

TENDENCY TOWARDS BANKING PROFESSION OF BANGLADESHI BUSINESS GRADUATES: A STUDY ON SOME SELECTED PUBLIC AND PRIVATE BANKS OF BANGLADESH

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ABSTRACT: *The banking sector in Bangladesh has achieved unprecedented expansion in terms of number and diversity of business keeping the view of individual and national perspectives. Such highly evolved booming as well as challenging sector requires upbeat and enthusiastic workers with strong interpersonal skills. Our Fresh graduates can have a variety of opportunities to grow further in future in this platform. Now-a-days, they prefer banking as their profession because they assume that there are lots of opportunities to grow their career in this field. This paper primarily tries to explore the different perceived reasons which motivate young graduates to prefer banking as a profession and to build up their career in this sector. Data has been collected through both primary and secondary sources and an articulated (both statistical and conclusive) methodology has been followed for judging various dimensions covering factors behind their tendency toward banking profession. Moreover, this research tries to figure a way to direct and guide the young professionals as it puts forward some recommendations assisting them to overcome hesitations in choosing banking as a profession as well as to attract the attention of the policy makers into the vital issues for making the field lucrative one.*

KEYWORDS: Career in Banking, Attitudinal factors, Career prospects. Management policies

INTRODUCTION

Banks are the foundation of the financial system of any country and an effectively functioning financial system requires an efficient banking system. According to Schumpeter (1934), the banking sector is the main source of fund for long term investment and the sector is the foundation of economic growth. Economic development of a country requires a well-organized, smooth, easy to reach and efficient saving-investment process. Banks play a vital role in the development process of the country through financing industrial and agricultural sector, local and foreign trade, and allocation of funds to various off-firm employment and self-employment projects. In the investment arena of the country Banks play important role by mobilizing people's savings into the form of deposits. Expansion of bank branches was also directed to increase the network of the banking system. Banking business has been shaped as global business and the rest other business greatly depends on the strength of banking performance. In a sense, healthy banks and healthy economies seem to go together (Kashem & Ullah, 2005). A healthy banking system depends on the performance of sound personnel. Total success of a Bank, being a service oriented organization, depends on the employees' performance, efficiency, honesty, diligence and integrity. So, young and energetic fresh graduates, having business education background are mostly preferred in this regard. Qualified and enthusiastic human cadres are being recruited in this sector to keep pace with the growing

demand for ensuring smooth functioning. Rousseau (1995) and Ryness (1993) found that potential employees make their decisions based on their perception of their values that the organization will place on them.

Profession refers to occupation, practice or vocation requiring mastery of a complex set of knowledge and skills through formal education or practical experience. Every organized profession (accounting, law, medicine, etc.) is governed by its respective professional body. Banking today is a handsome profession for enthusiasts in the field of commerce and accounts. For the beginners', it is the first step towards understanding the global economy, discovering the challenges of the marketplace and identifying themselves with tremendous opportunities, both within the country and abroad. With new banks coming up every year owing to privatization of services, the banking industry indeed provides sufficient room for thousands of graduates passed each year.

Most employees make a number of transitions among jobs during the tenure of their service life. The study shows that banking profession faces very little turnover problems as the bankers have fewer switching tendency toward other jobs although switching occurs inter-banks frequently. In either case, there are usually the intention to grow and increase in skills, responsibility, and remuneration, and/or improve the "fit" between employee skills and desires and job requirements.

Objectives of the study

The specific objectives of the study are:

To be acquainted with the reasons for choosing banking as a profession by our young graduates.

To evaluate the prospects of banking profession in developing country like Bangladesh.

To help the young learners in the undergraduate level in selecting major / concentration in their student life

To identify the hindrances related to the banking profession and to suggest some probable recommendations to overcome the problems.

METHODOLOGY OF THE STUDY

To achieve the designed objectives, an articulated (both statistical & conclusive) methodology has been followed in the study. Data has been collected through both primary and secondary sources. The detail of the methodology is given below:

Study plan

The target population of the study is all the employees working in a bank (public and private) located in Bangladesh. The study being opinion based requires appropriate tools for data collection, appropriate sampling frame and relevant technique of analysis on the data to reflect the fact in the study.

Sampling Frame

Only 460 bank employees (8 private and 3 public banks) are communicated with a questionnaire prepared in this purpose. Out of them only 200 employees responded although we expected more. Purposive sampling was followed in selecting banks, their branches and the employees for better understanding and easy communication. Though a reliable research requires a vast of respondents; this could not materialize due to paucity of time. Moreover, getting required information from busy officials is another constraint. Thus, the paper suffers from a narrow data range for analysis.

Data Collection Method

Like some other research study, data has been collected from the both primary & secondary sources. The primary data have been collected through observation and questionnaire survey (the questionnaire is shown in the Appendix section). The secondary data have been collected from website, different publications and previous research findings. The questionnaire comprising the lists of relevant queries was sent to the respondents with an earnest request to fill up and return as soon as possible. Some of the interviews were conducted personally through face-to-face at a convenient way.

Data analysis and presentation

For appropriate portrayal of the collected data, the very simple statistical techniques – tabular presentation and diagrammatic charting were used along with Microsoft Office Applications as the research instrument is of Likert type scale which is useful for analyzing qualitative survey.

Demographic Profile of Sample Respondents

The entire profile of the respondents is also very important to study one's tendency toward specific job preferring. In this paper, the profile covers various dimensions which comprise one's age, gender, marital status, academic qualification, management level and type of organization in which he or she is working and the service tenure. The following table shows the socio-economic and academic profile of the sample respondents:

01	<u>Age:</u> Range Average	<u>Year</u> 25-50 32
02	<u>Educational Qualification:</u> Post-Graduation Graduation Higher Secondary	62% 38% 0%
03	<u>Marital Status:</u> Married Single	43% 57%
04	<u>Management Level:</u> Senior Middle Junior	12% 38% 50%
05	<u>Job Experience:</u> Below 05	24%

	06-10	46%
	11-15	20%
	16-25	10%
	26 & above	0%
06	<u>Types of Organization:</u> Private Public	75% 25%
07	<u>Gender:</u> Male Female	65% 35%

Figure: Demographic Profile of Sample of Sample Respondents

Findings and Analysis

Individuals' attitudes toward specific job involve information that is generally acquired by an employee about workplace over a period of time. It results from the balancing and summation of many specific likes and dislikes of employees experienced in connection with their jobs (Cheung, 1999; Ganguli, 1994; Locke, 1976). The selected samples are consulted on some issues relevant to the reasons of choosing the profession over the prevailing some other job opportunities available in the competitive job market. The issues concerning the respondents are: choosing banking as a better profession, its future attractiveness, its necessity in the developing nations like Bangladesh, its encouraging management policies, its compatible status in the society, flexible working condition, lucrative incentives, balancing family and work life, switching tendency, and present growth condition. The result and the evaluation of the Questionnaire study are presented below:

Banking is the better profession

The following table shows clearly the responses of the sample respondents:

Respondents of 200 Employees	Respondents	%
Yes	140	70%
Neutral	40	20%
No	20	10%

Analysis: The table and graphical presentation shows that the 70% respondents which are in number 140 employees are agreed with a belief that Banking Profession is the better than any other they have ever found. And 20% are neutral and 10% are in the opposition.

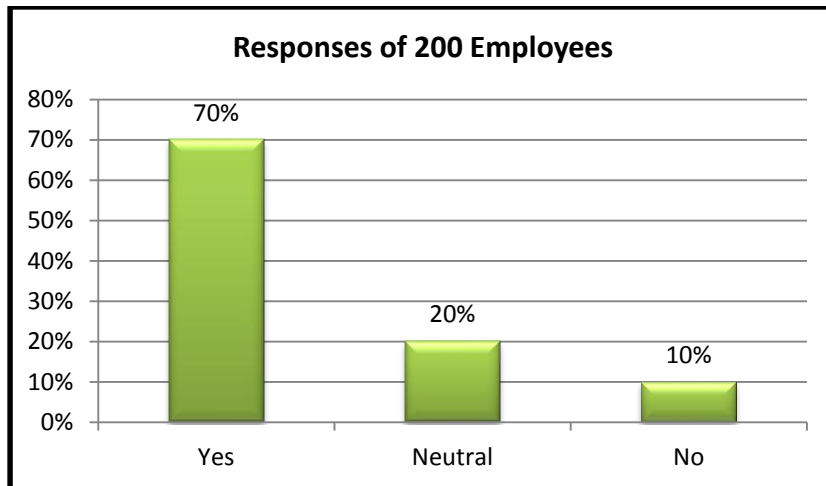


Diagram 1: Respondents’ views of Banking as a better profession

Banking profession is going to be a more attractive and prosperous profession in the future

The responses of the sample employees are as follows:

Responses of 200 Employees		
	Respondents	Percentage
Highly Agreed	100	50%
Agreed	60	30%
Neutral	20	10%
Disagreed	20	10%
Highly disagreed	0	0%

Analysis: The survey shows that only 50% respondents which are in number 100 are highly agreed with the future potentiality of Banking Profession although 10% are in the opposition.

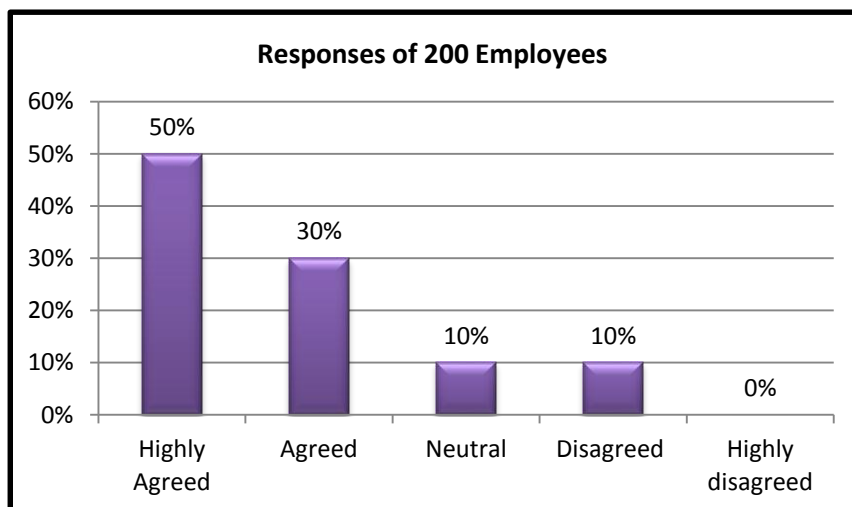


Diagram 2: Graphical opinion view of future attractiveness of banking profession

The profession is essential for achieving economic growth and prosperity of a developing country like Bangladesh

The responses of the sample employees are as follows:

Responses of 200 Employees		
	Respondents	Percentage
Highly Agreed	20	10%
Agreed	80	40%
Neutral	80	40%
Disagreed	10	5%
Highly disagreed	10	5%

Analysis: 40% employees are agreed with the opinion about the essence of the banking profession in a developing country like Bangladesh. 10% are highly agreed with the statement but 5% are also disagreed with the statement.

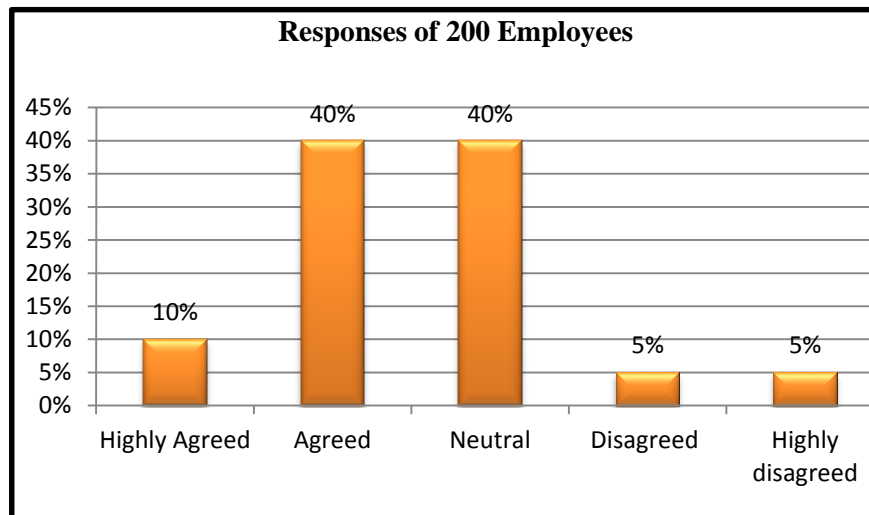


Diagram 3: Graphical view of Employees' opinion regarding the essence of the profession in Bangladesh

Management policies are encouraging for development of banking profession

The employees expressed their opinion whether the rules and policies executed in the banks are affirmative or not in the way of evolving the profession.

Responses of 200 Employees		
	Respondents	Percentage
Highly Agreed	80	40%
Agreed	50	25%
Neutral	30	15%
Disagreed	20	10%
Highly disagreed	20	10%

Analysis: The graph shows that 40% of the employees are highly agreed with the encouraging management policies to evolve banking as a profession while 25% employees merely agreed. Administrative and management policies should be formulated and conducted in such a manner the concerned feel it better to flourish their career in the relevant field. Many companies are floundering today in their attempts to improve employee retention because they have placed the responsibility for it in the hands of human resources instead of the managers (Leigh Branham, 1997).

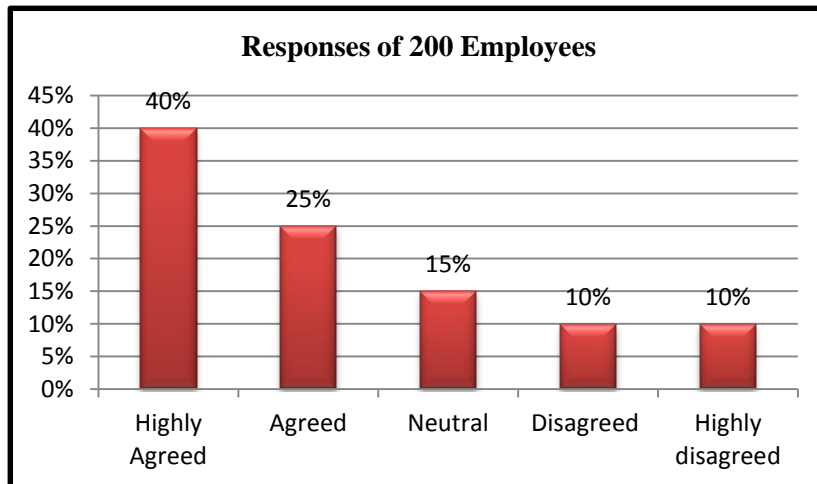


Diagram 4: Management Policies as a motivating factor for developing profession

Professional status is compatible to other profession

The responses of the sample employees are as follows:

	Respondents	Percentage
Highly Agreed	70	35%
Agreed	60	30%
Neutral	40	20%
Disagreed	30	15%
Highly disagreed	0	0%

Analysis:35% of the respondent placed the banking profession in a compatible status compared to another job else.30% merely agreed but 15% disagreed. It seems that bankers are now a days deserving social and communal recognition in the way of life as it brings not only handsome remuneration and solvency but also a distinct status in the community they reside. Organizations also should emphasize on career growth, learning and development.

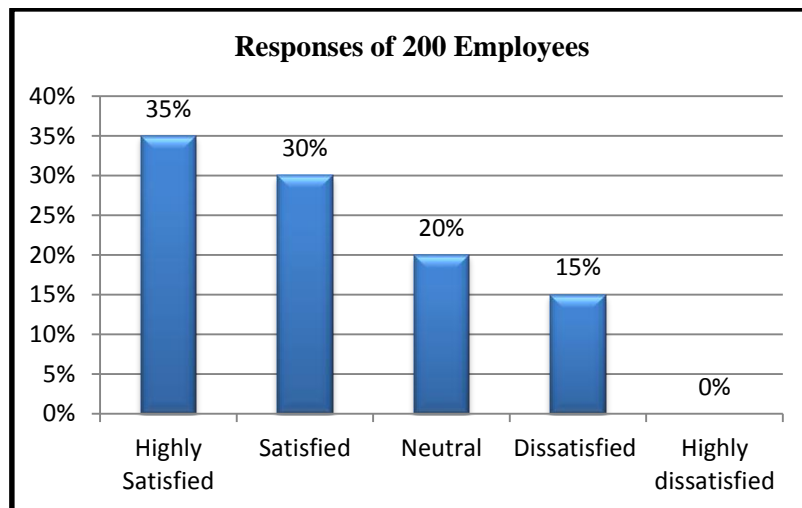


Diagram 5: Views toward banking as a compatible professional status

Working condition is more favorable than other

The responses are as follows:

Responses of 200 Employees		
	Respondents	Percentage
Highly Agreed	90	45%
Agreed	50	25%
Neutral	40	20%
Disagreed	20	10%
Highly disagreed	0	0%

Analysis: Work environment is another important factor, which has influence on job retention. Study found that politics-free work environment is significantly correlated to job satisfaction of employees (Pahikand Pesonjee, 1997). The study shows that 45% respondents i.e., total 90 employees are strongly agreed with the favorable working conditions and congenial environment where they operate. This study reveals that the banks are able to create a suitable work-environment for ensuring smooth operation as well as attracting energetic qualified graduates making them happy to work in a safe and hazardless place.

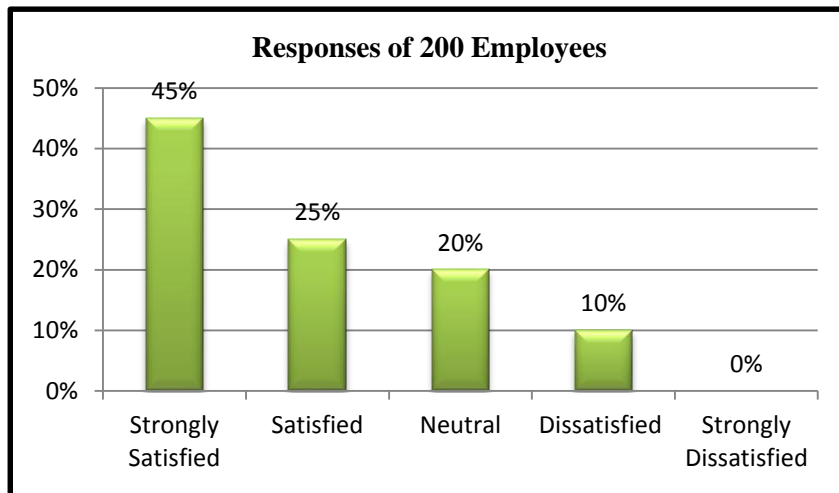


Diagram 6: Respondents’ view to flexible working environment

Employees’ perception toward the incentives or motivational tools regarding Increment, Compensation and Promotion etc.

Responses of 200 Employees		
	Respondents	Percentage
Highly Agreed	58	29%
Agreed	72	36%
Neutral	30	15%
Disagreed	40	20%
Highly disagreed	00	0%

Analysis: The study shows that 29% and 36% respondents are strongly agreed and merely agreed with the incentives offered to them. The statistics hold good. Compensation can be said to be the most sensitive as the employees are very much interested to it. For ensuring productivity there is no alternative to it. Employees’ desires are perceived as being satisfied when the organization meets or exceeds their expectations (Hackman and Oldham, 1976; Hannay and Northam, 2000; Locke, 1976; Rust et al.,1996).

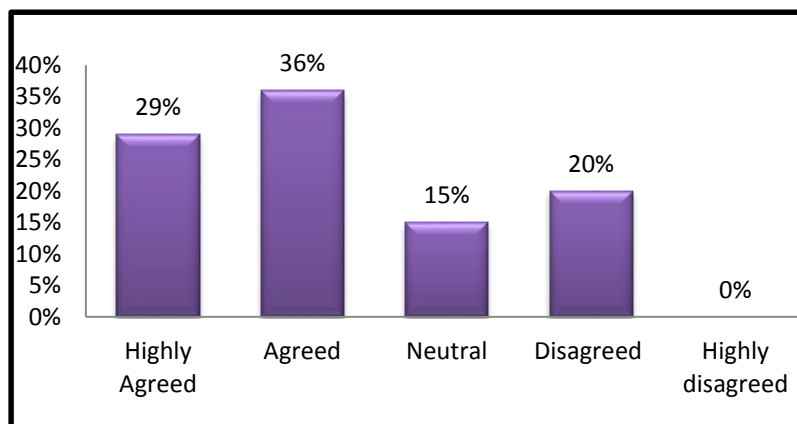


Diagram 7: Employees’ view regarding motivational tools

Opinion of employees’ about the ability to maintain a balance between family and work life

Responses of 200 Employees		
	Respondents	Percentage
Highly Agreed	20	10%
Agreed	56	28%
Neutral	60	30%
Disagreed	42	21%
Highly disagreed	22	11%

Analysis: The study shows that 10% and 28% respondents are highly agreed and agreed in maintaining a balance between family and work life respectively, while 30% made no response to the question. Bankers have to do more work beyond the office hour sometimes which may disrupt their family affairs. However, employer should concentrate on the issue to maintain flexible schedules which combat the imbalance between one's family and work life.

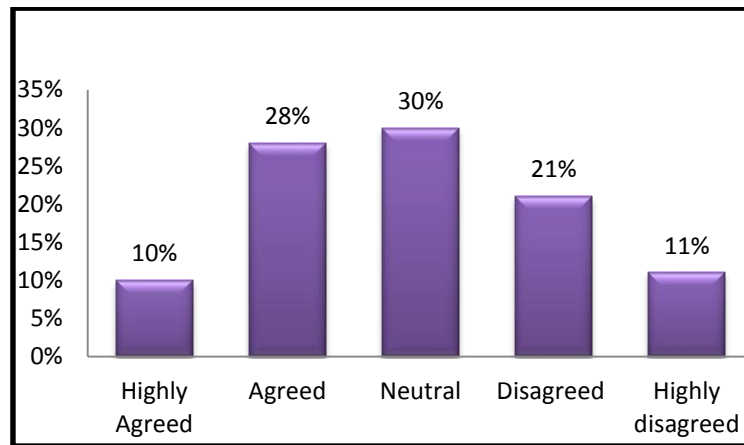


Diagram 8: Opinion of employees' ability to maintain a balance between family and work life.

Tendency of Switching to other Profession

Responses of 200 Employees		
	Respondents	Percentage
Yes	30	15%
Neutral	44	22%
No	126	63%

Analysis: The study shows that 63% employees i.e., 126 in number are unwilling to switch to other profession rather they want to develop their career in banking profession. 44 employees do not want to express any suitable reason behind their silence. But 30 employees who want to switch, expressed their utmost dissatisfaction on some issues which the authors assumes to be manageable. Contemporary banking business considers the job of satisfying their employees most important for retaining their valuable skilled workforce (Islam and Hasan, 2005).

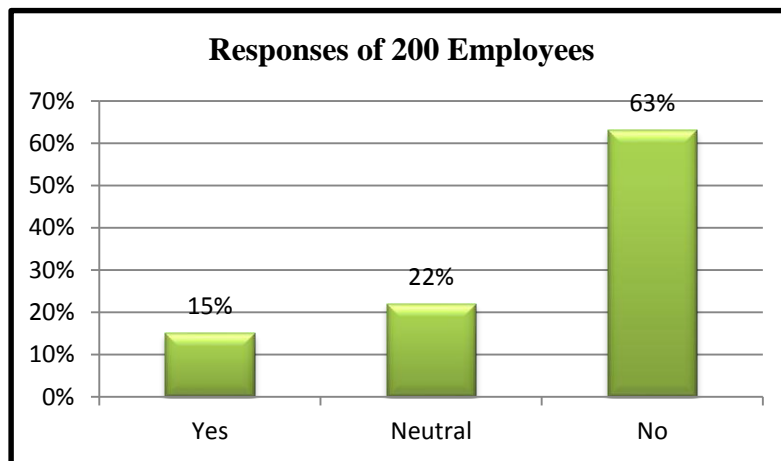


Diagram 9: Switching to other Profession:

The current growth of banking industry is essential for ensuring smooth economy and sustainable industrial development of a country like Bangladesh.

The following table states the employees' feeling regarding the necessity of the current growth of banking industry for ensuring smooth economy and sustainable industrial development of a country like Bangladesh.

Responses of 200 Employees		
	Respondents	Percentage
Highly Agreed	50	25%
Agreed	90	45%
Neutral	40	20%
Disagreed	20	10%
Highly disagreed	0	0%

Analysis: The study shows that 45% and 25% of the employees are agreed and highly agreed respectively with the essence of current growth of banks for sustainable economic and industrial development of a country like Bangladesh.

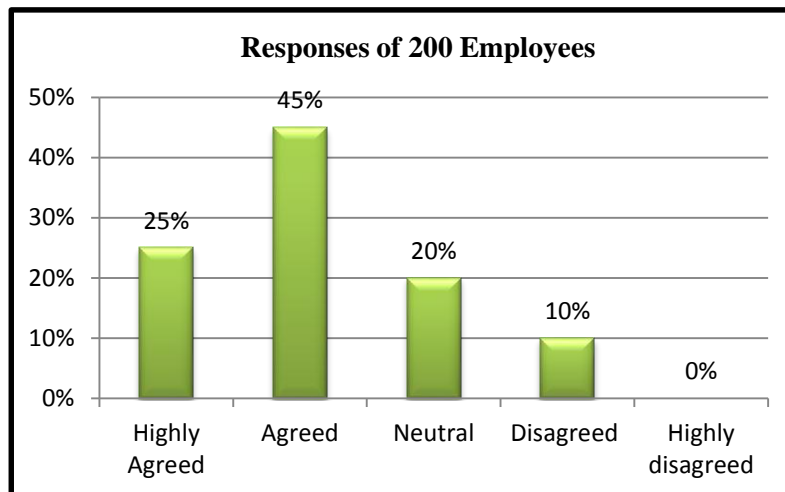


Diagram 10: Opinion regarding the essence of the current growth of banks for development of a country like Bangladesh

RECOMMENDATIONS TO OVERCOME CONSTRAINTS

The following recommendations may be fruitful to assist our young graduates to overcome hesitations in choosing banking as a profession. The employer also should concentrate on the following points for attracting the highly dedicated potentials.

Organizations should focus on fair pay and benefits. Salary is the primary and most important sensitive factor. It should be high enough to maintain the living standard of employees. The authority should consider that salary structure and benefits should be reasonable and comparable with that of other banks and/or other similar institutions.

It is said that the promotion opportunity is narrower in the upper levels. In spite of this, the authority should think positively and take care of it so that the negative attitude toward job can be reduced at least up to an acceptable level. The bank should have a transparent standing policy for promotion of employees so that an officer not getting promotion can clearly understand the causes behind it and may devote himself to be fit for promotion and they can improve their working standard with a competitive attitude to make themselves fit for the future promotion.

In addition to salary, there should be some kinds of benefits such as insurance coverage, leave and other fringe benefits to induce an employee stay longer in service. There should be maintaining equality for every level of officers in providing these benefits. Benefits and perquisites are essential for attracting and retaining qualified personnel.

Quality of supervision, Standard reward system for better performance, Operating procedure, Co-workers' attitude, Nature of work itself and Two-way communication system have also significant impact on choosing and staying in a profession. The authority should be more responsible to maintain a congenial supportive atmosphere in the work place.

Banking management policies need to be more encouraging and liberal for the development of the profession. Organizations should focus on company policies. It should comply with other organization within the industry. Again it should comply with national and international

standard. Sharing of information among different divisions within the organization should be easily done, so that the employees feel belongingness. Day to day operating procedure of the bank should be simple and transparent and understandable to them. In this regard provisions of service training and guidance should be provided to perform job efficiently.

Organizations need to have an ongoing career development program, or skills training program. An investment in upgrading the workforce is one of the best investments a company can make when looking at long-term growth. Work-life balancing is another sensitive issue in favor of both the employers and employees to be carefully handled. Organization should focus more on employee retention strategies regardless of pay levels.

CONCLUSION

Banking sector has evolved tremendously in the past decade. It is one of the rapidly growing and challenging sectors compared to other sectors. It is not just limited to its basic role of lending Money and taking deposits. Competition is strengthened by the entry of new and innovative bankers. There has been development of adequate professional management and modern managerial techniques and practices in banking. As banking is one of the vital service industries for any country and performing a number of roles in the economy, selecting banking as a profession is a wise decision. Like all other industries, banking sector in our country is also facing some sort of problems which authors assume to be solvable. Young and energetic graduates' heartily joining in this booming as well as challenging sector can help the banking industry to play a pivotal role in capital formation and stimulate the level of industrialization, poverty alleviation and human development.

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