CHAPTER – VI

SUGGESTIONS AND RECOMMENDATIONS

In the present study, ‘Balanced Scorecard’ is applied in measuring employees’ performance containing four perspectives namely financial, customer, internal business process and learning and growth perspective in SBI and ICICI bank. With reference to different perspectives and the report on data analysis, certain improvements are suggested and presented as 'VISION: By 2013, Become the Leader in Banking Industry'.

Figure 1: ‘VISION: By 2013, Become the leader in Banking Industry’

FINE TUNE ACCOUNTS

Financial Perspective
Enhance employee productivity
Enhance employee productivity
Financial Advisor

ENLIGHT CUSTOMER DELIGHT

Customer Perspective
Add high value customers
Attract and retain new customers
Retain existing customers
Convert low value to high value customers

MAINTAIN LEADERSHIP IN SERVICES

Internal Business Process Perspective
Develop Information Technology
Maximize quality of products and services
Reliability in services

UTILIZE HUMAN TALENT

Learning and Growth perspective
Develop technological skills
Draft succession planning
Recruit skilled staff
Develop culture of innovation
Develop and build knowledge management
Training
Strong data capture system
De-emphasize control
Employee empowerment
As shown in Figure 1, the researcher made an attempt to wrap up the suggestions into wholesome as presented through 'VISION: By 2013, become the leader in banking industry'.

Areas of Improvement and Suggestions – ‘VISION: By 2013, Become the Leader in Banking Industry’

The data analysis and findings motivated the researcher to identify areas of improvement and give suggestions to improve employees’ performance in the selected banks, which were discussed in detail.

1) Financial Perspective:
   a) Emphasize on ‘Employee productivity’ to contribute maximum from the employee.
   b) Become the financial advisor to retain existing customers and explore new markets of products and services.

   To fine-tune on the financial grounds and meet the competition, it is essential to explore the market and retain the customers.

2) Customer Perspective:
   a) Add high value customers, especially focusing on young customers.
   b) Attract new customers and retaining high value existing customers.
   c) Convert low value customers to high value customers by providing effective and prompt services.

   To meet the customer delight, Reliability, cost effectiveness, pleasure in banking, safety, good furnishing and fast services are required.

3) Internal Business Process Perspective:
   a) Develop information technology to provide superior services in less time.
   b) Maximize quality of products and services.
   c) Efficient delivery of services and reliability in services.
   d) Introduce products preferred by the customers.
To maintain leadership in services, it is essential to add new features by identifying the market needs and exchanging market information properly, making efforts for development of products and services, timely delivery of services and provide promised service offerings after the sale.

d) Learning and Growth Perspective:

a) Attract and retain key people, who deserve special attention and provide business results.

b) Develop technical skills and know how of employees to line up with information technology.

c) Recruit skilled staff to gain and retain the benefits of their knowledge in terms of output and performance.

d) Draft succession planning to prepare employees for career advancement.

e) Develop culture of innovations to collect ideas from employees for implementing their creative ideas for various projects.

f) Build knowledge management to improve competency to work better for expansion and growth of the organization and individual both.

g) Employee empowerment can work better to drive desirable results.

h) De-emphasize control and vigilance to let the employees be creative and learn from their experiences.

i) To strengthen the organizational memory, develop a strong data capture system to collect the information, use and align the process of information and reexamine the practices to ensure that practices and procedures are up-to-date and validated in the current environment.

j) To ensure effective knowledge transfer to the employees, training is the key element of success. Training can ensure proper understanding of the work and plan to meet targets.

To utilize human talent strategically for future needs, it is suggested to provide information for result oriented application, expand their skills and expertise, adopt execution driven culture and facilitate continuous learning and sharing of knowledge.
Managerial Implications:

Now days, importance of ‘Human based management’ has increased. Information created through learning is a strategic input to help organizations achieve goals and become one step ahead of competitors. Motivating and providing opportunities for individual learning is essential. Commitment of employees to the organization can give them opportunity to show extra efforts.

Experts’ Views and Interviews:

After the experts’ views and interviews, certain lacunas are examined in existing ‘Performance measurement system’ at SBI. Shortcomings are also observed in the ‘Balanced Scorecard’ applied by ICICI bank for measuring employees’ performance. Further an open ended question was also asked to the employees at SBI and ICICI bank i.e. ‘Specify the time/situation, when you can best perform at job/work place’? The question was asked through the questionnaires relating to ‘Internal business process perspective’ and ‘learning and growth perspective’. The responses as received during survey put an urgency to create personal scorecard for matching personal level with the organizational level at every stage and tracking the discrepancies. The tracking is suitable and essential for each and every employee in both the banks.

The researcher recommended a tracking system which allows the employees to explore their hidden potential while dovetailing their individual goals with the organizational goals named ‘New era success launch’. In simple words, employees can attach themselves to the organizational Balanced Scorecard to track their capabilities and justify the performance at organizational and individual platform.

‘New era success launch’ constitutes a research for human being’s self knowledge, self evaluation and self mastery. The tracking system helps employees to enable them to realize their full potential by identifying the hidden capabilities. Performance measurement system of SBI and Balanced Scorecard of ICICI bank do not take into account personal behavioural
changes, ignore human behaviour aspect and insufficiently committed to learning. ‘New era success launch’ is the solution with the employee to identify his hidden qualities and match himself to organizational Balanced Scorecard.

Moreover, in any organization, policies and procedures are properly framed to have an effective system, but human being does not perform well due to intentional or unintentional factors. ‘New era success launch’ can help to transform capabilities of human beings to provide favourable output.

Reasons to apply the ‘New Era Success Launch’ in SBI and ICICI Bank

1. To cope with the high level and high standard goals, targets and measures fixed in organizational Balanced Scorecard as in the case of ICICI bank.
2. The tracking system facilitates self management, which aims at maximum development and continuous learning of the employee at workplace, keeping in mind his personal factors. In this way the ‘New era success launch’ is also a self control system for employees of both banks under study.
3. Self knowledge and self mastery in ‘New era success launch’ will lead to self learning, eradicating shortcomings and exploring strengths of an employee at SBI and ICICI bank.
4. Balance between personal factors and organizational factors will lead to more involvement at workplace in SBI and ICICI bank.
5. The tracking system is a highly disciplined self manager by utilizing time and understanding all the matters without wasting time and resources.
6. The tracking system ensures the necessary fit by matching it with job requirements and Organizational objectives and requirements.
7. After data analysis and respondents' views, it was observed that maximum employees of ICICI bank intend to leave. Further open ended question to specify the reasons for the willingness to leave observed that in ICICI bank, less importance was given to human
resources and more emphasize on target achievement. It is due to private sector bank. So it is essential to introduce the system, which gives the right place to human beings than other factors.

8. SBI has not yet introduced Balanced Scorecard, so it is the right time for SBI to launch a comprehensive set of a system measuring performance at organizational and individual level.

In short, if ‘New era success launch’ can be introduced by the banks for employees’ development and improve organizational performance, it will become an instrument of self realization and path to strategic success. Even organizational Balanced Scorecard will no longer remain a machine, which enslaves employees.

After observing the views of the employees in SBI and ICICI bank, the responses were well shuffled and organized into a meaningful manner. Figure 2 shows application of ‘New era success launch’ at individual level and organizational level.
Figure 2: New era success launch

Optimum employee's performance at level playing field
‘New era success launch’ is required at SBI and ICICI bank. The components of the tracking system are delineated through Table 1 discussed as follows:

Table 1: New Era Success Launch

<table>
<thead>
<tr>
<th>Components</th>
<th>Organizational level</th>
<th>Individual level</th>
</tr>
</thead>
</table>
| Mission, vision and philosophy | Mission Statement **SBI**  
Prompt, polite and proactive with our customers.  
Offer excellence in services to those abroad as much as we do to those in India.  
ICICI  
Leverage our people, technology, speed and financial capital.  
Maintain a healthy financial profile and diversify our earnings across geographies and businesses.  
**Vision Statement**  
SBI  
My customer first.  
Retain its position as a pioneer in banking.  
ICICI bank  
To be the leading provider of financial services in India and a major global bank.  
**Philosophy**  
SBI  
To have sound ethical values.  
A micro portal for all human beings seeking authentic happiness, fulfillment and a meaningful life.  
ICICI  
We seek to partner India’s growth and globalization by delivering world class financial services across all cross-sections of the society. |
|                             | My Mission  
What am I at workplace?  
What are my overall objectives?  
What are my deepest aspirations for job?  
What are my talents for job? |
|                             | My Vision  
Where am I going?  
What are the principles, guiding my way?  
What do I want to achieve?  
What is my belief?  
How do I see myself for job/workplace? |
|                             | My Philosophy  
Where am I going?  
What is my idea?  
What I think for job/workplace?  
How do I distinguish myself in society?  
How do I think for my intentions at job? |
| Objectives                  | Objectives of the Bank  
Bank must define the objectives, when it is clear about mission, vision and philosophy. | My Objectives  
What output do I want to achieve?  
Which results do I want to achieve? (short and long term both)  
What is the most important change required at workplace? |
| Critical factors            | Organizational Critical factors  
Core competencies and shortcomings of the bank must be emphasized. | My Critical factors  
What factors facilitate to be unique?  
What are my most important shortcomings?  
What are the ways to remove them? |
| Targets                     | Organizational Targets  
The targets are to be set by the corporate office in consultation with | My Targets  
What are my personal targets?  
What are my targets as per my |
experts and HR teams in various functions.

<table>
<thead>
<tr>
<th>Performance measures</th>
<th>Organizational Performance Measures</th>
<th>My Performance Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The criteria to be taken for four perspectives i.e. financial, customer, internal business processes and learning and growth perspective is to be prepared keeping in view the nature of the job.</td>
<td>How can I measure my personal results? What are the ways/criteria to measure personal performance results?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Achievement</th>
<th>Organizational Achievement</th>
<th>My Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>What is the gap in standard and actual performance? i.e. achievement is extracted</td>
<td>What I have achieved? What is left?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Improvement Plans</th>
<th>Organizational Improvement plans wherever the gap is unfavourable, what plans are required to have improvement?</th>
<th>My Improvement Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Where do I need to improve? What are important factors where improvement is required? How can I improve to facilitate continuous learning?</td>
<td>Where do I need to improve?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Action</th>
<th>Action at Organization level</th>
<th>My Improvement Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Action is to be taken to make improvements.</td>
<td>Actual implementation of improvement plans</td>
</tr>
</tbody>
</table>

Table 1 shows the ‘New era success launch’ at organizational and individual level. There is description of mission, vision and philosophy at the organizational level. After receiving the description of three elements, individual level components will be stated by the employee. Objectives of the organization are stated and matched with the individual level objectives. Individual critical factors are to be considered in the light of organizational critical factors. Targets at individual level are to be set after considering targets at organizational level. Individual performance measures are identified after keeping in view the organizational performance measures. Achievement at organizational level can be recognized when individual level achievement is also taken into account. Improvement plans at organizational level can be framed by specifying individual’s improvement plans. Action at organizational level is taken. It is effective when action to improve ‘self’ is also implemented. If no question arises after considering the elements and components at any stage while executing ‘New era success launch’, project is assumed to be completed. Further, second part, the perspectives are specified in Table 2.
Table 2: Perspectives in New Era Success Launch

<table>
<thead>
<tr>
<th>Perspective</th>
<th>Organizational level</th>
<th>Individual level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial perspective</td>
<td>How do bank look to the shareholders?</td>
<td>How do I look for the financial needs?</td>
</tr>
<tr>
<td>Customer perspective/External</td>
<td>How do customers see the bank?</td>
<td>How do society (customers, peers, others) see me?</td>
</tr>
<tr>
<td>perspective</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal business process perspective</td>
<td>What must the bank excel at?</td>
<td>How must I excel at?</td>
</tr>
<tr>
<td>Internal perspective</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Learning and growth perspective</td>
<td>Can bank continue to improve and create value?</td>
<td>Can I continue to improve and create value?</td>
</tr>
</tbody>
</table>

Table 2 is framed after considering the four perspectives at organizational level. The financial perspective for individual is matched with the organizational level. The findings observe that employee performs well, if he gets financial motivation/job security. The external perspective for individual is placed with the organizational level. The findings examine that employee performs well, if his relations with spouse, children, peers and others are cordial and he earns the respect of others. The internal perspective for individual is studied simultaneously with the organizational level. The findings show that employee performs better if he is fine with his physical and mental state and creates value for himself and for others. This way, he enjoys and performs well. The learning and growth perspective at individual level is observed in relation to the organizational level. The findings recognize the role of human power. It is ascertained that employee performs well, if he is comfortable with the work assigned and gives the best to the organization and the self.

In this manner, the four perspectives cover and compensate the loopholes of Balanced Scorecard of ICICI Bank and performance measurement system of SBI. ‘New era success launch’ must be prepared by the top management, middle management and managers at lower levels with the consultation of experts in psychology subject/discipline as they can
contribute by describing the human nature in the right form. This is the key responsibility of immediate boss to specify the ‘New era success launch’ to every new employee (When any person joins the bank), so that he can adjust as per the requirements and can contribute in improving himself on every stage of the tracking system.

Rationale to measure own performance

‘New era success launch’ can serve the purpose of employee (human being) to know where he stands and where to go after having a sight on his mission, vision, philosophy, objectives, critical factors, targets, measures, achievement, improvement plans and actions as discussed earlier.

In short, for SBI, the tracking system can help to achieve their targets and make their philosophy more effective and efficient. The ‘New era success launch’ can help SBI at its introductory stage to measure employees’ performance. Also for both the banks, it is essential to set the right targets and understand and utilize the human power to avail opportunities and advancement in the right manner.

Human power makes a difference in business results and human resource practices can contribute towards business performance through the multidimensional approach – ‘New era success launch’ by building organizational capabilities, individual capabilities, shareholder satisfaction, customer satisfaction, market orientation and employee satisfaction. Without moving through the tracking system at every line, banks cannot utilize employee contribution. As a result, the linkage between human resources and business performance will be weakened.

Last of all, the researcher suggests that ‘New era success launch’ provides a framework needed for strategic alignment, strategic success and learning. The success of the tracking system depends highly on the strategy based performance measures, success based planning and management, use of information technology and sharing of data for benchmarking. ‘New era success launch’ is not the “flavour of the month" but should be considered as an evaluating management concept.