

CHAPTER – 6

PROCUREMENT AND DEVELOPMENT OF EMPLOYEES IN PRAGATHI GRAMINA BANK

6.1 Recruitment in PGB

For staffing various positions in the organization, an organization has to go for external hiring, as redeploying existing manpower through job restructuring may not be adequate. External hiring process succeeds manpower planning. Through MPP an organization can understand the extent of external hiring after adjustment of internal manpower.

Recruitment, selection, induction and placement are important tools for procuring and effectively using human resources in an organization. While recruitment involves employing suitably trained workforce, selection helps in choosing the right candidate for right job, induction and placement is putting the men to the right jobs.

Recruitment is the process of attracting prospective employees and stimulating them to apply for jobs in an organization. It is not only a matter of satisfying an organization need. It is also an activity which influences the shape of organizations future. Recruitment has to fulfill the following objectives i.e., to forecast how many people will be required in the company, to enable the company to advertise itself and attract talented people, to provide different opportunities to procure human resource and to review the list of objectives of the company in order to promote the company in the minds of the general public.

The purpose and importance of recruitment is to attract and encourage more and more candidates to apply in the organization, create a talent pool of candidates to enable the selection of best candidates for the organization, determine the present and future requirements of the organization in conjunction with its personnel planning and job analysis activities, to meet the organizations legal and social obligations regarding the composition of its workforce and increasing organization and individual effectiveness of various recruiting techniques and sources for all types of job applicants.

The major sources of recruitment for different types of personnel are;

1. Internal sources of recruitment i.e., recruitment of employees within the organization which includes present employees, employee referrals, retired employees and dependents of deceased or disabled.
2. External sources of recruitment, i.e., recruitment of employees outside the organization, which includes professional agencies, advertisements, campus recruitments, trade unions, data banks, employment exchanges.

Therefore, a sound recruitment policy calls for adopting a scientific process of recruitment, i.e., those techniques, which are modern and scientific. Recruitment policy also requires considering the high cost of the employee turnover, unless an organization adopts a suitable recruitment policy, it may not be possible for the organization to select the right candidate for the right job. A sound recruitment policy therefore needs to identify, at the outset, the recruitment needs of the organization, identify the preferred sources of recruitment, frame suitable criteria for selection and finally consider the cost of recruitment.

The PGB follows specific guidelines regarding promotions and transfers as per the recommendations of the Thorat Committee, which is given in the below table 6.1.

Table 6.1

Ratio of direct recruitment and promotion in various cadres

Category	By direct recruitment	By promotion
Group C		
Office attendants	100%	-
Group B		
Office assistants	75%	25%
Group A		
Scale I	50%	50%
Scale II	25%	75%
Scale III	10%	90%
Scale IV	-	100%
Scale V	-	100%

(Source: PGB Report)

The table 6.1 clearly states that for Group C staff i.e., office attendants, there is no promotion and 100% by direct recruitment. For Group B staff, i.e., office assistance 25% is by promotion and 75% by direct recruitment. For Group A staff i.e., Scale I officers 50% by promotion and 50% by direct recruitment, Scale II officers 75% by promotions and 25% by direct recruitment, Scale III officers 90% by promotion and 10% by recruitment and where as Scale IV & Scale V it is purely based on promotion.

Transfer policy at PGB

I. Norms for transfer of Group A staff (Officers).

1. The Chairman will be the deciding authority for transfer of officers. However, if delegated, the General Manager incharge of HR department will be the deciding authority upto the officers in Scale II.
2. Officers in all categories are subject to transfer anywhere within the area of operation of the RRB.
3. All new recruits other than officers with a specialization would initially be posted in big branches for a normal tenure of 3 years before being given independent charge of a branch.
4. The tenure of transfer of officers would normally be 3 years subjected to business exigencies or administrative requirements.

II. Norms of transfer of Group B staff (Office assistance).

1. The Chairman or if delegated, General Manager incharge of the HR department will be the deciding authority for transfer of clerical staff. In case of transfer within the area of operation of controlling office due to exigencies, the OIC of controlling office may be authorized for transfer.
2. Group B staff is subjected to transfer anywhere within the area of operation of RRB.
3. All new recruits preferably will be posted in big branches for tenure of 2 years.
4. The tenure of transfer would normally be 5 years subject to business exigencies or administrative requirements.

III. Norms for Group C staff (Office attendants)

1. The Chairman or the officer delegated by him will be the authority for transfer.
2. Group C staff will be subjected to transfer to any branch within the district.
3. The tenure of transfer of Group C staff would normally be 7 years.

The PGB has a provision wherein it permits the internal human resources to apply for higher post in the organization based on certain criteria given in Table 6.2.

Table 6.2

Internal Human Resources to apply for Higher Post in PGB

Scale officer	CHANNEL							
	Normal Track				Fast Track			
	Ratio	Eligibility	Selection method	Zone of consideration	Ratio	Eligibility	Selection method	Zone of consideration
Group C to Group B	70%	10 years with 10 Std pass	Written test and interview	Triple the number of vacancies including repeaters	30%	5 years with graduation	Written test and interview	All eligible candidates
Group B to Group A – Officer in Scale I	50%	10 years	Written test, interview and PAR	Triple the number of vacancies including repeaters	50%	Graduates with 6 years of service	Written test, interview and PAR	All eligible candidates
Officer in Scale I to Scale II	50%	8 years	Written test, interview and PAR	Triple the number of vacancies including repeaters	50%	Graduates with 6 years of service	Written test, interview and PAR	All eligible candidates
Officer in Scale II to Scale III	50%	7 years	Interview and PAR	Triple the number of vacancies including repeaters	50%	Graduates with 5 years of service	Written test, interview and PAR	All eligible candidates

(Source: PGB Report)

The committee recommends 50% for normal channel and 50% for fast track channel in promotion upto officers in Scale III as against the existing single channel promotion based on seniority-come-merit concept except in promotion from Group C to Group B where the ratio will be 70% and 30% respectively. Since many Scale III officers are already eligible for promotion as officers in Scale IV immediately. These officers in the next three years will be eligible for promotion in Scale V.

Table 6.3

Scale-wise promotions in Senior Management Cadre

Scale of officer	Ratio	Criteria	Eligibility	Selection method	Zone of selection
Scale III to Scale IV	100%	Merit	4 years of service	Interview and PAR	All eligible candidates
Scale IV to Scale V	100%	Merit	3 years of service	Interview and PAR	All eligible candidates

(Source: PGB Report)

As the above posts represent the senior management of RRBs, only meritorious performers, capable of shouldering higher responsibility including those of general manager and chairman of the RRB would be considered for promotion to these cadres. As such, the promotion for the posts of Scale III to IV and IV to V will be based purely on merit under fast track as indicated above.

Selection is the process of picking individuals possessing relevant qualifications, requisite knowledge and required experience. The most suitable candidate is chosen from out of those who have applied for the position based on certain criteria. Selection is much more than just choosing the best candidate. It is an attempt to strike a happy balance between what the applicant can and wants to do and what the organization actually requires. The whole process needs to be looked seriously and the personal manager is not supposed to leave anything to chance here. The manager must carefully follow the various guidelines such as finding the needs of the job, match applicants profile with job needs, he should not leave anything to chance and improper selection could prove to be a costly affair and keeping the expectations of employees in mind.

The importance of selection process for any organization is very complex, crucial and a continuous function, it facilitates in attaining the organizational goals and proper selection of an employee automatically becomes an asset to the organization.

The various steps followed by an organization in the selection procedure is receiving of applications, preliminary interview, application blank, psychological

tests, interview, background investigation, final selection, physical examination and the final placement of the employee.

Introducing the new employee who is designated as a probationer to the job, job specification, organizational surroundings and various employees is the final step of employment process. Some of the organizations do not lay emphasis on this function as they view that this function will be automatically performed by the colleagues of the new employees. Further, absence of information, lack of knowledge about the new environment, cultural gap, behavioural variations, different levels of technology, variations in the requirement of the job and the organization also disturb the new employee. This leads to instability and turnover. Hence, induction plays an important role in acquainting the new employee to the new environment, organizational rules and regulations. The process helps the employee to understand the organization much better. The basic objectives of induction is to reduce the anxiety of the new employees by providing them information about the organization and introducing them to co-workers, to make the employees feel at home, to expose the new employees to different areas of the organization, to promote a feeling of belongingness and loyalty and to build the employees confidence in the organization and in himself so that he or she may become an efficient employee.

Based on the conceptual frame work, the study analyses the methodology of recruitment adopted in PGB, Bellary. It is observed that after amalgamation, PGB is given complete autonomy in the recruitment process in tandem with the sponsor bank. Earlier i.e., before amalgamation the sponsor bank used to take unanimous decision without taking the consent of PGB. The recruitment process which happened in the year 2008 is one such incident, wherein PGB was given full freedom to conduct its own recruitment process and further it follows the necessary guidelines framed by RBI and the sponsor bank regarding the recruitment procedure.

Further, it was found that the bank before amalgamation used to follow the traditional approach of recruitment and selection of the candidates. But as of now, the bank has outsourced its recruitment activity to an agency called IBPS, which conducts the written tests for the candidates and gives them a rank, based on which the selection of the candidate is done by PGB alone. Further, it is seen that, there is no

recruitment calendar followed, whenever the vacancies arises, the bank would notify for recruitment.

Recruitment Policy of PGB

Recruitment is one of the steps in the entire employment process, which helps in searching for prospective employees and makes them to apply for jobs in the organization. In view of the importance of recruitment policy in PGB, the opinion of the employees is given in the table 6.4.

Table 6.4

Recruitment Policy of PGB

Parameters	Response of respondents	%
a. Not at all	201	61
b. To a small extent	56	17
c. To a moderate extent	32	10
d. To a large extent	21	06
e. To a very great extent	20	06
Total	330	100

From the above table, we can clearly infer that 61% of respondents say that there is no well defined recruitment policy followed by PGB, 17% of respondents say that there is a well defined recruitment policy followed at PGB is only to a small extent, 10% of the of respondents say that the recruitment policy followed at PGB is only to a moderate extent. So, we can clearly analyze that there is no well defined recruitment policy followed by PGB. Hence, it is suggested that PGB needs to adopt a well defined recruitment policy, i.e., it is required to recruit on yearly basis because of the growing number of branches, business and competition.

Factors Influencing Recruitment Policy

The important factors influencing the recruitment policy is made in this study to examine the views of the employees. The following table 6.5 reveals the factors influencing recruitment policy in PGB.

Table 6.5

Factors Influencing Recruitment Policy

Parameters	Response of respondents	%
a. Organization size and dimension	88	27
b. Employment conditions	56	17
c. Working conditions	40	12
d. Compensation benefits	28	09
e. Career growth	34	10
f. Organization climate and culture.	84	25
Total	330	100

From the above table, we can clearly analyze that 27% of the respondents are influenced by the organizational size and dimension, 17% are influenced by the employment conditions, 12% are influenced by the working conditions, 25% by the organizational culture and climate, where as 10% are influenced by career growth and 9% by compensation benefits.

This clearly indicates that the organization size and dimension is a major influencing factor, but the study also indicates that the compensation and career growth opportunities is also less, when compared to any of the commercial banks and this makes many of the employees to quit the organization and join any public or private commercial banks, wherein the compensation, career growth, working conditions are far more superior when compared to rural banks. Therefore, it is suggested that PGB, take into consideration the following above factors, so that it can attract the talented and the hard working people towards their organization.

Internal method of recruitment followed at PGB

In view of the internal recruitment done by PGB, an attempt is made to what extent the recruitment is followed at PGB. The following table 6.6 gives the information about the internal method of recruitment followed by PGB.

Table 6.6

Internal method of recruitment followed at PGB

Parameters	Response of respondents	%
a. Promotions	188	57
b. Transfers	107	33
c. Job posting	27	08
d. Employee referrals	08	02
Total	330	100

From the above table, we can clearly analyze that 57% of internal recruitment is done through promotions, 33% from transfers, 8% through job posting and meager 2% with employee referrals. So, it is suggested that PGB needs to give top priority to promotions followed by transfers in order to retain quality manpower in the organization.

External methods of recruitment followed by PGB

In view of the external recruitment done by PGB, an attempt is made to what extent the external methods of recruitment is followed at PGB. The following table 6.7 gives the information about the external method of recruitment followed by PGB.

Table 6.7

External methods of recruitment followed by PGB

Parameters	Response of respondents	%
a. Campus recruitment	Nil	-
b. Advertisements	301	91
c. Consultants	20	06
d. Data banks	07	02
e. Casual applicants	02	01
Total	330	100

From the above table, we can clearly analyze that 91% respondents have responded that advertisement recruitment notification is followed to a great extent by PGB. 6% is through consultants and none from campus recruitment. Therefore, it is suggested that PGB adopts campus recruitment as one of the method, so that it can

attract a wide pool of talent who would be interested in working for the organization and serve in rural areas.

Cost factor involved in recruitment process

Since, PGB is outsourcing the recruitment activities to an agency the cost factor involved is too high. In order to take care of the recruitment process of the candidates, the agency provides its services such as; infrastructure facilities, conducting of written examination, stationery, result declaration, maintenance of the candidates data bank to name a few. The cost factor involved in the recruitment process is given in the table 6.8.

Table 6.8

Cost factor involved in recruitment process

Parameters	Response of respondents	%
a. Advertisement cost	124	38
b. Agency fees	202	61
c. Referral bonus	04	01
Total	330	100

From the above table, we can clearly infer that the major cost involved in recruitment process i.e., 61% is on agency fees and 38% of cost is on advertisement. Further, it is observed that the method and process adopted by the agency in providing quality human resource is satisfactory. In this regard, it is suggested that PGB needs to continue with the services of the private agencies.

Reasons for employees quitting the job

PGB has a lot of attrition that is employees quitting the job after recruitment for many reasons and the factors responsible for employees to quit are shown in the table 6.9.

From the table 6.9, we can analyze that 25% of the respondents indicate career growth as one of the major reason for quitting the job, whereas 24% of the respondents have indicated that better job opportunities and salary package is also one of the reasons for quitting the organization. 18% of respondents dislike in staying rural areas and 05% of the respondents indicate that lack of incentives is also one of

the major factors for the employees to quit the organization. Therefore, it is suggested that PGB needs to give due consideration to the above said factors in retaining the quality manpower.

Table 6.9

Reasons for employees quitting the job

Parameters	Response of respondents	%
a. Better job opportunities	78	24
b. Career growth	81	25
c. Salary package	79	24
d. Family problems	03	01
e. Health issues	11	03
f. Disliking rural stay	62	18
g. Lack of incentives	16	05
Total	330	100

Standard for Selection of the Candidate

The selection of the candidate is one of important criteria for any organization. The selection is done on various parameters such as; experience, qualification, suitability, interview and written test. The following table 6.10 mentions the standards for a selection of the candidate.

Table 6.10

Standard for Selection of the Candidate

Parameters	Response of respondents	%
a. Experience	109	33
b. Qualification	189	57
c. Suitability	27	08
d. Usefulness	05	02
Total	330	100

From the above table, we can clearly analyze that 57% of the respondents indicate qualification is the standard criteria for selection of a candidate, 33% indicate experience is also one of the criteria for selecting a candidate, 8% indicate suitability of the candidate towards a particular job is also one of the criteria for selection of

candidate. Hence, it is suggested that qualification followed by experience should be given top priority while selecting a candidate for the organization.

The selection method adopted by PGB is different for different cadres and rank. For group A i.e., officers grade, the selection is done by a panel of selection committee which consists of the Chairman of the bank who heads the committee, one member nominated by NABARD, one member nominated by the sponsoring bank, and one member from SC/ST category. For group B i.e., office assistants, the selection panel consists of General Manager of PGB, who heads the committee, one member each from NABARD and sponsor bank, one member each from minority category and SC/ST category. For Group C, i.e., office attendants, the selection panel is headed by the General Manager, one chief general manager of PGB and one member each from the NABARD, sponsor bank and SC/ST category.

Usefulness and practicality of induction program in enhancing employees performance

The overall purpose of the interview is to obtain additional information from the candidate and to build the organization image and facilitate in giving information to the candidate about the organization policy, job procedure of the organization. The induction is given to the employees cadre-wise. The usefulness of the induction program in enhancing the employee’s performance is shown in the table 6.11.

Table 6.11

Usefulness and practicality of induction program in enhancing employees performance

Parameters	Response of respondents	%
a. Not at all	22	07
b. To a small extent	11	03
c. To a moderate extent	56	17
d. To a large extent	221	67
e. To a very great extent	20	06
Total	330	100

From the table 6.11, we can analyze that 67% of the respondents indicate that the induction program given by the bank enhances the performance of the employees to a large extent and 17% indicate that the performance enhance to a moderate extent. Further, it is been observed that the employees or new recruiters feel that the induction program should contain a lot of practical oriented session, which would definitely enhance their performance. In this regard, it is suggested that the induction program should not be confined only to a few topics but should cover a range of topics right from the organizational issues, employee benefits, and introduction to staff, job duties and organizational culture.

Hence recruitment, selection and induction are a vital function of the HR in the organization. A slightest mistake will lead to a square peg in round hole; therefore, the role of the HR manager is very crucial in recruiting, selecting and inducting the right kind of people who can be an asset for the organization. Instead of following a blind culmination process, focus should be on selecting people based on the skills and competencies required for the job.

6.2 To Evaluate the Training Program adopted at PGB.

Training is one of the important sub-systems of human resource management. The process of orientation and training drives employees who have entered organizational domains with diverse background and orientation into the main stream of the organizational requirements to accomplish the set tasks enabling organization to move in a definite pre-determined direction. Training means providing inputs to develop particular skills, techniques and methodologies for doing a particular job or task efficiently. Training and development offer more than just increased knowledge and also offer the added advantage of learning from the experiences of others. Training is valuable to both the employee and employer. Training is also the technique of motivating and retaining employees with added knowledge and skills that makes them more productive and efficient in the work place.

The training function which is considered an integral part of organizational management has to move with the changes taking place in the organizational activities and the changing profile of the employees – both aspects that are continuously influenced by various forces of the environment.

After nationalization, the banking scenario has undergone a series of changes and the industry is facing many a challenge. The new challenges have called for appropriate changes in the perceptions and attitudes of the staff at all levels. Therefore, if the banking system is to effectively cope with these, it will have to adopt a pro-active approach through initiation of steps to ensure that the training system is adequately re-inforced through appropriate stream lining of the training strategies and training techniques. The policy makers and senior level managerial personnel should be aware that continuous training or retraining is perhaps the only available means to effectively compete with the fast approaching obsolescence in the areas of attitude dimensions, knowledge dimensions and skill dimensions.

Banks being a technical field, persons directly handling banking affairs, especially at the branch level, must necessarily know their jobs in all its technicalities. Proper and timely training of the concerned personnel both in theory and practice become imperative, particularly when new spheres are being constantly added to the present day banking and demands and expectations from the community are growing. With a view to make training useful and bringing it in consonance with costs involved, it has to be meaningful, need based, effective, broad based, and purpose oriented. Generally speaking, need for training can be just judged by the employee himself or his immediate superior who knows the gaps of knowledge and skills required or to be acquired. But in the case of specialized types of skills, it should be left at the administrative control points to judge the training gaps and the required manpower to fill up such gaps depending upon the overall organizational policy.

The training programme must be designed to sub-serve the following objectives viz.,

- a. to impart basic knowledge about the organization, service methods and to build the necessary skills of new executives and workers;
- b. to impart customer education and knowledge of the marketing services;
- c. to expose the employees to the latest developments which directly or indirectly affect them;
- d. to broaden the vision of officers and the employees by providing them suitable opportunities for an interchange of experiences within and outside the organization;

- e. to build up a second line of employees and prepare them to shoulder additional responsibility.

Training is pervasive, if there is a climate of training then individuals become more efficient, their motivation is increased, standard of work improves. Group of employees will develop their own group training needs, and from this type of training comes greater flexibility, co-operation, continuity and interchangeability of staff. The needs of the organization and the management needs are obviously achieved through training, apart from the simple mechanism of conveying new information and attitudes to employees, a learning climate aids management to pin point areas of service needs and helps give a better response to pressure.

There are a large number of training and development program meant for different types of employees at different levels. Broadly speaking, the various training and development methods can be classified into two categories, i.e.,

1. On the job methods; a) on specific job, b) job rotation, c) special projects, d) vestibule training
2. Off the job methods; a) special courses and lectures, b) conferences, c) case studies, d) role play and e. sensitivity training.

A periodic review would be an essential element. Further, in order to prevent the training system from becoming simply a number game, proper balance has to be evolved between intensive and extensive training for better results. In addition, the exercise of training has to be continuous, keeping in mind future promotions and placements, so that neither the person concerned nor the organization is taken by surprise due to maladjustment, which may be caused due to insufficient preparation for higher or new roles to be performed. Lastly, training must find a direct and close relationship as far as possible for the optimum utilization of both human and material resources. As an organization becomes larger, it may become more difficult to match the available personnel with the needed person.

It is in this context, there is a need to have a closer look at the existing training systems in PGB in the face of changing technologies. In PGB, training is given to employees in order to improve their efficiency, knowledge and skills. On the job and off the job training for all the employees is given, so that it provides a good climate

for learning, growth and co-ordination. Prior to amalgamation, the training given in PGB was predominantly more focused 'on the job training' and less on 'off the job training'. Besides coaching and mentoring was done by the senior staff of the organization. The training methodology adopted prior to amalgamation suited the environment of those days which was less intensive in training with very few products, limited number of customers and less competition. It was quite easier and sufficient to train the workforce.

After amalgamation, due to rapid branch expansion, increased business, competition, diversified business activities and the fast changes in technological environment brought in new challenges to the bank in the development of the employees. The training that was given earlier was not sufficient to respond to the growing demand of the business and competition. Hence, the need for intensive training i.e., both on the job and off the job training is given in order to increase the knowledge, skills and competencies of the staff. Training is given for all the staff members of PGB based on the requirements of the bank. The staff members are sent to various institutions for training such as; BIRD Mangalore, BIRD Lucknow, CAB Pune, NIBM Bangalore, IIM Bangalore, Ahmadabad and Lucknow, foreign exposure to name a few.

The training requirements are assessed once in a year strictly based on the yearly performance review report. The performance review report verifies is there any performance deficiency with the staff and determining of such deficiency will be corrected through training. In turn the bank will issue a circular to those staff members requiring the training program and will be given the necessary training required, so that they can tune with the given situation and enhance their productivity. The training program given ranges from lecture method, case study method, role play, workshops, job rotation, and conference to name a few.

6.3 Training Programmes offered to various staff

The following table 6.12 shows the training program given to the staff members of PGB:

Table 6.12

Training Programs offered to staff

SN	Name of the Program
I	For officers
A	BIRD, Mangalore
1	Legal aspects of banking
2	Rural development banking
3	Management development program
4	NPA and Recovery management
5	SHG bank linkage program
6	Trainers program on financial inclusion
7	Health management
B	BIRD, Lucknow
1	Program on investment and treasury management
2	Program for internal auditors or inspectors on auditing computerized branch
3	Management development programs for women officers
C	CAB, Pune
1	Payment and settlement system
2	Workshop on IT governance
3	Conference on micro-finance theme
4	Program on investment and funds management
5	Program on business continuity and recovery planning
6	Managing human resources for organizational excellence
7	Conference on cyber frauds
D	National Institute for Rural Banking
1	Staff discipline and domestic enquiry
2	Induction and CBS training program for newly recruited officers
3	Financial inclusion
4	Branch management program for managers
5	Credit management
6	Financing traders or new businesses
7	Leadership and managerial effectiveness
8	Business development and improving profitability

9	Risk management
10	Program on NRI businesses
E	SIB, STC, Bangalore
1	Credit management
2	Credit appraisal
3	Program on analysis on financial status
F	IDRBT, Hyderabad
1	Network security
2	Technologies for financial inclusion
3	Mobile banking
4	Workshop for advanced technologies
5	Information security for banks
6	Securing coding practices
7	Tools and techniques for auditors
8	Developing IT leaders in banks
G	On Location Programs
1	Workshop for inspecting officers
2	Workshop on domestic enquiry
3	NPA management
4	New technology concepts and usage for RRBs
H	DIT, Chitradurga
1	Workshop on CBS problems for staff members
2	Workshop on ATM
I	RSTC, Canara Bank, Bangalore
1	Enrichment in credit appraisal and monitoring
2	NPA and recovery management
3	Basic credit appraisal and monitoring
J	Infosys, Bangalore
1	CBS core team training
K	Training to Executives
1	Orientation program for general managers of RRBs (BIRD, Lucknow)
2	Conference of CEO of RRBs at CAB, Pune
3	Program on role change for scale IV executives
L	On the Job Trainings at Canara Bank
M	Foreign Exposure

II	For Office Assistants (Multi-Purpose)
A	NIRB, Bangalore
1	Pre-promotion training for SC/ST
2	Staff development program / customer service
B	DIT, Chitradurga
1	Workshop on CBS problems
2	Workshop on MIS to the administrative staff
III	For Office Attendants (multi-purpose)
A	NIRB Bangalore
1	Job enrichment programme
2	Pre-promotion training for SC / ST

(Source: PGB Report)

6.4 Training Programmes given to employees of different cadre

The following table 6.13 provides the information related to the training given to employees of different categories and the expenditure incurred.

Table 6.13

Training given to Employees of different cadre

Year	Category	No. of staff trained	No. of program	Expenditure incurred
2007-08	Officers	630	70	Rs.55.00 lakhs
	Office Assistants	480		
	Office Attendants	180		
	Total	1290		
2008-09	Officers	748	65	Rs.50.00 lakhs
	Office Assistants	420		
	Office Attendants	180		
	Total	1348		
2009-10	Officers	764	69	Rs.58.00 lakhs
	Office Assistants	600		
	Office Attendants	240		
	Total	1604		
2010-11	Officers	515	68	Rs.68.00 lakhs
	Office Assistants	300		
	Office Attendants	120		
	Total	935		

(Source: PGB Report)

The table analyses that the training given to the employees in the year 2007-08 is 1290, and the amount of expenditure incurred is Rs.55 lakhs and in the year 2010-11 the training given is to 935 employees and the expenditure incurred is Rs.68 lakhs.

The above analysis of the training given to the employees is verified by testing the hypothesis that the number of employees trained year-wise in relation to the total manpower is satisfactory by computing the 't' test.

Table 6.14

Manpower and total number of employees trained

Year	No. of staff	No. of staff trained	Table value of 't' @ 5% level of significance	Calculated value of 't'
2007-08	1930	1290	1.943	4.90
2008-09	2054	1348		
2009-10	2021	1604		
2010-11	1964	935		

From the above table, we can analyze that the table value of 't' at 5% level of significance is 1.943 and the calculated value is 4.90, which is much greater than the table value. Hence, the hypothesis is rejected.

Conducting regular training programs in the phase of technological changes

Training program is very much important for every employee of an organization, without training employees feel outdated, so conducting regular training programs in the face of technological changes is very much needed and this is shown in the table 6.15

Table 6.15

Conducting regular training programs in the phase of technological changes

Parameters	Response of respondents	%
a. Not at all	Nil	-
b. To a small extent	125	38
c. To a moderate extent	157	47
d. To a large extent	32	10
e. To a very great extent	16	05
Total	330	100

From the table 6.15, we can clearly analyze that 47% of respondents indicate that training program conducted at PGB is to a moderate extent, 38% of respondents indicate to a small extent, 10% of respondents indicate to a large extent and 05% of respondents indicate to a very great extent. Therefore, it is suggested that regular training programs needs to be undertaken by PGB, so that every employee of the organization is well versed and can use the technology in a better way.

Response of employees towards the induction of new technology

Induction of new technology will always have an adverse effect on the employees as well as the organization adopting the technology initially. The importance of inducting new technology and the attitude of the employee towards the induction of new technology is shown in the table 6.16

Table 6.16

Response of employees towards the induction of new technology

Parameters	Response of respondents	%
a. Not at all	Nil	-
b. To a small extent	113	34
c. To a moderate extent	177	54
d. To a large extent	26	08
e. To a very great extent	14	04
Total	330	100

From the above table, we can clearly analyze that 54% of respondents indicate that the response of the employees towards new technology at PGB is to a moderate extent, 34% of respondents indicate to a small extent, 08% of respondents indicate to a large extent and 04% of respondents indicate to a very great extent. Hence, it is suggested that in the competitive pace, all employees need to adapt themselves to the new technology or else there is every possibility that they are going to lose their customers to the competitors.

Measures undertaken by the organization to improve the performance level of the employees

To improve the performance levels of the employees, organizations needs to take different yardsticks or measures and the factors responsible to improve the performance is shown in the table 6.17.

From the table given below, we can clearly analyze that 38% of respondents indicate that the measures undertaken by the bank to escalate the performance of the employees is through job rotation, 31% of employees indicate that performance of employees can be improved by giving training, 22% of employees indicate that performance level of employees will be improved by organizing seminars.

Table 6.17

Measures undertaken by the organization to improve the performance level of the employees

Parameters	Response of respondents	%
a. Training	103	31
b. Deployment	19	06
c. Job rotation	126	38
d. Higher studies deputation	03	01
e. Foreign study tours	07	02
f. Organizing seminars	72	22
Total	330	100

It is found that the training given is more of routine in nature, In this regard, it is suggested that, the appropriate strategy or the need of the hour for PGB is, that there must be sincerity on the part of the management in giving specific and tailor made training programs to the employees, so that they may feel the relevance of training with more focus on skill, aptitude and techniques. The training programs for the clerical or sub-staff cadres need to be participative oriented with more practical methodologies and as far as possible be in the regional language. In the case of officers, experience sharing should be the main plank with more active participant – oriented inputs like; management games, experimental learning, case study methods,

role play forming a regular future of program modules and more focus should be given on technology oriented training.

Therefore, the training system has to focus on SWOT aspects of each individual as well as keeping in view the challenges that the organization is facing, the technological changes enforced in the banking sector and the needs of the customer. The structure of the training should be more rational keeping in view of the global scenario.

6.5 To Study the strategy of re-aligning and re-allocating the staffing pattern at PGB.

The world is on the thresh hold of a new revolution viz., knowledge revolution, knowledge societies and knowledge economies are fast emerging across the globe. The two revolutions i.e., knowledge revolution and electronic revolution are inter related to each other and they have brought about a paradigm shift in the way in which businesses are done and the organizations are managed and it is in this context the process re-aligning and re-allocation holds a lot of significance.

The Indian banking industry which is undergoing a paradigm shift and adoption of concepts like re-aligning and re-allocation has become a strategic imperative. The systems are already in place in some of the most vibrant players in the banking industry, particularly the foreign banks and private sector banks. However, the same is yet to get prominence among the majority of the public sector banks and especially a rural bank like PGB, which is the back bone of Indian rural banking system. PGB has to adopt the process of re-aligning and re-allocation, so that it can bring in new dimensions to its business by implementing;

- a. CRM, so that it can address the increased customer acquisition and retention, delivery of relevant, consistent and high quality customer experience, delivery of right products and services tailored made to customer's needs and improved customer management.
- b. The concept of inclusive growth, which should include all the poor, deprived and disadvantaged sections of population both in rural and urban areas in economic development. There must be an effective co-ordination among the

agencies that participate in the inclusive growth process, i.e., banks, NGOs, microfinance institutions and government.

- c. Organizations should be given a reasonable level of operational flexibility and functional autonomy to acquire the best of the human resources for the organization.
- d. There should be a system of rewarding the employees who takes the initiative of generating business, sharing of knowledge and experience and
- e. Adoption of continuous training for staff at all levels, so as to keep them abreast of the latest development.

One of the objectives of HR planning is the efficient and effective use of scarce human resources through the process of re-aligning and re-allocation. The term re-aligning refers to put back into proper order or to make new working arrangements amongst the groups. The term re-allocation refers to assign or allot for a different purpose.

Before amalgamation, TGB with limited human resource at its disposal, due to slow recruitment process over a long period of time and limited area of operation, less usage of technology has limited scope for re-alignment and re-allocation of resources for better performance. The policy of amalgamation undertaken by the sponsored banks created a vast scope for re-alignment and re-allocation of resources to improve the performance of the organization by keeping the right person at the right place and introducing effective technological training to the personnel and re-shuffling of HR according to the requirements of various branches.

Thus, the amalgamation provided wider scope to PGB to have optimum utilization of human resources through re-alignment and re-allocation. The re-alignment process enables the organization to identify the skills and talents of the workforce and accordingly re-align for a better position, which in turn motivates the employees and their efficiency.

Re-allocation of HR will result into the reshuffling of HR and placing them at different branches as per the requirements, in order to improve the performance of the branches.

No doubt, the process of re-alignment and re-allocation of HR seems to be ideal, simple and improves the performance of the organization, but it has its own limitations. Firstly, the re-alignment process may envy across the workforce and result into dissatisfaction. Secondly, re-allocation of HR according to the needs of PGB is not so easy, as the workforce has a specific attachment either to a place or to a position.

Thus, if these limitations are over ruled by convincing method and a strong administration policy the re-alignment and re-allocation process will go a long way in strengthening the operation of PGB.

Criteria of systems adopted in PGB

There are different systems adopted by various organizations and the same is applicable at PGB. The system adopted by PGB is shown in the table 6.18.

Table 6.18

Criteria of systems adopted in PGB

Parameters	Response of respondents	%
a. Need based	60	19
b. Procedural based	270	81
Total	330	100

From the above table, we can infer that 81% of the system followed in PGB is purely procedural based and the rest of 19% is need based. Hence re-allocation of staff is not according to the needs of the branches and this adversely affects the performance level of the organization. Therefore, it is suggested that re-allocation of staff should be done on a need based at PGB.

Criteria of transfer or promotions at PGB

Transfer and promotions are the routine activities that are followed in every organization every year and this is also a regular activity in PGB, the criteria for transfer or promotion is shown in the table 6.19.

Table 6.19

Criteria of transfer or promotions at PGB

Parameters	Response of respondents	%
a. Routine	167	51
b. Experienced	144	44
c. Re-alignment	19	05
Total	330	100

From the above table, we can clearly infer that 51% of the respondents opine that criteria for transfer or promotions are routine in nature, 44% of respondents say that transfer or promotions are done based on experience or seniority and 05% opine that criteria of transfer or promotion is based on re-alignment. The concept of re-alignment is given least consideration at PGB which in turn leads to under utilization of the capabilities of the staff.

Each individual has got own talent, skills and traits and therefore it is suggested that the management of PGB should consider the capabilities of employees in the process of re-alignment, which goes a long way in improving the performance of the organization.

Summary

This chapter deals with the methodology of recruitment, selection, training and re-aligning and re-allocation of staff adopted in PGB. The recruitment and selection policy is an important activity for any organization and the study reveals that the policy of recruitment is not defined properly and there is a need for a well defined policy. There are various factors influencing recruitment policy and it is seen that organization size, compensation, career growth plays an important role. The internal and external methods of recruitment in PGB reveals that it is done majorly through promotions and advertisement through local, national dailies and websites.

The study further reveals that major cost factor involved in recruitment process is on agency fees and advertisement cost. The various reasons for employee quitting the job is due to better career growth, job opportunities and good salary package. Due prominence is given to qualification and experience, while selecting a

candidate and the induction program given does not cover wide range of topics related to organizational issues, benefits, career growth, culture, job duties and this needs to be given lot of importance.

Training is also one of the most important sub- systems of human resource. It drives the employee and the organization to achieve what they want. Conduction of regular training to employees in the phase of technological changes in PGB, the study reveals that it is to a moderate extent and regular training to employees is a necessity. To improve the performance levels of the employees the study reveals that job rotation and training is needed. The criteria of system for re-allocation of staff adopted in PGB further reveals it more procedural based, rather it should be need based, whenever required. The concept of re-alignment is given less importance and this leads to under utilization of the staff and the management should recognize and assign specific tasks or duties depending upon the skills and traits of the employees.