Chapter VII
Summary, Conclusions and Suggestions’

This Chapter highlights on the overall summary of the present study, Major conclusions drawn by the researcher and important suggestions made by the researcher to overcome the problems before banking industry.

After a careful presentation of the introduction and concept of Human Resource Development. This study finds some conclusions about different aspects of the topic under consideration and observations about the survey made so far. The conclusions drawn in this chapter are based on the primary and secondary data collected and concerned parties interviewed during the field survey and systematically analyzed in the different chapters. The hypothesis has been tested and verified with the object of this research work. Recommendations are made after a detailed and objective analysis of the Human Resource Development. Recommendations therefore, are related to the improvement in Human Resource Development.

Human Resource Development (HRD) is the framework for helping employees to develop their personal and organizational skill, knowledge, and abilities. Human Resource Development includes such opportunities as employee training, employee career development, performance management and development, coaching, mentoring, succession planning, key employee identification, tuition assistance, and organization development.

The term “HRD” is loosely used. Scholars do not fully agree regarding the boundaries of the field. In “Models for HRD Practice,” McLagan (1989) affirms that HRD consists of three interventions: training and development (T&D), organization development (OD), and career development (CD). Swanson and Holton (2001) also include training and development and organization development as part of HRD, but leave out career development in their model or definition. Professional organizations
such as the Academy of Human Resource Development (AHRD), the American Society for Training and Development (ASTD), and the International Society for Performance Improvement (ISPI) more or less discuss HRD issues, although they may use different frames or approaches in looking at the field; this is also an indication that HRD is an ambiguous field.

In practice, the term “HRD” is not a standard one, and it is often interchangeably used with other terms. For example, a company might call its HRD unit a training division, an HRD department, a training department, a performance department, a corporate university, or the like. HRD programs or activities might be called training, training and development, staff development, employee development, adult education, and so forth (Beder, 1989; Robinson and Robinson, 1996; Swanson and Holton, 2001). This study uses the term “HRD” as a broad umbrella and an interchangeable term with training and development, depending on the context of the discussion. Training and development is viewed as only one form of HRD, but it is the major form used and, thus, it might dominate the discussion. In this study, the term “HRD practitioners” refers to those who perform roles, hold positions, or are individuals such as trainers, training designers/developers, or other training administrators/staff in the organization highly involved in the HRD process. The term “HRD practice” refers to programs, events, activities, systems, and even viewpoints that the company or HRD practitioners might have or embrace.

As the world is becoming more and more global, scholars must be knowledgeable about the global environment and understand viewpoints, needs, and experiences of others from different parts of the world or different countries. Scholars in the field of human resource development (HRD) are no exception and need to carry out even more global or international HRD investigation because the field is relatively young and not mature yet (Elliot, 2000; Marquardt and Engel, 1993; Swanson, 2001;
Swanson and Holton, 2001), and the current discussion on HRD is dominated by American scholars and practitioners (Streumer, Van der Klink, and Van de Brink, 1999).

Osman-Gani (2000) further considers ASEAN (the Association of South East Asian Nations) a significant area for international HRD investigation. The association consists of ten member countries—Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam—and is “ranked among the world’s largest host of foreign direct investment inflows” (p. 215).

Indonesia plays a significant role in ASEAN as the country is one of the founders of the association and has the highest population and largest area of all the members. With more than two hundred million people living in more than 13,000 islands, being strategically located between two continents (Asia and Australia) and between two oceans (the Pacific and the Indian), and speaking hundreds of different languages, the country is geographically unique, and culturally diverse. Under such circumstances, an international HRD investigation in India is a challenging endeavor.

A well-known literature review about international HRD investigation was the work of Hansen and Brooks (1994). Essential of the review was the identification of two major shortages of international HRD investigations. The first shortage pertained to the approaches utilized in the investigations. The review indicated that most international HRD studies lacked in-depth understanding of the settings investigated because of the typically dominant use of positivistic approaches. To enrich the body of knowledge of international HRD with a more in-depth understanding of the settings investigated, Hansen and Brooks suggested a more qualitative or naturalistic study. The second shortage of international HRD studies pertained to the issue of who performed the studies. With regard to this issue, Hansen and Brooks found that the results of international HRD studies tended to be biased by American scholars and practitioners’ HRD perspectives because
most of the studies were conducted by non-native researchers, typically Americans, who were by and large unfamiliar with the local settings being investigated. Hansen and Brooks then called for international HRD studies performed by native researchers. In short, Hansen and Brooks’ review of international HRD investigations revealed the need for more qualitative or naturalistic studies performed by native researchers. This dissertation is a naturalistic endeavor and the researcher is a native person of the setting being investigated.

This chapter is divided into four different parts i.e.

A) Summary of the present study.
B) Major Conclusions
C) Important Implications and.
D) Overall Conclusions

A) Summary of the present study.

1) Introduction

The chapter first deals with the introduction. It gives the detailed information about the significance of the study, objectives of the study, hypothesis tested, research methodology with collection of data and the presentation of the study.

2) Review of Literature

This chapter deals with the overall review of the literature available on the particular topic. Literature is the most important part of any research. In this topic, the review is taken of articles and books regarding the research topic. This chapter is divided into two parts i.e. Review of Research Articles, Review of Books, thesis and other related published or unpublished literature on this particular topic.

3) Profile of Bank of Maharashtra

The third chapter highlights on the profile of Bank of Maharashtra, the introduction and history of BOM, Vision and mission of bank, Millstone achieved by the bank, Sectoral Deployment of Credit, Foreign Exchange


The fourth chapter highlights on the Performance Management and promotion policy in banking sector in India, it shows the Performance Management and promotion policy in banking sector in India, Performance Management, Functions of Performance Management, Functions of Performance Management, promotion policy and promotion policies of Bank of Maharashtra.

5) Human Resource Development and bank of Maharashtra

The fifth chapter deals with the Human Resource Development challenges to the commercial banks in India, it highlights on importance of HRD, changing HRD perspectives in the modern context, HRD mechanisms or sub-systems, HRD and Organizational effectiveness, challenges in the field of HRD.

6) Data Collection and Analysis.

This chapter aims at analyzing the collected data like the Methodology and respondents profile, the nature of Human Resource Development, the structure of Training and development programme. It also gives the details about the Methods of Training Programme at a glance in selected Bank, the chapter also highlights on the Criteria for performance appraisal in the selected Bank.

7) Summary, Conclusions and Suggestion’s

This Chapter highlights on the overall summary of the present study, important conclusions drawn by the researchers and important suggestions made by the researchers to overcome the problems which found in this study.
*Important Conclusions*

1) There is one major area that is recruitment in the bank where all employees showed satisfaction. It was the unanimous decision of all the employees that the recruitment process in the bank is fair and based only on merit.

2) Most of the employees from age group of 40-50 believed that the most important purpose of training is upgradation of abilities and preparing for promotions. (Table No. 6.27)

3) Most of the employees from age group of 20-30 believed that the most important purpose of training is developing specific abilities of competence and getting trained in allied fields. (Table No. 6.27)

4) Most of the employees from the age group of 30-45 believed that the most important purpose of training is preparing for future assignments and preparing for transfers (Table No 6.27).

5) The bank is really cautious about sharpening the skills of employees and for that it assesses the training needs of the organization periodically (Table no 6.27)

6) The employees are well satisfied with the training programmers’ and study material provided during training. (Table no 6.31)

7) The training programmers’ conducted by the bank are very effective in bringing knowledge skills enthusiasm in the employees after undergoing training. (Table no 6.37)

8) Bank of Maharashtra practices the promotion policy on the basis of broad guidelines from the government and with the aim of blending the objectives of the bank with the career progression of its employees.

9) The survey indicates that the employees are by and large satisfied with the promotion policy and its implementation.
10) The organization uses the promotion system to promote HR practices as well as for upgradation of employees, which is essential for the growth of organization.

11) Promotion system is linked with the qualifications knowledge base, skills, attitude, performance & seniority of the employees. Thus it is largely balanced.

12) Some special features like - incentive for rural service in promotions to scale II/III, Fast track promotion in scale I to II etc. Are innovative HR measures, which are beneficial to the bank as well as concerned employees.

Conclusions

1. All the Executives are from Central Office and with 46 Branch Managers. the sample consists of 30% Appraisers and 70% appraises in Performance appraisal. (Table No:- 6.2)

2. One reason is that the questionnaire contains some question on performance appraisal which are meant for appraiser i.e. Branch Managers and Executives, under whom some officers are working. (Table No:- 6.3)

3. For employees who joined as Clerk and got promoted to officers’ cadres it is one promotion. while for Direct Recruited Officer in Scale I one promotion is the promotion to Scale 11. (Table No:- 6.5)

4. From this distribution 51% are graduates and additional 40% are double graduates and post-graduates. Tbus 91% are graduates and double graduates. (Table No:- 6.7)

5. The average length of services of all the 190 respondents in their banks was 18.09 years. (Table No:- 6.11)

6. 35% of the employees preferred refinery process as well as 25% of the employee adopted management development programmes for the development of managerial skill’s for their employees. 10% of the
employee’s adopted special purpose courses and supervisory training for their employee’s. (Table No:- 6.12)

7. To the 23 % of the respondents the criteria of appraisal were ‘good’ and 19 % of the respondent felt it as ‘average’. Only 1 % stated as ‘excellent’. (Table No:- 6.15)

8. Out of the 190 respondents 108 (56.60%) replied that there are no frequent promotions whereas 82 (43.40%) respondents replied positively. (Table No:- 6.18)

9. 36 % employees whereas 52 % as canteen facilities, 380 providing and travel concession facilities and 36 % Bank are providing housing loan to the few employees and housing rent to the executive employees residing in the Aurangabad. (Table No:- 6.19)

10. 41.68% of the Bank prefer open interviews, 8.33% of the organizations depend on survey’s reports and inventories, 8.33% of the Bank considered for a current and protected engineering and latest changes, where as 16.67% of the Bank preferred management and staff conferences and recommendations. (Table No:- 6.20)

11. Retraining is not only important for Bank development but it helps employees in (80%) personal growth, Development of new skills (50%), improves earning capacity (15%), Helps to adjust with changing Technology (90%), increases safety awareness (62%), and improves Confidence (50%). (Table No:- 6.22)

12. 50% of the respondents feels that the training offered by the organization has proved to be highly successful. It may be inferred that the trainees have perceived the effectiveness of training offered by the organization. (Table No:- 6.25)

13. 30% of the respondents agreed that the training program did not cater as per the expectations of to organization. Whereas 30% agree that retraining program helps in the realization of objectives. (Table No:- 6.26)
C. Important Implications

Recruitment and selection

Autonomy to recruit as per the requirements of the banks and increasing the direct recruitment quota in clerical and officer cadres.

Increasing minimum qualification required for recruitment in clerical and subordinate cadre and Recruitment of skilled manpower directly from the market to be given urgent consideration.

Raising the skill bar at the entry level itself would ensure that only people with requisite skills get into banks and accommodating additional personnel with technical and professional skills would balance the otherwise high age profile of the banking personnel.

• HRD audit in vital areas like training, compensation, recruitment and promotion.

Promotion

• Faster promotions for meritorious officers and reducing the span to reach top management level from 25 years to 20 years and merit and performance based promotions by reducing minimum eligibility years for CAIIB candidates and those who have served in rural areas.

• Written test and performance based promotions up to Scale IV and reducing the maximum age limit at entry level for the officers and Capping the age for internal promotions from subordinate to non subordinate and from non subordinate to officer cadre.

• Career management system to make employees aware about availability of various career streams and Recognition of employees performing well will send right signals and boost morale of the work force.

• There is an urgent need to bring down the waiting period in each scale. Suitable fast track promotion policies for skilled specialized officers and performing general officers should be evolved.
Compensation

- Performance based reward system should be developed and for retaining talent banks have to pay market rates for professionals with incentives like performance bonus and stock options.
- Performance linked reward system will weed out excessive manpower and attract fresh talent and there is a wide gap between the remuneration provided by PSBs and other private/foreign banks and the difference needs to be minimized.

Training and development

- Identifying competencies on an organizational basis will provide a means for pinpointing the most critical competencies for the banks success. Training and retaining the existing and future manpower to cope with the changes and challenges of future.
- Filling up existing skill gaps at middle level and higher level employees through skill enhancement programs. Keeping employees skills updated to match present day requirements enhances productivity. Training - There should be proactive steps in this regard and it should involve proper identification of training needs and post training placements.

Training centers should introduce and initiate newer training programs in conformity with the changed scenario and demand from the customers.

Transfer

- Movement of surplus staff in the clerical cadre from staff surplus banks to staff deficient banks so as to strike a balance and maintain establishment expenses at optimum level.
- Laying down clear cut recruitment, rotation and transfer policy.

Work culture

- Focus on increasing employee productivity. Mapping and developing competency; identifying talent and proper grooming. Transforming staff from being "Transaction processors" to business professionals.
• Developing strong business orientation among employees through sales culture and customer centric approach. De-bureaucratization and creating a competitive work culture. Greater accountability and ownership. Managing transformational conflict and preparing people for change.

• Team building and Team work - Personnel policies of the bank should enable their employees imbibing strong sense of team work so as to reap rich and regular dividends. Job satisfaction - Ensuring job satisfaction would enable banks to retain their skilled employees.

D) Overall Conclusions

Indian public sector banks have been facing a number of challenges ever since the industry was opened up for private and international players. Social banking practices followed by public sector banks consequent to nationalization have resulted in increased non performing assets, decreased profitability and operational efficiency. Privatization of banking sector forced public sector banks to take up serious measures for improving profitability and efficiency of operations. Human resource management is the area where many initiatives were implemented for Streamlining banking operations. In this study HRM challenges faced by public sector banks are analyzed and suggestions made by the experts in the field are summarized. The success of any organization depends on the ability of its human resource to utilize other resources such as capital, equipment and land for the achievement of organizational objectives. Human resource thus requires the necessary attention in order to achieve corporate objectives. Over recent years there has been an increasing interest in the field of human resource management. Currently, the literature encourages the consideration of human resources as strategic factors, not only because they play important role in strategy implementation, also because they are beginning to be
reckoned as sources of sustainable competitive advantage. Relationships between human resource management and productivity have been studied from different perspectives.

**SUGGESTIONS**

The Human Resource can be a powerful asset or a debilitating liability of the bank depending upon how well it is harnessed. It is one of the most important challenges, rather a risk, which needs to be appropriately managed. For the bank employees to be “Foolproof”, the HR personnel would have to view their existing policies and practices and reorient them, wherever necessary.

I would like to stress that the “People” factor will be at the centre stage and play a critical role in the transformation of Bank of Maharashtra. The bank needs to improve their skill set, mould their mindsets towards providing customer services and covert our human capital into high value factors of production.

1. The bank must have a well defined policy that sets out their approach to customer care. This also must take into account the human resources angle starting from the recruitment process to take care of attitudinal aspects.

2. The staff manning positions in the Customer Service Departments should receive specialized training so that customer complaints are professionally handled and there is no cause of customer dissatisfaction.

3. There must be specific and proper queue management system at branches where there is heavy crowd, with basic facilities of seating arrangements, drinking water etc.

4. The needs of the senior citizens and the physically challenged persons must also be an important input in deciding on the branch locale and its access. The ‘May I Help You’ counters at branches should be invariably manned.
5. Exchange facilities for soiled /torn notes is a right of every citizen using such facilities and RBI through its agents should ensure that no holder of sovereign currency note is turned away at a bank counter when exchange facility is desired irrespective of the person tendering the note is a customer or not. The bank should implement the Citizens Charter on exchange facilities of notes and coins adopted by the Department of Currency Management, RBI.

6. All branches with large cash transactions should provide cash counting machines at the counters for the customers.

7. Bank has to necessarily ensure that all internet banking is made failsafe by putting in place robust and dynamic fraud detection and prevention systems. Computerized/network delivery channels should have enhanced customer ease of operations and reduced costs for bank.

8. Bank may introduce mechanisms whereby a customer has a choice of restricting account transfers to be done only from particular IP addresses. A customer should also have the option of requesting blocking the transaction if the IP address is from a different country.

9. The Bank’s approach to develop ‘Client First Attitude by its employees needs to be documented and the same may include aspects such as positive attitudinal change, behavior and practices’ the skill gaps of employees, the process of re-engineering the recruitment of the staff for the purpose etc. Banks Boards should evolve Human Resources’ policies which will recruit for attitude and train for skills. The Bank’s policy should be framed to ensure that the prescribed response time for every type of grievance should be approved by an official not below the rank of the Top Management of the Bank.

10. Bank should codify annually all its policies/operational guidelines as that would help the front line staff to serve the customers better.
11. Customer service and grievance as a mandatory parameter in the performance appraisal report of all employees.

12. Bank may consider reward, recognition and motivation programme for frontline Officers who have shown exemplary character in ensuring customer service.