CHAPTER VI

SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

In the 21st century, the workplace dynamics will undergo a sea change and Human Resource in banks will be required to set standards of increased productivity, improved performance and management of self-learning process in new and innovative ways. Because the rules determining the success of an organisation shall be entirely different in future from those of the present. Though we are in the final countdown of the 21st century, HRD will continue to remain an important force for the banking sector in future. As HRD practitioners create rather than merely respond, they will look for greater leverage and more productive ways to help managers, teams and individuals to change their own Human Resource practices.

Today, a tremendous amount of information is flowing into the banks both within and without. Personal computers and networking facilities have dramatically influenced the banking practices of acquiring, deploying and delivering technology and the way the banks face the global competition. These factors have resulted in changing work roles and thereby paving the way for new sets of competencies to meet these roles in order to build and sustain the competitive advantages by developing new product and services capabilities, creating revolutionary changes, improving core capabilities and enhancing collaborative capabilities.

There is an increased need for Indian Banks to deal with the ambiguity of global competition i.e. co-operation and competition simultaneously. Human Resources are critical for national, local and organizational stability, if the cycle of welfare, poverty, violence, unemployment, illiteracy and socially undesirable employment are to be broken. Then an integrated and coordinated mechanism has to be evolved to develop people. Unlike the other resources, Human Resources can be developed and improved to an unlimited extent. HRD has the potential to improve an individual’s quality of work life. The key role of HRD in banks is to create, sustain and intellectualize a learning of organisational environment that serves as a foundation to any training and learning within an organisation.

Banks in India find themselves in a piquant situation dealing with strong competitive markets and fast changing technologies. In response, their strategies focus
on improving the organisational flexibility. Human Resources are regarded as a key to competitiveness. The role of HRD professionals is changing from trainer to consultant. Their strategic role makes HRD inseparable from business; their practical role is to provide learning opportunities for employees. The execution of HRD activities in banks is a shared responsibility of HRD professionals, managers and employees.

Indian Banks have to develop the workforce capable of taking up the challenges thrown by the new economic environment. To tackle this challenging situation, both Indian academics and practitioners have advocated the adoption of the concept of HRD. The adoption of professionalised HRD practices in India is a recent phenomenon, but has gained the momentum in the past ten years. Banks are now looking upto HRD departments for innovative approaches and solutions to improve the productivity and quality of work life, while adequately coping with an environment changed with high uncertainty and intense global competition. Changing workforce demographics, competing in global economy, eliminating the skills gap, need for life long learning and organisational learning are some of the challenges that HRD facing in Banks.

Changing business conditions and changes in organisational structures in Indian banking sector have compelled HRD function to constantly shift its perspectives on its role and function. For organisational effectiveness, HRD must become a strategic tool for achieving business goals and objectives and its present and future needs and justify its present role as a value added function. HRD programmes involve more than training focused on competences, gender and role. HRD involves socialization of work force to suit the cultural requirements of the organisation. It assumes a greater significance in view of the fast changing organisational environments and needs of the organisation in adopting new techniques in order to be productive to the environmental changes.

Developing human resources in a service-oriented organisation like banks is not only significant and crucial but also the need of the hour in view of the transitions in Indian Banking industry consequent upon the opening up of Indian economy to the global competitors. Developed human resources enable the organisation to develop change, meet the competition, carryout innovations and grow.

A careful review of the studies conducted on the HRD practices in various banks reveal that attempts have been made to study the implementation of HRD practices limiting them to a particular bank and to a particular aspect of HRD. Further, it seems that almost the entire review is based on the personal experience of the bank executives rather than the findings of an empirical study. Therefore, it has become imperative to
take up a comprehensive, integrated outlook based on an empirical study on the HRD in Banks and thus, the study establishes its credibility. Hence, the present study is undertaken to analyze the managers’ perception about the HRD practices in Banks, HRD Climate, HRD Outcomes and Organizational Effectiveness. Sincere attempts have been made to study the organisational and personal characteristics of managers involved in the implementation of HRD practices in Banks and the dominant characteristics of the managers influencing the implementation. The study also has examined the association between HRD Practices, HRD Climate, HRD Outcomes and Organizational Effectiveness in select PSBs and NPSBs.

The primary data collected through a structured questionnaire from 400 managers of PSBs, 150 managers of NPSBs of the select banks in Chennai City are analyzed and all the managers are contacted personally to elicit their complete response for the study. The study has identified seven independent variables in respect of organisational and personal characteristics and 154 variables of Need for HRD, Objectives of HRD Practices, HRD Mechanisms, HRD Climate, HRD Outcomes and Organizational Effectiveness.

The pilot study is conducted with a sample of 50 questionnaires covering select 8 PSBs and 5 NPSBs branches in Chennai City. The statements included in the questionnaire are subjected to the test of reliability using Cronbach’s Alpha Criterion and found to be highly reliable. The final five-point scale reliability is also tested using Cronbach’s Alpha Criterion in respect of Need for HRD, Objectives of HRD Practices, HRD Practices, HRD Climate, HRD Outcomes and Organizational Effectiveness and the results have proved that the instruments are highly reliable.

The primary data collected from the managers of both PSBs, NPSBs are analyzed by using the SPSS Package and the following statistical tools are used to obtain torrent of results regarding the objectives of the study. They are Factor Analysis, Cluster and Discriminant Analysis, One-Sample t-test, One-way Analysis of Variance, Z test, and Karlpearson co-efficient of correlation.
FINDINGS OF THE STUDY

The following are the findings about HRD Practices in PSBs:

1. All the 154 variables of Need for HRD, Objectives of HRD, HRD Practices, HRD Climate, HRD Outcomes and Organizational Effectiveness of PSBs are classified into 24 major factors. The naming of factors are listed below:

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<th>S.No.</th>
<th>Research Instruments and their Components</th>
<th>Factors</th>
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| 1     | Need for HRD                             | 1. Change Management  
        |                                           | 2. HRD Pre-requisites  
        |                                           | 3. Restructurisation |
| 2     | Objectives of HRD Practices              | 1. Work Environment  
        |                                           | 2. Personality Development |
| 3     | Performance Appraisal System             | 1. Motivators  
        |                                           | 2. Introspection |
| 4     | Career Planning and Development          | 1. Career Prospects |
| 5     | Training and Development                 | 1. Training Mechanism  
        |                                           | 2. Training Infrastructure |
| 6     | Job Rotation                             | 1. Inculcation  
        |                                           | 2. Impact |
| 7     | Employee Welfare and Reward System       | 1. Ideal Welfare and Reward System  
        |                                           | 2. Accountability |
| 8     | Other HRD practices                      | 1. Quality and Participative Management |
| 9     | Problems and Difficulties in implementing HRD practices | 1. Internal Defects  
        |                                           | 2. Resistance  
        |                                           | 3. Lack of Performance |
| 10    | Suggestion for effective implementation of HRD practices | 1. Internal Orientation  
        |                                           | 2. External Learning |
| 11    | HRD Climate Survey                       | 1. General and HRD Mechanisms Climate  
        |                                           | 2. OCTAPACE Culture. |
| 12    | HRD Outcomes                             | 1. HRD Outcomes |
| 13    | Organisational Effectiveness             | 1. Perceptive Advantages. |
The One-Sample t-test analysis reveals the following findings.

2. The managers in PSBs have identified the indispensability of Change Management, Restructurisation and Pre-requisites for the successful implementation of HRD practices. They have realized that the various factors of Objectives of HRD, Performance Appraisal and Career Planning and Development are instrumental for the development of an organisation.

3. The managers of PSBs believe that the perfection of employees is obtained through training and development and job rotational programmes.

4. The welfare of the employees and the reward system actually encourage the managers to discharge their duty to the best of their abilities.

5. The managers have ascertained that the optimistic development derivations are due to other HRD practices like Competency Mapping, TQM and QWL.

6. In PSBs, the organisational climate is suitable to practice HRD with no roadblocks to enhance both individual and organisational efficiency.

The Cluster and Discriminant analysis reveals the following findings:

7. It is found that the factors of Need for HRD and Objectives of HRD practices have formed three groups based on the perception of the managers in PSBs. It is also found that 21.25% of the managers are in cluster one, 38% of managers are in the second group and 40.7% of managers are included in the third group. The third cluster managers are armed with a clear vision about change management, HRD Pre-requisites, Restructurisation, Work Environment and Personality Development. It is found that the managers of different designations are equally distributed among all the three clusters of HRD needs and objectives.

8. It is found that based on the perception of managers of PSBs about the factors of HRD practices, there exists four groups of clusters. It is also found that 25.5%, 29.75%, 16.25%, and 28.5% of managers constitute first, second, third and fourth clusters respectively. The managers of different designations are equally distributed among all the four clusters of HRD practices.

9. It is found that three different heterogeneous clusters towards the factors of HRD Climate, Problems and Difficulties in implementation of HRD Practices, Suggestions for effective implementation, HRD Outcomes and Organisational
Effectiveness exist among the managers of PSBs. The managers of different designations are equally distributed among all the three clusters.

The One-way Analysis of Variance reveals the following findings:

10. The male managers in PSBs are more aware of the factors change management and external learning than their female counterparts.

11. The chief managers in PSBs are well acquainted with the training mechanism and external learning procedures. In fact, they spearhead the acquiring of knowledge about OCTAPACE culture than other categories of managers.

12. The educational qualification of the managers discriminate their perceptions of change management, HRD pre-requisites, and other factors of HRD sub-systems, climate, outcomes, and organisational effectiveness.

13. The total services of the managers do not predict their opinion about HRD practices in PSBs, whereas managers with more than 30 years of managerial service are systematic and meticulous towards external learning.

14. The managers with less monthly income powerfully resist and remain as die hard to the changes and adoption of new technology through HRD practices.

The following results are obtained by applying Karlpearson’s Co-efficient of Correlation:

15. In the PSBs, General and HRD Mechanism Climate and OCTAPACE culture have profound relationship with various factors of HRD practices, whereas the impact of job rotation remains uncorrelated with the HRD Climate.

16. The managers of PSBs unanimously believe that the fruitful outcomes of HRD practices are due to the various subsystems and suitable climate.

17. In fact, a sequential buildup of HRD Practices, Climate and Outcomes lead to tremendous organisational effectiveness.

18. It is also realized that in the PSBs, the objectives of HRD are designed in such a way to obtain the desired outcomes.
The following are the major findings about **HRD practices in NPSBs:**

1. All the **154** variables of Need for HRD, Objectives of HRD Practices, HRD Practices, HRD Climate, HRD Outcomes and Organizational Effectiveness of NPSBs are classified into **40** major factors. The names given to the factors are listed below:

### Table 6.2 Factors of NPSBs

<table>
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<tr>
<th>S. No.</th>
<th>Research Instruments and their Components</th>
<th>Factors</th>
</tr>
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| 1      | Need for HRD                             | 1. Pre-requisites  
          |                                           | 2. Imperatives  
          |                                           | 3. Change Management  
          |                                           | 4. Restructurisation |
| 2      | Objectives of HRD Practices              | 1. Work Environment  
          |                                           | 2. Personality Development  
          |                                           | 3. Team Building |
| 3      | Performance Appraisal System             | 1. Work Culture  
          |                                           | 2. Futuristic Strategy  
          |                                           | 3. Guiding Value  
          |                                           | 4. Review  
          |                                           | 5. Feedback |
| 4      | Career Planning and Development          | 1. Employees’ commitment  
          |                                           | 2. Awareness  
          |                                           | 3. Career Advancement |
| 5      | Training and Development                 | 1. Training Mechanisms  
          |                                           | 2. Training Infrastructure  
          |                                           | 3. Inductive Training |
| 6      | Job Rotation                             | 1. Orientation  
          |                                           | 2. Accommodative Approach  
          |                                           | 3. Internal Check |
| 7      | Employee Welfare and Reward System       | 1. Ideal Welfare Measures  
          |                                           | 2. Accountability  
          |                                           | 3. Loyalty |
| 8      | Other HRD practices                      | 1. Quality Management  
          |                                           | 2. Participative Management |
| 9      | Problems and Difficulties in implementing HRD practices | 1. Internal Defects  
          |                                           | 2. Resistance |
| 10     | Suggestion for effective implementation of HRD practices | 1. Internal Orientation  
          |                                           | 2. Modern Techniques  
          |                                           | 3. External Learning |
The **One-Sample t-test** reveals the following findings:

1. The managers in NPSBs have deep acquaintance with the Pre-requisites, Work Environment and Personality Development. Team building abilities and their guiding values have emerged popular among the managers. They are enthusiastic in their career advancement and affirming their loyalty with required internal orientation.
2. Modern techniques and empowerment are considered as fruitful HRD outcomes in their organisation.
3. The managers of NPSBs are reluctant to express their opinion towards internal defects and accept the changes without any resistance fearing reprimand.
4. The managers of NPSBs have admitted that the objectives of HRD and its practices are essential to build up a conducive HRD climate.
5. A conducive climate in the NPSBs creates a workable domain promising optimistic outcomes. In fact, it is realized by an effectiveness required for the development of the organisation.

The **Cluster and Discriminant analysis** reveals the following findings:

6. It is ascertained that there are two groups of cluster are formed based on the perception of the managers of NPSBs about the factors of ‘HRD Needs and Objectives’. It is observed that 72% of the managers are found in cluster one and 28% of managers are included in the second cluster. It is also found that the managers of different designations are equally distributed between two clusters of HRD Needs and Objectives.
7. It is found that based on the perception of managers of NPSBs about the factors of HRD practices, there exists two groups of clusters. It is also found that 89.33 %, and 10.67% of managers constitute first and second clusters respectively. The
managers of different designations are equally distributed between two clusters of HRD practices.

8. It is found that, based on the perception of employees in NPSBs about the factors of factors of HRD Climate, Problems and Difficulties in implementation of HRD Practices, Suggestions for effective implementation, HRD Outcomes and Organisational Effectiveness’ there exists two groups of employees. The managers of different designations are equally distributed between the two clusters.

The One-way Analysis of Variance reveals the following findings:


10. It is found that the female managers of NPSBs are well acquainted with the factors Change Management, Training Infrastructure, Participative Management, Resistance and Cultural Changes whereas male managers are more interested in their Career Advancement.

11. The designations and educational qualification of the managers of NPSBs are essential in distinguishing their opinion about the factors of HRD Practices, Climate, Outcomes and Organisational Effectiveness.

12. There is a direct influence of total service and managerial service of the managers in imbibing the application of factors of HRD Practices, Climate, Outcomes and Organizational Effectiveness.

13. Monthly Income is considered as major factor in determining the different opinions about the factors of HRD Practices, Climate and Outcomes and Organisational Effectiveness.

The Karlpearson’s Co-efficient of Correlation reveals the following findings:

14. The Karl Pearson’s Co-efficient of Correlation reveals the following findings with respect to relationship between HRD Practices and HRD Climate:

- In the NPSBs, the factors of HRD Practices and Climate have a positive relationship in a maximum way. It is also ascertained that the factors ‘Awareness’ and ‘Cultural Changes’ have a reciprocal relationship.
• It is also found that the factors ‘Risk Management’, ‘Empowerment’, ‘Orientation’, ‘HRD Mechanism Climate’ and ‘Training Mechanism’ remain as uncorrelated factors for HRD Climate.

15. The Karl Pearson’s Co-efficient of Correlation reveals the following findings with respect to relationship between **HRD Practices, HRD Climate and HRD Outcomes**:

• Most of the factors of HRD Practices and HRD Climate affect the factor HRD Outcomes and Accomplishment.

• The factor HRD Outcomes is not at all predicted by the factor ‘Awareness’.

16. The Karl Pearson’s Co-efficient of Correlation reveals the following findings with respect to relationship between **HRD Practices, HRD Climate, HRD Outcomes and Organisational Effectiveness**:

• In the NPSBs, the employees have the benefit of achieving organisational effectiveness sequentially through the factors of HRD Practices, Climate and their respective Outcomes. Microscopically it is found that the factors Loyalty, Work Culture, Guiding Value, Commitment, Accommodative Approach do not emerge as Organisational Effectiveness

17. The Karl Pearson’s Co-efficient of Correlation reveals the following findings with respect to relationship between **Objectives of HRD Practices and HRD Outcomes**:

• The correlation analysis reveals that the HRD practices in NPSBs aim at their targeted outcomes in the form of developmental activities. In particular, the spirit of team-building objective is not satisfactorily achieved in their organisation.

The following are the major findings obtained while making a **comparative study of HRD practices in PSBs and NPSBs**:

By comparing the various elements of HRD in the PSBs and NPSBs through Paired Z Test for Large Samples, the following results are identified:

1. It is identified that there is a **significant difference** between PSBs and NPSBs with respect to Need for HRD and Objectives of HRD Practices.
2. It is found that there is a **significant difference** between PSBs and NPSBs with respect to the following:

- Performance Appraisal System
- Career Planning and Development
- Training and Development
- Employee Welfare and Reward System
- Other HRD Practices
- Problems and Difficulties in implementing HRD Practices
- HRD Climate Survey
- Organisational Effectiveness.

3. There is **no significant difference** between PSBs and NPSBs with respect to the following:

- Job Rotation
- Suggestions for effective implementation of HRD Practices
- HRD Outcomes

4. It is established beyond doubt through F-Test for Equality of Variance that there is **no significant difference** between PSBs and NPSBs with respect to **variances and number of factors** of Need and Objectives of HRD, HRD Practices, Problems and difficulties in implementing of HRD Practices, Suggestions for effective implementation of HRD practices, HRD Climate, HRD Outcomes and Organisational Effectiveness.

5. By comparing the impact of Personal and Organisational Profile on various HRD elements of PSBs and NPSBs, the following results are identified:

- It is microscopically found that the **age** of the employees in PSBs does not have any relationship with the mentality of employees in imbibing HRD practices and their consequences. In the case of NPSBs, the middle-aged employees and young employees have different opinion in understanding the change management techniques and accomplishment.

- It is ascertained that the **male and female** employees in PSBs understand the consequences of change management and external learning in a different way due to the change in their perception. Especially the male employees in the PSBs have greater awareness of HRD practices than their female counterparts. In the NPSBs, the male employees have an enormous awareness
of change management, and career advancement than the female counterparts. Similarly, the awareness of male employees is predominant in their analytic views about training infrastructure, participative management, resistance and cultural change.

- An in-depth analysis exposes that the chief managers in PSBs are more thoughtful about training mechanism, external learning and OCTAPACE culture than senior, deputy and assistant managers. In the NPSBs, the chief managers are aware of the imperatives, restructurisation process, organisational environment, personality development, career advancement, accomplishment, modern techniques and risk management.

- It is microscopically identified that the PG and professionally qualified respondents in PSBs are more responsive to the factors HRD pre-requisites, restructurisation, introspection of performance appraisal system, internal orientation for effective implementation of HRD practices and external learning. In the case of NPSBs, PG qualified respondents have clear understanding about the imperatives, personality development and risk management process. The PG and professionally qualified respondents in NPSBs have better understanding of the work culture, review, employee’s commitment, and participative management.

- It is identified that the total services of the employees in PSBs do not have any association with the attitude of the employees in absorbing the HRD practices and their outcomes. In the case of NPSBs, the respondents in the category of total service with more than 30 years have diverse outlook in accepting the change management techniques, work environment, team building and perceptive advantages.

- An in-depth analysis exposes that the respondents in the category of managerial service with more than 30 years in PSBs are keen and attentive to the external learning programmes. In the case of NPSBs, the respondents in the category of total service with more than 30 years have diverse viewpoint in accepting the change management techniques, work environment, team building, review and feedback.

- It is identified that the respondents in PSBs who are earning less than Rs.15000 as monthly income are anxious about the HRD pre-requisites and
resistance of problems and difficulties in implementing HRD practices. In the case of NPSBs, the respondents who are earning less than Rs.15000 as monthly income have greater perception about the change management techniques, restructurisation, accomplishment, cultural changes, risk management and perceptive advantages.

6. By comparing the relationship among the factors of various elements of HRD in PSBs and NPSBs, the following results are obtained:
   - There is a significant difference between PSBs and NPSBs in relationship between factors of HRD Practices and HRD Climate.
   - There is no significant difference in relationship between HRD Practices & Climate and HRD Outcomes in PSBs and NPSBs.
   - There is no significant difference between PSBs and NPSBs in relationship among the factors of HRD Practices, Climate, Outcomes and Organizational Effectiveness.
   - There is no significant difference between PSBs and NPSBs in relationship among the factor of Objectives of HRD Practices and HRD Outcomes.

**HYPOTHESES TESTING**

The hypotheses of the present study are tested by using various statistical analyses in the previous chapters.

The first hypothesis of the study is “there is no significant difference between the select PSBs and NPSBs in the Implementation of HRD Practices”. This is tested by applying Paired ‘Z’ test for Large Samples. It is found that there is a significant difference between PSBs and NPSBs with respect to Need for HRD, Objectives of HRD, Performance Appraisal, Career Planning and Development, Training and Development, Employee Welfare and Reward System, Other HRD Practices, Problems and Difficulties in implementing HRD Practices and Organizational Effectiveness. It is also found that there is no significant difference between PSBs and NPSBs with respect to Job Rotation, Suggestions for effective implementation of HRD Practices, and HRD Outcomes.

The second hypothesis of the study is “there is no significant difference in HRD climate between select PSBs and NPSBs”. This is tested by applying the Paired ‘Z’ test
for Large Samples. It is found that there is a significant difference between PSBs and NPSBs with respect to their HRD Climate.

The third hypothesis of the study is “there is no significant difference between PSBs and NPSBs in relationship among the factors of HRD Practices and HRD Climate”. This is tested by applying Test of Proportion of Karlpearson’s Co-efficient of Correlation. It is found that there is a significant difference between PSBs and NPSBs in relationship among the factors of HRD Practices and Climate.

The fourth hypothesis of the study is “there is no significant difference between PSBs and NPSBs in relationship among the factors of HRD Practices and HRD Climate”. This is tested by applying Test of Proportion of Karlpearson’s Co-efficient of Correlation. It is found that there is no significant difference in relationship among the factors of HRD Practices and Climate.

The fifth hypothesis of the study is “there is no significant difference between PSBs and NPSBs in relationship among the factors of HRD Practices, Climate, and HRD Outcomes in PSBs and NPSBs”. This is tested by applying Test of Proportion of Karlpearson’s Co-efficient of Correlation. It is found that there is no significant difference in relationship between HRD Practices, Climate, and HRD Outcomes.

The sixth hypothesis of the study is “there is no significant difference between PSBs and NPSBs in relationship among the factors of HRD Practices, Climate, Outcomes and Organizational Effectiveness”. This is tested by applying Test of Proportion of Karlpearson’s Co-efficient of Correlation. It is found that there is no significant difference between PSBs and NPSBs in relationship among the factors of HRD Practices, Climate, Outcomes and Organizational Effectiveness.

SUGGESTIONS OF THE STUDY

Based on the findings emerged from the analysis of the data collected through questionnaires and interactions with the bank officials of the select banks, the following suggestions are offered to improve the HRD Practices, which are prevalent in banks.

The following suggestions are made to the PSBs:
1. In the PSBs, HRD programmes may be accelerated through effective implementation of change management techniques and restructuring the basic environment to increase the individual and organisational efficiency. Work environment needs to be totally revamped in all the PSBs in order to develop the personality of employees to attain maximum efficiency within the limited resources.
2. Training infrastructure in PSBs may be revamped to meet the present innovative technological requirements of the customers. The Managers of PSBs should be
trained adequately to be able to use state of the art technology. Separate training and development wing may be created to discuss the technological developments and innovations in Human Relations and their career developments. It is necessary to make training cost effective and link it to business strategy and goal.

3. The Performance Appraisal System in PSBs must be sound enough, so as to aid the process of counseling, self-development, and career development. The format of the PAS should be modified to facilitate further refinements and improvements in tune with the changes in the organisational structure, systems and procedures, work technology, information technology and other environmental factors. Incentive and reward systems based on individual and team achievement need to be introduced.

4. Since the managers of PSBs are well acquainted with HRD prerequisites, internal orientation and external learning, they may be further enlightened through both internal and external training programmes to achieve their desired goals in their organisations.

5. Periodic motivational programmes and clinics by the top management may be conducted to interact with all the PSB managers individually. It would enable them to express their opinion about the present scenario of the organisation and developmental activities.

6. It is found that the designation of the employees does not distinguish them in the perception of HRD needs and objectives. So, the HRD department in PSBs must allocate different types of HRD sub-systems suitable for different designations. This idea may increase the responsibilities of managers in different assignments.

7. The HRD mechanism in PSBs is affected by the impact of job rotation on different levels of managers. So, the top level management may be careful enough in assigning different jobs to their managers.

8. The Trade Unions in PSBs should play an active role in implementation of HRD practices at various levels. It is suggested that HRD measures in PSBs should be linked with the changing banking scenario.

9. Ensure more responsibilities to the front-line staff in fulfilling customer needs.

10. In the wake of computerization and various technological developments, it is necessary for PSBs to frame a strategy towards deployment and redeployment of the manpower to elicit optimum output from the current workforce.
The following suggestions are made to the NPSBs:

1. The training programmes in NPSBs should be productive, planned and continuous process as an integral part of overall organisational development. The quality of training should be improved in such a way to meet the organisational objectives directly. Training programmes should lay more emphasis on personality development, interpersonal relationship and confidence building in order to ensure emotional satisfaction of the managers.

2. In NPSBs, there should be free flow of internal communication at all levels with adequate feedback. All efforts must be continuously made by NPSBs to develop an overall HRD climate at all levels.

3. HRD climate is to be made effective to maximize the HRD Outcomes and Organisational Effectiveness in NPSBs. The HRD initiatives undertaken by NPSBs under study will be effective only when a transparent climate in an organisation is established.

4. The Top-Management of the NPSBs should encourage their employees’ to be innovative and encourage them to contribute their constructive ideas for the development.

5. The NPSBs must provide necessary infrastructure and work-environment for the talented employees to flourish to accomplish their achievements. The environment should be safe, secure and motivating.

6. NPSBs should take all performance appraisal data as inputs for recognition and encouragement of high performers. The Top-Level of Management should recognize and reward the loyal and trustworthy managers.

7. Refresher/Orientation programme should be conducted by NPSBs from time to time in the light of emerging new banking services.

8. In NPSBs, the HRD strategy for 21st century should be bold in conception, encourage risk taking with huge urge for success.

The following suggestions are made for PSBs and NPSBs based on my observations:

1. Both the PSBs and NPSBs need to institutionalize new performance measurement systems like a balance score card, activity based costing, which could provide real linkage between key performance variables and individual efforts so that a realistic, organized and predictable pattern is available for performance analysis and review.
2. The appraisal data should be used by the banks not only for promotion decisions but also for identification of staff training need, job placements, including overseas postings, job enrichment and enlargement and career planning.

3. The training systems in PSBs and NPSBs should be reoriented. They should be kept in a state of readiness to meet the changing requirements. To spread knowledge to large mass of employees all over the country, banks could initiate activities for on-line training system. The managers should realize that training increases organisational and personality development, which in turn leads to productivity.

4. Both PSBs and NPSBs should review reward mechanism and install suitable reward mechanism for efficient performers.

5. The concept of linking of career path and training should be implemented both in PSBs and NPSBs. Banks should develop appropriate career strategy to integrate specialists in the banking system. The career path should indicate the degree of knowledge/skills required at different levels.

6. Survey about HRD Practices should be carried out in the banks every year and findings of these surveys should be interpreted and published for the benefit of employees. It is the responsibility of the PSBs and NPSBs, to take steps to remove or minimize stress among the employees by providing better work environment.

7. Job Rotation acts as an internal check i.e. preventive vigilance measure against fraud, mistakes and procedural lapses. Therefore, this should be practiced both in PSBs and NPSBs.

8. There is a need for benchmarking various organisational systems including HRD with the world-class processes and systems so that the international quality standards in service delivery permeate Indian banking sector.

9. To reap the full benefits of HRD, the HRD policy should be thoroughly positive, motivating and transparent that should make every employee feel that he is a part of the organisation as well as decision making process.

10. The concept of empowerment and self-management must be developed in such a way that these would improve the motivation and morale of the managers in PSBs and NPSBs.
SCOPE FOR FURTHER RESEARCH

This study is an attempt to examine the perception of the managers in respect of HRD practices in select banks in Chennai City. The study has identified various dimensions like Need and Objectives of HRD, HRD Practices, HRD Climate, HRD Outcomes and Organisational Effectiveness. The study has also identified that HRD practices play a vital in providing conducive HRD Climate and Outcomes that lead to organisational effectiveness. The area of study is a broader one and gives ample scope for further research topics which are outlined as follows:

- Scientific studies of competency requirements of employees at various levels.
- A study about the extent of employee’s participation in the HRD practices implementation in banks.
- Role of Unions in implementation of HRD Practices.
- HRD practices for rural banking sector.
- Role of HRD in customer service in the banking industry.
- HRD practices and Information Technology.
- Managing change in banks through HRD.
- HRD Practices in New Private Sector Banks in India.
- Strategic HRD practices in Indian Banking Sector
- Business Process Reengineering in Banks through HRD Practices.
- HRD practices for Women employees in Indian Banking Sector
- TQM for effective implementation of HRD practices in Indian banking sector.

CONCLUSION

Indian banking has entered the new era of technology-enabled and customer-centric banking. It is bracing itself to catch up with the global trends in banking – in the matter of upgradation of service quality standards, provision of multiple delivery channels, newer innovations in products and services and provision for financial services beyond the traditional boundaries of banking. Whilst pursuing these endeavours, Indian banking continues to readjust itself to the demands and compulsions of involving global prudential standards. In this journey, the banking sector is supported by a robust supervisory system.
While reforms in the matter of finance, technology, and supervisory system have been pursued with vigour in the last ten years and they have taken deep roots, the concept of HRD has been lagging behind. In the past few years, Indian banking has witnessed radical transformation in the way it operates. This is only the beginning of the journey. For successfully operating in the new banking order, they need to build new capabilities. For pursuing frontline excellence, they need to redefine and readjust the role and responsibilities of the frontline organisation.

In tune with the paradigm shift in Indian banking, the HR function in the banks has to extricate itself from the mode in which it found itself over the last four to five decades. As the market has changed, the customer too has changed, customer expectations have taken new forms, and people policies also have to change, as it is the people who will be the key differentiators in the new era. Human capital together with financial capital and technology capital, would contribute to the capabilities of the banking organisations to adjust to the new banking order.

- The success of Banks depends on Profitability.
- The profitability depends upon its products and marketing policy.
- Marketing of products depends upon improved customer service.
- Best or improved customer service depends on human resources.

To meet the challenges of the changing business scenario, the HR managers also have to undergo significant changes. The HRD managers as well as the employees, especially in the higher cadre, need to update their knowledge and skills constantly, and consciously. Technology is changing the world at a frightening speed. Therefore, the ongoing process of training and learning should not only be based on sound and proven theories and concepts, but also laced with practical aspects and implementation. Ultimately, these concepts should be practised and demonstrated by the employees in their day to day functioning in the organisation.

Therefore managing human resources is the key to success of a bank. The behavioural aspects and personal qualities have to be taken care of in HRD. Various case studies have proved that proper HRD can only ensure a commitment to total quality, meet responsibilities to customers, can encourage open communication, can make possible the team work and team development. The dedicated employees are given recognition for their contribution to the institution. Overall, the HRD enables the
employees to make a long-term commitment to all the managerial values narrated above and to build a good employer-employee relationship. This is a win-win situation both for the Banks and its Employees.

To become world-class banks, it is therefore clear that PSBs and NPSBs have to embrace and enthusiastically implement world-class HRD practices. With India emerging as a dominant knowledge power, it is only in the fitness of things that Indian Banks too should accord high value to human capital and take momentous steps forward to reach world class HR capital adequacy.

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