CAREER PLANNING & HRD CLIMATE
- A MAJOR HR CHALLENGE FOR PUBLIC SECTOR BANKS IN INDIA

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ABSTRACT

The effective performance of human resource depends on the type of HRD climate that prevails in the organization; if it is good, then the employees’ performance will be high but if it is average or poor then the performance will be low. This study is an attempt to understand the HR climate in banks and the experience of a target group of executives in various public sector banks in India with respect to their career in the bank. The research study was an exploratory study. Data was obtained through a carefully designed questionnaire/interview schedule. For data collection, a suitable sample was selected from amongst fifteen out of nineteen Public Sector Banks in India. 201 responses were found to be usable and those were utilized and content analysis was made for the purpose of the study. The respondents included GMs, DGMs, AGMs and Chief Managers of various PSBs, with varying age groups and experiences.

KEYWORDS: Bank Employees, HRM in Indian banks, HRD climate, Public Sector Banks, Performance, Training & Development.

INTRODUCTION

Regulation of banking system in India started with Banking Regulation Act, 1949. Banks in India used to be in private hands. In 1969, 14 big private banks were nationalized bringing them under the ownership of government. After 11 years, in 1980, six more banks were nationalized. Of these 20 banks, one bank namely,”New Bank of India” got merged in Punjab National Bank. Now in all there are 27 public sector banks in the country consisting of 19 nationalized banks and 8 banks from State Bank group (State Bank of India and its associates).
In the last two decades Public Sector Banks in India have witnessed a transition from traditional banking to modern technology driven banking. Exposure to competition has made these banks re-engineer and re-structure their processes, systems and product line. After economic liberalization these banks have been given enough freedom to do so. However, for various matters these banks are required to follow guidelines issued by Ministry of Finance, Reserve Bank of India and Indian Banks Association.

Post nationalization, the Banks were asked to open more branches in rural areas. Large number of people were recruited to man these newly opened branches. Expanded network gave a new identity to these banks and millions of new customers came to the fold of Banking. The business of Banking moved from class banking to mass banking.

The financial sector reforms in India have brought about a certain degree of liberalization and deregulation. While liberalization lowered the barriers to entry and generated the much needed competition, deregulation of the banking sector has led to financial innovations and expansion of the market for financial products & services. In the decade and half of reforms, the banking sector has particularly undergone a complete transformation. In particular, public sector banks have been rapidly rising on the “learning curve”. Besides adjusting well to the market-driven environment, banks have made rapid progress in the areas of technology, asset quality and, risk management. With most of the banks adopting core banking and moving towards multiple channels of delivery, public sector banks have ably repositioned themselves to meet the forces of competition. However, all these public sector banks still continue to face some of the legacy issues and more particularly, these banks are believed to be at a disadvantage vis-à-vis their private sector competitors in respect of manpower management & HR policies & practices. Saddled with rather high level of manpower, public sector banks today face the critical challenge of people management to retain their competitive position. Notwithstanding the success they have met in the area of technology, the people challenge before public sector banks is most crucial and will in turn decide their continued success in meeting the competitive forces.

Development of human capital is therefore the most important challenge before banks and the human resource management systems in banks need to gear itself to face up to this task. It is an opportune time that HR practices in banks undergo a complete transformation to suit the needs of the knowledge economy. More important, banks will not only have to reskill their employees, they also need to retain and nurture talent. This in turn would be possible only if the HR policy framework in banks provides for clear career path planning and an enabling environment which will help employees to develop & excel in their tasks. But such policy response calls for clearly understanding the HR climate in the banks and how cross-section of the employees view their work environment vis-à-vis progress in their career.

**REVIEW OF LITERATURE**

Many researches have been conducted on HRD climate .The result has shown that HRD climate affects the performance of the employees. Some of the important studies are as follows:

Benedikter (2011) defines Social Banks as “banks with a conscience”. They focus on investing in community, providing opportunities to the disadvantaged, and supporting social,
environmental, and ethical agendas. Social banks try to invest their money only in endeavors that promote the greater good of society, instead of those, which generate private profit just for a few. He has also explained the main difference between mainstream banks and social banks that mainstream banks are in most cases focused solely on the principle of profit maximization whereas, social banking implements the triple principle of profit-people-planet.

Saxena and Monika (2010) studied a case of 5 companies out of 1000 organizations and 8752 respondents surveyed across 800 cities in India by Business Today. The survey was on nine basic parameters like career and personal growth, company prestige, training, financial compensation and benefits and merit based performance evaluation. It was concluded that the biggest challenge for organizations is that when new employees appointed, it is difficult to merge them in organizational culture. Each organization has its own unique culture and most often, when brought together, these cultures clash. When there is no retention, employees point to issues such as identity, communication problems, human resources problems, ego clashes, and intergroup conflicts, which all fall under the category of “cultural differences”.

Selvaraj (2009) in his study reveals that private banks are more successful vis-à-vis public sector banks in terms of implementing Total Quality Management (TQM) initiatives, such as human resource management, customer focus, and top management commitment. Furthermore, public and private sector banks differ with respect to their compensation structures, working environments, technology, growth opportunities, and job security provided to the employees. Public sector banks structure compensation in a way such that there are lower pay differentials between the employees, long-term tenure is rewarded and there is a high base pay, whereas in the private sector banks, there are larger pay differentials, fewer rewards for tenure, and pay for performance.

Kumudha and Abraham (2008) compared 100 managers from 13 public and private sector banks and found that the programs related to self-development, information about job openings, opportunities to learn new skills and retirement preparation programs greatly influence the feelings of career satisfaction.

Anil, K. Khandelwal (2005), observed; "though the system of employee appraisal has been in vogue in banks, it has not helped in developing an organization wide performance culture in PSBs. The system often fails to differentiate performers from non performers, average performers from high performers. Reforming the performance appraisal system by making it more objective and linked to corporate business objectives is the need of the hour. Key performance indicators need to be scientifically assessed and objectively linked with organizational goals so that the performance of the employees can be assessed on critical parameters".

Anil, K. Khandelwal (2005) argues; "PSBs need to develop such compensation standards, which can provide a linkage between risk and reward, performance and payment. Though the current system of industry level wage settlement provides lesser leeway, slowly and surely the compensation system would have to be repositioned to take care of specific organizational needs".
Sampath & Kalpana, (2005) conducted a study and found that to a large extent organizations where knowledge workers work, enjoy a ‘good’ HRD Climate. The strengths of the HRD Climate emerges from the organization’s belief that the human factor is a critical factor and need commitment to development, team spirit, helpfulness and providing training on skills and knowledge. The result indicated the presence of psychological climate conducive for development.

K.V. Krishnamurthy (2004), said that "New ways of banking requires new competencies. The existing skills are hopelessly outdated. Basic skills like posting ledgers, balancing books, writing statements, etc. are redundant with introduction of technology. We need now to unlearn old habits and breed new ones".

A.K. Purwar (2004), Chairman, State bank of India stressed on customer focus. "Greater customer centric focus calls for greater employee involvement and motivation and change in mindset. Working in a protected environment for long hours, staff in public sector banks is widely perceived to have low motivation and low involvement. Further, lack of distinction between high performers and poor performers with no reward and punishment system has only added to the lethargy. Banks need to build a service culture using technology in a customer friendly manner. This requires reorienting HRD strategies in banks on an urgent basis and banks need to emphasize right size, right skills and right attitude".

According to G.S. Bhaskara Rao (2004), Management Specialist, Central Bank of India "HRM practices and policies in Indian banks have been evolved primarily through reactive processes, and were the matters of bilateral agreements between the managements and the representative Unions. The post-nationalization period had witnessed a phenomenal growth in the number of trade unions, encouraged by the management's continued patronage by way of leaving all matters relating to HR to the prudence of unions.

Alphonsa, (2000) conducted a survey to examine the HRD climate of a private hospital. The responses were collected from different departments in the hospital. The researcher found that the perception of the supervisors about the HRD climate was satisfactory and reasonably good climate was prevailing in the hospital.

Sharma and Purang (2000) conducted a study to find out the relationship between value institutionalization and HRD climate in engineering and manufacturing sector and found the positive relationship between the two variables.

Krishna and Rao, (1997) carried out a comprehensive empirical study in BHEL, Hyderabad and found that HRD climate in the organization encouraged middle and senior managers.

**RESEARCH METHODOLOGY**

**BACK GROUND OF THIS HR STUDY IN PUBLIC SECTOR BANKS**

People are the most important assets in any organization. All efforts towards strategic planning, innovations, desires for improvement in productivity and developing efficiency at work places
yield little results unless, ‘people develop a total organizational commitment and involvement and willingly own and implement the ideas, strategies and programmes. Therefore, there is a need to emphasize on all vital aspects of Human Resource Management (HRM) and take effective steps towards developing people to be matured and more efficient individuals.

HRM constitutes a variety of sub systems, viz.

**TABLE 1: SUB SYSTEMS OF HRM**

<table>
<thead>
<tr>
<th>Career Planning &amp; Development</th>
<th>Counseling and Mentoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selection/Recruitment/Induction</td>
<td>Manpower Planning</td>
</tr>
<tr>
<td>Job designs/enlargement</td>
<td>Organizational development</td>
</tr>
<tr>
<td>Training and Development.</td>
<td>Skills development</td>
</tr>
<tr>
<td>Performance appraisal and review.</td>
<td>Attitudinal changes orientation.</td>
</tr>
<tr>
<td>Potential appraisal.</td>
<td>Personality development.</td>
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</tbody>
</table>

While all these sub systems are important in varying degrees, “Career Planning and Development” was perceived to be the most important sub system as it has a very strong bearing on the individual and organizational growth and development. It is this very sub system of HRM, which greatly contributes towards individual and organizational goal integration.

The individual and organizational aspects of “Career Planning” therefore, need to be fully explored and understood. It is this very sub system of HRD, which, if researched and carried out systematically at all levels of management, can make a major contribution towards development of careers and work life of people. The subject - ‘Career Management by individuals and organizations’ needs further probing through research and experimentation. It is against this background that this study on Career Planning and Human Resources Development was contemplated.

**STUDY OBJECTIVES**

1. To study and analyze the individual employee’s own role in Career Planning and Development.

2. To study and analyze the organizational role in planning and development of careers of its people.

3. To study and analyze the individual Career Planning experiences and bring out salient features of such experiences.
4. To enhance the available knowledge and understanding of career makers, both individuals and organizations, in the area of Career Planning and HRD.

**SCOPE OF THE STUDY**

This research study was an exploratory study – a study to assess the current status of “Career Planning & HRD in Indian Public Sector Banks. While various HRD related studies have been carried out in India & abroad, no specific study has been conducted on this twin topics “Career Planning & HRD System”, specifically related to Public Sector Banks in India. It is widely believed that “Career Planning” as a constituent of the overall HRD System, plays a much greater role and contribution towards individual-organizational goal integration. It is this aspect of relationship between Career Planning and HRD, within Indian Public Sector Banks that was aimed to be studied. The study is largely based on the feedback given by a sample group of Public Sector Bankers themselves which makes the study more banker-specific.

**BROAD HYPOTHESIS OF THE STUDY**

While the study is of a descriptive nature and aimed at understanding the Career Planning and HRD processes in Indian Public Sector Banks, it also tested the validity of following widely held assumptions.

i. Career Planning is the most important component of overall HRD system, which helps, in individual- Organizational goal integration.

ii. While career planning depends largely on the individual career makers’ own efforts, organizations can play a meaningful and supportive role towards this HRD sub system.

iii. While career makers will face certain hurdles and setbacks on their career path, organizational environment can help them in facing and overcoming these hurdles and setbacks.

iv. The well-established corporate sector has better career planning and HRD systems than those prevailing in Indian Public Sector Banks.

**METHODOLOGY**

a) Thorough review of available literature on Career Planning and HRD.

b) The career building experiences of people in Public Sector Banks was studied and analyzed.

c) Data was obtained through a carefully designed questionnaire/interview schedule seeking responses from identified executives at senior executive levels in Public Sector Banks and a detailed content analysis of the responses was undertaken with a view to get an insight about;

- The manner in which they planned and developed their careers
The hurdles they faced on career course and the manner in which they overcame these hurdles.

The organizational and infrastructural support and direction they received in their career planning efforts.

**SAMPLING**

- For data collection, a suitable sample was selected from amongst fifteen out of nineteen Public Sector Banks.
- About 200 (at least 10 from each bank) Executives in the top management level formed the sample.
- Besides studying Career Planning & HRD Systems in Public Sector Banks, views about established corporate sector like Telco, Reliance Industries, Hindustan Levers in the non banking sector and a few foreign banks in India, like Citibank, American Express etc. were also sought from the respondents with a view to make a comparison of Career Planning and HRD System in these private sector organizations vis-a-vis those in public sector banks. These are well established organizations having a positive HRD image.
- Certain specialists/experts on HRD and Career Planning areas were consulted, through the interview/personal discussions and opinions/views sought on the subject.

**DATA COLLECTION**

In all 915 questionnaires were mailed to Scale-IV & above, senior executives of various Public Sector Banks. The source of information was mainly from NIBM, Pune by collecting addresses of senior executives who had attended short duration training programmes. Duly filled in questionnaires were received from 216 respondents, out of which 15 responses were found incomplete/inconsistent. In all 201 responses were found to be usable and these were utilized and content analysis was made for the purpose of this study. The respondents which included GMs, DGMs, AGMs and Chief Managers of various Public Sector Banks, were from varying age groups and experiences. The entire data collections took nearly two years period.

**ANALYSIS & FINDINGS**

**HYPOTHESIS 1**

Career Planning is the most important component of overall HRD system which helps in individual organizational goal integration.

In connection with this hypothesis, following question was put to the bank executives.

HRD generally constitutes the following areas/sub-systems. Please rank these HRD sub-system in terms of perceived importance, which contribute towards individual organizational goal integration.
TABLE 2: SUB SYSTEMS OF HRD

<table>
<thead>
<tr>
<th>1. Selection, Recruitment, Induction</th>
<th>7. Organizational Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Job design, Job enlargement, Job</td>
<td>8. Skills Development</td>
</tr>
<tr>
<td>Enrichment</td>
<td></td>
</tr>
<tr>
<td>3. Training &amp; Development</td>
<td>9. Attitudinal Changes and Orientation</td>
</tr>
<tr>
<td>Potential appraisal</td>
<td></td>
</tr>
<tr>
<td>5. Manpower Planning</td>
<td>11. Career Planning &amp; Development</td>
</tr>
<tr>
<td>6. Counselling &amp; Mentoring</td>
<td>12. Others (Please specify)</td>
</tr>
</tbody>
</table>

Respondents gave different ranks to the above listed Sub-Systems of HRD and according to their perceived importance, “Career Planning & Development” was perceived to be one of the most important HRD Sub System and not the most important HRD Sub-System. In fact, the analysis of responses revealed the relative importance of various sub systems of HRD in the following order:

TABLE 3: RELATIVE IMPORTANCE OF VARIOUS SUB SYSTEMS OF HRD

| 1. Training & Development              | 7. Attitudinal changes & orientation |
| 2. Selection, Recruitment & Induction  | 8. Organizational development       |
| Enrichment                             | Potential Appraisal                 |
| 4. Manpower Planning                   | 10. Personality Development         |
| 6. Career Planning & Development       |                                    |

The following graph depicts the relative importance.
GRAPH- 1

INTERPRETATIONS: Apart from 11 Sub Systems of HRD, as listed in this question, there was an additional open ended option left to the respondents. In response to this option, some of the respondents indicated the following additional HRD Sub System to be also contributing towards individual organizational goal integration.

I. Encouragement and support by seniors and superiors with the human touch.

II. Constant review and feedback with open mind, of every Sub-System.

III. Suitable transfers and postings.

IV. Para Physical inputs, intrapersonal & interpersonal values, professional values, etc.

V. Knowledge Management & Information Management.

VI. Success in personal life.
VII. Manpower actuation (not simply manpower planning)

HYPOTHESIS 2

While Career Planning depends largely on the individual career makers’ own efforts, organizations can play a meaningful and supportive role towards this HRD Sub System.

Towards this hypothesis, a few questions were framed.

First question in the context of this hypothesis was framed as under:

In your own working life, do you think you consciously planned your career growth and development over the years.

a) Yes, to a large extent       b) To some extent       c) None

Responses to this question, were as under:

a) Yes to a large extent = 45%

b) To some extent = 45%

c) None (Not at all) = 10%

GRAPH-II

INTERPRETATIONS: The responses as above indicate that 45% respondents consciously planned for their career growth and development, to a large extent. Another 45% planned their career growth and development to some extent. Putting the two together, we could infer that as many as 90% respondents did consciously plan their career growth and development. In contrast, only 10% respondents stated that they did not plan their career growth and development.
It is, therefore, concluded that ‘Career growth and development’ needs a consciously planned effort on the part of the individual careerist and the same cannot be left to chance.

In the context of Hypothesis 2, there was yet another question put to the bank executives and this question was posed as under:

Do you think Public Sector Banking Organizations’ in India are suitably oriented towards HRD and career planning and development of its people?

a) To a large extent = 5.8%
b) To some extent = 69.8%
c) Hardly any = 24.4%

**GRAPH-III**

**INTERPRETATIONS:** From the above data it is revealed that only marginal number of respondents i.e. 5.8% state that Public Sector Banks in India are suitably oriented towards HRD & career planning and development of its people, “to a large extent”. An overwhelming majority of the respondents i.e. 69.8% however, state that Public Sector Banks are HRD oriented only “to some extent”, meaning thereby that there is much scope for developing HRD orientation. A sizeable, one fourth of the respondents i.e. 24.4% have stated that Public Sector Banks in India are ‘hardly’ oriented towards HRD and career planning and development of its people. This response is quite startling and gives sufficient pointers towards Public Sector Banking
organizations - the top managements, the HRD bosses and the organizations as a whole need to bring about suitable policy changes in the HRD and Career Planning areas.

In the context of individual efforts on Career planning & Development, which constituted a part of hypothesis 2, another question that was put to the bank executives, was as under:

**Do you think your own banking organization and its environment supported you in your career growth?**

a) To a large extent  

b) To some extent  

c) None

Responses to this question were as under:

a) To a large extent = 53.2%  
b) To some extent = 42.1%  
c) None = 4.7%

**GRAPH-IV**

**INTERPRETATIONS:** 53.2% of respondents stating that their own banking organization & its environment supported them in their career growth to a large extent, is quite a positive & a healthy response. Further, 42.1% respondents stating that their banking organization & its environment, supported them in their career growth to some extent, is certainly adding up considerably to the positive contribution of banking organizations towards career growth of its people. If we add the two responses, it would mean that as many as 95.3% respondents have recognized that banking organizations and their environment have supported their people in their
career growth. A very positive indication indeed. Only 4.7% respondents have stated that there was no support for career growth.

Following question also formed part of analyzing responses relating to Hypothesis 2

In your opinion, does career development of people in banking organizations depend largely on?

a) The efforts of individual employees themselves.
b) Organisational HRD support systems.
c) Overall working environment.
d) Any others.

Responses to this question were as under

a) The efforts of individual employees themselves = 74.85%
b) Organisational HRD Support systems = 52.63%
c) Overall working environment = 52.04%
d) Any others (please specify) = 14.03%

GRAPH-V
INTERPRETATIONS: As many as 74.85% respondents stated that career development of people in banking organizations depends largely on the ‘efforts of individual employees’ themselves. At the same time, 52.63% respondents stated that it depends on ‘organizational HRD support systems. Similarly, 52.04% respondents stated that the career development of people in banking organization depends largely on the “overall working environment”. The percentage here will not add to 100, as many respondents have tick marked more than one option and some of them have ranked all the three options.

Some of the respondents (25.73%), ranked all these three options. Out of those respondents, who ranked these options, as many as 61.36% respondents have ranked the first option (a) i.e. “Efforts of individual employees themselves” to be the major contributing factor towards career development of people in banking organizations. An 18.18% respondents ranked the option (b) i.e. “Organizational HRD support systems” on top of the list. Remaining 18.18% respondents ranked the option (c) i.e. “overall working environment” on top of the list.

HYPOTHESIS-3

While career makers will face certain hurdles and setbacks on their career path, organizational environment can help them in facing and overcoming these hurdles and setbacks.

In connection with this hypothesis, three questions formed part of the structure questionnaire.

The first question in this context was as under:

In your career span within the banking organization, did you come across any career barriers/hurdles / obstacles?

Responses to this question were as under

(a) Often 14.12% 78.24%
(b) Sometimes 64.12%
(c) Rarely 15.88% 21.76%
(d) None 5.88%
INTERPRETATIONS: A good number i.e. 14.12% respondents have stated that they “often” faced the career hurdles/ barriers / obstacles, while 64.12% respondents have stated that they came across such hurdles, “sometimes” during their career. Adding these two responses, it would mean that as many as 78.24% respondents did face some hurdles / barriers in their career. At the same time 15.88% respondents have stated that they ‘rarely’ faced any career hurdles, while 5.88% respondents stated that they ‘never’ faced any hurdles in their career. Adding these two later responses, it would mean that 21.76% did not face any career hurdles while 78.24% respondents faced career hurdles.

Extending this subject of “hurdles in career” further, the second question that was posed to the bank executives was as under:

Could you overcome these barriers/hurdles/obstacles?

(a) To a large extent  (b) To some extent  (c) Hardly

GRAPH-VII
And responses revealed the following:

(a) To a large extent = 44.94%  
(b) To some extent = 48.10%  
(c) Hardly = 6.96%  
(d) Not applicable = --

Interpretations: As many as 44.94% respondents stated that they could overcome career barriers/hurdles to a large extent, while 48.10% respondents could overcome these barriers to some extent. Adding the two responses, it would mean that 93.04% respondents did actually overcome these barriers/hurdles in their career path. It was only 6.96% respondents who stated that they could hardly overcome the career hurdles. There were 13 respondents, who stated ‘Not applicable’ in their reply as they had not faced any hurdles and as such there was no question of overcoming these hurdles.

As regards overcoming these barriers/hurdles in career path, following question formed part of the questionnaire.

How did you overcome these barriers / hurdles / obstacles?

(a) Through your own effort. (b) Through organizational support system. (c) Through other means (please specify)

Responses revealed the following:

(a) Through your own effort = 76.62%  
(b) Through organizational support system = 39.37%  
(c) Through other means = 9.37%  
(d) Not applicable = 6.87%
INTERPRETATIONS: Many of the respondents gave multiple answers, (e.g.) 6 respondents gave (a) & (c) as joint replies, 35 respondents gave (a) & (b) as joint replies, and 6 respondents gave all the three (a), (b) & (c) as joint replies. Only 113 respondents tick marked only one option. For remaining 11 respondents this question was ‘not applicable’ as they had not faced any career barriers.

HYPOTHESIS – 4

The well – established corporate sector has better career planning and HRD system than those prevailing in Indian Public Sector Banks.

In the above context, following question formed a part of structure questionnaire:

Do you think well established corporate sector in India, like ‘Reliance’, ‘Telco’, ‘HLL’, etc. or the Foreign Banks like CITI BANK, American Express, etc. have better Career Planning and HRD Systems than those prevailing in Indian Public Sector Banks.

(a) To a large extent  (b) To some extent  (c) None

If yes, what are these pluses?

Responses revealed the following perceptions:

a) To a large extent  57.3%
b) To some extent  24%
c) None 8.7%
d) I don’t know 10%

GRAPH-IX

INTERPRETATIONS: It is generally perceived by banker respondents that the well established Corporate Sector like “Reliance”, ‘Telco’, ‘HLL’ etc. or the foreign banks like, Citi Bank, American Express, etc., have better Career Planning & HRD system than those prevailing in Indian Public Sector Banks. Although about 10% respondents indicated that they didn’t know about such systems in these organizations, as many as 57.3% respondents stated that these organizations in the private sector had better HRD Systems, “to a large extent”, while 24% respondents stated this to be ‘to some extent’. Only 8.7% respondents stated otherwise.

On the whole, it seems nearly 81% respondents perceived that well-established Private Sector in India and the foreign banks had better Career Planning & HRD System as compared to that in Indian Public Sector Banks.

SUGGESTIONS FROM RESPONDENTS

In order to elicit views & suggestions from Bank Executives, about the changes that they would want towards improvement in HRD Systems, following concluding question formed a part of the structured questionnaire.
What changes do you suggest to make Public Sector banking organizations in India, to improve the HRD consciousness and orientation, so that banking employees have a better environment to be able to plan and develop their careers in a better manner?

Some of the specific suggestions given by the respondents, in this context are given hereunder:

● There should be a balanced compromise between organizational need and individual need. Total insensitiveness to individual preference gives rise to frustration at some point of time, which as a consequence has a real damaging effect on the organization growth itself.

● While there must be rewards for performance, non-performance must be punished/reprimanded. Promotions must be only on merit.

● There must be uniform, impartial and balanced “employee performance review system”. This system in-fact needs a total review.

● Promotions at a right time and early age, so that people with a fairly long residual service are able to serve at the top and feel free to take decisions and lead.

● Banks should harmonize the needs of the organization with the needs of the individual. Better work culture is needed in banks. Transparent system of promotions and transfers must be introduced. It must be clearly transparent and seen to be transparent.

● Enthusiastic and pleasant behaviour of staff to the customers is necessary. HRD departmental officials at all levels should display pleasant behaviour and concern towards its internal customers (i.e.) the employees.

● The review / appraisal process of employees should be computerized to ensure unbiased/honest appraisals.

● (i) Change of mindset at all levels i.e. Management, employees, and unions. (ii) Right people for the right job – greatly benefit both – management & employees. (iii) Past mistakes are no indication of future potential.

● In order to become HRD conscious, the Public Sector Banks should allow independent functioning of HRD Section, where the top person should be himself a good successful banker, a real HRD person and free from any biases.

● Human Resources Balance Sheet should accompany financial statements.

● i) Banks should announce a five/ten year perspective HRD plan. (ii) They should support potential candidates for higher posts. (iii) Start a system of mentoring to groom future leaders.

● Attitudinal changes are required at the top level. (ii) Only those persons should be placed in administrative offices, who have sufficient field exposure.
Top management should frame HRD mission with development of people as main focus, thereby improving efficiency of the organization and facilitate training programmes, create informal and free flow of communication.

There must be a clearly defined system of succession planning and career growth planning in banks.

The HRD in Public Sector Banks appears to be rather primitive. It is generally experienced that the professional HR Managers do not treat the other staff with dignity and concern. For HRD improvements, the attitude of HRD Managers is required to be changed. Their role as support function to main function i.e. “Banking”, should be identified and adopted.

There is HRD consciousness and orientation to an extent in the banking industry. However, a conscious and sustained approach to address the entire gamut of HRD area is sadly missing, with the result, that only some areas of HRD which are most essential to run the banks receive disproportionate attention, for example man power planning, recruitment and training. The other areas, which are equally important, say, for example, performance & potential appraisal, Counseling and motivation, proper placement, receive scant attention, if not largely ignored. All the banks must have a full fledged HRD department, manned by experienced & dedicated professionals and constantly monitored by top management to ensure that its role does not remain restricted to recruitment, promotion and routine administration. The top management by its actions, initiative and attention must exhibit its genuine and unflinching interest / support in pursuing progressive HRD policies.

More openness, transparency in personnel matters, high value of human dignity, people oriented management system, creating belongingness and trust, two-way communication.

(i) ACRs should be viewed as a tool of development. (ii) People with sufficient knowledge should be placed in training system. (iii) Timely redressal mechanism should be introduced.

The HRD consciousness has to start from the top level to be followed down the line. The top bosses to take first initiative to demonstrate their commitment for HRD improvement.

(i) Continuity in top management to follow a consistent policy.

(ii) Freedom to top management, without any interference.

In public sector banks, HRD has almost come to mean, ‘Training’ only. There is more to HRD than training. HRD aims at the total development of the human resources.

(i) Banks should have a system, whereby the training needs of an employee are identified and are duly fulfilled at every stage of career growth. (ii) The career path should be very clear and visible. (iii) Promotion polices should be transparent. (iv) Premium on good performance in the matter of promotions / placements, etc.
HRD Departments should be manned by persons who have sufficient & successful banking experience. It should not be manned by persons who are experts in behavioral sciences only & lack practical knowledge and experience of banking & field operations.

(i) The whole appraisal system should be changed right from messenger level employees to managers, executives & top management officials. It should not only be made transparent but also responsive to the present day needs.

Develop HRD consciousness at all levels – Corporate, Administrative level and at field level. Compassionate seniors, who can listen to people and be their guides, mentors and counselors, HR departments at corporate level must be headed by field level bankers who have worked in all areas. They may be supported by a few specialists for HR/IR functions. The head of the Bank must believe that the twin team “HR & Technology” alone can bring in better results, year after year.

Better man-management is required. Do mass banking as well as class banking. Both have different dimensions and direction. Take care of people within and they will take care of bank’s customers and bottom line.

A conscious review of HRD polices. Survey the HRD climate in the Banking organization every three to five years and bring in needed changes.

First of all, HRD department should treat its employees as its customers. All other actions get placed in proper perspective automatically.

The shortcomings of an employee observed should be made known to the employee concerned, giving him a chance to overcome such shortcomings in future. The approach of HRD department should be always friendly and in the nature of guidance to employees. And so also towards those employees, who have been charge sheeted for minor/major lapses. Special training programmes must be organized for such employees, to make them improve their functioning and keep them motivated.

Senior functionaries at each level, i.e. Branch level, Regional level, Zonal level and Head office level, should be frequently imbibed with the HRD policies, so that they are able to provide good environment to employees working with them.

HRD is an individual personality trait – A humane approach. Once individuals are HRD oriented, the HRD Systems will get developed & implemented across various levels in the organization.

Have special R&D wings in HRD Department for ongoing in-house & external research, development, review and implementation of HRD policies.

Fixing staff accountability for genuine lapses is very important for banks, but in any case, the lapses of Borrowers must not get passed on to Branch Managers & other officials. If this
aspect is taken care, HRD Systems will greatly contribute towards better working morale of all people.

- There should be award schemes administered by prestigious organizations and Govt. agencies for best HRD Policies & Practices amongst Public Sector Banks. This will generate better competition among banks to bring about continued improvements in overall HRD policies & practices. In fact, there could be awards for Best Employer among PSBs.

- Even if there can be no parity of Pay structure between Public, Private & Foreign Banks, some incentive schemes need to be built in for better performance in certain key areas of business. Similarly medical facilities which are abysmally poor, must be reviewed and overall improvements brought about.

CONCLUSION

“Career Planning & Development” was perceived to be one of the most important HRD Sub Systems and not the most important HRD Sub-System. “Career growth and development” needs a consciously planned effort on the part of the individual careerist and the same cannot be left to chance. A good number i.e. 14.12% respondents have stated that they “often” faced career hurdles / barriers / obstacles, while 64.12% respondents have stated that they came across such hurdles, “sometimes” during their career. Nearly 81% respondents perceived that well-established Private Sector in India and the foreign banks had better Career Planning & HRD System as compared to that in Indian Public Sector Banks. Over the years and in tune with the changing times, Indian Public Sector Banks have reviewed their HR & promotion policy and now for bright, hardworking and knowledgeable employees it takes comparatively lesser time to move to higher levels in banking hierarchy. There is increased awareness within the banking sector in India about need for better HR & Career Planning initiatives, but, on the ground, much still remains to be done. This attitudinal change has to be on-going & purposive.

BIBLIOGRAPHY


