7. Gomes, D. and Neves, J. (2011). Organizational attractiveness and prospective applicants’ intentions to apply. Personnel Review, 40(6), 684-699  
 8. Global league ranking (2013). Rretrieved from [http://brandirectory.com/league\\_tables/ table/banking-500-2013](http://brandirectory.com/league_tables/table/banking-500-2013) on Sept. 7, 2017  
 9. Highhouse, S., Lievens,F. and Sinar E.F.(2003). Measuring attraction to organizations. Educational and Psychological Measurement, 63(6), 986-1000  
 10. Holtbrugge, D. and Kreppel, H. (2012). Employer attractiveness of Chinese, Indian, and Russian firms in Germany: Signaling effects of HR practices. LASER Discussion paper.  
 11. India-banking-sector-report-april (2014), [https://rbi.org.in/Scripts/PublicationReport\\_Details.aspx?ID=713](https://rbi.org.in/Scripts/PublicationReport_Details.aspx?ID=713) on July 7, 2017  
 12. Jiang, T.T. and Iles, P. (2011). Employer- brand equity, organizational attractiveness and talent management in the Zhejiang private sector, China. Journal of technology management in China, 6(1), 97-110.  
 13. KPMG-CII Report (May 2016) retrieved from [http://www.business-standard.com/article/news-ani/kpmg-cii-reports-eye-on-efficient-secure-indian-banking-sector-roadmap-116052600720\\_1](http://www.business-standard.com/article/news-ani/kpmg-cii-reports-eye-on-efficient-secure-indian-banking-sector-roadmap-116052600720_1). Html on 9 August 2017.  
 14. Lievens, F., Decaesteker, Coetsier, P. and Geirnaert (2001). Organizational attractiveness for prospective

- applicants: A person- organization Fit perspective. *Applied psychology: An international review*, 50(1), 30-51
15. Newbury, W., Gardberg, N.A. and Belkin, L.Y. (2006). Organizational attractiveness is in the eye of the beholder: the interaction of demographic characteristic with foreignness. *Journal of international business studies*. 37, 666-686
  16. Pathak, B.V. (2011). Banking and Non-banking institutions. *The Indian financial system: Markets. Institutions and services*. 3<sup>rd</sup> ed., 415-416.
  17. Pwc survey (2013). Foreign sector banks; at an inflection. Retrieved from <https://www.pwc.in/assets/pdfs/publications/2013/foreign-banks-in-india.pdf> on 15 March, 2017
  18. Raghurama and Ramya (2016). Women participation in Indian banking sector: Issues and challenges. *International journal of science and research*, 5(2), 1760-63.
  19. Ready, D.A., Hill, L.A. and Conger, J.A. (2008). Winning the race for talent in emerging markets. *Harvard Business Review*, 86(11), 62-71.
  20. Ritz, A. and Waldner, C. (2011). Competing for future leaders: A study of attractiveness of public sector organizations to potential job applicants. *Review of public personnel Administration*, 31(3). 291-316.
  21. Singh and Manisha (2016). Problems faced by working women in banking sector. *International journal of emerging research in management & technology*, 5(2), 41- 47
  22. Turban, D.B., Forret, M.L. & Hendricson, C.L. (1998). Applicant attraction to firms: influences of organisational reputation, job and organisational attributes and recruiter behaviours. *Journal of vocational behavior*, 52, 24-44
  23. Turban, D.B. (2001). Organizational attractiveness as an employer on college campuses: An examination of the applicant population. *Journal of vocational behavior*, 58, 293-312.
  24. Universum Talent Survey (2014). Graduate recruitment in banking: facing the credibility crunch. Retrieved from <https://www2.deloitte.com/content/.../financial.../deloitte-uk-fs-talent-in-banking-2014.p>
  25. Venkatesh, Mahua (2015). Indian private banks more attractive than MNCs for jobseekers. *Hindustan Times*. Retrieved from <http://www.hindustantimes.com/business/indian-private-banks-more-attractive-than-mncs-for-jobseekers/story-KshF4SpYUI8k5pANHWvHvJ.html> on March 15, 2017
  26. Vroom, V.H. (1966). Organisational choice: A study of pre and post decision processes. *Organizational Behaviour and Human Performance*, 1, 212-225.