CHAPTER IV
CHAPTER 4

RESEARCH METHODOLOGY

In this chapter problem areas for study, statement of the problem, objectives, research hypotheses, variables, instruments of data collection, sampling, data presentation and analysis and interpretation methods for the study have been presented.

4-1 Problem Areas

Human Resource Development has been a neglected field in the cooperative enterprises. Though the cooperative organisation have grown in size and volume of business, they have yet to take this crucial area of HRD seriously. Further the absence of HRD in cooperative banks is attributable to the fact that in spite of its growing popularity, no worthwhile attempt has so far been made to develop the concept in a manner that suits the needs and requirements of organisation. Cooperatives hardly stressed the need of the exact number of staff, their levels, their calibre and qualifications to manage the cooperative institutions effectively and economically. Cooperative education and training are not given due importance, no proper system of judging the aptitude and assessing the
person recruited in relation to the job assigned to him. Everything was done on trial and hit-miss method. That's why the cooperatives institutions are not succeeding in touching the desired level of performance. Moreover, the growing job satisfaction, disturbed industrial relations, fight of talent, lack of professional skill, low productivity and return on investment etc. are the factors which have motivated the researcher to conduct the study.

It is also observed from the existing literature that majority of the studies conducted so far highlight the significance of training in the development of human resource in cooperative banks. Other significant subsystem such as performance appraisal, manpower planning, redressal of grievances, promotion, career planning and rewards, and organisation development have remained unattempted. The present study is a significant attempt to study critically the HRD practices in cooperative Banks of Himachal Pradesh.

4-2 Statement of the Problem

The study is focuses on Human Resource Development practices in cooperative banks. The problem titled is below.

A Critical Study of Human Resource Development in Cooperative banks of Himachal Pradesh
4-3 Objectives

The present study has been attempted in view of the gaps identified in the literature. The main objectives of the study are:

1. To examine the organisation structure and personnel policies in co-operative banks.
2. To analyse and evaluate the existing HRD practices in the co-operative banks with regard to certain selected variables.
3. To study the level of employees' satisfaction with regard to HRD mechanisms.
4. To find out the contribution of different sub-systems of HRD in the development of human resource.
5. To study the perception of employees towards managements' attitude with regard to HRD sub-systems.
6. To identify areas for further research and make recommendations, for improving HRD practices in co-operative banks.

4-4 Hypotheses

Hypothesis is the statement of tentative solution of the problem. In view of the above objectives of the study a number of research questions arose. On the basis of these research questions, the following main hypotheses
are expected to be verified during the course of analysis:

1. There is no significant relationship between the existing HRD mechanisms and selected variables.
2. The employees have low level of satisfaction with regard to different HRD sub-systems.
3. Employees' satisfaction with HRD sub-systems and selected variables is not associated.
4. The contribution of HRD mechanisms in the development of human resource is not significant.
5. Employees' perception towards management's attitude with regard to HRD practices is biased.

4-5 Variables and Indices

Data in respect of age, sex, martial status, designation, educational qualification, professional qualification, length of service and mode of employment were gathered to see their relationship with the extent of HRD and level of satisfaction with the existing HRD practices adopted in the cooperative banks.

In order to study the training subsystem in the banks, the reasons for attending different training programmes, factor taken into consideration while selecting the employees for training, and impact of training programme have been examined.

In respect of promotion, respondents were asked
questions such as satisfaction with promotion policy, to what extent promotion helps in the development of human resource, affect of belated promotion on HRD and the correlation of training with promotion.

To see the extent of transfer, respondents were asked questions like, basis of making transfer, satisfaction with transfer policy and affect of transfer on their performance and human resource development.

In respect of recruitment and selection, respondents were asked various questions regarding their satisfaction with recruitment and selection policy and the criteria adopted for selection and effect of proper selection system on HRD.

In case of career planning and rewards, employees were asked questions regarding satisfaction with existing system of career planning and its effect on HRD.

To study the performance appraisal system of the organisation, question like satisfaction with performance appraisal system, management's reaction towards employees' performance and effect of training on employees' performance and contribution of performance appraisal in the development of human resource.

To see the extent of organisational development efforts, questions were asked in the form of statement. The statements were designed to know the employees'
satisfaction with regard to O.D. efforts and to what extent organisation takes interest in the job enrichment of an individual.

To study the interpersonal relations within organisation, employees were asked to give their fair views in the form of yes/no or to show their extent of satisfaction. The statement were designed to know the employee-employer relations and its effect on HRD.

To study the existing system of redressal of grievances, indicators like level of satisfaction and relation with HRD were studied.

To examine the welfare facilities indicators such as satisfaction with regard to welfare facilities and to what extent they boost the morale of employees and its effect on HRD were examined.

4-6 Sample

The sampling procedure adopted for any type of research study depends upon the objectives of the study. Generally the convenience, cost and time are also considered in determining the sample size.

The sample for the present study included the employees working in all the three cooperative banks (H.P. state cooperative bank, Kangra central cooperative bank and Jogindera central cooperative bank). The sample of 200
employees were selected out of the total employees working in these three cooperative banks. A brief information regarding the economics of these cooperative banks is shown in table 4.1. Every employee who was on the bank roll as on June 1992 was taken as a population element. The procedure of selection of sample was multistage in nature. At the first stage, with the help of simple random sampling representative branches were selected out of the total number of branches functioning in the state. In all, 25 branches were selected in proportion to their total number in the state.

At the second stage, while adopting quota sampling, keeping in mind for ensuring the quality of data. 200 employees were selected at the rate of 8 employee from each branch. Woman employees and status of the employees were given due representation (in proportion to their strength and number) special care had been given to ensure that regional variation were duly represented.
Table 4.1 Sample Description

1. Population  
   Every employee who is in the roll of cooperative banks as on June, 1992.

2. Sampling Frame  
   List of employees with banks

3. Sampling Method  
   a) Simple random sampling for selecting 8 districts out of 12 districts
   b) Proportional sampling for selecting branches, in all 25 branches were selected from eight districts in proportion to the branches in each district
   c) Quota sampling 8 employees selected from each branch.

4. Sample Size  
   200 employees

Table 4.2: Profile of the Cooperative Banks Selected for Study

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Particulars</th>
<th>HPSCB</th>
<th>KCCB</th>
<th>JCEB</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Number of Branches</td>
<td>100</td>
<td>91</td>
<td>15</td>
</tr>
<tr>
<td>2.</td>
<td>Area of operation (In Districts)</td>
<td>6</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>3.</td>
<td>Employees strength</td>
<td>985</td>
<td>680</td>
<td>90</td>
</tr>
<tr>
<td>4.</td>
<td>Membership</td>
<td>1728</td>
<td>1924</td>
<td>477</td>
</tr>
<tr>
<td>5.</td>
<td>Deposits</td>
<td>25799.71</td>
<td>13330.70</td>
<td>1459.38</td>
</tr>
<tr>
<td>6.</td>
<td>Profit (lakhs)</td>
<td>548.52</td>
<td>857.63</td>
<td>1.83</td>
</tr>
</tbody>
</table>

Note: Figures of serial no. 1 to 3 are as on June, 1995, whereas figures of serial no. 4 to 6 are as on June, 1993
Sources of Information

For accomplishing the objectives of the study both primary and secondary data have been utilised.

4-7(a) Secondary Data

Certain data collected by different agencies for other than the present purposes have also been used. These type of data were collected from:

1. Publication of GOI, Ministry of Human Resource Development
2. Publication of Registrar of Cooperative Societies
3. Publication of Directorate of economic and statistics
4. Publication of Ministry of Agriculture and Cooperation
5. Publication of RBI and NABARD
6. Census Report
7. Existing literature and other scholarly work.

4-7(b) Primary Data

The analysis of the present study was largely based on primary data which was collected through the following instruments:

i) Questionnaire

The data was collected by administering a structural schedule of questions to the employees of
cooperative banks. They were finalised after pretest. Whenever possible questions were structured to speedy completion.

The questionnaire for the employees of the banks aimed at collecting data relating to Human Resource Development Practices in Cooperative Banks and personal profiles such as age, sex, status, length of service, educational qualifications, professional qualifications etc. Certain informations were gathered through informal interview with different authorities of the cooperative bank and department of cooperation.

ii) Observation

Certain informations were collected through personal observation, additional data were gathered with in-depth interview with top executives and other government official involved directly or indirectly with HRD and cooperative department.

4-8 Instrument of Data Collection

For collecting data from bank employees structural schedule of questions was prepared and personally administered by the researcher.

Schedule Administered to the Employees

A structured schedule of questions was developed and pre-tested. It consisted of different types of
questions. The following are the major sections of the schedule:

a) Background and general information
b) Training
c) Promotion
d) Transfer
e) Recruitment and selection
f) Career planning and rewards
g) Performance appraisal
h) Organisational development
i) Interpersonal relations
j) Redressal of grievances
k) Salary structure
l) Welfare facilities
m) Employees' perception towards management attitude regarding HRD practices.

From annexure I, we find that the schedule includes different types of questions such as open end, dichotomous, multiplechoice and rating scales.

4-9 Tools of Analysis

For the analysis of results, the following statistical techniques have been applied:

1. Chi-square test
2. Ranking Method
3. Tabular analysis

The chi-square test is a non-parametric test (i.e., where the parameters of the population are not known) of normal-parametric data does not follow the normal curve of the probability and have unequal or unmeasurable scale intervals between categories. The information gathered through questionnaires from the different categories of employees in the form of nominal data. Hence $X^2$ test is considered more appropriate in the present study. The value of $X^2$ square is:

$$X^2 = \sum_{z=1}^{n} \frac{(O_i - E_i)^2}{E_i}$$

Where $X^2$ is calculated value of the chi-square, $O_i$ is the observed frequency, $E_i$ is the expected frequency. The calculated value of Chi-square is compared with the table value to test whether the difference in the observed and expected frequencies is statistically significant or not.

Ranking Method

The checklist of possible reasons was prepared in the form of multiple choice questions. The aggregate of responses were then ranked to find as to which was the most important reason/factor.
Tabular Analysis

In tabular analysis, percentages are calculated to draw the inferences. It is very scientific and perfect analysis. In the present study, it was used to support the inferences drawn from the above statistical analyses as non-parametric analysis is not that powerful as parametric test.

4-10 Significance of the Study

The importance of HRD activities which aim at improving the organisation effectiveness. As the study attempts to evaluate the effectiveness of HRD practices prevailing in the cooperative banks. This investigation can lead to useful suggestion which can helpful in improving the HRD activities. This programme has been started recently. Therefore, no serious critical study has been conducted so far which can contribute certain useful guidelines and suggestions to solve the problems that hinder the progress of the programme. A few suggestion may also prove beneficial for further strengthening the programme and an attempt has also been made to pin point certain difficulties experienced by both the management and the employees who are involved in these HRD activities and thus establish a healthy rapport to enable the scheme to operate more effectively and meaningfully. The study will
further prove beneficial to the department of cooperation, cooperative banking and ministry of HRD for formulating the policies and their proper execution.

4-11 Universe of Present Study

The universe of present study includes the cooperative Banks in Himachal Pradesh viz. Himachal Pradesh State cooperative Bank, Kangra Central Cooperative Bank and Joginda Central Cooperative Bank. The H.P. State Cooperative Bank is functioning in six districts viz. Mandi, Shimla, Kinnaur, Sirmaur, Bilaspur, Chamba with its Head Office at Shimla. The Kangra Central Cooperative Bank is functioning in five districts viz., Kangra, Kullu, Hamirpur, Una, Lahaul and Spiti with its Head office at Dharmasala. The Joginda Central Cooperative Bank is functioning only in Solan District with its Head Office at Solan. The H.P. State Cooperative Bank has 100 Branches functioning in the state with its total strength of employees i.e. 985 as on 1995. The Kangra Central Cooperative Bank has 91 Branches in the state with its total strength of employees i.e. 680 as on 1995. The Joginda Central Cooperative Bank has 15 branches with its total strength of employees i.e. 90 as on 1995.
MAP

Area Of Operation Of Different Cooperative Banks

1. HPSCB
2. KCCB
3. JCCB
4-12 Limitations of the Study

The study is based on 13 per cent sample of the universe and is limited in its scope. The findings of the study can be generalised to a limited extent only. However this does not detract us from the study. The main limitation of the study are as under:

1. Human Resource Development is a wide field of the study and large number of factors contribute towards the development of human resource in any organisation. It is very difficult to study all indicators contributing to HRD.

2. Human beings were hesitant and reluctant to dispose functioning and weak points of their organisation in the course of opinion survey conducted by researcher through questionnaire and interview.

3. The study has covered three major cooperative banks, viz. the H.P. State cooperative Bank Ltd., the Kangra Central Cooperative Bank Ltd., the Jogindra Central Cooperative Bank Ltd. It has not covered the urban cooperative Banks and cooperative land development banks in the study because their functions are different than those selected for study.

4. The scope of study was kept limited due to scarcity of finance and resources.
5. Incomplete and wrong information and responses to some questions could not be avoided. In certain cases, the respondents were found reluctant to expose, though the assurance was given to maintain confidentiality of data yet the desired success could not be achieved.