CHAPTER - 1

PROBLEM AND METHODOLOGY
CHAPTER I

THE PROBLEM AND METHODOLOGY

1.1. Introduction

The proper management of human resources plays a crucial role in the development of any organisation. This fact has gained wide acceptance in recent years. HRM is concerned with the "people" dimension of management.¹ In HRM the main thrust is on the resource value of the human factor which is viewed more as a profit centre than as a cost centre.² Unlike traditional personnel management which had emphasised on the maintenance aspects, the HRM puts greater emphasis on the development, integration and utilisation of the human resource.

The banking industry occupies a unique position in the economy of any nation. Banks mobilise the savings of the people for the productive sectors of the economy and contribute significantly to the development of commerce and industry. They have become an

indispensable part of our economic system because they provide finance not only for industry and agriculture but also contribute significantly to the country’s exchequer by way of earning foreign exchange. Being a service industry, banking plays a major role in catering to the diversified needs of its customers. Further, as a social institution it helps the government significantly in eradicating poverty, by providing financial help to the weaker sections of the society.

The nationalised banks in India, being public sector undertakings, have a much greater role to play, than private sector banks. The nationalised banks have a special obligation for the society as a whole. Hence, the sphere of their activities includes not only a good and efficient financial performance but also the provision of unequivocal support to the Government in eliminating economic disparity through a balanced credit structure.

In the wake of liberalisation, public sector banks in the 1990s are compelled to compete with new players in the financial market like new private sector banks and new foreign banks, which are technologically more advanced with product and service innovations. Notwithstanding this, the public sector banks by their sheer size and geographical spread can continue to have a domineering position in the financial market, provided they become market- and customer-sensitive and develop operational capabilities in the competitive market. In transforming them into commercially responsive and technologically sophisticated organisations, human resources ("assets") will have to play a very critical role.¹ Therefore, the banks are required to lay more emphasis on the management of their

employees (human resources) than ever before. And this means that all the functions of HRM--human resource acquisition, development, retention and retirement must be carried out in a manner that would help in creating an organisational climate characterised by trust and co-operation between the management and the employees and their unions and the employees' commitment to the achievement of the goals of the banks.

Banking being a service industry, the very survival of any bank depends on customer satisfaction or the satisfaction of the general public. As such, the scope of HRM in the banking industry includes work practices which have a bearing on customer relations. Increased competition in the mobilisation of resources especially from foreign banks in the post-liberalisation period, has compelled the banks to devote most of their attention to the customers/general public.

The present study addresses itself to these aspects of HRM in the Indian banking industry in general (as the major HR policies are formulated at the industry level) and the UCO Bank in particular, more specifically the UCO Bank, Bhubaneswar Division (in Orissa).

This Chapter attempts to:

I. survey the literature on HRM in the Indian banking industry in order to understand how the various aspects of HRM have been studied by researchers and to point out the aspects that need to be studied in detail;

II. provide a conceptual framework for the study;

III. indicate the scope, objectives and significance of the study;
IV. specify the basis of selection of the sample branches;

V. out-line the methodology adopted for the study— research methods, sources, tools and techniques used for data collection; techniques followed for analysis of data and sampling methods adopted for selecting sample respondents representing officers and award staff¹

VI. point out the limitations of the study;

VII. provide an outline of the chapters that follow.

1.2. A Review of Literature on Human Resource Management in the Indian Banking Industry

In the following paragraphs an attempt has been made to review briefly the existing literature on various aspects of human resource management in the banking industry in India.

For the sake of clarity, the studies have been classified into the following five categories:

i) HRM in the banking industry in general.
ii) Training and Development
iii) Industrial Relations
iv) Customer Service; and
v) Miscellaneous

However, we do not claim that the above classification is perfect. Most of the studies reviewed are not exclusively confined to one or the other aspect but deal with various related issues in HRM. The classification has been made on the basis of the major emphasis given to a particular aspect in each of the studies. Further, the reports

¹ The term 'award staff' has been given because the employees (clerical and sub-staff) are covered under various awards given by the tribunals.
of the Committees and Commissions set up by the Government and the Reserve Bank of India (RBI) have been reviewed separately. Therefore, the classification is a tentative one and is adopted more for the sake of convenience than absolute accuracy.

i) HRM in the Banking Industry in General

In his book titled, *Personnel Management in Banking Industry*, K.K.Rao\(^1\) has discussed such aspects as discipline, grievance handling, dispute settlement, collective bargaining and workers' participation in management from a legal perspective.

Menon\(^2\), while analysing different aspects of personnel management in banks, finds that there is an absence of belongingness among the employees towards the organisation; deterioration in the day to day relations between the employees and the management; concentration of power at the top management; and symptoms of indiscipline among employees. He suggests that both the management and employees should change their outlook to cope with the changing situation.

Rao\(^3\) has studied, among other things, different aspects of human resource management in the banking industry--human resource recruitment, selection, training and development, wage and salary administration, trade unionism in the banking industry, collective bargaining, industrial disputes and settlement machinery, discipline, employee participation in management, customer

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service etc. He has pointed out that trade unions in the banks have gained strength both organisationally and financially over the years. However, he has observed that in certain areas like industrial disputes the management makes inordinate delays in solving them, workers' participation in management does not serve the purpose for which it is created and cases of indiscipline are mounting year after year in spite of several measures taken up by the management.

Sharma\(^1\) has studied the managerial beliefs, work technology and organisational climate in the banking industry and has highlighted the importance of human resource management in influencing organisational behaviour and organisational effectiveness. For the purpose of the study he made a survey of 816 officers from six participating banks (Reserve Bank of India, State Bank of India, Bank of Baroda, Punjab National Bank, UCO Bank, Canara Bank).

Bhat\(^2\) predicted that in the 1990s banking organisation will develop themselves to meet the qualitative service aspect of continuous attention in quality development through measures like quality circles, mechanisation and creation of customer-oriented organisations.

Rao\(^3\) has studied personnel management and industrial relations practices in the State Bank of Hyderabad, with particular emphasis on recruitment, training, service conditions, employee discipline.


conduct rules, and participative management. He has pointed out that confidential reports were not considered at the time of recruitment and interview committees were constituted without the inclusion of Head of the Department under whom the employees work. Further, he has observed that employees who undergo training after gaining work experience were not attracted by training imparted to them. He has suggested that the training programmes should be framed on the basis of local needs and the management at different levels should be prepared to show its adaptability to the changing needs of the organisation. To improve the industrial relations in the Bank, he has suggested that the employees should be involved in the major decision-making process and there should be effective participation of workers in the management of the Bank.

ii) Training and Development

In his analysis of the training system in banks Charati\textsuperscript{1} has observed that it is easy to appreciate that wrong placement will nullify the benefits of the training received. He stresses the importance of right placement after training.

Ramanujam\textsuperscript{2} observes that after nationalisation of banks changes in the banking environment such as involvement of more people in decision making, recruitment of more and more qualified persons, improvement in the management skills, introduction of computers/mechanisation have become inevitable. He emphasizes that training programmes should be devised in such a way that they would

\textsuperscript{1} Mahanand C. Charati, “Training System in Banks”, \textit{The Economic Times}, December 27, 1982.

enable managers and other employees to adapt with the changing environment and face new challenges.

Rao\(^1\) analyses the role of training in the development of human resources in the banking industry from the trainer's point of view. Among other things he has pointed out that a professional trainer should be a person of high character, a self starter, a confident communicator, a good listener and an innovator.

Outlining the impediments to effective training programmes in the banking industry he has suggested the following measures: (i) top management must be committed to the training function; (ii) autonomy should be given to the training system for running the training programmes, for tapping additional resources etc.; (iii) selection and placement of training faculty must be done systematically; (iv) there should be regular interaction between training colleges and operational managers, (v) post-training placement should be made carefully; (vi) the training colleges should increase the use of visiting faculty; and (vii) the existing training infrastructure should be better utilised.

Raju and Rao\(^2\) have studied issues relating to reengineering in training and development activities with reference to Andhra Bank. Stating that the present training and development activities were routine and traditional in the organisation, they have suggested that the training programmes should be based on the need and the changing scenario of the environment.


Raju and Sasikanth\(^1\) have inquired into the training and development facilities available in the State Bank of Hyderabad. They have pointed to the needs for improving the skills of the faculty members and for providing better infrastructure in the training colleges.

iii) Industrial Relations

Dayal and Sharma\(^2\) have studied an incident of strike among supervisory staff of the State Bank of India. They have highlighted the industrial relations situation before the launching of the first ever strike by the supervisory staff of State Bank of India and the post-strike developments in which the management and unions resolved their differences.

The study concludes that a strong feeling of loss of status among the supervisory staff coupled with their perception that the management was victimising them, culminated in a nationwide strike. Subsequently, the Bank’s management and the federation of supervisory staff realised that the strike was the outcome of a chain reaction of false perceptions on either side. Such a realisation was primarily responsible for the parties reaching an understanding after which the strike was called off.

Dastur and Mankidy\(^3\) have made a diagnostic study of a strike that took place in Andhra Bank. They observe that the strike was the

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result of a number of historical, political, economic, socio-psychological and cultural factors.

Ramaswamy\(^1\) has highlighted the factors influencing growth and development of managerial associations in the Indian industries, including the banking industry. He concludes that most of these associations are being viewed as trade unions and some of them are even registered as trade unions under the Trade Unions Act, 1926. He has also outlined the role played by officers' associations in the banking industry.

Bhide and Khandelwal\(^2\) have analysed different aspects of industrial relations in the banking industry using historical facts and analysing a number of cases. They conclude that it is the branch managers of the banks who play a crucial role in maintaining harmonious industrial relations.

Kothari\(^3\) has studied union management relations and personnel management in the State Bank of Bikaner and Jaipur (Public Sector Nationalised Bank) and The Bank of Rajasthan Ltd. (Private Sector). He has observed that union-management relations in the Bank of Rajasthan Ltd., are more cordial than that in the State Bank of Bikaner and Jaipur. This is due to the prevalence of better scope for promotion among employees, payment of overtime and a soft attitude of the management towards unions in the private sector Bank.


He points out that in the content of training courses in both public sector and private sector banks, qualitative aspect of training is lacking. He observes that the customer service in The Bank of Rajasthan Ltd. is better as compared to that of the State Bank of Bikaner and Jaipur.

His study points out that in both these banks emphasis is not put on the quality of training.

Seth\(^1\) observes that the personnel functions of an organisation such as recruitment, transfer, promotions, salary administration, welfare etc. cannot be performed effectively unless one takes into account the development aspects of the various maintenance issues. Similarly, the resolution of labour-management conflicts and promotion of co-operation in industrial relations can be undertaken only through an adequate understanding of the developmental needs and aspirations of the employees. He suggests that personnel, industrial relations and human resource development functions should be recognised and managed as integral parts of a single comprehensive task of human resource management.

Gelli\(^2\) has analysed the working of Quality Circles in the banking industry. He points out that the main causes of failure of Quality Circles are: (a) the organisations' unpreparedness for change in philosophy and culture and (b) lack of proper training. He suggests that the management should create an atmosphere to introduce Quality Circles in their organisations.


Bisoyi while analysing trade unionism among the employees of the State Bank of India in the state of Orissa, has noticed that organisationally there is no difference between the ministerial union and supervisory staff union and both are democratic in their structure and function. Further, he observes that bank employees are highly organized and they occupy a significant position in the trade union movement in the country.

Mankidy has made a study of industrial relations in the banking industry. Among other things, he has attempted to highlight collective bargaining, employee participation in management and the emerging scenario in human resource management/industrial relations in banking. He points out that employee frustration is the root cause of most industrial relations problems and banks have become more reactive in their attitude with respect to organisational challenges. He observes that as a result of financial sector reforms certain aspects of industrial relations in the banking industry seem to be shifting from employer-employee relations at the industry level to employee-government relations at the national level. This has also brought about a shift in emphasis from economic aspects of industrial relations to political aspects. He has argued that development of appropriate organisational culture would pave the way for conducive industrial relations.

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Rao\textsuperscript{1} has outlined the challenges that the banking industry has to face and has stressed the need for unions to co-operate with the management in the banks' endeavour to meet the various challenges. He is of the view that unions and management should take proactive steps and initiate actions to safeguard the interest of the banking industry.

Virmani\textsuperscript{2} has outlined the emerging challenges in the field of HRM and industrial relations in public sector banks of India. He has suggested that:

(i) The Banking Service and Recruitment Board would have to be restructured to meet the diverse needs of the banking industry.

(ii) Ideally, with every promotion the job of the promotee should be of a higher responsibility level requiring greater potential of the promotees. Therefore, public sector banks should introduce accelerated/fast track promotion channels, especially for officers.

(iii) More employees should be put on training and retraining of employees and deploying them productively.

(iv) The unions and management must give up the adversarial approach to union-management relations; and their roles should undergo metamorphic change.

Sen\textsuperscript{3} has made a critical analysis of the industrial relations scenario in public sector banks. She has observed that the dominant


\textsuperscript{3} Ratna Sen, “Industrial Relations in the Banking Industry”, \textit{Industrial Relation Association Digest, op.cit.}, pp. 15-19.
characteristic of industrial relations struggle in these banks has been a struggle for power, with the unions trying to have an overriding concern in managerial issues and the management trying to resist or protect its own domains and prerogatives. She points out that the following factors are mainly responsible for such peculiar features in the banks:

(i) the dominant role played by the government in issuing policy directives and bringing about changes in public policy from time to time; and

(ii) the large-scale recruitment in banks during the post-nationalisation period upto mid 1980s and consequent increase in union membership, which enhanced the sense of power and the profile of the union leaders substantially.

She points out that the unions and management had failed to pay due attention to the business interest of the banks due to the power struggle between them. It was only in the wake of liberalisation that these parties realised the need to concentrate more on the competitiveness of their banks, with greater focus on the customers than ever before. Further, she observes that following the bank scams in 90s the major trade union federations are beginning to have solidarity among themselves if not unity. Given this scenario, she has suggested that the industrial relation issues should be decentralised and the employees should be involved in decision making at lower and operational levels.
Chakraborti\textsuperscript{1} a noted trade union leader and the general secretary of AIBEA, has analysed recent trends in banking and its industrial relations from the angle of a trade unionist. He has argued that the foreign and private banks in India would not pose a threat to the nationalised banks as their contribution to the economy of our country is very insignificant. On the other hand, he argues, nationalised banks have shouldered the responsibility of nation-building by eradicating poverty and regional disparity through bank services. He admits that work culture amongst the employees is not upto the mark.

As far as industrial relations are concerned he points out that multiplicity of unions has acted as a big brake on the promotion and development of responsible, responsive, reasonable and restrained trade unions in the banking system. Further, he points out that the government’s interference in industrial relations in banking industry is responsible for its ill health. He suggests that a healthy dialogue based on forthrightness, frankness, equality of the management and unions with a declared commitment and non-interference in each other’s role, responsibilities and domains would improve the industrial relations situation of the banks.

iv) Customer Service

Shetty\textsuperscript{2} has observed that in a competitive environment not only winning new customers but also retaining the existing customer base assume great importance. He is of the view that banks in India will


in the near future be rated on the basis of their customer service and as such a successful bank will be one that excels in customer service and provides a range of services and products.

Madhukar\(^1\) has made a critical analysis of customer service in the public sector banks. He observes that the standard of customer service like implementation of the recommendations of various committees on customer services, mechanisation and computerisation, establishment of special courts (Banking Ombudsman) for redressal of customer complaints relating to bank services etc., the levels of customer satisfaction are still much below expectations. Further, he points out that the level of customer service and satisfaction is determined by branch location and design, variety of service rates and changes, systems and procedures, delegation and decentralisation, mechanisation and computerisation, competitive efficiency, customer overtures, complaint redressal, staff skills, attitudes and responses. He suggests that the work culture in banks should be changed and that the bank staff should give due importance to team effort. Further, he stresses functional autonomy, better incentives and reward systems, skill upgradation measures, debureaucratisation and removal of rigidities, and creation of work environment for bringing about a new orientation in dealing with customers.

Chakrabarty\(^2\) has observed that in the post-reform era only those banks which have been exactingly customer-focussed will have better chances of survival and growth. He points out that the


recommendations of various committees on customer service have failed to bring about any perceptible improvement in the service quality. This is mainly due to the facts that (i) the recommendations were framed without considering the inadequacies of infrastructure (both internal and external) and system support; and (ii) no punitive measures were laid down for non-implementation of those recommendations. He is of the opinion that poor customer service is the result of defective system and procedure for banking operations, indifferent attitude of the employees' unions, lack of accountability on the part of the employees and lack of customer-orientation by the banks. He suggests that (i) emphasis should be given on new technology and on ways of translating the advantages into customer convenience; (ii) banks should undertake quantification and objective assessment of customer satisfaction across various segments; (iii) sufficient autonomy should be accorded to branches for accepting/refusing various types of business or to open or close branches; and (iv) a transparent pricing system of bank services based on actual cost analysis should be evolved, creating adequate awareness among public at large so that a general consensus is achieved towards paying higher price for better services.

v) Miscellaneous

Das¹ has attempted to study personnel policies pertaining to salary, perquisites, welfare facilities, working conditions, recruitment, placement and promotion, training and development and industrial relations in the Indian commercial banks. He observes that in the commercial banks there is a absence of a thoroughgoing personnel policy. This is largely due to the prevalence of orthodox

methods of managing banks with a reactive rather than proactive approach in tackling personnel problems. He further suggests that the personnel function be split into personnel planning and personnel administration so as to ensure proper personnel policies in the banks.

Ghose,¹ in his analysis of productivity in banks, finds that the behaviour of bank employees has become one of apathy towards customers and antipathy towards management, particularly since 1969. He argues that if banks want to face their staff problems squarely and improve productivity/performance, “the bull will have to be caught by its horns and this will have to be achieved initially by a sort of shock treatment”.

Khandelwal² in his book titled *Human Resource Development in Banks* emphasized the need for introduction of a sound HRD policy and its implementation in the banking industry, as it contributes greatly to the effectiveness of the banks. He suggests that since the development of a policy and its implementation is not an easy task, all the managers must be involved in the formulation of the policy. Once a viable HRD policy is finalised, the management should seek trade unions’ accord for its implementation.

Gelli³ while studying the role and responsibility of HRM profession in the banking sector observes that the task before the HRM profession can be viewed in the light of emerging challenges in the banking industry, such as change in customer expectation,

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competition, and the changing nature of workforce. These call for new skills, new attitudes and abilities to adapt to change quickly. Further, he points out that managers in future will have to be result oriented, proactive, innovative and alive to business opportunities. For better human resource management in the banking industry, he suggests that there should be adequate training of staff with emphasis on organising, planning, computer techniques, marketing skills and techniques, high-level financial skills, intensive customer orientation, high-level skills for money market and capital market; welfare measures, updating recruitment and selection process; and periodic performance appraisal. Better service conditions and reward systems will motivate the employees more.

Qazi\textsuperscript{1} has studied the motivational aspects in banking. He observes that the promotional channel in the banks is regulated mostly by the rule of seniority and there is not much scope for merit or outstanding performance. Further, he observes that the monetary incentives and job security are justified at the workmen level considering the amount of task involved and the pressure of work to which employees at supervisory level are exposed. He suggests that opportunities should be provided on a continual basis to keep a worker at the peak of his capacity; and that banks should introduce a new performance appraisal system wherein the sub-staff employees get opportunities assess their own performance.

Pandey\textsuperscript{2} has made a study of manpower planning practices in ten nationalised banks, including the UCO Bank, during the period 1973 to 1987. Among other things, he observes that the estimation of

\textsuperscript{1} Moin Qazi, "Motivation in Banks". \textit{The Banker}, April 1991, pp. 27-29.

future manpower requirements in the banks was being made only one year in advance of the actual need. He also noted the lack of objectivity in the estimation process. He suggests that there should be: (a) a centralised planning committee at the Head Office level, and (b) integration of manpower requirement estimation process with the overall corporate plan in order to put a check on fragmented exercise in this regard.

Jain\(^1\) indicates how banks in India can be put on a sound footing to counter the mounting pressure of competition (following liberalisation) from new private sector banks and foreign banks. Among other things he stresses the need for good customer service, upgrading of technology, etc.

**Committees**

The Saraiya Committee\(^2\) (appointed by the Government of India) has made several recommendations for improvement in the standard of customer service in the banking industry.

The Talwar Working Group\(^3\) has examined different problems relating to customer services in banks and has recommended several measures for improving the quality of customer service. Among other things the Committee has suggested the setting up of customer service committees in all branches and customer service centres at the Corporate, Zonal, and Divisional Office levels for redressal of

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customer grievances; and the display of a time-board mentioning the
time required for completion of various banking transactions.

The Pillai Committee\(^1\) was appointed by the Government of
India in 1977 to find out a uniform policy for officer-cadres in the
banking industry in India and to suggest uniform pay scales, frame
service conditions and redesign the designations of different officer-
cadres. The important recommendations were:

(a) Gradation system should be introduced for all cadres of officers
with different pay scales.

(b) All appointments and promotions to officers grades have to be
made in accordance with the policy guidelines of the respective
banks.

(c) In case of promotions where two or more officers have the same
length of service in such preceding grade or scale or such
previous cadre, their seniority shall be determined with reference
to their seniority in the preceding grade.

(d) The bank may terminate the services of any officer other than a
probationary officer by giving him three months prior notice in
writing or three months emoluments in lieu thereof.

The Narasimham Committee\(^2\) on financial system, set up by the
Government of India, examined the existing structure of the
financial system and recommended a number of measures for
improving the efficiency and effectiveness of banks. Further, the

\(^1\) Government of India (Ministry of Finance), *Report of the Pillai Committee on Rationalisation of Pay and Service Conditions of the Officers of the Banks (Chairman A.C.Pillai), 1977.*

Committee stressed the need for improving and modernising the organisational systems and procedure, marginal policies, supervisory arrangements, customer service etc.

The Goiporia Committee\(^1\) after carefully examining the existing customer service practices in banks made several suggestions for improvement in customer service. The Committee *inter alia*, stressed the need for extending the hours of business, introduction of computers, formation of currency corporation of India (for solving the currency holding problem of the banks) etc.

The Fact Finding Committee\(^2\), appointed by the Government of India, made an enquiry into the facts relating to discrepancy in the pay and other allowances between the officers and award staff of the banking industry. The Committee pointed out that there is higher neutralisation in case of the officers of the banks. Further, the Committee noticed discrepancies in the calculation of House Rent Allowance, Hospitalisation Expenses, Fixed Personal Allowance, Personal Qualification Allowance; and suggested an upward revision of scale of pay for the award staff.

**Summing up**

From the foregoing review it is clear that a good deal of effort has been made to probe into different aspects of HRM/industrial relations in the Indian banking industry. However, most of the studies are non-empirical in nature. Again, the scope of the few empirical studies is rather limited and some aspects such as

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employee compensation, collective bargaining, industrial conflicts, role of officers' associations, discipline, communication, and customer service have not received due attention. It is hoped that the present study would fill this gap to some extent.

1.3. Conceptual Framework

For the purpose of this study of human resource policies, procedures and practices in the banking industry and UCO Bank, a conceptual framework was prepared which is presented in Fig. 1.2. Before giving justification for adopting this framework, it is necessary to understand what HRM is and how it is different from traditional personnel management.

**Human Resource Management and Personnel Management**

While a universally accepted definition of HRM is yet to emerge, and therefore the exact contours of HRM are yet to be mapped,¹ some authors and professional bodies have attempted to outline the HRM territory.

Michael Poole² defines HRM as a “subject which is perhaps best viewed as involving a synthesis of elements for international business and Organisational Behaviour (OB), Personnel Management (PM) and Industrial Relations (IR)”. He views HRM as involving business policy and strategic management. Poole further elaborates the definition by stating that “it involves all managerial personnel (and specially general managers); it regards people as the most

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¹ A similar observation was made by Torrington. Torrington was of the view that the nature of HRM is not clear. See D. Torrington, “Human Resource Management and Personnel Functions” in J. Storey (Ed.) *New Perspective in Human Resource Management*, London: Routledge, 1980.

² Michael Poole (Ed.), *International Journal of Human Resources*, USA 1990 1(1).
single asset of the organisation; it is proactive in its relationship with people and seeks to enhance company performance, employee needs and societal well being".  

The American Management Association at its 66th Annual Human Resources Conference and Exposition held in 1995 in Chicago, formulated upon a new HR philosophy as follows: "People no longer are corporate property who must be properly groomed and maintained as an inevitable cost of doing business. Today they are income generators who must be fueled with appropriate skills training, team building, performance based compensation and flexible workplace policies so they can adequately respond to changing customer demands and redesign work processes for maximum efficiency. Human resources no longer is a cost but an investment, one that must show returns in the form of increased productivity and competitiveness. Indeed, this philosophy must infiltrate all areas of HR Management --from policies and procedures to training and development-- for optimum effectiveness".

Thus in the USA, the HRM concept seems to have taken a new dimension with emphasis upon team building, redesigning of work, customer demands etc.

In Britain, a contrast has been drawn between 'soft' and 'hard' versions of HRM (See Fig. 1.1.) the former emphasising the human resources or 'HR' and the latter concerned with management or 'M' part of Human Resources Management.

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Figure 1.1

Strong

A distinctive approach to Labour Management

I
Strategic intervention designed to elicit commitment and develop resourcesful humans

II
Strategic interventions designed to secure full utilisation of labour resources

Integrated with business strategy

Soft (Human Resource)

Internal Integration

Hard (Management)

Just another term for 'Personnel'

Weak

Fig. 1.1: HRM 'Mapping' of various meanings

Let us elaborate these versions further. The soft version of HRM puts emphasis primarily upon human resources with its softer connotations of McGregor’s theory Y and utilisation of individual talents. The focus is thus on employees as value assets. On the other hand, the ‘hard’ version of HRM considers human resources as just another resource and that they are a factor of production.

There is another dimension of HRM known as ‘weak-strong’ dimension (See Fig. 1.1). At the ‘weak end’, the HRM is simply a retitling of personnel department, as old wine in new bottles. This may serve the useful function of giving a somewhat jaded personnel department a new and more contemporary image. The ‘strong end’ comprises of two components— integration of human resources with business strategies and fuller utilisation of human resources.

Thus unlike personnel management, HRM puts emphasis on providing appropriate skills training, team building, flexible work place policies, performance based compensation etc., in order to enable the employees to be committed to the achievement of organisational objectives including customer satisfaction.¹

In short, HRM is a particular approach to the management of employment relationship with a distinctive set of HR policies and

¹ The other points of difference between Personnel Management and Human Resource Management may be stated as follows: (a) While Personnel Management is ”supply driven”, HRM is “demand driven”. Personnel Management is directed mainly at the employees of the organisation, finding and training them, arranging their pay and contract of employment, explaining what is expected of them, justifying what the management is doing and trying to modify any management action that could produce an unwelcome response from the employees. In contrast, the HRM manager starts not from the organisation’s employees but from the organisation’s need for human resources; and (b) While Personnel Management is something that managers do to employees, HRM is applied to management and workforce alike.

practices—proactive rather than reactive, long term rather than short term, greater stress on line managers' responsibility of coordinating and directing all resources to generate commitment and enthuse subordinates to innovate instead of leaving it to HR specialists; and importance to individual mangrowth and developing the management team—designed to produce specific outcomes: to secure greater commitment of employees and promote synergy in order to increase organisational effectiveness.

1.3.1. Conceptual Framework Adopted for the Study

For the purpose of the study of Human Resource Management in the banking industry in general and the UCO Bank, Bhubaneswar Division in particular, the researcher has prepared a conceptual framework which is depicted in Fig. 1.2. As indicated in the framework, the researcher intends to cover the HR policies and practices in the context of certain external, organisational and employee factors as they have direct/indirect bearing on the HR policies and practices. Further, as an organisation's objectives also influence the HR policies and practices the researcher intends to cover within the purview of his study the link between the organisational objectives and HR policies and practices. The various HR activities that are carried out in response to the influence of the contextual factors and the organisational objectives, ought to have certain outcomes. Evaluation of these outcomes is essential not only for assessing the extent to which organisational objectives are achieved,¹ but also the outcomes feedback and modify the nature of the HR activities (which are to be carried out within contextual factors mentioned above). The following paragraphs attempt to explain briefly the conceptual framework adopted for the study and the reasons for adopting it.

¹ It may not always be possible to make accurate assessments of the extent of achievement of organisational objectives. As such the reference here is only to rough estimates of the results.
Fig. 1.2: Conceptual Framework for the Study of Human Resource Management in the Banking Industry

EXTERNAL FACTORS
- Economic Policy of the Government
- Legal
- Political
- Competition
- Union Power & Strategy

ORGANIZATIONAL FACTORS
- Nature of the Organization
- Nature of the Work

EMPLOYEE FACTORS
- Workforce Characteristics

ORGANIZATIONAL OBJECTIVES
- Customer satisfaction
- Profit Maximization
- Fair Treatment of employees

HUMAN RESOURCE POLICIES AND PRACTICES
- Acquisition
- Development
- Compensation and Benefits
- Team Building
- Industrial Relations (including Collective bargaining, participative management, managing discipline, industrial conflict and communication)

OUTCOMES
- Customer Satisfaction/Dissatisfaction
- Profit/Loss
- Fair/Unfair treatment of employees (as perceived by the employees)
Organisational Objectives and HR Policies and Practices

The major objectives of the banking industry in India are: (a) customer satisfaction, (b) profit maximisation, (c) fair treatment of employees. In order to achieve these objectives the HR activities such as acquisition and development, compensation and benefits, team building, industrial relations including collective bargaining, participative management, grievance handling, managing discipline, industrial conflict and communication, have to be properly carried out.

External Factors

External factors such as the economic policy of the government, government legislation, political competition, and union power and strategy influence the formulation of policies and practices.

Economic Policy of the Government

With the introduction of the New Economic Policy in 1991, the nationalised banking sector of the country was made open to the general public to acquire shares and participate in the management of the bank. As such, the policy decisions in the banking industry, which had hitherto been taken by the government, were bound to be influenced by the shareholders. The Reserve Bank of India (RBI) issues guidelines to the banks regarding management of business including the changes in the interest rates from time to time, directed investment, maintenance and submission of records periodically relating to deposits (Cash Deposit Ratio or CDR), liquidity (Statutory Liquidity Ratio or SLR), priority sector lending, etc., which are to be followed by the banks. As such, the HR
policies relating to acquisition, redesigning of the jobs, and training are to be framed to adhere to the RBI guidelines.

**Legal**

The government creates a legal environment by enacting and amending from time to time labour laws and issuing guidelines to the banking industry, within which the HR activities are to be carried out.

**Political**

The political party which is in power at the centre could influence the bank’s HR policy and practices. For example, the political parties in their election manifestos, among other things, promise the rural and urban unemployed youth (who constitute a considerable proportion of voters) that self-employment schemes would be introduced for them by way of providing loans and necessary guidance through nationalised banks, if they come to power at the centre. As a political party comes to power, it tries to implement its election manifesto with regard to rural and urban youth employment programmes with the help of the nationalised banks. And this will obviously have implications for the HR policies and practices of the banks in respect of human resource training and transfers.

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1 The Congress-I government introduced Jawahar Rozgar Yojana (Jawahar Employment Programme) to provide employment opportunities to the urban poor; and in 1993, the Prime Minister's Rozgar Yojana (Prime Minister's Employment Programme) was introduced to provide employment to skilled unemployed youth in urban and rural areas.
Competition

With the liberalisation, privatisation and globalisation of the economy, large number of foreign and private banks entered and continue to enter into the Indian banking business. As a result competition in the industry becomes inevitable. In order to adapt to the new challenges and the competition, the nationalised banks are required to have flexibility in their HR policies and practices. For example, there would be more emphasis on personalised, speedy and single window service for the customers. This necessitates redesigning of HR training programmes in banks, with due emphasis on various aspects of customer service.

Union Power and Strategy

Unions play a major role in industrial relations. In the Indian banking industry the unions have become organisationally and financially strong. As such the management is required to consult/discuss with the unions on matters affecting the human resources. For example, while introducing computers in the banks the unions were consulted and agreements were signed. Similarly, while revising the salaries and other service conditions, the unions are separately invited for negotiations.

One of the strategies which the bank unions have adopted in the post-liberalisation period is to co-ordinate protests, sinking all differences, against the New Economic Policy, privatisation of banks and restructuring of banks. This strategy of the unions has implications for the management’s decisions in dealing with the unions.
Organisational Factors

Like the external factors, the following organisational factors/conditions of the banks influence the HR policies and practices: set-up of the organisation, business strategy, financial situation and technological changes are a few examples.

Set-up of the Organisation

The set-up of the organisation influences the HR policies and practices. For example the bureaucratic nature of the organisational set-up that is prevailing in the nationalised banks causes undue delay in the formulation/modification of HR policies and implementation of decisions, while the decentralised approach prevailing in private sector banks ensures speedy decisions relating to HR policies and their implementation. In the latter case the industrial relations problems like grievance handling, indiscipline, etc. are sorted out without undue delay at the branch level.

Business Strategy

In a competitive environment, an organisation, should adopt new business strategies in order to survive in the industry. It should change its HR policies and practices accordingly. For example, the public sector banks’ decision to diversify their business (such as merchant banking, mutual fund business, leasing, consultancy etc.) reflects the strategic direction of the banks. The business strategy shapes human resource decisions. The banks are required to deploy their organisational resources including human resources in a manner consistent with the strategic decisions.
Financial Situation

Finance is the life blood of any organisation. It is the profit-earning capacity of the organisation that decides its compensation and benefit policy, training policy, etc.

Technological Changes

Introduction of new technology (mechanisation/computerisation) alters jobs; it creates the need for new skills while making the others obsolete; it alters the relationship between union and management and forces the employees to learn and be trained.¹

Employee Factors

Collection of information about workforce characteristics such as age, sex, education, experience, socio-economic background etc. is important as the workforce characteristics have direct or indirect bearing on HR decisions. For example, the younger workforce is more enthusiastic to learn new skills than the older workforce.

Human Resource Policies and Practices

A perusal of the scope of HRM as explained by different authors and the American Management Association, reveals that the following aspects are to be included under the purview of HRM: (a) acquisition, (b) development, (c) compensation and benefits, (d) team building and (e) industrial relations including collective bargaining, participative management, grievance handling, managing

discipline and industrial conflict and communication. Therefore, the researcher has included these aspects within the scope of his study.

Outcomes

The major outcomes of HRM activities include the following:

(a) Customer satisfaction/dissatisfaction.
(b) Profit/loss.
(c) Fair/unfair treatment of employees (as perceived by them).

As mentioned earlier, the evaluation of these outcomes is essential as it not only indicates the extent to which the objectives have been achieved but also provides the feedback about the effectiveness of HR policies and practices and influences the change(s) in HR activities, and in some of the organisational factors.

1.4. Scope and Objectives of the Study

The scope of the study is limited to the HRM policies and practices of the UCO Bank in general and its Bhubaneswar Division in particular.¹

The various aspects of HRM and related issues have been studied by the researcher in 17 sample branches of the UCO Bank, Bhubaneswar Division for the period 1988-89 to 1994-95.

Objectives of the Study

The principal objective of the present study is to examine and understand the HRM policies and practices existing in the banking

¹ Although the scope of the study is limited to the UCO Bank, Bhubaneswar Division, Orissa, attempt has been made to highlight the HR practices in its Zonal office (Orissa), Corporate Office and the Indian banking industry in general.
industry in general and the UCO Bank in particular. It seeks to examine the forces and factors, historical and institutional, that have contributed to the shaping of HR policies and practices in the industry. The purpose is not fault-finding but to examine why certain deficiencies, if any, exist in the HR policies and practices in the industry. This inquiry, it is expected, would be helpful in offering appropriate suggestions for improving the HRM practices in the UCO Bank and for achieving of the organisational objectives.

With this in view, the present study focusses on the following specific objectives:

(i) To study the policies and practices relating to HR acquisition (recruitment, selection, probation and confirmation) and development (employee training and promotion).

(ii) To examine the employee compensation system (employee earnings and benefits).

(iii) To study the industrial relations practices in the banking industry and the UCO Bank covering such aspects as collective bargaining, workers' participation in management, industrial conflict, discipline, grievance handling and communication.

(iv) To assess the quality of customer services that are being provided by the sample branches of the UCO Bank.

(v) To offer appropriate suggestions for improving the HRM practices and quality of customer services in the UCO Bank.
1.5. Significance of the Study

The study gains significance due to the following reasons.

(i) Barring a few, empirical studies on HRM in the banking industry in general and the UCO Bank in particular are conspicuous by their absence.

(ii) So far not a single empirical study on HRM has been conducted in the UCO Bank, Bhubaneswar Division, Orissa. Therefore, the Bhubaneswar Division of the UCO Bank is an unexplored area in terms of research done in the field of HRM.

(iii) In the wake of the financial sector reforms public sector banks (including the UCO Bank) face many challenges. Liberalisation, privatisation and globalisation have opened the doors for private parties to acquire shares and participate in the management of the banks, and for the foreign banks to compete with the Indian banks. In order to respond to these challenges, the public sector banks must make necessary adjustments in their HRM policies and practices. As the study covers the post-liberalisation developments in the field of HRM, it gains significance.

(iv) The researcher offers certain suggestions which would be of immense help to the management of the UCO Bank in its endeavours to improve its HRM practices.

(v) The study may bridge to some extent the knowledge gap in HRM in the Indian Banking industry.
1.6. Basis for Selection of the Sample Branches

The UCO Bank has three divisions in Orissa Zone--Bhubaneswar, Cuttack and Sambalpur. At the time of the study there were 55 branches under the Bhubaneswar Division, spreading over three districts namely undivided Puri, Dhenkanal and Ganjam. For the purpose of the study 17 branches (comprising 31 per cent) were selected. Particulars of sample branches are given in Table 1.1.

The sample branches were selected on the basis of: (a) Geographical location—urban, semi-urban and rural, and (b) Size of the business—small, large and very large branch.

(a) Geographical Location: The nature of business and the type of customers in urban, semi-urban and rural branches are different. For example in urban branches the customers are usually literate and acquainted with bank transactions. Their requirements are usually for consumer loans to purchase consumer items like T.V., fridge, scooter etc., and loans for industry and business. Besides, the urban customers, as they are busy, demand prompt and courteous customer service. In rural branches, on the other hand, the customers are mostly poor, illiterate or semi-literate. They comprise mostly farmers, labourers, village artisans and tradesmen. Their requirements are commonly agricultural loans, loans for purchase of implements and tools, bullocks, bullock carts, rickshaws etc. The rural branches are not well communicated and other facilities like good schools, colleges, hospitals etc., are not available as compared

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1 On October 2, 1992 the state of Orissa was reorganised: Previously there were thirteen districts but after reorganisation the number of districts increased to thirty. Accordingly the Puri district was divided into three districts (Puri, Khurda and Nayagarh), Dhenkanal district into two (Dhenkanal and Angul) and Ganjam into two (Ganjam and Gajapati).
Table 1.1: Particulars of Branches of the UCO Bank, Bhubaneswar Division, selected for the Study.

<table>
<thead>
<tr>
<th>Name of the District in BBSR Div.</th>
<th>Urban</th>
<th>Semi-Urban</th>
<th>Rural</th>
<th>Total No. of Branches Selected</th>
<th>Particulars of Branches Selected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Puri</td>
<td>4</td>
<td>1</td>
<td>17</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Sahid Nagar, BBSR</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Nimapara</td>
<td>1</td>
<td>11</td>
<td>4</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td>Janla</td>
<td></td>
<td>2</td>
<td>2</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Itamati</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Daspalla</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Dhenkanal</td>
<td>3</td>
<td>9</td>
<td>6</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Angul</td>
<td>4</td>
<td>9</td>
<td>4</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>Balramprasad</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>142.00 51.63 6.20 7.96</td>
</tr>
<tr>
<td>Barampal</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>139.00 78.20 0.09 0.97</td>
</tr>
<tr>
<td>Doogaon</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>5</td>
<td>85.00 47.64 0.44 0.24</td>
</tr>
<tr>
<td>Kanha</td>
<td>2</td>
<td>5</td>
<td>3</td>
<td>10</td>
<td>474.00 82.58 9.26 9.26</td>
</tr>
<tr>
<td>Sadasivpur</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>5</td>
<td>49.00 32.63 1.24 1.24</td>
</tr>
<tr>
<td>Talmul</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>6</td>
<td>51.00 69.42 1.50 1.50</td>
</tr>
<tr>
<td>Berhampur</td>
<td>8</td>
<td>16</td>
<td>6</td>
<td>32</td>
<td>391.00 387.11 11.25 11.25</td>
</tr>
<tr>
<td>Mohuda</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>7</td>
<td>86.00 63.42 2.18 2.18</td>
</tr>
<tr>
<td>Gishangu</td>
<td></td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>82.00 39.76 0.10 0.10</td>
</tr>
</tbody>
</table>

Total 5 5 45

Total number of branches selected for the study: Urban-3, Semi-Urban-3 and Rural-11.
to the urban branches. The employees of the branch work unwillingly due to these reasons. A semi-urban branch which is a mixture of urban and rural environment, has both literate and illiterate customers. Different types of loans such as industrial loans, agricultural loans, consumer loans etc. are provided, to cater to the needs of different type of customers.

(b) Size of the Business: The sample branches are categorised on the basis of the size of business into ‘small’, ‘large’ and ‘very large’. The categorisation of the branches has been made in conformity with the Reserve Bank of India (RBI) guidelines. According to the RBI, a branch having business of less than Rs. 1.5 crore in a year is called small branch or Scale I branch; a branch having business of Rs. 1.5 crore to 7.5 crore is categorised as large branch or Scale II branch and a branch having business of above Rs. 7.5 crore is known as very large branch or Scale III branch. The size of the business determines the number of employees (both award staff and officers) that a branch should have.

1.7. Methodology

For a systematic study, using appropriate methods and adopting of a scientific bent of mind is a *sine qua non* as it has an important bearing on the collection of reliable and accurate information and thereby determines the outcome of the study. The researcher seeks to make an incisive analysis of various aspects of HRM through an empirical approach. For the purpose of the study, case study method, survey method and historical method were used.

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1 Case study is a method of exploring and analysing the life of a social unit, be that a person, a family, an institution, cultural group or even entire community. See
The study was conducted in 17 branches of the UCO Bank under the Bhubaneswar Division, Orissa (See Table 1.1 for details). On the basis of case study method an intensive analysis of various aspects of HRM was made in the sample branches.

Using the survey method, the opinions of the sample employees (both award staff and officers) were elicited on different aspects of HRM.

For the purpose of understanding the growth and development of the UCO Bank and different aspects of HRM like recruitment policy, wage policy and trade union movement in the Bank and sample branches, the historical method was used.

The study entailed a good deal of preparation and planning in order to obtain meaningful and reliable data. Data collection took considerable time and it was done from March 1993 to February 1994. Broadly, the inquiry progressed through the following phases:

i. Reconnaissance:

The personnel departments of the Divisional Office, Bhubaneswar and Zonal Office, Orissa, Bhubaneswar were of great help at this stage in obtaining the detailed list of different categories of employees employed in the sample branches. At this stage some preliminary discussions were also held with the Divisional Manager and Zonal Manager and state level key trade union leaders of the Bank.

All the available literature, both published and unpublished, having a bearing on the study was studied by the researcher. This

enabled him to get a theoretical grasp of the subject and to attain conceptual clarity.

ii. Planning

A formal letter addressed to the managers of all the sample branches was issued by the Divisional Manager, Bhubaneswar for providing necessary statistical data and other information as needed. The researcher personally communicated letters to all the managers of the sample branches seeking their help. It was assured that strict confidentiality of the information supplied would be maintained.

iii. Preparation of Tools

An elaborate schedule was prepared for collecting information from the sample branches covering such aspects as profile of the organisation, financial performance, personnel policies and practices relating to acquisition and development of human resources, employee compensation system and benefits, collective bargaining, workers' participation in management, industrial conflict, indiscipline, grievance handling, communication and customer services.

Another schedule was prepared for collecting information from trade union officials regarding various aspects of trade unions such as origin and growth, membership of unions and strategies adopted by their unions in pursuing the interests of the members.

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1 For details see Appendix - I.
2 For details see Appendix - II.
For eliciting the opinion of the award staff and officers of the sample branches on various aspects of HRM in their respective branches, a questionnaire was designed. The questionnaire contains 14 questions relating to different aspects of HRM.\(^1\)

An interview guide was prepared to seek the opinion of a cross section of customers of the sample branches on the nature and quality of services provided by the Bank.\(^2\)

iv. Sampling

For each of the sample branches a cross section of different categories of employees, both award staff and officers, were selected by using the stratified purposive sampling method (See Table 1.2). In all 125 employees-- 50 officers and 75 award staff were selected and the common questionnaire meant for both the categories was administered to them. (See Appendix III).

v. Data Collection

The data on different areas of the study were collected from the files, records and documents of the sample branches, Divisional Office, Bhubaneswar and the Zonal Office, Orissa, Bhubaneswar and trade unions of the Bank. Besides Annual Reports of the Bank, brochures, Indian Banks Association (IBA) Bulletin, RBI Bulletin, relevant books, journals and periodicals were consulted.

\(^{1}\) For details see Appendix- III.
\(^{2}\) For details see Appendix- IV.
Table 1.2: Number of Officers and Award Staff Employees Selected from the Sample Branches.

<table>
<thead>
<tr>
<th>SI No</th>
<th>Name of the Branch</th>
<th>Officers</th>
<th>Total Officers</th>
<th>Clerical Staff</th>
<th>Award Staff</th>
<th>Sub-Staff</th>
<th>Total Award Staff Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Scale-I Manager</td>
<td>Scale-I Officer</td>
<td>Scale-II Manager</td>
<td>Scale-II Officer</td>
<td>Scale-III Manager</td>
<td>Scale-III Officer</td>
</tr>
<tr>
<td>1</td>
<td>Puri Town</td>
<td>6</td>
<td>1 1 1 1 2 5</td>
<td>1 1 2 1 3 7</td>
<td>1 1 - - -</td>
<td>1 1 6</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Sahayoddagar Bhawanpur</td>
<td>6 1 1 8</td>
<td>1 2 1 3 7</td>
<td>1 1 - - -</td>
<td>1 2 9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Nimapara</td>
<td>2</td>
<td>1 1 1 2 5</td>
<td>- - - - -</td>
<td>1 1 6</td>
<td></td>
<td></td>
</tr>
<tr>
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<tr>
<td>5</td>
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<td>- - - -</td>
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<td></td>
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<td>6</td>
<td>Dasapal</td>
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<td>2 7</td>
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<tr>
<td>7</td>
<td>Dhanbad</td>
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<td>- - -</td>
<td>1 1 6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Angul</td>
<td>2</td>
<td>1 1 1 1 2</td>
<td>1 1 -</td>
<td>1 1 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Balasamghat</td>
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<td>1 1 1 1 2</td>
<td>- - -</td>
<td>1 1 3</td>
<td></td>
<td></td>
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<tr>
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<td>- - -</td>
<td>1 1 3</td>
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<td></td>
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<tr>
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<td>12</td>
<td>Kamtha</td>
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<td>- - -</td>
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<tr>
<td>13</td>
<td>Sadsahapur</td>
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<td>- - -</td>
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<td></td>
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<td>14</td>
<td>Talmut</td>
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<td>1 1 3</td>
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<tr>
<td>15</td>
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<td>1 1 1 1 2</td>
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<td></td>
</tr>
<tr>
<td>Total</td>
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<td>31 3 2 1</td>
<td>50 5 18 6 6 20 55 3 2 2 1</td>
<td>12 20 75</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1.8. Limitations of the Study

Any study of this kind may have certain limitations. The study is based primarily upon the information collected from the sample branches and the Bhubaneswar Divisional Office of the UCO Bank. But availability of organised and up-to-date information posed formidable difficulty. Because of this, there were frequent data gaps and some gaps could not be filled even at the time of finalisation of this study.

In view of the time and cost constraints it was not possible to make a census study of all the branches of the UCO Bank, Bhubaneswar Division. As such only a few branches were selected for the purpose of the study. Nevertheless, the findings may give an overall idea about the HRM policies and practices in the UCO Bank, Bhubaneswar Division.

1.9. Presentation of the Study

The study is presented in eight chapters. The first chapter discusses the problem and methodology besides giving a brief review of available literature on different aspects of HRM in the banking industry. In the second chapter an attempt has been made to outline the profile of the UCO Bank, Calcutta, its Orissa Zone, Bhubaneswar Division and selected Branches under Bhubaneswar Division. The third chapter deals with the policy and practices relating to human resource acquisition and development. The fourth chapter presents the employee compensation system and benefits. The fifth chapter covers industrial relations in the banking industry in general and the UCO Bank in particular. The sixth chapter focuses on the customer services in the UCO Bank. The seventh chapter deals with the
evaluation of human resource management practices in the selected branches. The final chapter covers the overall conclusions of the study and the suggestions offered to improve the HRM practices in the UCO Bank.