PREFACE

In the global economic scenario, new trade blocs are emerging and international competition is zooming. It involves replacement of self-centred culture of industry and business by competitive world wide environment and the organisation everywhere have to reconsider their traditional strategies and method of operation.

In the process of liberalisation as a part of globalisation initiatives, one among them is financial sector reform. Commercial banks have been entrusted with such significant responsibility that it discharged systematically, can herald a new era in the country economic and social life. It was only in July 1969 that the union government nationalised 14 major commercial banks and six more were added in April, 1980. Thus the government has directed control of more percentage of banking operations. But these banks have still got their individual cultural differences and this has kept the elements of competition alive.

The banking sector plays a crucial role in economic development of a nation. An efficient, effective, vibrant and innovative banking stimulate economic growth which depends upon the quality of human resources. Inspite of repeated restructuring and revitalising, human resource management system is heavily criticised for its inefficiency and complacency. As a result, there is low profitability, low productivity and poor customer service. Hence, it is imperative and highly felt need to focus on an effective human resource management specifically in State Bank of India to face the competition ahead.

In the changing economic scenario, human resource management has been the paradigm of the corporate world. With the recent technological advancements, the function of personnel management has become anachronistic. Traditional
personnel management has failed to exploit the potential benefits of effective management of people. It has not moved much beyond recruitment, welfare administrative function to assume a strategic function or role. Therefore, a re-orientation and multidimensional approach regarding the efficient human resource management is sine-qua-non for the S.B.I looking the exigencies of the competitive atmosphere.

Banking in India has come of age. Today it has assumed its true and real role, though more under circumstantial compulsions than anything else. It is an essential organ of the national economy and provides the vital support for every type of financial activity.

Much progress has been witnessed in the art of personnel management ever since the first nationalisation of commercial bank in India Basic principles have, of course, remained unchanged, but understanding of these principles and ability to apply them effectively at all level of management have increased substantially.

Many common threads have been discovered to run through the public sector banks as they have grown through the years, but above all others the importance and complexity of managing personnel has been paramount. Where as the management of individual banks of pre-nationalisation period paid primarily attention to business operations (accepting deposits for purposes of lending and investment with a view to making profit), the new literat"ure on banking industry has reflected this development in personnel management which today and in the 21st Century is to prove to be of great significance.

Personnel management of the commercial banks in the public sector in India reflects the many ramifications of this new growth. The standpoint taken is that personnel, like any other management component, requires development. In
part this is performed by the personnel department which, although organisationally, often labelled as an establishment department, is nevertheless responsible for carrying out many day to day routines staff tasks besides long term tasks.

It also affect all chairman and managing directors who must put personnel programmes and policies into practices of their role of directing personnel. In management terminology this means that the people responsible for personnel management must clearly plan, organise and control the work which must be acheived in this area. The personnel function, it must be recognised is not a separate activity. It is only one aspect of the management capability of a public sector system.

Planning and Human Resource development assumes great significant in a labour intensive industry like banking. Public sector banks in our country have shown a good deal of interest in designing and using HRD systems and mechanisms for improving effectiveness of their employees. In public sector banks, the focus of HRD efforts is to develop versatility and ensure flowering of potential of the individuals through innovations.

With a view to obtaining qualified persons to fill posts in the public sector commercial banks, to ensure their career development, enhance their administrative capability, motivate them to contribute their very best and increase the efficiency of the commercial banking system, it is important for the board of director to have a properly designed central machinery for personnel management. Such a central personnel organisation should possess adequate power, responsibilities and resources. As an ideal objective it should have control over the range of integrated functions, comprising personnel management and have an independent decision-making authority on matter within its policy and operational congnisance.
As such in my study "Human Resource Management in State Bank of India", I have attempted to cover the periods ranging from the time India got independence in 1947. I have also included some recent developments in the management of SBI. My field of study has been limited to study the Imphal Main Branch, its three other branches namely Paona Bazar Branch, Secretariat Branch and Manipur University Branch at Canchipur, in relations to the role of State Bank of India, organisational set-up, recruitment, training, discipline, service conditions, industrial relations and quality of customer service.