It is imperative that every organisation forecasts its future human resource needs so that steps can be taken in advance to ensure that these needs are met in time. Decision concerning determination of human resource requirements involves two processes:

1. Determining the kind or quality of personnel needed. This is done through Job Analysis, and

2. Determining the quantity of personnel required to operate the organization properly. This function may be called Human Resource Planning or Manpower Planning.

Hence, this chapter is divided into two parts: the first part deals with Job Analysis and the second part, with Manpower Planning.

4.1 JOB ANALYSIS

In order to hire personnel on a scientific basis, it is appropriate to establish in advance a standard of personnel with which applicants can be compared. This standard is essentially the minimum acceptable traits necessary for satisfactory performance of the job duties. Establishing such traits or qualities entails (1) the design of the job and (2) a study of the job duties and responsibilities to determine human abilities required for execution. The establishment of the job is a part of the organizing process. The study of job content to determine human requirements is termed "job analysis". Job analysis plays a key role in the areas of planning, staffing, employee development and employee maintenance.
Early work in job analysis and design coincided with the industrial revolutions in Europe and America. Charles Babbage in Europe and Frederick Taylor in the United States were the first individuals to point out that work could and should be studied in a systematic manner and in relation with a number of scientific principles.²

4.1.1 Definition
For better appreciation of the subject, a few definitions of job analysis are given below:

(1) Job analysis is the process by which data in regard to each job is systematically observed and noted. It provides information about the nature of the job and the characteristics or qualifications that are desirable in the job holder.³

(2) Job analysis is the process of studying and collecting information relating to the operations and responsibilities of a specific job.⁴

(3) Job analysis is the process of determining the nature or content of a job by collecting and organizing information relevant to a job.⁵

(4) Job analysis is the process of obtaining all pertinent facts and parameters regarding the position under question. This analytic procedure is important in order to fully comprehend the entire scope of the work being done as well as the contribution the job is making to the outcomes of the organization.⁶

(5) In general terms, job analysis is what it says - the analysis of the job in terms of the content and requirements of the job. It is not at all concerned with the abilities of the worker
who does the job.\textsuperscript{7}

McCormick and Tiffin (1974) have defined job analysis as "the collection and analysis of any type of job-related information, by any method, and for any purpose". When we look at the possible uses of job-related information, it should be clear that this definition, although global, is accurate.\textsuperscript{8}

A complete job analysis contains information relating to the following five factors, plus any others deemed appropriate to fully describe the nature of the job: (1) work products—what the job seeks to accomplish (2) necessary worker activities or behaviours required by the job (3) equipment used (4) factors in the work environment and (5) personal characteristics required to do the job.\textsuperscript{9}

From the few definitions given above, it follows that a job analysis attempts to provide information in seven basic areas -

1. Job identification: its title including the code number, if
2. Distinctive or significant characteristics of the job: its location, setting, supervision, hazards and discomforts.
3. What the typical worker does: specific operations and tasks that make up the assignment.
4. What materials and equipment the worker uses.
5. How the job is performed.
6. Required personal attributes: experience, training, apprenticeship, physical strength, co-ordination or dexterity, physical demands, mental capabilities, aptitudes, social skills etc.
4.1.2 Job Analyst

The personnel management specialist responsible for conducting job analysis is called job analyst. Large organisations often employ full-time job analysts; smaller organisations may hire them as consultants. All job analyses however are not conducted by job analysts. In fact, the responsibility for conducting job analyses is often assumed by other personnel management professionals trained in the use of job analysis methods. The job analyst requires the ability to be impartial, to make written descriptions in a precise form and to understand not only the job evaluation system but also the inter-relationship between the various departmental functions of the organisation i.e. the manner in which the different jobs depend on each other. As a result, he requires a wide training within the industry in general and within the unit under study in particular.

In many organisations, successful job design requires the joint efforts of personnel specialists, industrial engineers and behavioural researchers. Today we are beginning to recognize that job analysis and job design must be the joint efforts of not only trained specialists in personnel and industrial engineering, but also included must be the opinions and inputs of managers and rank and file workers.

4.1.3 The Process of Job Analysis

Specifically, responsibility for conducting a job analysis includes (1) choosing an appropriate method, (2) conducting the analysis, and (3) preparing job descriptions. Choosing an appropriate method of job analysis involves consideration of how the data will be used.
The various purposes of job analysis data require the collection of different kinds of information. Job analysis is a vital step in job evaluation and is of utmost value in a whole range of personnel and organisational activities which include training, safety, placement and methods improvement and each of these applications requires variations on the basis job analysis theme. The process of analyzing a job after its design is essentially one of data collection. Various approaches can be utilized in studying a job, and the four currently most popular are (1) questionnaires (2) written narratives (3) observation and (4) interviews. For the conventional methods of job evaluation, the job analyst seeks answers to the following basic questions: (1) What does the employee do? (2) How does the employee do the job? (3) Why is the job done? (4) What skills are involved?

There are several ways in which information about a job can be had: (1) Employees on the jobs (2) Other employees including supervisors who know the jobs (3) Independent observers (4) Interview. Generally, it is preferable to use a combination of the several methods to get information about the job. Whatever be the method adopted, an objective data-gatherer would avoid introducing his own ideas and also avoid describing the employees performing the job rather than the "job" itself, for many of the employee's personal traits may have little or no relevance to the "job".

A survey of 899 firms (in US) ranging in size from under 500 employees to over 1,000,000 revealed that the most widely used method was interview; 85 percent reported using this research method for both salaried and hourly workers. The second most popular was observation, which was used more widely for hourly employees.
Questionnaires and written narratives were about equally divided in popularity, ranking behind the other two. In addition, there were many miscellaneous sources of information such as old job descriptions, time and motion studies and daily diaries or logs.\textsuperscript{15}

The first and immediate product of job analysis process is the job description. As its title indicates, this document is basically descriptive in nature and constitutes a record of existing and pertinent job facts. A job description is an organized, factual statement of the duties and responsibilities of a specific job. In brief, it should tell what is to be done, how it is done, and why. It is a standard of function, in that it defines the appropriate and authorized content of a job. A job description will generally describe the work performed, the responsibilities involved, the skill or training required, conditions under which the job is done, relationships with other jobs and personal requirements on the job.\textsuperscript{16} A job description should be based on current facts and not on tradition.\textsuperscript{17}

4.1.4 Role Analysis
Dissatisfied with somewhat simple and sterile nature of existing job descriptions that highlight formal duties, various critics have suggested that job analysis should be extended to include role analysis. The concept of role is broader than of job. A role would consist of the total pattern of expected behaviour, interactions and sentiments for an individual holding an assigned job. Mere listing of official duties will not necessarily reveal the behavioural expectations of multiple and various groups that impinge upon the job incumbent. The job descriptions for two supervisors
in two different companies may look the same, but the role requirements could be substantially different. 18

4.1.5 Problems in Job Analysis

Work studies of one kind or the other have generally been greeted with suspicion by employees and their unions. The suspicion is generally based on the method and it is seen as an instrument to enhance output without commensurate remuneration. In some cases, therefore, negotiated joint committees of management and unions have been set up to undertake these studies. 19 When job analysis is conducted in order to assign relative monetary value to jobs, workers who feel that it may affect their pay or status are often motivated to distort information about the job, most likely inflating their importance. 20

There are many difficulties to be overcome in preparing job descriptions. For example, it is essential to avoid loose terminology which could allow for a variety of interpretation, and equally to avoid the inclusion of worker analysis. Similarly job descriptions can often exaggerate the responsibility involved in jobs and can be too detailed or too brief. 21 A job description is not intended to catalogue all duties involved with the result that an employee would feel justified in declining to perform any work not included in the description. It should be regarded as an outline of the minimum requirements of the job, thus preserving flexibility of operations. 22

4.1.6 Organisational uses of Job Analysis

Job analysis and design must be performed before organisations can translate statements of purpose and long and short range goals and
objectives into duties and tasks that the members of an organisation actually perform. The manner by which individual workers in the organisation are provided with instructions on how to complete the requirements of their jobs and positions is a fundamental and beginning point for many subsequent personnel decisions. Such aspects of the personnel process as performance appraisal, training and development, wage and salary administration, all hinge on the analysis and designing of how work is to be completed. It would be appropriate to examine here the observations of some authors about the multifarious utilities of job analysis:

1. The outcomes of prudent and complete job design will help to ensure that the organisation achieved its goals and objectives in the most efficient and effective manner while at the same time giving the highest level of regard to the psychological and emotional needs of the employee.

2. Job analysis lies at the very heart of pay structuring and, indeed, is part of the basic core of personnel management. It is ideal for all of the jobs in the organisation to be analysed and described in a uniform fashion. If this is done, one can obtain a very broad, overall view of the inter-dependence of various jobs, departments and divisions. The job descriptions provide the ingredients necessary for devising a truly integrated organisation and this objective is absolutely basic to work analysis, personnel management and operational effectiveness in general.

3. Job analysis which reveals qualitative demands of a job is frequently used to ascertain job specifications such as training time, aptitudes, temperaments, interests, physical capacities and
working conditions. It provides the personal requirements for accomplishing the job effectively.\textsuperscript{26}

4. Job information is the basis of many management activities. For instance, without it, recruitment would be almost impossible, training would have no goal and salary no basis. It is therefore, necessary to collect the important parts of a job which identify it and distinguish it from other jobs.\textsuperscript{27}

5. Job analysis plays a key role in the areas of planning, staffing, employee development and employee maintenance.\textsuperscript{28}

6. Whether job knowledge is gained formally or informally, job analysis is necessary for scientific management of personnel.\textsuperscript{29}

7. The early approaches to job analysis and design provided huge savings with regard to labour expense and training costs to the organisations of that era. These savings were in the form of transferring unskilled workers into productive members of an organisation's labour force in a very brief period of time.\textsuperscript{30}

A National Job Analysis Methods Survey (in US) of 899 firms showed that 75 percent used the results of the job analysis process in making job specifications, approximately 60 percent for training, over 90 percent in setting wage and salary levels, approximately 60 percent in appraising personnel on salaried jobs as compared with 44 percent on hourly jobs, 70 percent in transfers and promotion, 50 percent in organizing, 36 percent in orienting new employees, 25 percent in counselling, 33 percent for conducting labour negotiations and 43 percent for handling grievances.\textsuperscript{31}

Given below is an account of the organisational uses of job analysis in relation to the major personnel functions:
1. Human Resource Planning: Job analysis information plays a crucial role in human resource planning. Job analysis provides information on the nature of a job and the skills required to do it. In assessing the needs of an organisation human resource planners use job analysis data to compare skills required for particular jobs with the actual skills of employees in the organisation. To the extent that actual skills do not match required skills of present jobs, organisations can take several actions to reduce the discrepancy.

2. Recruitment and selection: Job analysis provides information on personal qualifications necessary to perform job-related behaviours. Analysing required job behaviours helps define what types of employees to recruit - what skills, abilities, knowledge and experience are needed to do the job. As job analysis points out those qualities, requirements, interest etc. which are essential or desirable for successful job performance, it is basic to an objective and scientific recruitment process.

In selection, job specifications provide standards for testing the qualifications of applicants to successfully perform in a given position. The criteria used for selection should test the applicant on behaviours necessary to the job and not on characteristics irrelevant to acceptable performance. A job analysis method for selection purposes must provide detailed and complete information on personal qualifications for jobs. There is precious little use in interviewing candidates for any job, be it floor sweeper or company executive unless the requirements of the job have been accurately assessed and the interviewer has a profile of the ideal candidate for the post.32
In the US, the guidelines on employee selection procedures issued by the Equal Employment Opportunity Commission require the employers to use job analysis methods in the validation of selection procedures.33

The Banking Commission (1972) suggested:34 'It is necessary to identify the job elements specific to the type of work and after analysing them to construct suitable tests for judging the candidate's ability'.

3. Induction: In the case of induction, where the over-riding objective is to ensure that the new employee clearly understands his role in the organisation and what is expected from him, the job description acts as a valuable source of reference.

4. Placement: Regarding the utility of job analysis in proper placement of employees, the Banking Commission (1972) recommended as follows: "The appraisal reports together with job analysis (which determines the duties and responsibilities assigned to each job) should be used for proper placement of personnel in posts suited to their skills, interests and abilities".35

5. Compensation: Relative money worth of job can be determined by a suitably designed system of job evaluation. The immediate objective of job evaluation process is to obtain internal and external consistency in wages and salaries. The wage structure is internally consistent if wages and salary differentials are based on relative difficulty and complexity of the job. Jobs requiring greater skill, knowledge or experience, and involving greater responsibility or effort should be paid at higher rates, than jobs requiring less of these factors. This is done by using job evaluation system which is based on careful analysis and detailed description
of jobs. In the great majority of companies there are serious inconsistencies in the wage scale that are often far more apparent to the employees in the ranks than to the department heads and officers. These inequities are usually brought out by a thorough going job evaluation programme when carried to the place of being tied in with the wage scale. Job evaluation is essential to any sound wage administration programme.

Quoting from the summary of the First Five Year Plan, the Sastry Tribunal (1953) observed: "The most important question which affects labour is the one relating to their wages and salaries. The worker must have his due share in the national income, and the standardization of wages should be accelerated and extended. The differences in wages between various jobs should be ironed out as far as possible, except when they are justified by differences in skill, training and experience, mental and physical requirements, attendant hazards etc. Furthermore a scientific assessment should be attempted of the relative workload in different occupations and industries". The National Commission on Labour (1969) recommended that steps should be taken to standardise job classifications and reduce differentials wherever necessary to suitable limits on a scientific basis. The Pillai Committee (1974) also underlines the importance of job analysis in wage determination when it says: 'An integral part of the national wage structure should be the establishment of wage differentials based on real differences in skill, functions and conditions of work instead of leaving them to be determined by the relative strength of workers and employers concerned'.

6. Training: The design of training programmes is greatly
sased by combining job analysis and worker analysis. A series of training courses which focus on the key area of responsibility identified in job descriptions can be constructed so that individual employees at anyone hierarchical level can be prepared for upward movement through the system, or made more proficient in dealing with key responsibilities at their existing levels. Job descriptions provide information regarding knowledge and skills required to perform job duties. Job specifications serve to identify certain objectives of training programmes. For training purposes, job analysis methods must specify necessary job behaviours and the standards of performance employees must achieve.

7. Promotion: Job information helps in charting the channels of promotion. Comparison of job descriptions for different-level jobs in an organisation can be used to chart the logical progression of an employee from one job to another. To be useful for career planning purposes, a job analysis method must provide comparable data on jobs so that similarities and differences between jobs at different levels are evident.

8. Performance appraisal: Job specifications can serve as criteria against which to appraise employee performance. The criteria used to appraise performance must be related to job content and not to extraneous factors. Job analysis is a mechanism by which to demonstrate whether or not appraisal criteria are related to the job. Instead of rating an employee on characteristics such as dependability and initiative, there is now a tendency toward establishing job goals and appraising the work done toward these goals. In this type of appraisal a job description is useful in defining the areas in which job goals should be established.
9. Labour relations: In labour relations, job descriptions are used in bargaining with labour organisations over pay, working conditions, and ways in which certain jobs are done. Job evaluation would reduce the area of collective bargaining by systematising the determination of internal consistency which is concerned with proper wage differentials. When rate differentials are based on objective consideration of the relative difficulty and complexity of the jobs, employee dissatisfaction caused by perceived inequities tends to decline. When job evaluation programme are properly kept up-to-date and merit rating is effective, many of the wage problems will be handled in due course.\textsuperscript{40}

10. Organisation: Finally, job analysis and descriptions can be used as basic building blocks for organisation restructuring, where responsibilities are moved from one job to another and individual jobs are rationalised to allow for optimal use of skills and abilities.

4.1.7 Job Analysis System in the Banks
CSB carried out a job evaluation in 1979 with the object of grading of officers' positions in the bank. It constituted a committee comprising experts from National Institute of Bank Management and representatives of the management and officers' association, for the purpose. Job-related information was collected from descriptions of present assignments and through interviews with a few officers holding different positions. The committee also recommended appropriate pay scales in consultation with the management. Except this, no formal job analysis or job evaluation has been carried out by any of the banks.
The personnel management practices followed by the banks exhibit how the absence of job analysis gets reflected in their personnel management system. Certain practices in these banks are stated below:

1. In PCB, officers of the highest grade hold posts of three levels: chief officer, deputy chief officer and regional manager. Officers of the lower grade also hold three levels of posts - regional manager, branch manager and second officer. Officers of the lowest grade occupy posts of branch manager and second officer, and employees in clerical cadre also are posted as second officers. Thus, officers of same grade are posted as subordinate and controlling officers, and posts of same status are occupied by officers of different grades. In the bank all subordinate staff except one, get one or another special allowance as per the terms of an agreement between the bank and its employees. Special allowance scheme was introduced by Sastry Award and continued in later awards and settlements to remunerate employees undertaking special responsibilities or additional work. However, in this bank the seniormost peon at each branch/department is paid daftary allowance and the second seniormost is paid cash peon allowance irrespective of the nature of his work. Thus in the whole bank, there is only one peon who does not get any such special allowance.

2. In one bank, the top-most executive is in pay scale III. In other banks, many of the branch managers are in this scale of pay, and all the departmental heads are in higher pay scales. In these banks the top executive is in Scale VI or VII and in public sector banks even the manager of a branch with a working fund (Deposit + Advance) of Rs. 7.5 crores is in Scale III. The Pillai
Committee recommended Scales VII and VI for the top executives, Scales V and IV for senior management, Scales III and II for middle management and Scale I for junior management in public sector banks. 42

3. The post of Special Assistant/Head Clerk is a clerical post of higher grade originally created by some banks to assign works of supervisory nature. The post also attracts a special allowance. Creation/continuance of this post has been an issue of many an industrial disputes in these banks. One bank categorically told the employees' union that it would not like to create these posts. Another bank assured the employees' union that 45 posts of Special Assistants would be maintained. However, it was decided that they need not be assigned duties of Special Assistants. It was also agreed that the posts of Audit Clerks in the grade of Special Assistant would be abolished when the present incumbents retire. In the third bank also, the post of Special Assistant is retained and in 1987, at the instance of the union, the number was raised from 50 to 60. In another bank, the post was introduced at branches with 12 clerks or more by an agreement signed in 1985. In the fifth bank there is a higher number of Head Clerks/Special Assistants - 18 percent of the total clerical staff. They are also delegated supervisory and signing powers. In all the banks appointments of Special Assistants are mainly on the basis of seniority.

4. In CSB all the officers of the first two grades, who score above a specified point under a seniority-cum-merit criterion are eligible for automatic promotion to the higher grade, irrespective
of vacancy. In PCB, the number of posts in each grade of officer cadre is decided on the basis of a ratio fixed through negotiation. SIB has agreed with the officers' association that 20 percent of the total managers shall be of higher grade. It is also agreed that a minimum of five promotions shall be made to higher grade every year.

5. In NBL the qualification prescribed for recruitment of clerks is S.S.L.C. in the case of candidates who are relatives of subordinate staff, graduation for relatives of other staff, and B.Sc. with 60 percent marks or B.A./B.Com. with 45 percent marks for general candidates. While for the general candidates an objective type competitive test is administered by some professional recruitment agency, for the relatives of employees only a test of the conventional type is held by the bank. In PCB, the qualification prescribed for officers and clerks is the same - graduation with second class. The academic qualifications prescribed by different banks also show much divergence. For example, the minimum qualification prescribed by the banks for clerical cadre varies from mere graduation to B.Sc. with first class and for officer cadre, between second class graduation and first class post graduation in science. The qualification prescribed by certain banks for their clerical staff is higher than that prescribed by certain other banks for their officers. Similarly the qualification prescribed by one bank for subordinate staff in the seventies (S.S.L.C. in first class) was higher than the qualification prescribed by some other banks for their clerical staff (S.S.L.C. with 50 percent marks in English and Mathematics). The qualification prescribed for
clerical staff is graduation or above in the banks studied, while in public sector banks it includes matriculation.

6. The service code of FBL says: 'The particular capacity in which the officer may be transferred or posted shall not in any way affect his ranking or seniority, nor the ranking or seniority shall in any way affect the placement of a particular officer'. Similarly, the service rule of CSB states: 'Manager's post is not a promotion post unless there is change in grade. It is only a functional position for which appropriate perquisites will be granted. Officer of any grade can be a manager'. At the same time the rule in NBL is that branches will be graded according to size of business and will be managed by officers of Scale I, II or III according to the grade of the branch.

7. Clerical staff of banks can be grouped into different classes according to qualification and remuneration—matriculate clerks who start from the first stage of the pay scale, graduate clerks who get special increments, and CAIIB clerks who get further additional increments. There is much difference in the total pay drawn by the clerks of these different categories. This differentiation is based purely on the qualifications of the employees and is not related to the task performed by them. Placement of clerks to particular desks is by rotation. At the same time, the Indian Banks' Association instructed the member banks to pay clerks with the Government Diploma in Architecture, the two additional increments due for graduation only if the employee is required to work in a capacity where his technical knowledge would be useful.

8. Negotiation and settlement is the general procedure for determination of salary structure in all the banks. For the award
staff it is national negotiation since 1966, and for officers it was largely bank-level negotiations till recently. But now, regarding officers of the first three lower grades also, salary scales are determined through negotiations at industry level.

9. In the clerical recruitment of 1983, CSB prescribed the following qualifications for the different posts with the same pay scale:

- Clerk-cum-cashier : Graduation
- Clerk-cum-typist : Graduation with Typewriting (Higher)
- Clerk-cum-stenographer : Graduation with Typewriting (Higher) and Shorthand (Lower).

Similarly, qualification prescribed by PCB for recruitment as clerk-cum-cashier is graduation and for clerk-cum-typist it is graduation and Typewriting (Higher), though both the posts carry the same salary scale.

10. In late seventies NBL used to pay a stipend of Rs. 450/- p.m. to officer trainees. But clerical staff who got selected as officer trainees were given their pay in clerical cadre plus Special Assistant allowance at the rate of 1/5 for every year of service in clerical cadre. Under the current practice also such candidates are paid their salary in clerical cadre while others get only a much lesser stipend. In this bank, an agreement of 1980, provided that in the pay scale of Rs. 320 - 1,340 for officers, those promoted from clerical cadre would start from Rs. 620/-

11. The Service Code of FBL states: 'Any officer may be posted to any of the branches or to any of the departments at head office in whatever capacity and under whatever designation the management determines, provided that the basic pay and dearness allowance of
the officer shall not be adversely affected'.

12. In one bank, it was proposed in 1987 that officers may be granted stagnation increments 'because public sector banks have such a system'. In another bank, the salary scales of officers were revised in 1987 'conditionally and informally'. The condition was that 'it would be effective only if at least one other bank in Kerala adopts a structure which is at least equal to this'. In 1987, SIB adopted for its senior officers the corresponding pay scales in nationalised banks by lowering the starting and the maximum points by two stages. The IBA also had adopted this principle for determining the salary scales of other officers in private sector banks.

13. One bank which was upgraded to 'A' class as per the norms under a previous bipartite settlement stood downgraded to 'B' class as per the revised norms under a new bipartite settlement. Now, the employees who were in service before the signing of the new bipartite settlement are paid their salary in 'A' class scales, and the new employees are paid under 'B' class bank salary scales.

4.2 HUMAN RESOURCE PLANNING

Formal planning systems as viewed in the perspective of managing large scale organisations are a relatively new arrival on the managerial scene. Overall "master planning" or "corporate planning" was given impetus principally by World War II when organisations engaged in war work realised that the end of hostilities would mean that they could no longer sell a large proportion of their output to the government and they would have to find new customers, if not new products, if they hoped to stay in business.
An incipient need for manpower planning was also evident at this time. After 1940, many organisations experienced manpower shortages as a consequence of production needs during World War II period, which ran from late 1941 to almost the end of 1945 and the entry of millions of young men and women into the armed forces. This period was preceded by a long depression and marked the prewar defence mobilisation period. In the depression, manpower problems were considered essentially employment problems because of the large number of unemployed persons. In the defence period manpower shortages developed in various industries. The idea of "post war planning", as it was then called, gradually spread from organisations concerned mainly with war production to companies producing entirely for civilian markets because it was evident that peace and the end of war time shortages would change their environment drastically. As a result, corporate planning was added to the list of important managerial functions for many organisations. Even without this push it is likely that formal corporate planning would have developed rapidly at this time, primarily as a consequence of industrial growth, technological change and social trends. Industry had grown and the labour force had correspondingly increased. Automation further increased the need for long-range planning.43

4.2.4 Definitions

Human resource planning or manpower planning is the process of forecasting future human resource needs of an organisation so that steps can be taken to ensure that these needs are met.44 According to Geisler, manpower planning is the process - including forecasting, developing and controlling - by which a firm ensures that it has the
right number of people and the right kind of people at the right places at the right time doing work for which they are economically most useful. Eric W. Vetter defined it as 'the process by which the management determines how the organisation should move from its current manpower position to its desired manpower position'. Through planning, management strives to have the right number and the right kinds of people at the right places, at the right time, doing things which result in both the organisation and individual receiving maximum long-run benefit. Basically manpower planning involves locating 'a job for a man' and 'a man for a job', both are interlinked.

Manpower planning, essentially, is a pragmatic approach to an imaginative question viz., the projection of past and present trends, current situations and future requirements in order to determine how many men, at what levels of skill and knowledge are or will be required. It is based on an acknowledged assumption that manpower is an important asset that really can be planned, obtained, allocated, budgeted and controlled by the undertaking. Manpower planning, in its broader sense, must also include recommendations for proper wages, working conditions, and just and fair treatment at the work place so as to create and maintain an environment at the work place which will motivate the men to give their best. Manpower planning cannot be conceived or drawn up in isolation, it has to interact with and be interacted upon, by various management disciplines - personnel policies, technology, marketing strategies, industrial relations etc. The objects of planning are prediction and control. Planning is a way of avoiding collisions and ensuring
a useful fit of one system with another. It is a synchronizing, reconciling, co-ordinating, orchestrating activity. As the degree of uncertainty varies, so does the style, the scope and the efficacy of planning change.49

4.2.2 Significance of Human Resource Planning

Unfortunately, whereas a great deal of attention is paid to the requirements of money, machinery, raw materials etc., hardly any thought is given to manpower requirements. Frequently projects flounder for this reason alone. Buildings are put up, machinery installed and then there is a frantic search for personnel. It is the duty of the personnel department to see that this does not happen.

One of the assumptions made in a less developed country like India with surplus labour is that there is a large number of trained manpower available for any specific skill requirement. It is generally not so. This misconception of easy availability of labour is somewhat misleading for the manpower planner because specific manpower shortages will hinder fulfilment of expansion, diversification or technological changes.50

Change may solve some problems, it creates new ones. Students of management seek to understand these problems, to anticipate them and to be prepared with appropriate solutions. The American Management Association's Annual Personnel Conference of 1967 aptly summarized this scholarly objective in its motto: "planning today avoids crises tomorrow".51 Organisations need human resource planning in order to meet the demands of changing job requirements occasioned by a rapidly changing technology which leads to the introduction of new equipment, products and processes which invariably result in
changes in jobs and job structure. The fact that technology forces changes in jobs and the job structure of organisations means that organisational needs for personnel must change accordingly. And, since a certain amount of time is involved in training present employees in new skills and/or recruiting new employees with specialized skills, planning to meet the demands of future job requirements is essential if organizations are to survive and remain competitive.

Human resource planning can provide a competitive edge to employers if human resource needs can be forecast so that steps can be taken to ensure an adequate supply to meet the changing needs of an organisation. Manpower planning is to be given greater importance in large labour intensive organisations. Once employed, it is difficult to terminate an employee's service even in recessionary conditions or even sometimes to transfer him from one unit/department to another due to union resistance.\textsuperscript{52}

In banks, there is an added need for manpower planning in both dimensions - qualitative and quantitative. The rapid growth in the number of branches and in the volume of deposits and advances naturally led to an increase in the volume of work in banks. This required additional manpower. Not only that volume of work had grown but the nature of work had also changed. The expansion of banks into rural areas demands manpower with appropriate attitude and skills to carry on rural banking and development.

The committee on Functioning of Public Sector Banks (1978)\textsuperscript{53} observed: 'Estimates of the overstaffing in the public sector banks vary, but most managements admit that they could comfortably do without around 25 percent of their present staff, provided they
are allowed freely to deploy the remainder according to exigencies of work and the staff diligently attend to their duties for the full period for which they are paid. In spite of such a situation, at the end of December 1985 more than 20 percent of the branches of public sector banks were found to be in arrears in balancing books and nearly 250 lakhs of entries were unreconciled in the inter-branch accounts.54

Human resource planning serves many organisational and managerial purposes. Two major purposes are: (1) to aid in setting organisational goals and objectives, and (2) to examine the effects of alternative human resource policies and programmes and recommend implementation of the alternative that contributes most to organisational effectiveness.55

4.2.3 Problems in Human Resource Planning
The viability of a human resource plan will depend on the extent to which top management of an enterprise supports this kind of activity. It would also depend on the ability of the human resource planner to provide inputs to top management, which will facilitate acceptance and implementation of a human resource plan. Top management, more often than not are supremely indifferent towards personnel matters. They are busy people and have time only for 'more important' things; but there is nothing more important, nor is an organisational or project plan complete unless it includes a personnel plan.56

The manpower planner has to take into account, the various factors of uncertainty - political, social, economic and technological - which will have some influence on the planning process. Some of these will act as constraints which will have to be taken as
given, by the manpower planner.\textsuperscript{57} For example, The Ministry of Finance has in a communication to banks, put a ceiling on further expansion of staff strength to utmost 1.5 percent per annum over the staff position obtaining in December 1986. Manpower plans also suffer from inaccuracy as it is difficult to prepare long range forecasts accurately.\textsuperscript{58} In white-collar jobs, besides quantity of output, qualitative inputs also are necessary. Formulating work-load norms for white-collar employees where the jobs are not so precise and repetitive, poses some problems.

In a bank, like any service industry, the problem of planning assumes added complications, inasmuch as the output cannot be exclusively measured by counting units of production and also because of the fact that the efforts put in for achieving certain levels of performance may not be quantifiable. As observed by Desai Tribunal (1962), 'in banking industry, it is very difficult to fix standards of work by means of time and motion studies, by piece rate method or by incentive method of wage payment'.\textsuperscript{59}

Manpower planning is an enormously complex undertaking with no hope of total or ultimate success. This complexity is however, a challenge to ingenuity and persistent efforts at mitigation - not an excuse for withdrawal. Many a manpower plan has failed (and will fail) because of unforeseen fluctuations of a political or economic nature, but it does not follow that businesses must regard themselves as wholly at the mercy of external forces. If its manpower requirements are upset by any reason a company should investigate to see the forces at the root of the matter. To undertake careful manpower planning without having taken similar care to
provide as stable an environment as possible is to shine your
shoes for a trip through a swamp. If a proper beginning to effec-
tive manpower planning in the firm is to be made, the old excuses
for inaction and the old moralistic bromides will have to be swept
aside. This is management's job and management will have to do it.60

4.2.4 Human Resource Planning Process

Any plan is essentially today's design for tomorrow's action.
Inasmuch as tomorrow's possibilities depend upon the circumstances
prevailing then, planning is inevitably bound up with forecasting
and projecting. Manpower planning is a series of activities con-
sisting of (1) forecasting future manpower requirements (2) inven-
torying present manpower resources (3) anticipating manpower pro-
blems by projecting present resources into the future and (4) pla-
nning the necessary programmes of recruitment, selection, training,
deployment, utilisation, transfer, promotion, development, moti-
vations and compensation so that future manpower requirements will
be met.61

Basically, human resource planning process involves comparing
forecasts of an organisation's future human resource needs with
projections of its available supply for the same point in time.
Thus, an organisation's net employee requirements can be determined.
Net requirements reflect either shortages or surpluses of certain
labour types. When shortages and surpluses are identified, planners
can suggest alternative approaches to ensure that human resource
needs are met. Thus the human resource planning process has five
steps:
1. Forecast future human resource needs
2. Project future human resource supply
3. Compare forecast needs with projected supply
4. Plan policies and programmes to meet human resource needs
5. Evaluate human resource planning effectiveness

Organisational goals and objectives serve as a starting point for forecasting future human resource needs. Before embarking on the manpower planning exercise certain parameters have to be set and decisions taken by top management and the manpower planner to work on specifics, taking into account the situational aspects which have to be provided for in a manpower plan. The basic exercise that has to be undertaken is to arrive at the scale of business activity over a time period.

In making a projection of manpower requirements, selecting the predictor - the business factor to which manpower needs will be related - is the critical first step. Selecting the right predictor in relation to the business is a difficult process. To be useful, the predictor should meet two requirements. First, it should be directly related to the essential nature of the business so that business planning is done in terms of the factor. The second requirement is that changes in the selected factor be proportional to changes in the manpower required in the business. In some cases it might even be necessary to have more than one factor - different factors for different categories of labour. The immediate result of the work load analysis is a determination of the number of personnel necessary to execute that amount of work during some specified period. For the forecast to be useful,
it has to be made category-wise depending on the tasks that have

to be carried out and the special qualifications, training or ex-
perience required.

The next major step in the human resource planning process
is comparing forecast needs for human resources with projections of
internal supply. By subtracting projected supply from forecast
needs, planners can determine an organization's net employee re-
quirements for a future point in time. After net employee require-
ments are determined, planners generate and evaluate alternative
human resource policies and programmes designed to handle antici-
pated shortages and surpluses. Considerations are presented to
management, along with recommendations for human resource policies
and programmes. Thus manpower planning also includes, planning
the necessary programmes of recruitment, selection, training,
deployment, utilization, transfer, promotion, development, moti-
vation, and compensation so that future manpower requirements will
be met. 64

It is a generally accepted practice in planning to reduce the
area of uncertainty. Therefore, the number of people who will
definitely leave having reached the retirement age should first be
taken into account. After that, unpredictable turnover should be
assessed. This has to be based on past experience. But a straight
projection of the past turnover rate will be misleading. Develop-
ments may take place in the future as a consequence of which past
experience will not necessarily apply. In assessing this factor,
there is no substitute for judgment based on knowledge of the
environment. An enterprise functions in an environment and it is
bound to be influenced by it, either specifically through legis­lation which it is bound to comply with, or sometimes indirectly. But it is a factor to be reckoned with. Macro issues concerning factors like national population trends, economic growth rates, educational plans, overall supply and demand for various categories of manpower, etc. will certainly have an impact on the manpower plans of the enterprise.65

Every component of the personnel plan has to be compatible with policy. It is not really possible to create a realistic plan without clearly stated policies regarding recruitment, promotion, termination, inter-departmental transfers, retirement and training. Policy formulation, therefore, is an essential prerequisite for planning.66

4.2.5 Human Resource Information System

An effective manpower information system must be part and parcel of the manpower planning process. By keeping an inventory of existing personnel in an enterprise, by skill, level, training, educational qualifications, work experience and salary, it will be possible, to utilise the existing resources more productively in relation to job requirements before further manpower additions are made. The necessary information can be obtained from several sources, including job analysis, performance appraisal data and educational and training programme completion records.67

4.2.6 Period of Plan

The first step in planning is to decide on a plan period i.e. the time span for which the plan is to be made. There can be no fixed
rule about this, but it would not be unreasonable to say that a plan period of less than three years or more than ten years is not realistic. The process of recruitment, training and placement often takes three years or more. Although a plan shorter than three years may be sometimes indicated, in most cases it would not be a feasible proposition. At the other end of the scale, ten years is outside limit. It is a general principle in planning that accuracy and length of the plan period are inversely related. So the need for long term planning and the need for reliability are conflicting criteria. A balance has to be found, determined by factors applying to a particular situation. But forecasting beyond ten years involves a little too much of crystal gazing. It would be wise in most cases to settle for less.

Having decided on the time span, say five years, it should be running spans of five years and not in blocks. In other words, every year a five-year-plan should be made. Only in this way can the plan be kept realistic and functioning. The environment changes fast. Business has to bring about internal adjustments in order to speedily and effectively adapt to these changes.

4.2.7 Lead Time
For every part of the plan, allowances should be made for lead time. It takes time to recruit and train skilled workmen. Unless suitable time is allowed the result will certainly be adversely affected. At the same time, there may be situations of extreme urgency when the lead time has to be shortened and crash programmes initiated even at the cost of quality to a certain extent. Any
rigidity of approach is undesirable. A balance between conflicting requirements of standards and time available has to be achieved. Practicality has to be given precedence over perfection.

4.2.8 Review of Plans

A manpower plan is not a static one-shot plan. To be useful over a period of time for the organisation, the data has to be continually updated and the various factors adjusted to reflect the changes that constantly take place. Daniel Grey states: "What I shall mean by planning is this: continuous reconstruction of expectations and intentions by a coalition having various unstable goals in an uncertain environment. Plans in this sense are always unfinished, always changing, they always contain a mixture of competing rationalities, are not routinely administrable, are not in any ultimate sense provable or programable, require continuous review and corrective feed back and are bargainable. Putting the definition this way suggests what skills are needed by manpower policy-makers, and deprives unsuccessful planners of many of their most cherished excuses".

4.2.9 Evaluating Human Resource Planning Effectiveness

Organisations should evaluate their human resource planning efforts to determine their effectiveness in helping to achieve organisational goals and objectives. Evaluating in terms of costs and benefits is difficult. Though planning has definite costs, its benefits are more intangible and difficult to measure. Benefits are often expressed not in positive terms, but in terms of avoidance of costly problems such as labour shortages, which can result in lost sales.
or other lost business opportunities. There are also benefits
associated with avoidance of over supply of labour.71

Since human resource planning seeks to forecast human resource
needs, an obvious measure of planning effectiveness is how well
human resource needs are anticipated and met. One measure of
effective anticipation of human resource needs is the number of job
vacancies in an organisation and how long they remain vacant.
Large number of jobs standing vacant for long periods of time in-
dicate an organisation's failure to plan effectively for its human
resource needs. The effectiveness of human resource planning can
also be evaluated according to its purposes. Pertinent questions
include these: (1) How useful is human resource planning in
setting organisational goals and objectives? (2) Does the pla-
nning process provide management with the information it needs to
make sound decisions affecting policies and programmes? and
(3) Is management willing to consider inputs from the planning
process in setting organisational goals and in making policy and
planning decisions? It is difficult for any planning process to
achieve its aims without the co-operation and blessing of
management.72

4.2.10 Execuive Talent Planning

The process of manpower planning comprises the preparation of
personnel inventories, forecasting manpower requirements and
arriving at the net requirements for different categories of em-
ployees. On the basis of the knowledge of all existing personnel
regarding their performance in the present job, their potential for
holding higher positions and the specific skills already acquired
by them, a plan can be prepared to move suitable existing personnel from one job to another. Such career planning is concerned essentially with structuring employees' aspirations for upward movement through the organisation, and moderating these aspirations if they are found unrealistic. Manpower planning helps in formulating management succession plans as a part of the replacement planning process which is necessitated when job-change plans for managers are formulated. Besides, this exercise would provide enough lead time for identifying and developing managers to move up the corporate ladder. The necessity of managerial succession plan has been underlined by different commissions and committees:

(a) The Banking Commission (1972): 'The question of management succession has recently assumed greater importance in banks in view of a number of retirements at various levels and the creation of new posts. It is therefore necessary for banks to formulate specific programmes for grooming suitable people to occupy executive posts. Career planning involves arranging the experience of officers in such a way that they acquire the knowledge and skills for future posts they might be called upon to hold, through planned job rotation and appropriate training. Maintenance of 'Management Chart' showing the names and other details such as age, experience, date of retirement etc. of the present incumbents holding important positions and similar details relating to back-up candidates for these positions will be helpful in this regard'.

(b) The Pillai Committee (1974): 'The career paths of officers in the banks will have to be carefully chalked out and followed up not only in the interests of the officers themselves, but also in
the interests of the institutions so as to avoid succession gaps which are now prevalent in several banks. This could be attended to in well organised manpower planning cells'.75

(c) The Committee on Functioning of Public Sector Banks (1978):
'The general feeling of insecurity on the part of the top managerial personnel of public sector banks appears to have led to certain amount of personal lobbying, using political influence for retention of or promotions to high offices or seeking extensions of tenure. The unpredictable manner in which the appointments and tenure of the head of nationalised banks was decided tended to undermine management authority'.76

Owing to the length of executive development cycle, determination of needs must be made years in advance to permit adequate time for education, training and development. The executive talent planning programme has four basic elements - (1) organisation planning of executive needs (2) Executive inventory and analysis (3) Executive recruitment (4) Executive development.77

4.2.11 Human Resource Planning in Indian Banks
In India's banking sector, there exists two tiers of planning - central planning by the Reserve Bank of India (macro-level planning), which lays down broad targets and strategies in respect of banking and monetary development in the country to be followed by the banking system as a whole, and planning within individual banks (micro-level planning), the latter being largely subsidiary to and within the framework of the former.78 Formal planning at individual bank's level is of a relatively recent origin and has been emphasised
particularly since bank nationalisation in 1969. Manpower planning and development activities were introduced around 1970 for aiding the banks in efficient functioning, and separate manpower planning and development units were introduced in some of the banks, while others undertook these functions within the existing personnel departments.79

Ever since the nationalisation of the major commercial banks in 1969, the need for human resource planning has been underlined by various bodies connected with banking in the country. The Banking Commission (1972)80 recommended: 'Banks should maintain proper inventories of their existing personnel on branch, regional and circle level, formulate business plans, and on that basis make estimates of the requirements of personnel of different categories to serve as a guide for planning their recruitment and training programmes. More concrete plans on a short-term basis (say for one or two years) and broad estimates for longer periods should be made. The plans should be reviewed at periodical intervals in the light of actual employment situation and business development'.

A seminar of bankers on 'Manpower Development in Banks' held in 1975 suggested that banks shall prepare a long-term manpower plan on a rolling basis covering a period of five years at a time. The seminar observed: "Four major components form the manpower development policy. These are (a) manpower information (b) career planning (c) manpower planning and (d) work organisation".81

The Committee on Functioning of Public Sector Banks (1978) suggested that banks should make advance manpower planning for both recruitment and training to take care of the planned expansion in
branches and in the concerned types of business.\textsuperscript{82}

In 1985, the Reserve Bank directed the individual public sector banks to prepare an Action Plan covering the period 1985–87 (November 1985 to December 1987) indicating clearly specific goals in respect of different aspects including organisational structure, delegation of powers, personnel, training, computerisation and mechanisation, etc. The Governor of the Reserve Bank personally discussed with the chief executives of individual public sector banks in detail the progress achieved vis-a-vis the quarterly targets in the Action Plan. In addition, the Finance Minister personally started monitoring the performance of individual banks at quarterly intervals in which the banks were ranked in respect of various parameters.\textsuperscript{83}

4.2.12 Human Resource Planning Practices in the Banks

Four of the banks studied have formal human resource planning system. It was formally introduced by these banks in late seventies to estimate the number of employees to be recruited/promoted. The fifth bank that does not have the system is the smallest of the five banks and has not made any appointment to its staff either by recruitment or by promotion in the last six years.

4.2.12.1 The Planner

In all the four banks human resource planning is now a function of staff department. However, in early eighties all the banks had entrusted this function to planning departments. Two of the banks made use of consultancy services of the National Institute of Bank Management for developing the formula for assessment of staff
requirements and for drafting the first plans.

The duty of the Staff Departments in relation to manpower planning is confined to submitting the draft of the estimate of additional staff requirements, to the top management for consideration. The assessment is made on the basis of the business plans of the bank. In all the banks the human resource plan is drafted by some junior officer belonging to the general stream of officers. He carries out this work as one of the various duties assigned to him.

4.2.12.2 Period of Plan:
In FBL human resource plan is usually prepared every year and is drafted and approved before the issue of notification for recruitment. In SIB there is no regularity with regard to the period, and the plan is drafted when it is decided to effect a recruitment. In CSB also there is no regularity with regard to the period of plan. There are periods without plans, and the plans drafted were for periods varying from one year to three years. Where the period is more than one year, the plan is for the entire period without division by shorter periods. NBL is bound by an agreement to declare the number of vacancies to be filled during each year, before 31st March of that year. Hence, human resource plan is almost regular in this bank and is usually placed every year before the Board of Directors in March. However, recruitment under the plan is only in two to three years.

In all the banks, the plan is drafted and approved at the beginning or middle of the plan period. In none of the banks it is ready before commencement of the plan period.
4.2.12.3 Drafting and Approving

In three of the banks the draft of the plan (including forecast of needs) is prepared by the Staff Department and is submitted before the Board for approval. But in NBL it is a process in different stages - The management's expectations in regard to the levels of business for the coming year is spelt out by the top management in the form of policy guidelines. On this basis the regional controllers and branch managers fix their levels of business, and work out the requirements of additional staff. The Staff Department consolidates these estimates into a master plan and places before the Board. The Board approves it after necessary modifications.

4.2.12.4 Areas covered

The human resource plan of the banks relates to forecast of vacancies in subordinate cadre, clerical cadre and junior officer cadre. After having ascertained the total number of vacancies, it is apportioned on the basis of nature of appointment viz. recruitment and promotion. In all the banks the ratio of apportionment is fixed by agreement with employees' unions, and the duty of the human resource planner with regard to this is restricted to making the apportionment in the agreed ratio. Regarding vacancies in higher grades of officer cadre there is no advance planning, and appropriate decision is taken as and when the vacancy arises. Thus manpower planning in these banks is in essence limited to an estimate of the appointments by recruitment and promotions as mentioned above. The plan envisages no other programme of action.
4.2.12.5 Forecasting Human Resource Needs

The human resource planning system of banks has two aspects:
(1) assessment of the requirement of personnel for the whole
organisation, and (2) assessment of the requirement at each office.
Though generally speaking the total need of the organisation should
be the sum total of the needs at different offices, the method of
assessment of the total need is different in the banks.

4.2.12.5.1 Corporate forecasting. The methods of assessment of
corporate needs by the different banks are stated below:
FBL: The various steps in the assessment are as follows: (a) The
total working funds (i.e. deposits plus advances) of the bank is
estimated for the plan period. This is the total of the working
funds of branch offices. (b) The total staff required for the
estimated working funds is calculated on the basis of the national
ratio between working funds and total staff. The national ratio
is taken as the standard because this ratio for all banks including
public sector banks would be better than the prevailing ratio of
the bank. (c) The number of personnel in each cadre is determined
applying the bank's prevailing ratio between officers, clerks and
subordinate staff. (d) The number of officers in each grade is
decided by the management at its discretion. This aspect is not
covered in manpower plan.

SIB: Here, the corporate need is estimated on the basis of rough
assessments for the different offices. The sum total of the require­
ments so estimated for different offices only forms the basis, and
the number finally approved depends purely on the management's
judgement. For example, in 1985 the additional officers required was estimated at 277 on the above mentioned basis, but the additional posts sanctioned were only 25. Similarly in 1986, Staff Department proposed appointment of 125 additional sub staff, but the Board sanctioned only 50.

CSB: The various steps in the forecast are: (a) Deposit at the end of the plan period is estimated. (b) A standard rate of deposit per employee is fixed taking into account the rates of public sector banks and other private sector banks. The rate is usually fixed higher than the prevailing rate of the bank and the rates of other private sector banks, but lower than that of public sector banks. (c) On the basis of the standard rate of deposit per employee the total staff required is calculated. (d) This total staff requirement is apportioned between the three cadres - officers, clerks and subordinates - following a standard staff pattern. The standard is fixed by making slight modifications over its own existing pattern. A staff pattern with a lower number of clerks and subordinate staff per officer is considered as better by the bank. For example, in the manpower plan for 1986, the bank planned for a modification from the existing ratio of 1:2.67:0.95 (between officers, clerks and subordinate staff) to 1:2.5:0.9.

This principle followed by the bank in improving the staff pattern suffers from an inconsistency. A target of lesser number of clerks per officer in a predetermined number of total staff means a higher proportion of officers and less of clerks in the total staff. This would not be a staff pattern directly leading to saving in cost or economy in operation.
The regional managers report the requirement of additional staff in their respective regions in order to enable the head office to draft the manpower plan. They submit the total number without furnishing the details of how it has been arrived at. The head office though does not take into account such assessments at face value, the manpower plan is based on them but after making the modifications which are found appropriate. This bank aims at a staff pattern with a larger number of clerks per officer.

POB: There is no formal manpower planning in this bank. However, in an agreement with the union, the management has promised to conduct a study to examine the need for additional staff and to take prompt action based on the study.

In all the banks, after ascertaining the number of additional employees required, the number of appointments by open recruitment and by promotion are decided on the basis of the terms of agreements with employees' unions. None of the banks has norms to estimate the requirement of executives and senior officers.

4.2.12.5.2 Branch estimates: The methods adopted by the different banks to estimate the requirements of staff at branch offices are as follows:

FBL: The number of clerical staff required is ascertained taking into account the number of vouchers, number of deposit accounts, deposit amount, number of advance accounts and advance amount at the branch. Each of these items is awarded a weightage as fixed on the basis of experimental studies held in selected branches. The number of officers is determined on the principle of 'span of control' which assumes that an officer can supervise the work of
four subordinate officers or clerks. The grades of officers depend on the grade of the branch as decided on the basis of volume of working funds. The number of subordinate staff is fixed at the national ratio between officers and subordinate staff. The span of control of the branch manager is fixed as three as he is responsible for the general administration as well.

SIB: There is a minimum complement of staff fixed for a branch office depending upon the class of area. For this purpose branches are classified into rural, semiurban, urban, first area and metropolitan area branches. While the minimum staff in a rural branch comprise one officer, two clerks and one subordinate staff; that in a metropolitan branch include three officers, four clerks and two substaff. Additional staff are provided on the basis of working funds and also for special works like direct clearing.

CSB: There are no specific norms for allotting staff to branch offices. However, the influencing factors are working funds and the special businesses at the branch. Assessment of work load, made by branch inspectors during internal inspection is also considered.

NBL: Branches are classified according to the area of situation into rural, semi urban and urban/metropolitan. Staff requirement is assessed on the combined basis of class of branch and working funds. Allotment of staff is more at urban/metropolitan branches, less at semi urban branches and the least at rural branches.
For example, the allotment of staff for a branch with working fund between Rs. 15 lakhs and Rs. 25 lakhs is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Manager</th>
<th>Accountants</th>
<th>Clerks</th>
<th>Substaff</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural branches</td>
<td>1</td>
<td>Nil</td>
<td>3</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Semi urban branches</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Urban/Metropolitan branches</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>7</td>
</tr>
</tbody>
</table>

PCB: In this bank no norms have been adopted for the purpose. Decisions are taken by executive judgement after taking into consideration all factors that have a bearing on the matter.

To summarize, the methods of forecasting and assessing human resource requirements of branch offices and of the whole organisation vary from bank to bank. In assessing the requirement of staff at branch offices two of the banks give weightage to the location of the branch and working funds. The other two banks do not have any specific criteria. However one of these gives some consideration to the working funds at the branch, and in the other, judgement of the concerned executive decides the matter. But in the fifth bank there is a comprehensive formula giving consideration to all relevant factors like number of vouchers, number of deposit and advance accounts, and amounts of deposit and advance. In this bank the principle of span of control, and the national ratio between officers and subordinate staff are also made use of.

Two of the banks draft the corporate plan based on branch level plans. The third bank drafts it on the basis of estimated working funds, national ratio of staff to working funds, and the prevailing staff pattern. In the fourth bank the plan takes into
account the estimated deposits, deposit-employee ratio of other
banks, and the desired improvements in staff pattern. One bank
does not have manpower planning system.

The above analysis shows that there is no uniformity among
the banks regarding the method or criteria used for human resource
planning. The workload is related by the banks largely to deposits
and advances. Staff pattern of other banks also influences the
assessment of staff requirements. Another influencing factor is
location of the branch.

4.2.12.6 Execution of Plans
Both the plans - corporate as well as branch level - have gaps in
implementation in all the banks. None of the banks makes allot­
ment of staff to branches based on its formula. The secrecy about
the methods and norms for assessment of human resource requirements
also makes the banks free from any commitment in the matter. The
number calculated on the basis of the formulae forms the ceiling
in most cases and the actual allotment of staff depends on three
factors as identified by some of the personnel managers - executive
judgement, ability of the branch manager to exert pressure, and
influence of an aspirant for posting to a particular branch.

4.3 FINDINGS

1. Job analysis as a tool of personnel management has not
taken roots in the banks of Kerala.

2. An organisation structure based on job analysis, job
classification and job grading is strange in these banks. As a
result the organisation set up in the banks is characterised by
inconsistencies and irregularities. Subordinate officer and controlling officer being of the same grade, posts of the same level being occupied by officers of higher and lower grades, officers discharging similar duties being in widely different grades in different banks, creation and maintenance of posts and positions merely to oblige to the demands of employees' organisations, etc. are examples.

3. Recruitment system is not based on job specifications and job descriptions. This has led to indiscriminate prescription of qualifications. Prescribing much more than the required qualifications, prescribing a higher qualification for a lower post and vice versa in different banks, prescribing different qualifications for different categories of applicants for the same post, prescribing different qualifications by different banks for similar posts, prescribing the same qualification for officer and clerical posts in the same bank, etc. are some features of the recruitment system in these banks.

4. Placement of employees is not always based on the grade, skill or aptitude of the employee. The service rules of certain banks even specifically state that the ranking or seniority of an employee shall not in any way affect the placement of the employee. The basis for placement of employees on posts that attract special allowance is generally seniority and not suitability.

5. Job evaluation techniques have not been applied in determination of compensation rates. The salary scales for award staff and officers of the first three grades are determined by negotiations and settlements at industry level. Relative strength of the bar-
gaining parties at the negotiation table, wage rates prevailing in other organisations and for other cadres etc. play a dominant role in the decision. The emoluments of an employee depend upon his cadre, grade, service and qualifications, and not on the work done by him. As the service code of a bank states: 'any officer may be posted in whatever capacity and under whatever designation the management determines, provided that the basic pay and dearness allowance of the officer shall not be adversely affected'.

6. Four of the banks have a system which they refer to as manpower planning. The plan in these banks comprises of an estimate of the number of vacancies in the three lower cadres, and division of this number for recruitment and promotion. Thus the programmes contemplated in manpower plan include only recruitment and promotion of personnel.

7. Manpower planning has not gained recognition as a function of professional specialisation.

8. Very often a manpower plan is drafted when it is decided to effect a recruitment. As a result in most of the cases there is no definite plan period, or regular preparation of plans. In no case, there is preparation and approval of plans prior to commencement of the plan period.

9. There is no uniformity in the norms and methods followed by these banks for assessing human resource requirements. The methods vary from crude to complex. However, all the banks take into account 'deposit amount' as one important factor having a direct correlation with manpower requirement.
10. The banks which accept location of the branch as a relevant factor follow an assumption that for the same quantum of business, workload is more in urban branches and less in rural branches.

4.4 SUGGESTIONS

1. In spite of the practical difficulties in carrying out job analysis and job evaluation, they are of immense practical value in finding solution for most of the personnel management problems in an organisation. It imparts validity and credibility to managerial decisions. Adhocism and imitation can be replaced by decisions based on judgement and evaluation. Introduction of job analysis system would help the management in identifying the inconsistencies in its personnel management system, and in convincing the employees' unions the soundness of its decisions. Hence it is desirable for all banks to carry out job analysis system and to base personnel management decisions on its findings. It is also necessary to have periodic review and revision to cope with the dynamic nature of banking business and industry. Role analysis also could be profitably made use of.

2. The basic objective of human resource planning is to ensure that the firm is provided with sufficient number of employees of appropriate skill at the proper time. Acquisition and development of skills take time. Hence it is desirable that manpower plan is drafted and approved sufficiently in advance.

3. Executive succession plan is an inevitable part of human resource planning. Identifying the successors to executive positions
in advance would be helpful to equip them with necessary training and experience so that they can take over the new assignments with confidence.

4. The promotion programmes under a human resource plan should also anticipate appropriate training and development programmes.

5. It is necessary to identify the predictors that bear a direct relationship with the work load in banks, and to develop appropriate norms and techniques for manpower planning.

6. Manpower planning should be a comprehensive programme covering all areas of personnel management including recruitment, training, promotion, performance appraisal, compensation etc.

REFERENCES AND NOTE


4. Flippo loc sit.


10. Husband op cit p. 44.
11. Sikula op cit p. 117.
12. Flippo op cit p. 112.
14. Flippo op cit pp. 80-81.
15. Ibid p. 112.
18. Flippo op cit pp. 116-119.
19. Monappa op cit p. 82.
22. Monappa op cit p. 81.
25. Husband op cit p. 47.
29. Flippo op cit p. 121.
30. Sikula op cit p. 106.
31. Flippo op cit p. 121.
33. Stone op cit p. 115.


36. Award of the All India Industrial Tribunal (Bank Disputes) Bombay on the Industrial Disputes Between Certain Banking Companies and Their Workmen (1953) (Sastry Award). par. 35.


39. Flippo op cit p. 121.


41. Second Officer is subordinate to the branch manager, and is responsible for administration of the branch office in the absence of the branch manager.

42. Pillai Committee op cit par. 5-2.


44. Stone op cit p. 81.

45. Monappa op cit p. 75.

46. Devar op cit p. 54.


50. Monappa op cit p. 74.

52. Monappa op cit p.75.


57. Monappa op cit p.77.

58. Davar op cit p.56.

59. Award of the National Industrial Tribunal (Bank Disputes), 1962 (Desai Award). par.5-172.

60. Gray op cit pp.9-11.

61. Monappa op cit p.76.

62. Stone op cit p.89.

63. Monappa op cit p.78.

64. Ibid p.76.

65. Ibid p.74.


67. Stone op cit p 98.


69. Ibid p.41.

70. Gray op cit p.15.


72. Ibid.

73. Shah; B.G. et, al; "Human Resources Management in Banking Industry"; New Delhi, South Asian Publishers Pvt. Ltd., 1984. p.120.


75. Pillai Committee op cit par.2-25.
76. Committee on Functioning of Public Sector Banks, op cit par. 7-2.

77. Flippo op cit p.177.


82. Committee on Functioning of Public Sector Banks op cit par. 10-20.

83. Mukherjee op cit p.214.