PUBLIC VS. PRIVATE BANKS: THE ROLE OF PERCEIVED ORGANISATIONAL SUPPORT IN SHAPING EMPLOYEE SILENCE AND ORGANISATIONAL COMMITMENT

Jashmeen Kaur

Research Scholar, University school of Applied Management, Punjabi University, Patiala

Ritu Lehal

Professor, University School of Applied Management, Punjabi University Patiala, Patiala

Kanika Sofat

Assistant Professor, Mehr Chand Mahajan College for Women, Sec 36 A Chandigarh

Corresponding Author: Jashmeen kaur

ABSTRACT

This study examines the influence of perceived organisational support on employee silence and organisational commitment in the Indian banking sector, with a comparative analysis of selected public and private sector banks. The study employs a stratified random sampling technique and collects primary data from 400 employees working in four major banks: State Bank of India, Punjab National Bank, HDFC Bank, and ICICI Bank, representing both public and private sector institutions. Structural Equation Modelling and Multi-Group Analysis using AMOS were applied to examine the differential effects of perceived organisational support across the selected banks. The results reveal significant sectoral differences in how employees respond to organisational support. Perceived organisational support was found to reduce defensive silence more strongly in private banks, whereas it had a stronger positive influence on affective and continuance commitment among employees in public sector banks. However, no significant differences were observed in the relationship between perceived organisational support and pro-social silence or normative commitment. The findings highlight the importance of supportive organisational practices in fostering open communication and strengthening employee commitment in banking institutions.

1. INTRODUCTION

In today's organisations, Employees are no longer seen as passive followers of top-down decisions; instead, they are recognised as active contributors whose engagement, loyalty, and willingness to speak up play a vital role in organisational success (Morrison, 2014). As firms adopt new technologies, restructure teams, and adjust to ever-changing market needs, employees often experience dynamic job demands, role ambiguity, and performance pressures. These conditions significantly influence their perceptions of organisational climate and determine whether they feel safe and empowered to speak up or choose to remain silent.

As a pivotal part of any economy, the banking sector depends on its human resources to navigate complex challenges in a dynamic marketplace. The Indian banking industry,

encompassing public and private sector institutions, has experienced significant transformation over the past decade.

Key developments such as digital banking innovations, stricter regulatory frameworks, workforce automation, and increasing competition from fintech firms have reshaped how banks operate and employees experience their roles. In this changing landscape, the expectations placed on banking professionals have grown considerably. Employees are now required to perform under tighter deadlines, manage evolving customer demands, and navigate complex technologies while maintaining high service quality. Combined with traditional hierarchical structures and limited participatory mechanisms, these pressures can reduce employees' willingness to voice concerns or suggestions, amplifying the risk of silence in banking organisations (Milliken et al., 2003).

2. LITERATURE REVIEW

2.1 Perceived Organisational Support

Perceived organisational support refers to employees' general belief that their organisation values their contributions and cares about their well-being (Eisenberger et al., 1986). It represents the quality of the social exchange relationship between an employee and the organisation. A comprehensive definition by Kurtessis et al. (2017) describes POS as "employees' beliefs about the extent to which the organisation cares about their well-being and values their contributions."

2.2 Employee Silence

The concept of employee silence has evolved significantly over the past few decades. The term was first introduced to organisational behaviour literature by Morrison and Milliken (2000) in their study "Organisational Silence: A Barrier to Change and Development in a Pluralistic World." They argued that organisational silence represents a collective phenomenon where employees withhold their opinions and concerns about organisational problems.

Before this formal introduction, related concepts such as "spiral of silence" (Noelle-Neumann, 1974) and "groupthink" (Janis, 1972) had been explored in social psychology. However, Morrison and Milliken's work focused on the organisational context and employees' deliberate withholding of information.

Dimension	Primary Motivation	Characteristics	Key References
Acquiescent Silence	Resignation	Belief that speaking up is futile	Van Dyne et al. (2003)
Prosocial Silence	Altruism	Protection of others or the organisation	Van Dyne et al. (2003)
Defensive Silence	Fear	Self-protection from negative consequences	Brinsfield (2013);Knoll & van Dick (2013); Van Dyne et al. (2003)

2.3 Organisational Commitment

Allen and Meyer (1990) define organisational commitment as "a psychological state that characterises the employee's relationship with the organisation and has implications for the decision to continue or discontinue membership". In service-oriented sectors such as banking, organisational commitment assumes critical importance. The banking sector's reliance on sustained employee-customer relationships means that committed employees are more likely to deliver superior service quality, enhancing customer satisfaction and organisational success. Employee turnover in banks is costly, disrupting service delivery and incurring recruitment and training expenses, a key factor for organisational stability (Jamal et al., 2021).

Meyer and Allen's Three-Component Model

1. Affective commitment: This dimension reflects an employee's emotional attachment to, identification with, and involvement in the organisation

2. Continuance commitment: It is based on employees' assessment of the costs associated with leaving the organisation, such as loss of income, benefits, or social ties, as well as perceived lack of viable alternatives.

3. Normative commitment arises from a sense of moral obligation or duty to remain with the organisation.

3. OBJECTIVE OF THE STUDY

The banking sector, particularly in India, is undergoing rapid transformation due to technological advancements, increased competition, and evolving customer expectations. Banks rely heavily on employee engagement and open communication to maintain service quality and organisational resilience. The study compares the impact of perceived organisational support on employee silence and organisational commitment of public and private sector bank employees.

4. RESEARCH METHODOLOGY

In the present study, stratified random sampling has been employed. The population was stratified into four groups based on the selected banks, State Bank of India (SBI), Punjab National Bank (PNB), HDFC Bank, and ICICI Bank. These strata represent both public (SBI, PNB) and private (HDFC, ICICI) sector banks. Within each stratum, branches were randomly selected. After identifying the branches, employees were randomly selected from each strata, ensuring that every individual within the branch had an equal chance of inclusion.

G*Power software version 3.1.9.7, as recommended by Hair et al. (2014), was utilized to estimate the minimum required sample size for the present study, a total of 400 respondents were finalised, 100 each from select banks: SBI, PNB, HDFC, and ICICI

5. RESULTS AND ANALYSIS

The analysis aimed to determine whether the impact of POS on the respective dependent variables varies significantly between employees of public and private sector banks. In this

regard, Multi-Group Analysis was employed using AMOS to test for differences across groups

Path	SBI (Public)	PNB (Public)	HDFC (Private)	ICICI (Private)	Highest Effect In	Z-score	p-value	Moderation Conclusion
POS → Acquiescent Silence	-0.10	-0.16	0.22	0.28	ICICI	2.59	0.009	Moderation
POS → Defensive Silence	-0.05	-0.06	-0.30	-0.34	ICICI	-2.53	0.011	Moderation
POS → Pro-social Silence	0.12	0.14	0.02	0.03		-0.91	0.363	No Moderation
POS → Affective Commitment	0.21	0.18	0.08	0.01	SBI	-2.63	0.008	Moderation
POS → Normative Commitment	0.01	0.02	-0.10	-0.18		-1.17	0.242	No
POS → Continuance Commitment	0.29	0.25	0.12	0.07	SBI	-1.57	0.117	Moderation

POS→DS: The negative relationship between Perceived Organizational Support and Defensive Silence was strongest in ICICI ($\beta = -0.34$) and HDFC ($\beta = -0.30$) among the private banks, indicating employees here who feel less supported tend to stay silent defensively to protect themselves. In contrast, the public banks SBI ($\beta = -0.05$) and PNB ($\beta = -0.06$) showed much weaker negative relationships. This pattern suggests that private bank employees are more affected by perceived lack of support in relation to defensive silence, reflecting a more competitive or insecure work environment.

POS→AS: A significant sectoral difference appeared here as well. In private banks, ICICI ($\beta = 0.28$) and HDFC ($\beta = 0.22$) showed a positive relationship, meaning that even with higher perceived support, acquiescent silence (staying silent due to resignation) could increase, possibly due to hierarchical or conformist culture. In contrast, public banks SBI ($\beta = -0.10$) and PNB ($\beta = -0.16$) exhibited a negative relationship, where higher support was linked with reduced acquiescent silence, suggesting greater openness.

POS→PSS: The relationship between Perceived Organizational Support and Pro-social Silence was relatively consistent across banks, with PNB ($\beta = 0.14$) and SBI ($\beta = 0.12$) in public banks and ICICI ($\beta = 0.03$) and HDFC ($\beta = 0.02$) in private banks showing similar positive but small coefficients. No significant differences were observed, indicating this relationship does not differ much by bank type.

POS→AC: Public banks demonstrated a stronger positive link between Perceived Organizational Support and Affective Commitment, with SBI ($\beta = 0.21$) and PNB ($\beta = 0.18$) showing notable effects. Private banks had weaker effects, HDFC ($\beta = 0.08$) and ICICI ($\beta = 0.01$), indicating employees in public banks tend to feel more emotionally attached to their organizations when they perceive high support.

POS→NC: There was little difference across banks for Normative Commitment. Private banks showed slightly negative effects (HDFC $\beta = -0.10$, ICICI $\beta = -0.18$), while public banks had near-zero effects (SBI $\beta = 0.01$, PNB $\beta = 0.02$), suggesting perceived support does not strongly influence employees' sense of obligation to stay, regardless of bank.

POS→CC: Perceived Organizational Support was more strongly associated with Continuance Commitment in public banks, especially SBI ($\beta = 0.29$) and PNB ($\beta = 0.25$), compared to private banks, HDFC ($\beta = 0.12$) and ICICI ($\beta = 0.07$). This suggests employees in public banks are more likely to stay due to perceived costs of leaving when they feel supported.

6. IMPLICATIONS OF THE FINDINGS

By uncovering how perceived organisational support (POS) shapes the silence behaviours and commitment levels of employees, the study provides a strategic framework for improving organisational health and productivity within the Indian banking context. Banks should implement policies that enhance both tangible and intangible support, ranging from fair compensation and job security to empathetic leadership, transparent communication, and psychological safety. Banks should also establish safe channels for voice, including anonymous reporting mechanisms, open forums, team debriefs, and employee suggestion platforms. Psychological safety must be built through consistent reinforcement that speaking up will not lead to retaliation. Lastly, banks experiencing high attrition or disengagement should focus on evaluating their support culture, leadership effectiveness, and internal communication systems. Investment in mental health services, flexible working arrangements, and employee assistance programs can further reinforce a culture where employees feel cared for and emotionally invested.

7. CONCLUSION

The results of this study highlight the crucial role of perceived organisational support in shaping employee behaviour and attitudes within the Indian banking sector. Sectoral comparisons revealed meaningful differences in how support is experienced and responded to. In private sector banks, support more effectively reduced defensive silence, whereas in public sector banks, it had a stronger influence on affective and continuance commitment. These differences point to the importance of contextual factors, such as organisational culture, employment security, and leadership practices, in shaping employee responses to support. Therefore, this study reinforces the need to treat employee silence not just as a behavioural tendency but as a psychologically complex mediator that connects organisational treatment to employee loyalty.

REFERENCES

1. Allen, N. J., & Meyer, J. P. (1990). The measurement and antecedents of affective, continuance and normative commitment to the organisation. Journal of Occupational Psychology, 63(1), 1-18. https://doi.org/10.1111/j.2044-8325.1990.tb00506.x

2. Brinsfield, C. T. (2013). Employee silence motives: Investigation of dimensionality and development of measures. Journal of Organizational Behavior, 34(5), 671-697. https://doi.org/10.1002/job.1832

3. Eisenberger, R., Huntington, R., Hutchison, S., & Sowa, D. (1986). Perceived organisational support. Journal of Applied Psychology, 71(3), 500–507. https://doi.org/10.1037/0021-9010.71.3.500.

4. Hair, J. F., Gabriel, M., & Patel, V. (2014). AMOS covariance-based structural equation modeling (CB-SEM): Guidelines on its application as a marketing research tool. *Brazilian Journal of Marketing*, *13*(2).

5. Jamal, M. T., Anwar, I., Khan, N. A., & Saleem, I. (2021). Work during COVID-19: Assessing the influence of job demands and resources on practical and psychological outcomes for employees. Asia-Pacific Journal of Business Administration, 13(3), 293-319. https://doi.org/10.1108/APJBA-05-2020-0149.

6. Janis, I. L. (1972). Victims of groupthink. Houghton Mifflin.

7. Knoll, M., & van Dick, R. (2020). Authenticity, employee silence, prohibitive voice, and employee surveillance. Journal of Business Ethics, 165, 1-15. https://doi.org/10.1007/s10551-019-04311-8.

8. Kurtessis, J. N., Eisenberger, R., Ford, M. T., Buffardi, L. C., Stewart, K. A., & Adis, C. S. (2017). Perceived organisational support: A meta-analytic evaluation of organisational support theory. Journal of Management, 43(6), 1854-1884. https://doi.org/10.1177/0149206315575554.

9. Milliken, F. J., Morrison, E. W., & Hewlin, P. F. (2003). An exploratory study of employee silence: Issues that employees don't communicate upward and why. Journal of Management Studies, 40(6), 1453-1476. https://doi.org/10.1111/1467-6486.00387

10. Morrison, E. W. (2014). Employee voice and silence. Annual Review of Organisational Psychology and Organisational Behavior, 1, 173-197. https://doi.org/10.1146/annurev-orgpsych-031413-091328.

11. Morrison, E. W., & Milliken, F. J. (2000). Organisational silence: A barrier to change and development in a pluralistic world. Academy of Management Review, 25(4), 706-725. https://doi.org/10.5465/amr.2000.3707697.

12. Noelle-Neumann, E. (1974). The spiral of silence: A theory of public opinion. Journal of Communication, 24(2), 43-51. https://doi.org/10.1111/j.1460-2466.1974.tb00367.x.

13. Van Dyne, L., Ang, S., & Botero, I. C. (2003). Conceptualizing employee silence and employee voice as multidimensional constructs. Journal of Management Studies, 40(6), 1359-1392. https://doi.org/10.1111/1467-6486.00384.