CHAPTER - I

Introduction and Methodology
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In any organisation human resources play a vital role in achieving the objectives of the business. These resources are the most important among all the tangible resources like money, materials, machinery and men. The last resource, i.e., men are broadly referred to as human resources. Human resources play a crucial role in the development process of modern economies. Arthur Lewis observed, "there are great differences in development between countries which seem to have roughly equal resources, so it is necessary to enquire into the difference in human behaviour." It is often felt that, though the exploitation of natural resources, availability of physical and financial resources and international aid play prominent roles in the growth of modern economies, none of these factors is more significant than efficient and committed manpower. A nation with an abundance of physical resources will not benefit itself unless human resources make use of them.

In fact, the human resources are solely responsible for making use of physical and natural resources and for the transformation of traditional economies into modern and industrial economies. In essence, "the difference in the level of economic development of the countries is largely a reflection of the differences in quality of their human resources. The key element in this proposition is that the values, attitudes, general orientation and quality of the people of a country determine its economic development."
The human resources are an active force in industrialization, and strategies for development should concentrate particularly on their enhancement. They make organizations more dynamic and also enable them to attain their objectives with a high degree of morale and to the entire satisfaction of those concerned with it.

Although there are different functional areas of management like production, marketing and financial all these are to be performed by human resources. Though there is a separate personnel manager, all managers have to manage the human resources of their respective functions or departments to get effective results through and with the people. "Thus all executives must unavoidably be personnel managers." In short, all managers are personnel managers and all management is essentially human resources management. These resources, in fact go waste, if they are not moulded, drilled and developed from time to time consistent with the changing needs of the organization. All these efforts to develop human resources is called "Human Resource Development" (HRD). This chapter deals with conceptual framework, review of literature, need for the study and research design of the study.

1.1 HUMAN RESOURCE DEVELOPMENT - CONCEPTUAL FRAMEWORK

HRD involves the process of imparting the required skills, knowledge, attitudes and social behaviour. HRD concept is composed of two dependent, teaching and learning functions viz. training and development (T&D). In the opinion of Wayne F. Cascio, "After the human resources are recruited, selected, placed and inducted, they must be, to some degree, developed. "Development
has to do with the increase of skills, through training that is necessary for proper job performance. This is an activity of very great importance and will continue to grow because of the changes in technology, the realignment of jobs and the increasing complexity of the managerial task. In this Chapter the management development and operative training along with such supporting activities, such as job rotation, transfer, and various programmes to educate the members of board of management are discussed.

Training and Development activities are planned programmes of organizational improvement. They can be planned as thoroughly as possible, for their objective is to link training content to desired job behaviours. "There is a six-step process. First, a comprehensive analysis of the training and development system must be undertaken, including its interaction with other organizational systems. Then training needs must be determined and training objectives should be specified clearly and unambiguously. The fourth step is to decompose the learning task into its structural components, and then to determine an optimum sequencing of the components. Finally, alternative ways of learning must be considered. Careful attention to these six steps helps to determine what is to be learned and what the substantive content of training and development should be."

As stated earlier, HRD consists of these components and, it is essential to know the concepts of training and development.

THE CONCEPT OF TRAINING

Training has been defined by various management scientists in various ways. It is generally defined as an organized procedure for increasing the
knowledge and skill of people for a definite purpose. Edwin B. Flippo says that, “training is the act of increasing the skill of an employee for doing a particular job.” The organisation has no choice of whether to train or not, the only choice is that of method. Training is a process by which the aptitudes, skills and abilities of employees to perform specific jobs are increased. It is “a short term process utilizing a systematic and organized procedure by which non-managerial personnel learn technical knowledge and skills for a definite purpose.”

Oatey defines training as “any activity which deliberately attempts to improve a person’s skill at a task.” Hamblin defines training as “any activity which deliberately attempts to improve a person’s skill on a job.” Training is defined as “a sequence of experience or opportunities designed to modify behaviour in order to attain a stated objective.” It is of paramount importance for an individual in choosing, utilizing and evaluating his experiences. It ensures that the learning is quick, sustained, right kind of inputs acquired, assembled and internalized in the personality.

CONCEPT OF EXECUTIVE DEVELOPMENT.

Executive Development which is also sometimes known as Management Development is the process of continuous development of the managerial abilities of people at all levels in all executive and supervisory functions. It is a planned effort to generate an atmosphere of learning to help the organization as a whole to monitor more effectively its change process. It can be defined as “an attempt to improve managerial effectiveness through a planned and deliberate learning process.” Executive development refers to “a unique personnel process or experience of the executives in which they unfold their
capacities or abilities, get freedom from constraints that hinder their progress and advance to a higher state of growth. It has been defined as the systematic process of training and development by which individuals gain and apply knowledge, skills, insights and attitudes to manage work organizations more effectively. Executive Development is aimed at achieving intellectual conditioning and growth of executives. It helps the executives in improving their capability of dealing objectively, candidly and unemotionally with an infinite range of human problems that confront them in discharging their day-to-day duties. Executive development is a way of life of executives through which everybody strives wholeheartedly to grow himself and to develop others. Conceived as one of the tools of organizational development for bringing about a planned change involving the whole organization as a complex system, it is aimed at increasing the effectiveness of the organization and thus its health.

Executive Development is aimed at the accomplishment of the following objectives:

1. To assure supply of managers in required numbers and with the required skills to meet the anticipated future needs of business.
2. To encourage managers to grow in order to handle demanding responsibilities.
3. To improve the performance of managers at all levels in the jobs that they hold now.
4. To sustain good performance of managers throughout their career.
5. To increase the ability of the managers to plan, coordinate, measure and control the performance of those working under him.
NEED FOR TRAINING AND DEVELOPMENT

The need for T&D has been summed up as follows -

1. To match the employee specifications with job requirements and organizational needs,
2. For organisational viability and the transformation process,
3. For technological advances,
4. For change in job assignments

"Training and Development" is also needed to

1. Increase productivity
2. Improve quality of the product\service
3. Help a company fulfil its future personnel needs
4. Improve organisational climate
5. Improve health and safety
6. Prevent obsolescence
7. Effect personnel growth
8. Minimise the resistance to change"

John F. Mee, in his "Personnel Handbook" elaborated the various needs of employee training as follows,

1. to provide clear cut job definitions and responsibilities and avoid overlapping,
2. to meet production standards and avert failures in achieving production standards
3. to provide leadership and avoid favouritism and unfair decision,
4. to avoid job carelessness and motivate employees to have pride in their jobs,
to avoid gossip, rumours etc and achieve better co-operation among employees,

to avoid excessive number of complaints and grievances,

to avoid uncertainty and misunderstanding of the policies of the company,

to overcome overall job dissatisfaction, skill limitations of local area labour market and high labour turnover,

employees insecurity and job uncertainty,

personality conflicts,

overcome a number of production problems, such as,

a) delivery delays - poor rating,

b) scheduling errors - wrong part,

c) poorly inspected parts,

d) congested aisles,

c) lack of classification of job duties,

f) skill limitations - limited technical know how,

g) defective work (work not up to standard),

h) failure to meet production schedules,

i) high rate of work spoilage,

j) scarcity of skilled job applications, etc.

Training and Development is also needed to overcome the safety problems such as,

a) poor shop house keeping,

b) lack of appreciation of job hazards,

c) not using safety equipment or ignoring them.

Training and Development is also needed to overcome the quality problems such as,

a) work not up to inspection standards,
John F. Mee suggested various forms of training for meeting these different needs of training, for example,

1) Supervisory training,
2) Pre-supervisory,
3) Management training,
4) Aid-operator training,
5) Role playing, leadership conference,
6) Improved consultation and communication,
7) Orientation training,
8) Public address system,
9) General education attitude training,
10) Orientation training and conferences,
11) Operator training,
12) Improved placement orientation training,
13) Demonstration training,
14) Safety tours,
15) Technical engineering training,
16) Quality conferences,
17) Business training,
18) Safety conferences, and
19) Employee orientation.
The need for training of employees has been summed up as follows,

1. to increase productivity,
2. to improve quality,
3. to help a company fulfill its future personnel needs
4. to improve organization climate,
5. to improve health and safety of the employees,
6. obsolescence prevention,
7. personnel growth

The need for training also arises on the account of the following reasons

1. an increased use of technology in production,
2. Labour turnover arising from normal separation due to death or physical incapacity for accidents, decrease, superannuation, voluntary retirement, promotion within the organization and change of occupation or job,
3. Need for additional hands to cope with an increased production of goods and services,
4. Employment of inexperienced, new or 'badli' labour requires detailed instruction for an effective performance of jobs,
5. Old employees need refresher training to enable them to keep abreast of changing methods, techniques and use of sophisticated tools and equipment,
Need for enabling the employees to do the work in a more effective way, to reduce learning time, reduce supervision time, reduce waste and spoilage of raw materials, produce quality goods, and develop their potential,

Need for reducing grievances and minimizing accident rates,

Need for maintaining the validity of an organization as a whole and raising morale of its employees

use of the line manager,
performance appraisal,
company and development plans,
use of training manager,
analyzing of job difficulties

The present study is concerned with the study of HRD strategies in banking (in India). As such it is highly pertinent to know two important aspects viz,

(a) meaning of HRD strategies and
(b) The status of banking in India with a particular references to human resource development

HRD Strategy - Meaning

Strategy is a management game normally played by military troops to face the vague but forceful attacks or threats from the opposing forces. It is a short term plan to overcome the sproung problem. Thus the strategy includes
a short term plan to face the deep rooted problems and also the processes, procedures and methods of meeting the organizational problems. Hence HRD strategy consists of planning, implementation and analysis of the HRD methods, procedures, programmes and policies that an organization conceives from time to time. Thus the strategies are flexible and attend according to the needs of the organization. In sum HRD strategies do include the methods of training and development. The following are the steps involved in the development of HRD strategies:

a. performance of employees at a particular point of time
b. examination of job requirements
c. Organizational analysis
d. Survey of the status of human resources
e. Defining the objectives of training and development

There are four procedures which a manager can use to determine the training needs of individuals in their organisations:

1. **Performance appraisal**
   Each employee's work is measured against the performance standards or objectives established of his/her work.

2. **Analysis of job requirements**
   The skills or knowledge specified in the appropriate job descriptions are examined. These employees without necessary skills/knowledge become candidates for a training programme.
Organisational analysis

The effectiveness of the organization and its success in meeting its goals determines where differences exist. For example, members of a department with a high turnover rate or a low performance record, require additional training.

Survey of Human Resources

Manager as well as non-managers are asked to describe what problems they are experiencing in their work and what action they believe need to be taken to solve them.

Once the organizational needs are identified, managers must initiate the appropriate training effort. There are a variety of training approaches that managers can use:

1. Observations and analysis of job performance,
2. Management and staff conferences and recommendation,
3. Analysis of job requirements,
4. Consideration of current and projected changes,
5. Surveys, reports and inventories and
6. Interviews

Training is needed to achieve the following purposes:

1. Newly recruited employees require training so as to perform their tasks effectively,
2. Instruction, guidance, coaching help them to handle jobs, completely without any wastages,
3 Training is necessary to prepare existing employees for higher level of jobs (promotion)

4 Existing employees require refresher training so as to keep abreast all the latest developments in job operations

In fact in the case of rapid technological changes, training is absolutely necessary

5 Training is necessary when a person moves from one job to another (transfer)

6 Training is necessary to make employees mobile and versatile. They can be placed on various jobs depending on organizational needs

7 Training is needed to bridge the gap between what the employee has and what the job demands

8 Training is needed to make employee more productive and useful in the long-run

Training needs are identified on the basis of organizational analysis, job analysis and man analysis. Training programmes, training methods and course contents are to be planned on the basis of training needs.

Training needs are identified through identifying the organizational needs.

1 Organizational strength and weakness in different areas like accidents, excessive scrap, frequent breakages of machinery, excess labour turnover, market share and other marketing areas, quality and quantity of the output, production schedule, raw materials and other production areas, personnel, finance, etc.
2 Departmental strengths and weaknesses including special problems of the department or a common problem of a group of employees like acquiring skills and knowledge in operating computer by accounting personnel,

3 Individual strengths and weakness in the areas of job knowledge, skill etc

The following methods are used to assess the training needs,

1 Organizational requirements and weakness,
2 Departmental requirements and weakness
3 Job specification and employees specifications
4 Identifying the specific problems
5 Anticipating future problems
6 Management's requests
7 Interview
8 Group conferences
9 Questionnaire surveys
10 Tests or examinations
11 Check lists
12 Observation
13 Performance appraisal
14 Management games
15 Sensitivity training
Training - objectives

"The objectives of training can be summed up as follows:-

1. To prepare the employee both new and old to meet the present as well as the changing requirements of the job and the organisation.
2. To prevent obsolescence.
3. To impart the new entrants, the basic knowledge and skill. They need for an intelligent performance of definite job.
4. To prepare employees for higher level tasks.
5. To assist employees to function more effectively in their present position by exposing them to the latest concepts, information and techniques and developing the skills they need in their particular field.
6. To build up a second line of competent officers and prepare them to occupy more responsible positions.
7. To broaden the minds of senior managers by providing them with opportunities for an interchange of experiences within and outside with a view to correcting the narrowness of outlook that may arise from over specialization.
8. To develop the potentialities of people for the next level jobs.
9. To ensure smooth and efficient working of a department.
10. To ensure economical output of required quality.
11. To promote individual and collective morale, a sense of responsibility, co-operative attitudes and good relationship.\(^{20}\)
The Indian Oil Corporation (IOC) adopted the following as the objectives of its training programmes:

The objectives laid down by the Indian Oil Corporation will provide an idea to other companies also:

1. To impart to new entrants the basic knowledge and skill they need for an intelligent performance of definite tasks,

2. To assist employees to function more effectively in their present positions by exposing them to the latest concepts, information and techniques and developing the skills they will need in their particular fields,

3. To build up a second line of competent officers and prepare them to occupy more responsible positions,

4. To broaden the minds of senior managers by providing them with opportunities for an interchange of experiences, within and outside with a view to correcting the narrowness of the outlook that may arise from over specialization,

5. To impart customer education for the purpose of meeting the training needs of corporation which deal mainly with public.

1. Learning new techniques

2. Induction

3. Correcting the deficiencies of the personnel through appropriate programmes for remedial action

4. Helping transfers and promotions

5. Aiding the displaced employees
After having discussed the steps of HRD strategies, it is pertinent to discuss the techniques, devices, of T&D

DIFREENT PROCESSES, TECHNIQUES, DEVICES OR METHODS OF TRAINING PROGRAMME

There are a variety of methods or approaches for training employees, adopted in different organisations, like

1. Brain Storming,
2. Conferences,
3. Counselling,
4. In-basket,
5. Informal tasks,
6. Interviews,
7. Observation,
8. Problem Clinic,
9. Role-Playing,
10. Self analysis,
11. Simulation,
12. Tests,
13. Task force,
14. Work Shops etc,
The following methods of training are also adopted in some of the companies, for example:

a) On the job training,
b) Classroom instruction,
c) Apprenticeship training,
d) Vestibule training,
e) Co-operative or collaborative training

Dr C B Mamoria listed the following, as some of the important methods of training adopted in a good number of organisations:

1) Apprenticeship,
2) Case Study (or learning by doing),
3) Conferences,
4) Demonstrations and examples of learning by seeing,
5) Group discussion,
6) Job Instruction Training (JIT),
7) Lectures (or classroom instruction),
8) On the Job Training (OJT),
9) Programmed instruction (Teaching by the Machine Method),
10) Role - Playing,
11) Seminars or team discussions,
12) Simulation,
13) Training by experienced workmen,
14) Training by supervisors,
15) T Group Training,
16) Vestibule training or training centre Training
Tools, Techniques and Equipment used in the Training Programmes.

There are a number of tools, techniques and equipment used during the course of conducting the training programmes, like

a) Film strips,
b) Projectors,
c) Computers,
d) Closed Circuit TV,
e) Buzzing,
f) Card sort,
g) Check lists etc.

Preconditions for the success of employee training programmes.

Training programmes will be successful only under certain conditions and circumstances. There are certain preconditions for the success of the training programmes. They are

1. The benefits of training should be clear to the top management
2. The top management should reward the supervisors for carrying out effective training
3. The top management should prepare effective plans and budgets systematically for training
4. The middle management should also have some incentives from top management for carrying out the training programmes
5. There should be a proper scheduling from above
6 Behavioral objectives should be laid down in a precise manner
7 The techniques used in training should not be contrary to the practices of the participant's organisation
8 Timely information about training programmes should be given to all the concerned in the organisation
9 Trainers should provide adequate counselling and consulting services to the organisation
10 The prime responsibility for training should be placed on the staff departments
11 The managers must be equipped for their training role. Managers who are expected to develop or train their subordinates must themselves be trained in the appropriate development skills
12 Training programme should be properly tailored to the individual needs and analysis must be thorough
13 Training cannot create potential, it can only help to develop it
14 Managers should develop skills to select individuals who can benefit from a development programmes
15 Some experience in the work environment is necessary to make training successful

Evaluation of Training Programmes:

Evaluation of training programmes allow each of those involved in training to judge for themselves the effect of training, keeping in mind their individual objectives and needs. It also provides scope for improvement as strength and weakness are identified by each group
Evaluation is a continual process and should be planned at the same time of the training programmes. The whole process should be carried out scientifically using tested methods as far as possible. Each training programme should have clear-cut objectives, if evaluation is to prove useful.

The criteria used should depend on the objectives of the programmes. Just as training is a continuous process, so is evaluation of training, which is a crucial factor if training is to be need-based and is to contribute to organisational efficiency.

Before analysing the HRD strategies in Banking, it is meaningful to provide a back-drop of the developments in Banking Sector area.

Banking being an important segment of the tertiary sector occupies a pivotal place in the organised sector of the Indian money market. It has been playing a significant role in the achievement of economic development. Being the major source of institutional finance, it plays a predominant role in all-round development of the country by ensuring the greater mobility of resources to meet the emerging needs of the economy. It has been acting as both the repository of community's savings and purveyor of credit for economic activity. By accepting the deposits and advancing loans of different types, banks are not only inculcating the saving habit, but are also facilitating the channelisation of surplus money into productive channels. The commercial banks by ensuring supply of right amount of credit to the small-scale industrial
sector and agricultural sector have also been playing the role of prime mover in the process of India’s economic development. With the introduction of social control in 1967 enormous responsibilities are levied on the commercial banks. Nationalisation of 14 major commercial banks in 1969 brought necessary changes in the profile of Indian banking. During this phase of development, the focus has been on widening and deepening the banking system and on effecting a structural transformation in the deployment of bank credit in pursuance of the plan objectives of increasing quantum of savings, amelioration of poverty, modernisation of agriculture and small and cottage industries. Banking has thus emerged as a catalytic agent of socio-economic change. With the nationalisation of commercial banking, banks are asked to lay much stress on the achievement of wider-territorial and regional spread of branch network, faster mobilisation of savings through deposits and deployment of bank credit in favour of priority sectors of the economy.

Further, they are also required to aim at achieving an improvement in the quality of life of the poor. Nationalisation of commercial banks also brought a radical transformation in the lending policies pursued by the banks with a shift from security oriented lending to feasibility oriented lending. The success of the banker in the Post-nationalisation era has been gauged not merely by the deposits mobilised and advances made by him, but on the basis of his contribution to country’s economic development. These banks are further asked to open their gates to the millions of our people to improve their lot with the adequate credit support. Today, banks are required to achieve the twin
objectives of achieving profit and contributing directly to the socio-economic development of the country by offering wide variety of services ranging from tribal development to export promotion and serving a wide spectrum of customers ranging from weaker sections to the corporate industrialists. The commercial banks in order to bring a sustained economic growth are asked to take up programmes like credit authorisation scheme, lead bank scheme, merchant banking, underwriting, investment consultancy, tax planning, mutual funds, lease finance, portfolio management, house finance, rehabilitation of sick industrial units and issue of credit cards, sponsoring Regional Rural Banks, etc.

The banking structure in the country is composed of private and public sector. Since the study is relating to training and development programmes in a public sector bank, a brief scenario of the public sector banks is presented in the following pages which acts as a backdrop.

PUBLIC SECTOR BANKING IN INDIA - A SCENARIO:

With the nationalisation of 14 major commercial banks in 1969, a large scale expansion - geographical and operational, has been achieved which is evident from the data furnished in Annexure Table - 1A. They have been providing gainful employment to the educated unemployed youth through various schemes so as to reduce income disparities. The performance of public sector banks in terms of branch expansion, deposit mobilisation, loans and
advances, credit deposit ratio, priority sector advances, working funds, profits, staff development, per employee and per branch business is significant. The data shown in Annexure Table - 1A reveals that the branch expansion of public sector banks has taken about sevenfold increase. Of this, bank branches located in rural and urban areas have increased by about 13 and 7 times, while the semi-urban and metropolitan branches have increased by 4.5 times each. This expansion strengthens the view that the public sector banks with their entry mostly into rural areas have been laying much stress on achieving rural development. It can be understood from the data that the deposits of the public sector banks have risen by about 222 times. The data further reveals that the public sector banks have been making progress in credit deployment by 137 times.

A cursory look at the data also reveals that the credit deposit ratio of the public sector banks has declined by 0.62. This declining trend is mainly on account of government's policy of increasing statutory liquidity ratio (SLR) and cash reserve ratio (CRR) resulting in lesser loanable funds with the banks. Further there is a little recession in the economy at national level. As such, in recent years, the RBI has decreased the CRR with a view to release funds into the economy.

A close examination into the data further reveals that the Priority sector advances of public sector banks have increased by 350 times. Of this the assistance that has gone to agricultural sector has increased by 320 times.
while the SSI advances rose by 218 times. It can be further understood from the data that there is an upward movement in the share of priority sector advances in the total advances of public sector banks as it stood at 37.24 at the end of March, 2001 as against 14.62 at the end of June, 1969. Since the advance of banking reforms, the Priority sector concept gives a secondary position.

A probe into the data shown in Annexure Table 1-A reveals that the staff strength of Public sector banks has recorded a five fold increase from 1,75,367 employees at the end of June 1969 to 8,61,954 employees at the end of year 2001. Of this, the supervisory staff development by public sector banks increased by about 9 times, while the clerical and subordinate staff development increased by 4 times each.

The data relating to productivity per employee and per branch, reveals that they increased by about 12 times and 10 times during the period from 1969 to 1999 respectively. The data further reveals that the per employee income and expenses have risen by 60 times and 23 times respectively during the period from 1969 to 2001.

From the foregoing analysis, it is evident that the public sector banks have made a rapid progress in terms of raising funds. These Public sector banks are unable to make a better use of their funds as the statutory liquidity ratio (SLR) and cash reserve ratio (CRR) have increased considerably from time to time. The analysis reveals that public sector banks are unable to step up their profitability on account of out dated method of banking. The absence
of customer oriented services and high cost of administration are a few more reasons for the poor performance of public sector banks.

The analysis further reveals that the massive and speedy expansion and diversification of banking activity without long-term profit perspectives has been causing a strain on the financial management of the banks. To take the banking services to the door-steps of rural customers, bank managements were compelled to go for large scale recruitment of manpower from diverse educational background resulting in huge establishment expenditure. Further, the public sector banks are manned mostly by the staff with urban oriented lifestyles. They are not able to render service with a smile to their rural customers. The deterioration in efficiency (in terms of profits) in public sector banks was the direct result of the wide diversification of business and spread of branches. To take care of this situation, the bank managements were forced to reorganise their organisational set up by introducing intermediate-tiers of control like Zonal and Regional Offices resulting in higher administrative costs. The communication gaps between the Head office and Regional Offices has further resulted in continued unsatisfactory customer service and delays in banking operations. It is due to these reasons, frauds in commercial banks are on increasing scale. Today, the bank managements are to face the intense competition created due to the multiplicity of financing agencies. All this analysis ultimately brings out that the declining credit deposit ratio on the one hand and deployment of huge doses of manpower on the other hand have resulted in increasing the operating expenditure and other establishment expenditure leading to erosion of profits.
Banks in order to answer these challenges effectively are in need of versatile, supportive, positive and meaningful human beings worthy of not only the bank, but also the society. As such there is a need to investigate into the HRD strategies being followed by the public sector banks.

NEED FOR HUMAN RESOURCE DEVELOPMENT IN BANKING SECTOR:

In a service oriented industry like banking, manpower is the key input and sharper focus has, therefore, to be given on human resource development so that the banking system can successfully meet the emerging challenges in the years to come. Banking industry which has undergone a structural transformation after nationalisation cannot discharge it's obligations unless it's personnel are completely reoriented in terms of new attitudes and skills. The degree of success of banks in the realization of objectives of development-oriented banking set after nationalisation is dependent upon how well the banks locate, develop and make use of the talents of their people. An urgent need has thus arisen to give importance for training and development of manpower in banks in order that the bank personnel are emotionally involved in and technically equipped for work.

Training and development of bank personnel is mainly aimed at the achievement of the following objectives:

1. To shorten drastically the period required for on the job training
2. To make the manpower in the bank sensitive to the human side of the organization and the surrounding social environment.
To develop in them the type of skills and public relations which are necessary to solve their newly emerging work related problems, and

To acquaint the bank personnel with the rules, procedures, laws and other useful information which would help them to perform their jobs effectively.

Since the present study deals with the training and development of manpower in SBI an attempt is made to present a brief outline of structure of banking sector in India with a particular focus on SBI.

Structure of Banking in India

The history of banking in India dates back to 18th century when only merchants used to take the responsibility of transferring, exchanging funds for other financial instruments like hundies etc. Over the years, the structure of banking in India underwent a significant change as shown in charts 1

EVOLUTION OF HRD IN BANKING - AN OUTLINE

Although commercial banking has been acting as one of the powerful instruments of the Indian financial systems since a long time, training and development of personnel did not get its due importance till 1954. Bank personnel were largely trained on the job through the age-old system of apprenticeship. Training of manpower in Indian Banking industry came into
existence in early fifties. The first industry level institution to be set up for imparting of training to the bank personnel was the Bankers' Training college of the RBI in September, 1954. With the gradual expansion and diversification of banking activities, commercial banks started setting up their own training institutes to upgrade the mental faculties of their clerical staff. The training needs of the staff discharging executive functions were met by the Bankers Training college. Nationalisation of major commercial banks in 1969 led to varied responsibilities and demanding tasks on the banking sector, the achievement of which call for superior management capabilities, right attitudes and new technical skills. With the appointment of a Working Group by the RBI in December 1967 to review training facilities for higher level bank personnel under the chairmanship of Adarkar, a new era has started in the field of bank training. The working group was assigned with the following works.

1. To suggest the lines on which management orientation programmes may be organised for senior and middle level executives of commercial banks with particular reference to the social and economic objectives of banking aligning individual bank's credit operations to national credit policies and priorities and expansion.

2. To examine how far the training facilities available to the executives and supervisory staff of commercial banks are adequate to promote the above mentioned objectives and to suggest measures for their improvement and extension.
To suggest measures for - (i) the coordination of the activities of the training institutions of RBI, SBI and other commercial banks, and (ii) the periodical review of the activities thereof.

The review made by Adarkar Committee into the training activities of commercial banks has revealed that most of the commercial banks do not have a systematic, constructive and integrated approach to develop their personnel with a view to building up their morale, increasing their productivity and ensuring executive succession.

While understanding the importance of training and development of manpower in commercial banks, the Working Group stated that, "no programme of action of the commercial banks to translate the social objective will become successful unless the tradition-governed banking personnel responsible for implementing the programmes are intellectually convinced, emotionally involved and properly equipped to fulfill their new responsibilities." 

The committee emphasised the importance of proper selection, induction, training, placement of banking personnel so as to enable the banking industry to march ahead in the task of achieving socio-economic objectives. The committee laid much stress on the creation of congenial organisational climate inviting the active participation of bank executives in the decision-making process for successfully assuming the challenging tasks of banking.
making a critical observation into the training programmes conducted by the Bankers’ Training college and other training institutes of commercial banks, the Committee has further opined that these programmes are mostly information and procedure oriented failing to enable the bank personnel to deal creatively with the problems in the new fields. The committee also expressed it’s grief over the inadequate arrangements made for improving the managerial abilities of bank executives through training. Considering these gaps, the committee has suggested that modernisation of bank management is the need of the hour for which institutional training of banking personnel is considered as an indispensable tool in the hands of bank management. The Committee after making a careful study of the training institutes in the banking industry felt the need for creating a two-tier training structure for officers of the commercial banks to meet both the quality and size of the training effort. The first tier should consist of a Central agency to initiate and coordinate measures for the development of the banking profession in the country at the apex level. The second tier, as suggested by the Adarkar committee should consist of training colleges to satisfy the training requirements of both junior level officers and clerical staff working in various commercial banks. The committee has also strongly recommended for evolving management development programmes in commercial banks on a continuous basis aimed at systematically developing and monitoring the performance of bank executives.
In 1971, the Department of Banking in the Ministry of Finance, Government of India set-up a committee of Direction for formulation and implementation of training programmes in public sector banks. The committee is asked mainly to concentrate its attention on monitoring the functioning of training and Human Resource Development Systems. Principals and Directors of Industry level Committee are expected to meet periodically to review the work done by the training institutions for improving the skills of the bank personnel. It is also supposed to work out the training plans to be adopted by the training institutes. The Department of Banking also constituted sub-committees of the committee of Direction to examine into the specific issues pertaining to the training strategy. The sub-committee constituted in 1976 with Cirvante as the Convenor was asked to - (i) identify training needs of various levels of hierarchy in various functional areas, (ii) indicate the type of training courses needed to meet their training needs, and (iii) estimate the infrastructural facilities in terms of physical facilities, faculty resources and organisational arrangements to meet present and future training needs.

The James Raj Committee constituted by the Government of India in 1978 to examine into the functioning of Public Sector Banks made the following observations about the performance of training system in Banks:

(i) The intensity of training has been reduced to achieving a higher output from banks' training institutions, and
The importance of training and education has not been integrated into the organisational and functional set up of the banks and follow-up measures have not been taken to ensure that trained manpower is properly utilised for the efficient functioning of banks.

The above observations confirm the view that the recommendations made by the Adarkar Committee are neglected by the training system in the banking industry.

While commenting upon the performance of training system in banks, the committee has expressed that there is a wide gap between the demand and supply because of the paucity of staff training colleges. The committee, therefore, recommended that a Standing Committee be constituted under the Chairmanship of the Deputy Governor of RBI and with other members comprising of the Chairmen of four or five Banks (to be nominated by the Indian Bank's Association), the director of the Indian Institute of Bankers and a Government representative. This committee is called for monitoring the progress of training from time to time and provide for effective coordination of the working of the training institutions at the national level. The James Ray Committee has further recommended for the creation of a separate Department in the RBI to deal with the problems of training of bank staff. It also suggested that Faculty members of the training colleges be selected according to their aptitude and experience so as to play a meaningful role as trainers for
equipping the bank personnel with newer skills. The committee has finally suggested that the training facilities available in the banks be expanded and improved both in infrastructure and Faculty membership.

While recognizing the need for an agency for an on-going review of the training needs and facilities in the banking industry, RBI felt that it would be necessary to have a more comprehensive and correct picture of the present state of training in banks. Accordingly, RBI has set up in December, 1979, a Working Group under the Chairmanship of P D Kasbekar, the then Director of NIBM to review and make recommendations on the training arrangements in banks and apex level. The Committee was asked to take-up the following:

(i) To make quick assessment of the training needs of the banking system

(ii) To examine the role of RBI and other existing central training organisations

(iii) To assess the adequacy of the existing training arrangements, and

(iv) To consider the need for setting up a central agency for coordinating and overseeing the training needs and arrangements in banking.

The Kasbekar Committee fund that training colleges were not adequately staffed and equipped with all the necessary infrastructure facilities and there were many gaps in the structure of courses. It is further observed
by the committee that the course contents were not standardized and rationalized at the industry level. In the light of these drawbacks existing in the training system of banks, the Kasbekar Committee has emphasised the need for an uniform training strategy for the banking as a whole with some scope for marginal additions to meet special requirements of individual banks. The Committee has further suggested that a preliminary and induction course and senior refresher course of three weeks duration each may be provided for clerical staff, whereas preliminary and induction course and intermediate course of three to four weeks duration for directly recruited officers and special course of three weeks duration may be thought of for officers coming under junior management. The Committee has also recommended that a suitably structured training programmes captioned as Branch Management Course, Large Branch Management programme, Regional Management Programme, Specialized courses in credit and foreign exchange with a duration varying from one to three weeks have to be organised for the benefit of the officers working at various levels of the bank. The Committee has further suggested that it would be desirable for the training institutions both at the bank level and industry level to make use of the Faculty on a reciprocal basis with each other.

From the foregoing discussion, it is understood that the banking industry in India, to take-up the responsibility of manpower training, has three industry level training institutions namely the National Institute of Bank
Management, The Bankers' Training College and College of Agricultural Banking of Reserve bank of India. Besides these, the commercial banks in India have started setting-up their own training colleges and training centers aimed at imparting training to both supervisory and clerical staff working in them.

TRAINING IN PUBLIC SECTOR BANKS - A PROGRESS REPORT

With the nationalisation of commercial banks, banking sector in our country has become more and more complex. The growing involvement of banking sector for achieving socio-economic development has necessitated the improvement of the organisational effectiveness. New concepts of managements, new approaches to decision-making, modernisation and streamlining of banking systems and methods and adoption of modern methods of accounting, etc. have been felt as important inputs. Consequently, the house-keeping, data-processing and information system, computerization and mechanization of work technology have become the order of the bank management. To cope up with these changes, training in commercial Banks has to strive to develop the needed skills and attitudes.

In the beginning, the training activity in the apex and primary level training institutes was confined to junior officers and clerks aimed at imparting procedural and clerical skills in the bank personnel. The coverage of these training institutions has been gradually extended to include the
middle management and sometimes even the senior level managements. The various training courses offered by commercial banks themselves to their staff include preliminary and induction course to clerical staff and probationary officers, senior course to both the clerical as well as supervisory staff, and specialized courses in functional areas, etc.

Induction training given to the newly recruited clerical and supervisory staff of commercial banks is conceived as one of the important stages in organisational socialization process. Their objectives are:

1. Moulding the beliefs and values of the employees infavour of the organisational goals
2. Providing the basic knowledge and skills relevant to his banking job
3. Developing a sense of pride in the bank employees,
4. Familiarizing the new recruits with the functioning, structure and culture of the bank and
5. Inculcating an attitude of customer-orientation

Senior Courses offered to the experienced employees of both clerical and supervisory cadre is aimed at developing in them technical skills and integrated personality by exposing them to the details of routine work.

Specialized courses arranged by the training institutes of commercial banks include analysis of balance sheets, foreign exchange business, small business and industrial financing, agricultural financing, financing of SSIs,
financing foreign trade, credit management, etc. Management Development programmes inputs along with banking aspects are also arranged for the benefit of the managerial personnel working in the commercial banks. For overhauling the bank management systems, new programmes like business planning, performance budgeting, organisation and methods, credit planning, role appreciation, etc., have been introduced by the commercial banks. With rapid strides in rural banking, the commercial banks realized their responsibility to put trained people in charge of rural branches. The commercial banks in order to develop rural orientation and rural ethos among the bank personnel and thereby integrating them with the rural environment, have been sponsoring their employees to get exposure to the various training programmes organised by the institutes like College of Agricultural Banking of Pune, Bankers' Institute of Rural Development of Lucknow, State Bank Institute of Rural Development (SBIRD) and National Institute of Rural Development (NIRD) of Hyderabad, etc. The commercial banks are aimed at developing confidence and motivation amongst the bank personnel to undertake rural development with increasing gusto. These banks have also stepped up their training systems by exposing their staff to new concepts like corporate planning and management control systems. By enabling their employees to get exposed to a package of new banking services aimed at achieving high customer satisfaction, they have been playing a commendable role in developing ability among their staff to market the bank services in a better manner.
12 REVIEW OF LITERATURE

There is no dearth of research material in the area of personnel management. Many researches have contributed substantial literature on one aspect or the other in this area.

Indian trainers and researchers have been able to generate a systematic body of knowledge on various aspects of training in India. Such studies can broadly be classified into three different categories - identification of training needs, training methodology and training effectiveness.

Some of research on training needs deal with the general framework while others are specific company-based studies. For training activity to be meaningful, Dayal suggests that a detailed study of jobs and skills analysis is absolutely necessary to help the employee adjust to that job. Requirements.

Sundaram points out that the training needs for supervisors can be identified through careful observation of their work which is indicative of poor performance, low production, high cost, poor product quality, high scrap, spoilage, wastage, accidents, absenteeism and turnover. The day-to-day complaints and grievances also form a useful source for identifying their training needs. Given that supervisors are the first contact point for the workers, Ghosh stressed the need for behavioural inputs in any training programme organised for supervisors, and using the Delphi technique for assessing the training needs for managers. Srinivasan recommends that the
Training programmes should focus on corporate planning, organisational development and personnel management. Dayal observes that most of the issues confronting the field of training in India, are not dissimilar to those felt abroad.

Bhatia sees a shift from knowledge to attitude as the main objective of training. He identifies three areas of training - technical skills and knowledge, knowledge of organisation, and external systems and conceptionsal and interpersonal skills. The emphasis on different skills should vary with the type of employees.

Seth suggested that training for personnel managers should be directed towards attitudes and beliefs underlying managerial philosophy and then inter-relatedness.

The studies on the identification of training needs emphasise not only the organisational analysis but job and individual role analysis as well. There is some debate on the feasibility of certain training methods used in the Indian context. Basha tackles the stand that the home-tested training techniques of multi-nationals operating in India do not have the same impact here due to differences in various environmental factors. He opines that, in the Indian context, the lecture-cum-discussion method would be most useful. Much in the same spirit, Prahlad and Thiagarajan are of the opinion that techniques, such as T-group, management games and MITRA exercises assume a minimum
level of intellectual competence in the participants Saxena suggests that the organisation and development technique can be most useful for training employees in government. This technique can help in improving organisational design, introducing organisational flexibility, reducing impersonality, improving interpersonal relations and differentiating operational decision-making from policy decision-making.

Agarwal in his study of graduate engineering trainees in three large public sector organisations found that both the method and the contents of the training were perceived by the trainees as demotivating and dissatisfying.

The basic question of effectiveness of training deals with the issues whether formal training programmes contribute to the development of job-related skills eventually leading to greater effectiveness. Mehta points out, the training effectiveness is dependent on two considerations - trainees are fully responsive and accountable for the training of the employees, and training is not the only answer to all the problems. Many studies have shown that training does make a difference.

Jain's study on effectiveness of training programmes in steel industry revealed that training programmes contributed substantially in developing the managers' skills and attitudes. Baumgartel evaluates a management development programme involving 19 participants. The results indicated that trainees on the average performed significantly better after the programme on
case problems. The index of improvement revealed more improvement in action-taking skill than analytical skill. However, Benerji's study on supervisors in engineering industry revealed that training did little to improve self-confidence, motivation, identify with management goals and communication ability. Another study by Maheswari on managers in banking institutions also revealed that training did not increase effectiveness but was found useful.

Sikka suggests two models to evaluate training effectiveness: expectations-achievement model and experimental control model — to generate data and judge the effectiveness of training programmes of employees. Dayal observes that, involvement of the chief executive and senior managers, preparedness of the company for experimentation, capability of the trainees to learn, and capability in using the training programmes are some of the factors which improve the effectiveness of training programmes.

Lynton and Pareek discuss the design for training personnel in a laboratory setting and examine its effectiveness inducting some significant issues in Laboratory training at its present stage of development in India. They have stressed the urgent need for research in the area of sensitivity training.

Vakil emphasises the need for determining the extent of effectiveness with which management education and training offered by the different institutions have been utilised in actual practice. Grimshaw attempts to
explain several issues relating to measurement of effectiveness of training and involvement of subjective elements in qualitative assessment or the programme. Chandra indicates some of the basic factors in management development which are ignored in view of over-stress on systems and techniques. The effectiveness of the programme is a function of the appropriateness of the methods chosen, the skill with which they are applied and the capacity of the members of the organisation to understand the programme and believe in its objectives.

Rudrabasavaraj examines the need, problem, objectives and some fundamentals of management development.

Many studies have been conducted on the effectiveness of induction programmes of various organisations both in private and public sectors for different categories of employees.

Prasad reviewed the induction programmes of thirteen public sector undertakings, and concluded that all these undertakings have regular induction programmes but for only certain categories of employees.

Nadkarni describes an incident, indicating an effective case of inducting a new entrant and enlists several steps in induction programme. Likewise, Williams discusses the possibilities of employee induction and training programmes, analyses line and staff responsibilities in induction and training, and outlines contents of the programme.
Some efforts have also been made to discuss certain issues relevant to the Indian context, indicating the training requirements for managers and the facilities available to meet these requirements. Tandon analyses the needs, difficulties and the problems of developing managers with special reference to the background of the Indian context, old traditions and the new industrial culture and the problems involved in the transition. Brown examines factors influencing introduction of management development programme and the gulf between knowledge and the application.

Deshmukh discusses specific issues regarding the development of training agencies, curriculum, and co-ordination between training agencies. Chowdhry regards development as a gradual unfolding of discrete steps with certain critical stages or a combination of both, and indicates how managers at certain critical stages of their careers, when they are involved in organisational changes, require a psycho-social moratorium. She further identifies in another study some social and cultural factors which should be taken into account in management development programmes. Myers stresses the significance of Indian democratic values such as the dignity and worth of the individual human beings, the joint consultation and the human relations in the management development programmes.

Latif describes the nature of training needed to develop managers from small scale industries. This type of training differs from traditional training programmes for managers and is practice-oriented rather than knowledge-
oriented. Attempts have also been made to specify training of labour and welfare officers and model office techniques of training.

Chowdhry and Trivedi analyses, from the actual experience, different factors in organisation setting which foster the growth of training. These factors include the organisational structure, the roles and relationships and the existing norms prevailing in the society.

Bhatt and Amin reports that training within Industry (TWI) was effective in raising production in several units in Baroda. Roy stresses that development of people at work is inter-related to an organisation's totality and discusses the model for organisational training.

Rangnekar stresses that the basic problems of training arise because of an untrainable top, a confused middle and a frustrated bottom. He thinks that, although training, at the middle and bottom levels, is of the utmost significance, the prevailing system of training on these levels is ineffective in several ways.

Rajamani presents an evaluation of management development in India. He finds a lot of duplication in training programmes organised by different institutions in the country.

Ataman (1970) in a study on Strategies for Success in the Seventies for small Commercial Banks observed that, the greatest problem facing the smaller banks is management succession.
Cross and Hempel (1973) with their inquisitive enquiry into the potentiality of training, have observed that though training can improve management techniques, help people in making decisions, it alone will seldom result in a person wanting to make decision, unless it is accompanied by development. Thus they view training and development as the two sides of the same coin.

Heaton (1977) stated that the service-oriented organisations with more labour costs to become successful should develop a culture that people should be respected and used as people.

Cullum (1980) is of the opinion that training and development needs cannot be achieved by employees solely by attending a course, unless they are allowed to think about the problems away from their day-to-day environment, learn new ideas and have an opportunity to practice.

Ghosh Roy (1981) explained in detail the changing environment taking place in the bank branches characterized by increased stress on marketing for deposits, social banking, profitability, periodical submission of returns to the controlling authorities, timely completion of annual closing, customer satisfaction, etc. For facing these challenges, he emphasised on the need for a systematic training for the branch staff.

Hussain (1986) suggested that the commercial banks to become successful in designing the need-based training programmes have to take into account the continuing changes occurring in the socio-economic scenario in our country.
Bhatwadekar (1986) in his study on "Evaluation of Training" tried to make a lucid presentation about the adequacy of training facilities in the context of banking expansion taking place in our country followed by evaluation of a topic, session, training programme, training institute, etc.

Bhatwadekar (1987) while examining into the existing bank training system suggested that sufficient focus should be given in bank training programmes on customer service, public relations, management of complaints, etc.

Sapru (1987) while examining into the existing bank training system suggested that sufficient focus should be given in bank training programmes on customer service, public relations, management of complaints, etc.

Mankidy & Mankidy (1970) in their study on a public sector bank observed that for ensuring totality of working life, it is not the hygiene factors alone like salary and security that are of utmost important, but also other aspects such as opportunity for learning, and upgradation, match between the ability and jobs are also equally important.

Apart from the above, Working Group to Review the Training Facilities for Higher Banking Personnel (Adarkar Committee) 1968, Review Committee on the Training Programmes of Commercial Banks (Panadiker Committee) 1970, James Raj Committee (1978) and Kasbekar Committee 1980 have also deeply examined into the bank training system and made necessary recommendations for its further improvement.
Bheemalendu Mukherjee (1983) in his paper on "Banking Training - Miles Traversed, Miles to Go" has found the following limitations with the bank training system

1. Lack of integration between training function and other systems such as recruitment, transfer, promotion, placement, career development, etc.

2. Sponsoring employees for various training programmes has become a ritual.

3. Absence of a systematic and scientific Criteria for selecting trainees.

Bandhyopadyay (1989) has observed that

1. Course duration of the training programmes is arbitrarily fixed by taking into account only the separability of the employee for training.

2. Training plans are not drawn on the basis of pre-determined training needs.

3. Absence of a systematic manpower planning system at the bank level.

4. Selection of Faculty for training colleges is not scientifically done.

5. Failure on the part of banks to achieve post-training utilization.

S. Upendra Sastry (1995) in his work "Training and executive development in State Bank of Hyderabad - A study observed that with the adoption of social control and with the nationalisation of commercial banks the
banking industry had witnessed a sea-change. He identified that through training, banking personnel are made to become sensitive to the changing needs of the organisation and business environment. The study revealed that the supervisory staff require training in diversified fields like time management, stress management, performance budgetary, etc. The clerical staff require training in housekeeping, business development, accounting management of non-performing assets and marketing of banking services. Further, the substaff require training in customer service marketing and other related areas.

Lastly, the study found out that most of the training programmes were role specific and procedure oriented, and failed to give due importance to behavioral aspects.

1.3 NEED FOR THE STUDY

Commercial banks in our country have undergone a structural transformation followed by a wide-spread of branch expansion with diversified business activities. They have been recruiting the required people with a predetermined minimum educational qualification. They have entered into a new field of finance which was hitherto neglected. All these changes in the banking system had a considerable bearing on the managerial skills, attitudes and performance of the people working in commercial banks. Many committees from time to time, besides insisting upon the need for training, have pointed
out the gaps and deficiencies associated with the existing training system. These as a backdrop, an attempt is made in this study to examine the strategies of HRD viz training and executive development system in banking sector by selecting Staff Training Centre's of State Bank of India as a case to obtain an insight into the adequacy, propriety, periodicity, etc. of training and development system. The STC's of State Bank of India have been selected for the following reasons.

1. SBI is one of the pioneers of nationalised banking system in India.
2. It is looking after the government transactions for historical reasons.
3. It has 4 STC's working in Andhra Pradesh to cater to the training and development needs of its staff in the State.

1.4 OBJECTIVES OF THE STUDY

The present study is mainly aimed at examining the facilities existing in STC's of SBI for training and development of its manpower as to ascertain the adequacy, propriety and timeliness. In detail, the following are the objectives.

1. To analyse the content of the present training programmes offered by the STC's so as to know their adequacy and suitability to the felt needs of the staff working in SBI.
To assess the effectiveness of training and executive development programmes offered by the STC's of SBI in A P

To suggest a few measures to improve the existing training and executive development facilities for the personnel working in SBI

To offer a few suggestions on the basis of the findings of the study

1.5 SCOPE OF THE STUDY

The present study is mainly concerned with gaining an insight into the various aspects of training and development programmes arranged for staff working in State Bank of India through the STC's. Employees of the State Bank of India are mainly divided into three cadres viz. supervisory, clerical and subordinate cadres. Supervisory staff have been again classified as per Pillai Committee Report into four categories namely Junior Management (Scale I), middle management (Scale II & III), senior Management (Scale IV & V) and Top management (Scale VI & VII). For the purpose of the present study the T & D arrangements being made at STC's are covered. Further the study is confined to the working, organisation and management of STC's located in Andhra Pradesh for the past five years.

1.6 SAMPLE DESIGN

To carry out this study with the objectives stated earlier, there is a necessity to select a sample representing the trainees working in various branches of SBI in A P. For this purpose, the opinions of the trained staff have been gathered. As on 31st March 2002, there were 5,250 officers and 11,200
clerical staff working in the branches situated under the administrative control of SBI located at Tirupati, Machilipatnam, Vijayanagaram and Hyderabad. A sample of 250 officers and 550 clerical staff was drawn based on random sampling technique. While drawing the sample care has been taken to give adequate and equal representation to all the STC's under the administrative control of SBI, Hyderabad Circle.

Though the SBI branch staff comprises different cadre, the present study is restricted to middle management cadre starting from clerical cadre to junior and middle managements giving a fair representation to the selected centres.

1.7 TOOLS OF ANALYSIS

In the present study, statistical tools such as averages, weighted averages, ratio's, scaling techniques, etc, are used. Charts are also used to present the data in a clear manner.

1.8 METHODOLOGY AND DATA BASE

The analysis presented in this study is based upon secondary and primary data. The secondary data pertaining to the banking developments are collected from Indian Banks Association, Bombay. The trends in the banking business and training of manpower of the State Bank of India are analysed on the basis of data collected from the Annual Reports of Bank. For evaluating the effectiveness of training and development programmes offered to the executives and other employees of SBI, structured questionnaires (Appendix - A) separately have been designed and served to the employees of the select branches of SBI after conducting the pilot study. Further to ascertain the
strategies of HRD being adopted by the STC's a structural questionnaire was served among the trainees of the SBI - STC's (Appendices - B, C & D)

1.9 LIMITATIONS OF THE STUDY

The present study is carried with the main purpose of knowing whether existing training and development facilities at the STC's are adequate and appropriate enough to meet the felt needs of the branch level supervisory and clerical staff working in SBI. For this purpose, questionnaires were instituted among the select supervisory and clerical staff. Since the sample employees are asked to reply different questions by themselves, this study has the limitation of suffering from bias. However, necessary care is taken to reduce it. Further, the study also suffers from following limitations:

1. While examining into the effectiveness of training and development system existing with the bank, a general opinion of the trained staff on the usefulness and relevance of training is only obtained. As such it is to say that the study has not gone into the course-wise analysis.

2. Though it is important to take cost benefit analysis of training by examining whether training and development efforts put in by the management are fruitful in relation to the investment of money made for them, the study has not gone into this aspect.

3. As the data were collected from a representative sample of the branch level supervisory and clerical staff all the efforts were made to minimise the sampling errors.
110. CHAPTER LAYOUT

The present Study consists of five Chapters including the present one

Chapter - I  Presents a scenario of banking industry in India, the concept of training and development followed by the statement of problem and the objective of the study, methodology, sample design, etc

Chapter - II  Discusses the organisational details of SBI including personnel policies and training and development system

Chapter - III  Presents a brief profile of the STC’s of SBI

Chapter - IV  Presents the results of the field study so as to evaluate training and executive development in SBI

Chapter - V  Contains conclusions borne out of study followed by a few suggestions
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Bandyopadhyay R  *Emerging Challenges*, Op Cit, pp 22-23

# APPENDIX - A

## Growth of Public Sector Banking at a Glance

<table>
<thead>
<tr>
<th>Indicator</th>
<th>1969-70</th>
<th>2001</th>
<th>Growth (Times)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of Banks</td>
<td>22</td>
<td>27</td>
<td>1.23</td>
</tr>
<tr>
<td>Branch Expansion (Number)</td>
<td>6596</td>
<td>47,021</td>
<td>7.13</td>
</tr>
<tr>
<td>a) Rural</td>
<td>1505</td>
<td>19,383</td>
<td>12.88</td>
</tr>
<tr>
<td>b) Urban</td>
<td>1176</td>
<td>8,638</td>
<td>7.35</td>
</tr>
<tr>
<td>c) Semi-Urban</td>
<td>2622</td>
<td>11,816</td>
<td>4.51</td>
</tr>
<tr>
<td>d) Metropolitan</td>
<td>1293</td>
<td>7,184</td>
<td>5.56</td>
</tr>
<tr>
<td>Total Deposits</td>
<td>3871</td>
<td>8,59,376</td>
<td>222.00</td>
</tr>
<tr>
<td>Total Advances</td>
<td>3017</td>
<td>4,14,628</td>
<td>137.47</td>
</tr>
<tr>
<td>Priority sector Advances</td>
<td>441</td>
<td>1,54,414</td>
<td>350</td>
</tr>
<tr>
<td>a) Agriculture</td>
<td>162</td>
<td>51,922</td>
<td>320</td>
</tr>
<tr>
<td>b) Small Scale Industries</td>
<td>257</td>
<td>56,002</td>
<td>218</td>
</tr>
<tr>
<td>c) Other Priority Sector Advances</td>
<td>22</td>
<td>46,490</td>
<td>2,113</td>
</tr>
<tr>
<td>Shares of priority sector advances in total advances</td>
<td>14.62</td>
<td>37.24</td>
<td>2.55</td>
</tr>
<tr>
<td>Credit deposit ratio</td>
<td>77.94</td>
<td>48.25</td>
<td>0.62</td>
</tr>
<tr>
<td>Income</td>
<td>337</td>
<td>1,03,499</td>
<td>307.12</td>
</tr>
<tr>
<td>Expenses</td>
<td>326</td>
<td>99,182</td>
<td>304.24</td>
</tr>
<tr>
<td>Profit / Loss</td>
<td>11</td>
<td>4,817</td>
<td>392.45</td>
</tr>
<tr>
<td>Staff Strength (Number)</td>
<td>1,75,367</td>
<td>8,61,954</td>
<td>4.92</td>
</tr>
<tr>
<td>a) Officer Cadre</td>
<td>26,838</td>
<td>2,33,058</td>
<td>8.68</td>
</tr>
<tr>
<td>b) Clerical Cadre</td>
<td>1,00,776</td>
<td>4,35,354</td>
<td>4.32</td>
</tr>
<tr>
<td>c) Subordinate Staff</td>
<td>47,754</td>
<td>1,93,542</td>
<td>4.05</td>
</tr>
<tr>
<td>Per employee business</td>
<td>0.04</td>
<td>1.49</td>
<td>37.25</td>
</tr>
<tr>
<td>Per branch business</td>
<td>1.04</td>
<td>27.09</td>
<td>26.05</td>
</tr>
<tr>
<td>Per employee Profit</td>
<td>0.002</td>
<td>0.12</td>
<td>60.00</td>
</tr>
<tr>
<td>Per employee expenses</td>
<td>0.002</td>
<td>0.12</td>
<td>60.00</td>
</tr>
</tbody>
</table>