

# A STUDY ON PERFORMANCE MANAGEMENT IN BSNL WITH SPECIAL REFERENCE TO JOB SATISFACTION IN THREE DIFFERENT SSAS USING MODELING

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## ABSTRACT

*The present study investigates that the Performance Management and its impact towards Job Satisfaction with special reference to BSNL, three different SSA (Secondary Switching Area)s namely Trichy, Thanjavur and Madurai SSA using SEM Modeling. The Performance Management is the function of Human Resource Development (HRD) practices which are mainly concerned with people at work and with their relationship within the organization. To examine the level of Performance Management are associated with Job Satisfaction using by Job Descriptive Index (JDI) Scale among BSNL employees. The JDI scale included Work, Supervision, Pay, Promotions, and Co-worker. Job Satisfaction Employees would make a positive contribution to their respective BSNL and may lead to increase the effectiveness of the BSNL. It is therefore important to have a good understanding of an individual's total personality and value system in order to understand and describe his job satisfaction. Some important implications for future research are also derived from the study.*

**Key words:** Performance Management, Job Satisfaction, HRD and JDI Scale.

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## INTRODUCTION

One important caveat to consider is that while performance management for purposes of decision-making and employee development are certainly related, these two objectives are rarely supported equally well by a single system. When a performance management system is used for decision-making, the appraisal information is used as a basis for pay increases, promotions, transfers, assignments, reductions in force or

other administrative HR actions. When a performance management system is used for development, the appraisal information is used to guide the training, job experiences, mentoring and other developmental activities that employees will engage in to develop their capabilities. Although it is theoretically possible to have a performance management system that serves both decision-making and development purposes well, this can be difficult to achieve in practice.

Job satisfaction is an emotional affective personal response as a result of his 'estimation of the degree to which some fact of job reality is congruent or incongruent with his values' according to (Ejiogu, 1985). It is therefore important to have a good understanding of an individual's total personality and value system in order to understand and describe his job satisfaction.

Job satisfaction may be defined as a pleasurable positive emotional state resulting from the appraisal of one's job or job experiences. It resulting from the perception that one's job fulfils or allows the fulfillment of one's important job values providing and to the degree that these values are congruent with one's needs – observes Locke (1976).

BSNL is the only service provider, making focused efforts & planned initiatives to bridge the rural-urban digital divide in ICT sector. In fact there is no telecom operator in the country to beat its reach with its wide network giving services in every nook & corner of the country & operates across India except New Delhi & Mumbai. Whether it is inaccessible areas of Siachen glacier or North-Eastern regions of the country, BSNL serves its customers with a wide bouquet of telecom services namely Wireline, CDMA mobile, GSM mobile, Internet, Broadband, Carrier service, MPLS-VPN, VSAT, VoIP, IN Services, FTTH, etc.

The BSNL Tamil Nadu Telecom Circle office is situated in Chennai as like state Headquarters, it is further divided in to Secondary Switching Areas (SSA) as like Revenue Districts. The BSNL TN Telecom Circle consists of 17 SSAs, the names of the SSAs are Coimbatore, Cuddalore, Dharmapuri, Erode, Karaikudi, Kumbakonam, Madurai, Nagercoil, Nilgiris, Pondyicherry, Salem, Thanjavur, Tirunelveli, Madurai, Tuticorin, Vellore, and Virudhunagar SSA.

## REVIEW OF LITERATURE

**Lakshmi (2008)** found that the "Performance Management & Appraisal system (PMA) in an organization" the method outlined in this study the researcher concluded that it is very essential that the managers and employees should inter act each other and come to the crux of the problem and solve the problem like communication skills, interaction, interaction about the performance, appreciating and motivating each other so that the process cannot be stopped before it begins.

**Anastasia (2009)** investigated the pathways leading from HRD to organisational performance by using structural equation modelling. The study supports for the use of skills, attitudes, and behaviours as serially mediating variables between resourcing and development, and organisational performance. Thus, the research suggests that models depicting direct relationships between resourcing and development and organisational performance may be too simplistic and does not show the causalities involved.

**Robertson and Markwick (2009)** points out that engagement provides employees with an opportunity to invest themselves in their work and also creates a sense of self efficacy. Research on the consequences of employee engagement indicates that

engagement may result in positive health and positive feelings towards work and organisation.

**Madhura and Deepika (2014)** analyze how these drivers impact the level of employee performance and wellbeing at workplace of the employees. Companies have to give their employees the liberty to make their work exciting and creating an environment for having an engaged work life. Employees are the key assets to any organization and if they are not given the right space and time to make a perfect blend of work and fun at workplace, then the sense of disengagement sets in the employees. Organization and employees are both dependent on each other to fulfil their goals and objectives. Employee engagement should be a continuous process of learning, improvement and action. Thus, organizations today should actively look forward to fulfil employee`s expectations and thus, create an impact on the performance of employee, which directly affects the organization`s performance.

**Gopinath & Shibu (2014 a & b)** confirmed that the HRD practices related entities and its impact towards job satisfaction in BSNL at various workplaces. The BSNL has a clear, fair and well Appraisal and Reward policy, which makes the employees, were highly satisfied **Gopinath & Shibu (2014 c)**.

## **OBJECTIVES OF THE STUDY**

To know how the Performance Management influence Job Satisfaction factor with special reference to BSNL employees.

## **HYPOTHESIS OF THE STUDY**

Based on the review of literature, the following null hypotheses were formulated to meet the research questions of the study:

**H<sub>1</sub>:** Performance Management has a positive impact on job satisfaction in terms of work.

**H<sub>2</sub>:** Performance Management has a positive impact on job satisfaction in terms of supervision.

**H<sub>3</sub>:** Performance Management has a positive impact on job satisfaction in terms of pay.

**H<sub>4</sub>:** Performance Management has a positive impact on job satisfaction in terms of promotion.

**H<sub>5</sub>:** Performance Management has a positive impact on job satisfaction in terms of co-workers.

## **PERIOD OF THE STUDY**

This study covers a period of four months from January to June 2014.

## **METHODOLOGY**

### **SAMPLE FRAME**

The universe of the study is 4640 employees of BSNL which consists of executives & non-executives, technical & non-technical cadres and both gender of three SSA's namely Trichy, Thanjavur and Madurai. Of the universe a sample size of 928 respondents (Exactly 20%) were selected by Stratified Proportionate Random Sampling Method.

### **DATA COLLECTION METHOD**

The study depends mainly on the primary data collected through a well-framed and structured questionnaire. This study was carried out through survey method using questionnaires as the main instrument. Impact to Job Satisfaction using Job Descriptive Index (JDI) Scale by **Smith, et. al. (1969)** among the employees of the study unit. The JDI scale included Work, Supervision, Pay, Promotion, and Co-worker.

### **STATISTICAL TOOLS**

The validity and reliability of the questionnaires were measured. The internal consistencies of scale were assessed through computing Cronbach's Test. The questionnaire shows the reliability value is 0.9. Implication from these values indicates that all of the items used for each component in the questionnaire have a high and consistent reliability values. CFA model and path model in AMOS were used for this study.

### **LIMITATION OF THE STUDY**

The outcome of the study will be applicable only to these respondents. Further, it cannot be stated that the inferences are universal to the entire BSNL. But adequate caution is taken to make the study more objective and empirical.

### **STATEMENT OF PROBLEM**

BSNL has different level of cadres and also Job Satisfaction is varying at different levels. Job Satisfaction of the employees dependent on various factors. This factor has to be developed with needs to be studied further. BSNL has High level of stress and different age factor changes in organisation, so the needs to further study.

## FINDINGS

**Table 1** Results of Measurement Model – Performance Management (PM) and Job Satisfaction factors

Regression Weights			Standardized Loadings	Standard Error	t-value	P<.001	CR	AVE
PM3	<---	Performance Management	.851	-	- <sup>a</sup>	-	0.901	0.695
PM8	<---	Performance Management	.744	.035	25.587	0.001		
PM7	<---	Performance Management	.704	.031	24.295	0.001		
PM1	<---	Performance Management	.785	.029	27.609	0.001		
PM2	<---	Performance Management	.802	.031	28.457	0.001		
W3	<---	Work	.595	-	- <sup>a</sup>	-	0.834	0.631
W4	<---	Work	.656	.091	12.626	0.001		
W6	<---	Work	.387	.072	8.979	0.001		
S2	<---	Supervision	.665	-	- <sup>a</sup>	-	0.881	0.653
S3	<---	Supervision	.548	.109	11.148	0.001		
S5	<---	Supervision	.674	.137	12.298	0.001		
PY1	<---	Pay	.562	-	- <sup>a</sup>	-	0.875	0.640
PY3	<---	Pay	.628	.079	14.138	0.001		
PY6	<---	Pay	.461	.068	11.332	0.001		
PR4	<---	Promotion	.763	-	- <sup>a</sup>	-	0.870	0.692
PR3	<---	Promotion	.781	.045	23.571	0.001		
PR2	<---	Promotion	.810	.040	24.474	0.001		
CW3	<---	Co-Workers	.621	-	- <sup>a</sup>	-	0.720	0.563
CW1	<---	Co-Workers	.677	.177	10.854	0.001		
CW4	<---	Co-Workers	.527	.099	8.126	0.001		

<sup>a</sup> Indicates a parameter fixed at 1.0 in the measurement model.

The measurement model of ‘performance management and job satisfaction’ showed that all the items loaded highly on their corresponding factors, confirming the unidimensionality of the constructs and providing strong empirical evidence of their validity. The resulting measurement model was  $\chi^2_{(156)} = 758.944$ ,  $p = .000$ ,  $GFI = .924$ ,  $AGFI = .894$ ,  $NFI = .897$ ,  $CFI = .916$ ,  $TLI = .894$ ,  $IFI = .916$ ,  $RMSEA = .066$  and  $RMR = .047$ , which indicated a good fit. The t-values for the loadings were high, demonstrating adequate convergent validity.

**Table 2** Results of Model Fit for Measurement Model – Performance Management and Job Satisfaction factors

Fit indices	Acceptable Levels
$\chi^2_{(156)} = 758.944$	
CMIN ( $\chi^2/df$ ) = 4.865 ( $p < .000$ )	Less than 1.0 is a poor model fit; more than 5.0 reflects a need for improvement
GFI = .924	More than 0.90
AGFI = .894	More than 0.90
CFI = .916	More than 0.95
TLI = .894	More than 0.90
NFI = .897	More than 0.90
IFI = .916	More than 0.90
RMR = .047	Less than 0.050
RMSEA = .066	Less than 0.080

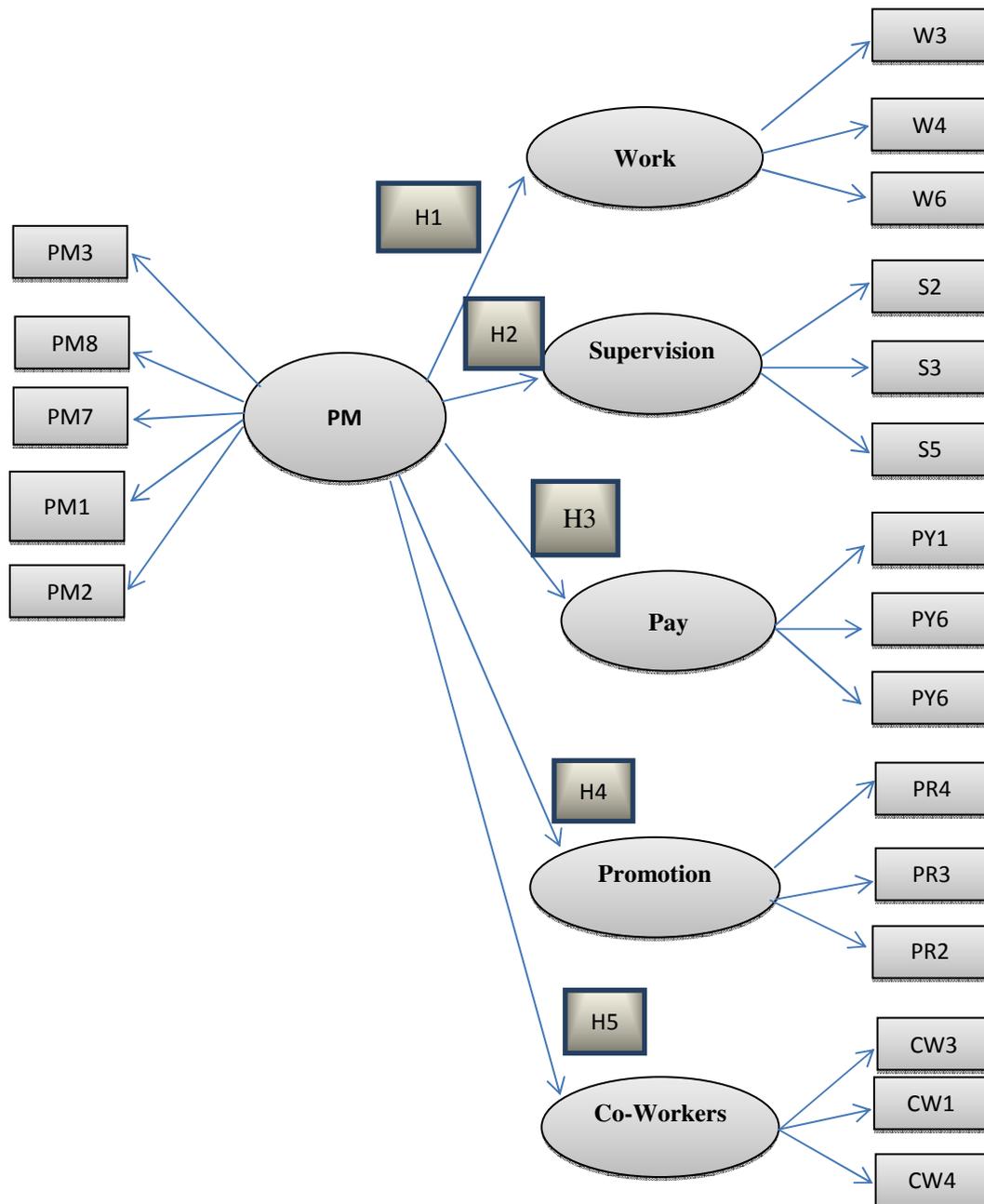
The results of structural model analysis showed that as hypothesized, performance management (t-value = 8.326,  $p = .000$ ) had positive and significant relationship with work and therefore  $H_1$  was supported. The model revealed a positive and significant effect of performance management (t-value = 9.761,  $p = .000$ ) on supervision and therefore  $H_2$  was supported. Performance management (t-value = 10.475,  $p = .000$ ) had strong influence on pay, thereby  $H_3$  was supported. Significant and positive effect of performance management (t-value = 18.949,  $p = .000$ ) on promotion supported  $H_4$ . Performance management (t-value = 5.320,  $p = .000$ ) was significantly related to co-workers. Hence, support was found for  $H_5$ .

**Table 3** Results of Path Model – Performance Management and Job Satisfaction

Regression Weights			Standardized Loadings	Standard Error	t-value	P < .001
Work	<---	Performance Management	.573	.023	8.326	0.001
Supervision	<---	Performance Management	.703	.024	9.761	0.001
Pay	<---	Performance Management	.716	.026	10.475	0.001
Promotion	<---	Performance Management	.911	.051	18.949	0.001
Co-Workers	<---	Performance Management	.540	.023	5.320	0.001

**Table 4** Hypothesis Results

Hypothesis	Relationship	Supported/Not supported
H <sub>1</sub>	Performance Management - Work	Supported
H <sub>2</sub>	Performance Management – Supervision	Supported
H <sub>3</sub>	Performance Management - Pay	Supported
H <sub>4</sub>	Performance Management - Promotion	Supported
H <sub>5</sub>	Performance Management – Co-Workers	Supported



**Figure 4.4** Performance Management and Job Satisfaction

## DISCUSSIONS

### 1) Job Satisfaction with regard to Work

It is also represented that, performance management greatly influence the job satisfaction with regard to work. This finding implies that the management is in position to measure the original stand of the employees and also measure their contribution towards organisation goals.

### 2) Job Satisfaction with regard to Supervision

It is also represented that, performance management greatly influence the job satisfaction with regard to supervision. This finding implies that the performance management enables the supervisor that is controlling officers to make the subordinates in realise the importance of total quality and target accomplishment in their work. The controlling officers will also train the employees in order to satisfy the top level management.

### 3) Job Satisfaction with regard to Pay

It is also represented that, performance management greatly influences job satisfaction with regard to pay. This finding implies that the management is in position to measure actual performance of the employees and also measure their contribution towards organisation goals.

### 4) Job Satisfaction with regard to Promotion

It is also represented that, performance management greatly influences job satisfaction with regard to promotion. This finding implies that the management is in position to assess the original stand of the employees and also measure their contribution towards organisation goals.

### 5) Job Satisfaction with regard to Co-Workers

It is also represented that, performance management greatly influence the job satisfaction with regard to co-workers. It implies that controlling managers maintains uniformity in communication, work resource allocation. Since there is an uniformity by the controlling manager, it creates sense of satisfaction among the co-workers.

## CONCLUSION

This research study made an effect to analysis the impact of job satisfaction on industrial relation of the BSNL employees. The job satisfaction of BSNL employee was evaluate by using work, supervision, pay, promotion and co worker in JDI scale. The researcher concluded based on the analysis and discussion, BSNL has good performance management process with the employees. BSNL has good performance management systems, which makes the employees, were highly satisfied.

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