

HRD Conducts Research Using Public Sector Banks and Private Sector Banks

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ABSTRACT

The banking sector, which is reliant on the health of the public, was discussed in this article. Only people use its services, and they are also the only ones who directly influence productivity. Up until 1969, banking was still in some ways a traditional enterprise. when the Indian government took over major banks. Banks became a powerful force for social change after being nationalized and ceased to be the sole source of finance for industry. The assertion that the banking industry is increasing astronomically is supported by additional proof in the form of statistics.

The Indian banking industry needs to be governed by banking professionals if it is to profit from the sector on a global scale. The goal of the study is to look at four important factors that have a big impact on how the banking industry develops in private sector banks: selection and recruitment policies, training, performance appraisal, and compensation. For this descriptive and exploratory analysis, the researcher used a standard random sampling technique.

In the study, employee impressions of the HRD environment in the two largest banks are assessed. Additionally, it looks to examine if bank employees working for public and private sector banks have different perspectives on each facet of the HRD climate. The HRD climate is divided into three categories: General Climate, OCTAPACE, and HRD Mechanisms. 200 employees submitted the primary data using a standardized questionnaire with 40 items.

KEY WORDS

Performance review, bank employees, private banks, and methods of human resource management.

Introduction

India's economy and people are reliant on its banking sector to survive. The banking sector supported the growth of the various economic sectors. Indian banks are today capable of successfully competing with international modern banks. The Indian banking sector is currently faced with a number of opportunities and bright future prospects. The quick changes in the banking industry, which have been brought on by the most recent rapid improvements in information technology and telecommunication, reflect a variety of ongoing reform processes. However, there are several concerns in the Indian banking industry that require cautious attention. One or more of the important concerns are: The weak technical infrastructure of banks is one of the main barriers to their rapid development.

In order to adapt to the rapidly evolving and complicated world of new techniques and skills, banks were forced to take this into account and change their operations. It was required to improve the bank staff's competencies, including ability, knowledge, and approach, in order to better adapt to the changing conditions. Because everyone

has the potential to accomplish great things, the bank should provide people with knowledge about the current environment as well as future prospects. The bank should assist them in identifying, growing, and utilizing this capacity. And only if effective methods of managing human resources were employed, which would increase benefits and reduce expenses for the company.

Therefore, efficient management of human resources has been a crucial component of the banking sector's performance in today's competitive economic environment. Better human resource management has been recognized as being essential since the beginning of this decade. In view of the fact that human resources are unavoidably present in the banking business, the purpose of this study was to examine the HRM methods employed by public and private sector banks and to provide some recommendations.

A happy and content man will sacrifice his life for the cause. Establish a sense of community for him, acknowledge his good deeds, and discipline him when he misbehaves. This is a well-known statistic because it shows how much only man, the only "Mindful Animal" in nature, can do to help a business grow and run smoothly. The authors cited a variety of empirical findings on human resource management made by practicing managers, psychologists, and even other academics. They made an effort to voice their ideas on the effects of unionization, employee participation, and social security on the management of human resources. The authors' discussion includes instances of current events.

Human resource development (HRD) is the process of enhancing employees' capacities, understanding, attitudes, and talents inside a company. An individual only qualifies as a human resource once they are capable of carrying out organizational tasks. HRD ensures that the business has the kind of qualified individuals needed to achieve the targeted purposes and goals as a result. HRD equips them with the requisite knowledge and abilities by arranging training and development programming in a systematic manner. Human resource development (HRD) is an important part of human resource management (HRM), which is largely concerned with organization growth, career planning and development, and training and development. The organization must understand the dynamics of HR and make an effort to adapt to changing conditions if it is to employ its HR resources effectively and efficiently.

Literature review

Kundu and Malhan (2007) analyzed the HRM practices in among insurance companies in India based on the data collected from 218 respondents. The respondents were chosen from four insurance firms (two multinational firms and two Indian firms) to examine the HRM practices followed in the sample firms. Data analysis was done using factor analysis and ANOVA. Training & benefits, performance appraisal policies, selection process, HR planning & recruitment approaches were found to be the significant HRM practices followed by insurance firms in India. Additionally, workforce diversity and competitive compensation policies were also found to be among the important HRM practices followed by the insurance firms.

Pillai (2008) analyzed the influence of HRM practices on the learning orientation of bank employees in Kerala state, India. A total sample of 300 respondents (managerial and clerical staff) belonging to two public sector and two private sector banks were included in the research. Data was collected through a structured questionnaire. The results of the research highlighted a strong influence of HRM practices on the learning orientation of bank employees in Kerala.

Bhaskar, Bhal and Mishra (2012) studied the influence of strategic HRM practices and proactive communication during mergers and acquisitions of Indian banks. A case study approach was used to analyze the HRM practices employed by two different banks in India (one public sector bank and one private sector bank). The analysis indicated that in the case of the public sector bank, the HRM practices and proactive communications were not efficiently followed leading to decrease in organizational performance.

Chinnadurai (2014) studied the HRM practices in private sector banks situated in Cuddalore district (Tamilnadu) in India. The author had chosen the following HRM practices for the research – recruitment & selection; training & development; performance appraisal; career development; motivation; compensation management and grievance handling. A sample of 260 officers drawn from 52 private banks (5 officers per bank) was chosen as respondents for the research.

Jeet and Sayeeduzzafar (2014) studied the impact of HRM practices on employee job satisfaction among employees in HDFC bank using a case study approach. 52 respondents were contacted to obtain the information regarding HRM practices in HDFC bank using a structured questionnaire. Job satisfaction was considered as the dependent variable while training, performance appraisal, team work, employee participation and compensation were employed as independent variables.

Jha and Mishra (2015) studied the impact of HRM practices on performance of employees in Indian banking industry. The authors concluded that various remedial HRM measures can be taken to improve the employee performance in banks. The measures suggested include staff meetings, brain storming sessions, study circles and quality circles.

Rakesh (2016) in his article highlighted banking sector implement the latest ideas on management regarding development of human resources. Developing the individual or human capacity is an integral element of building capacity and, in fact, capacity building initiatives are now increasingly becoming necessary. Taking the banking industry to the heights of excellence, especially in the present competitive environment, requires a combination of new technologies, better processes of credit and risk appraisal, treasury management, product diversification, internal control and external regulations and, not the least, human resources. Skilled and efficient manpower inventory is now becoming the need of the hour. So banks must start proper HRD practices to their future growth.

HRD practices in Indian banks

It draws attention to the fact that, contrary to common assumption, success is not limited to the newest private sector banks. In the rising economy and the ongoing expansion, the majority of banks are having difficulty thriving. A few public sector banks are among India's top 10 banks and are performing well as well. It's also critical to recognize that these publicly traded banks have prospered while facing a number of challenges, such as the existence of strong unions, the inability to offer market-competitive wages and incentives, and the burden of an overpriced workforce. The success of any firm is largely dependent on how effectively employees are handled and kept as happy clients.

In order to accomplish this, they must design their human resource procedures—such as hiring, selecting, and training, developing, and assessing the performance of employees—based on the needs of the employees themselves. The banking industry in India is more competitive than ever because both the public and private sectors are vying for success. The executives of the bank are currently converting their old human resource procedures into innovative human resource practices in order to react to the difficulties given by other rival

institutions. Effective human resource management strategies directly influence the institution's success by promoting employee and customer satisfaction, innovation, productivity, and the development of a pleasant organizational working environment in the Banks. Human Resources procedures at the selected public sector bank in Bilaspur.

Choosing candidates and employees, Training and development, performance evaluation, career development, motivation, compensation management, and grievance handling.

Objectives of the study

- To investigate the HRD policies of the Punjab National Bank in the Bilaspur District.
- To determine the degree of satisfaction bank officers have with the HRD policies of their institutions.
- To determine the correlation between bank officers' demographic traits and their level of satisfaction with HRD practices.

Methodology

The study's approach is informed by both primary and secondary data, according to the research plan. The study mainly depends on primary data that was collected through a well-framed and organized questionnaire in order to elicit thoughtful responses from the respondents. The Punjab National Bank, which has operations in the Bilaspur District, would be the investigation's target audience and sample. In the district of Bilaspur, there are 21 Punjab National Banks that are now open. Using a simple random process, 300 officers and non-officers of diverse age groups, genders, job titles, and lengths of work experience were chosen as respondents for this study.

A sample of 150 workers was chosen in order to perform the study. The area of focus for both private and public sector banks, according to the speaker, was the planning of training, which was influenced by organizational needs, technology developments, and internal mobility. She continued by saying that both kinds of banks had provided their workers with the best training methods. More variety among training programmes was her suggested change. These banks must adopt the idea that benefits for all employees who work irregular hours at all levels should be included.

Source of Data

Data was collected from staff members of PNB through primary & secondary source of data. Questionnaire & interviews were used.

Data Collection

Using a planned timetable, necessary data had been collected from the selected respondents. The list of topics on the calendar covered both demographic information on the employees and key HR practices, such as hiring and selection, training and development, performance evaluation, career advancement, motivation, compensation management, and grievance handling. The study's statistical methods included the descriptive, t test, and one-way ANOVA.

Hypotheses of the Study

- Punjab National Bank officers' satisfaction with HR practices is unaffected by their gender.
- There is no correlation between the Punjab National Bank officers' age and their level of satisfaction with HR practices.
- Based on HR practices, the level of satisfaction among PNB officers is unaffected by the length of their employment.
- The level of satisfaction with HR practices is unaffected by an officer's designation at the Punjab National Bank.

Analysis and interpretations

It is found from the analysis of the data that offices of PNB functioning in Bilaspur district in Himachal Pradesh follow HR-practices.

TABLE 1

Table 1: Profile of the sample units

S.no.	Name of Branches	Number of respondents		
		Male	Female	Total
1	Hatwar	12	03	15
2	Talyana	14	02	16
3	Barmana	12	03	15
4	Deoth	12	02	14
5	Mehri Kaithla	11	01	12
6	Chhakoh	12	01	13
7	Harlog	11	01	12
8	Jadukuljiar	10	01	11
9	Dabatmatari	11	02	13
10	Rani Kotla	11	02	13
11	Panjgain	12	02	14
12	Bilaspur	25	02	27
13	Ghumarwin	12	02	14
14	Jhandutta	13	02	15
15	Maloh	11	02	13
16	Chandpur	11	02	13
17	Kuthera	13	02	15
18	Majhwar	12	02	14
19	Samoh	11	03	14
20	Namhol	11	03	14

Work Experience

S.no.	Particular	No. of respondents	Percentage
1	Up to 5 years	167	55.7
2	6-10 years	89	29.7
3	11-15 years	21	7.0
4	More 15 years	23	7.7
	Total	300	100

It is clear from the table that majority of employees 55.7% having up to 5 years of work experience whereas very few respondents i.e. 7% having up to 11-15 years of work experience.

THR Practices	Gender				t' value	p' value
	Male		Female			
	Mean	SD	Mean	SD		
	59.77	7.765	60.55	10.098		
					-0.57	0.57

The Table 2 indicates that the calculated p value (0. 57) for the variables Gender and HR practices in Punjab National Bank is found to be greater than 0.05 at 5% level of significance. Since the calculated p value for the variables Gender and HR practices is greater than 0.05, the null hypothesis H₀ is accepted. Hence, it was concluded that Gender of the Punjab National Bank does not influence their satisfaction level on the HR practices followed in their banks.

Human Resource Management Practices

The real barrier to successfully and profitably running a bank is the lack of skilled staff. The belief that there are not enough HR resources available, either in terms of quantity or quality, is undesirable. Banks need to understand the entire human resource management process since it is vital that any resource that is in limited supply be managed efficiently for the good of society. Every step of the HRM process needs to be completely revised if banks are to survive. Managing the workforce is a major challenge for the bank management. Commercial banks in India are obligated to take the necessary measures to make sure that their employees feel that hiring, selection, training, and development are significant.

Research has shown that HRM policies increase employee commitment, which is why banks are increasingly putting more emphasis on dedicated employees in order to retain skilled and talented individuals. Banks are increasingly aware of the potential of their current employees. They now realize that a firm's employees can serve as a unique talent source and help the organization reach new heights. HRM practices affect employees' efforts in this area through impacting their motivation and skills. It is crucial to achieving the organization's goals and keeping the competitive advantage.

These HRM practices, according to Schuler and Jackson (1987), are organizational measures designed to manage the human resource pool and ensure that the resources are employed to accomplish organizational goals. In order to achieve the objectives of the business, the right quantity and mix of skills of employees must be organized, developed, utilized, evaluated, maintained, and retained through the use of human resource management procedures.

The relationship between HRM operations, outcomes, and corporate performance is outlined in Paauwe's thorough framework. According to the Human Resource Management (HRM) Outcomes Growth Model, HRM actions lead to increased HRM outcomes, which in turn influence business performance.

But as the upward arrows in the picture show, some activities have a direct impact on the firm's performance. Dotted lines showed that changes in human resource management practices were a direct result of an organization's performance.

For their most valuable human resources as a result, all banks are putting distinctive HRM strategies into place. In order to empower employees and create a culture that supports enhanced performance and growth for banks, several HR strategies are crucial.

Below is a quick summary of the conceptual areas of HRM practices included in the study that relate to selecting and promoting employees, offering them salary packages, and giving them chances for professional development.

Conclusion

The study done at the Punjab National Bank branches in the Bilaspur District, which embraced HRD practices, reveals a number of findings. The efficacy and performance of HRD processes vary amongst banks, nevertheless, in some cases. Although there is almost any difference in the levels of satisfaction among bank officers with the HR methods utilized in the various functional areas of their banks' HRM, all respondents are content with these practices. The Punjab National Bank's satisfaction with its HRD processes is also not greatly impacted by the demographic variables of gender, age, designation, and work experience.

Suggestions

- The HR department will be activated at PNB Bank, and as a result, it will take the initiative and show interest in setting up training and development programmers.
- A sufficient number of training programmers will be organized by PNB Bank.
- The bank must inspire bosses to invest in the advancement of their subordinates.
- The suggestion of banks is made to improve the efficacy of the current method of superior evaluation by subordinates.
- For efficient personnel utilization, the bank uses the current performance appraisal method.
- To identify the strengths and shortcomings connected to employees' performance, PNB Bank recommended making the current performance appraisal system stronger.

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