6.1 INTRODUCTION

Human resource is the most valuable and challengeable asset of all types of organizations. HRD develops positive personality traits, skills, knowledge, commitment, value and ability in a person to perform his duties smoothly and effectively.

The present chapter has been prepared to discuss the findings of the study analyzed by the researcher and to offer recommendations for improving the pattern of HRD policies and practices in private sector banks. The main findings of the study regarding HRD policies and practices followed by selected private sector banks are listed hereunder:

6.2 FINDINGS

6.2.1 FINDINGS BASED ON CLOSE ENDED STATEMENTS

(A) Recruitment and Selection Practices

Looking to the recruitment and selection practices in the selected banks, the study derived major findings that maximum of –

(1) 72.75% respondents responded that the selected banks have balanced manpower capacity.

(2) 27.50% employees stated that campus recruitment is the main recruiting source.

(3) 62.00% respondents replied that consideration of merit of qualifying examination is main recruitment method adopted.

(4) 83.25% employees stated that experience and qualification both attributes are preferred for recruitment and selection.

(5) 90.75% employees said that none of the reasons like unplanned recruitment, external pressures as well as lower level of performance of existing employees are applicable for imbalanced manpower.
(B) Training and Development Practices

Observing training and development practices of the selected banks, the study exhibited key findings that highest of –

(1) 38.50% respondents expressed their response that training and development programmes of the bank serve only organizational objectives.

(2) 35.25% employees stated that supervisory recommendations are consider utmost vital source for identifying training needs.

(3) 38.50% respondents responded that conference and workshops is an effective on the job/off the job training and development method.

(4) 36.00% respondents replied that time constraints are highly faced at the time of training and development.

(5) 54.00% employees answered that all factors viz., increased individual efficiency, updated knowledge, improved interpersonal relationship, career development and improving organizational efficiency have fruitful outcome of training and development programmes of the banks.

(C) Job Satisfaction Practices

Considering job satisfaction practices of the selected banks, the major outcome of the study revealed was that majority of –

(1) 31.00% respondents stated that career opportunities are highly responsible factors of job satisfaction.

(2) 39.75% employees replied that an overtime allowance is a highly effective salary factor responsible for job satisfaction.

(3) 21.254% employees responded that safety and security highly affect work environment for job satisfaction.

(4) 29.00% respondents responded that recognition of performance by management is most effective factor for employees’ job satisfaction.
(5) 62.75% respondents said that they are very happy with the overall level of job satisfaction.

(D) **Performance Appraisal Practices**

**Taking into account performance appraisal practices of the selected banks, the important results interpreted are maximum of –**

(1) 33.50% respondents stated that confidential records are used for performance appraisal of the employees.

(2) 52.75% employees reported that raters error is a common and biggest barrier in performance appraisal system.

(3) 71.25% employees replied that performance appraisal system is done annually.

(4) 31.00% respondents replied that performance appraisal helps in improving employees’ performance.

(5) 44.50% employees said that they always participate in performance appraisal system.

(E) **Compensation Practices**

**The study investigated compensation practices of the selected banks and observed major outcomes that majority of –**

(1) 59.50% employees said that automatic progression is considered for employees’ salary increment.

(2) 25.75% employees responded that they favour of receiving annual increment in form of deferred benefits.

(3) 48.50% employees responded that wages and salaries are periodically revised.

(4) 51.00% employees stated that they perfectly agree that money is their first preference.

(5) 53.25% respondents said that they do not have any idea whether bank consider wage fixing institutions before fixing remuneration or not.
(F) **Promotion Practices**

The study evaluated promotion practices of the selected banks and derived at major findings that maximum of –

1. 55.25% employees said that promotion occurs annually.
2. 34.50% respondents stated that bank adopts promotion on the basis of employee’s multidisciplinary knowledge.
3. 29.75% employees replied that they enjoyed promotion by moving to a highly-skilled and highly evaluated job.
4. 52.50% respondents reported that they perfectly agreed that promotion policy is badly needed for retention of competent employees.
5. 48.50% respondents stated that promotional strategies used by the banks based on the performance are satisfactory.

(G) **Quality of Work Life Practices**

After examining the quality of work life practices of the selected banks, the major findings derived is that maximum of –

1. 37.75% employees responded that allowances other than basic pay, annual increment and incentives are highly responsible for their quality of work life.
2. 39.75% respondents stated that safety measure benefits are highly responsible for their quality of work life.
3. 38.25% employees expressed that freedom to make suggestion at the workplace is highly responsible factor for their quality of work life.
4. 37.75% respondents said that work overload occupational stress has lofty impact on their quality of work life.
5. 29.50% respondents reported that suggestion system is the best strategy of the banks for their quality of work life.
(H) Motivation Practices

Observing motivational practices of the selected banks, the major outcome presented by study is that maximum of –

(1) 48.75% employees responded that their recognition satisfies their intrinsic motivational factor.
(2) 48.25% employees reported that working conditions satisfy their extrinsic motivational factor.
(3) 36.50% employees said that fringe benefits are the most motivating factor for them.
(4) 47.00% employees responded that bank’s working conditions are the most de-motivating factor for them.
(5) 50.50% employees reported that they are very much motivated in their present job.

(I) Career Development Practices

Monitoring career development practices of the selected banks, the major results interpreted by study are that maximum of –

(1) 50.25% employees stated that skill development is a continuous career development ensured by the banks.
(2) 36.50% employees responded that clarification of goals and objectives of the banks highly contributes to their career development.
(3) 39.25% respondents said that supervisor’s encouragement highly affects their career development.
(4) 30.25% respondents replied that training and development programmes are useful in long-term development of their career development.
(5) 50.00% employees stated that they moderately agreed that banks help in employees’ self and career development.
(J) **Employee Retention Practices**

In case of employee retention practices of the selected banks, the major results derived by the study are that maximum of –

1. 52.75% employees stated that there is severe rate of attrition in the selected banks.
2. 37.00% employees replied that banks provide conveyance charges for employee retention.
3. 34.75% respondents responded that motivation in form of salary improvement retains employees’ in the job.
4. 32.25% employees said empowering employees is the best strategy of the banks to retain employees.
5. 53.50% employees perfectly agreed that selected bank’s productivity highly affects in retaining competent employee.

6.2.2 **FINDINGS BASED ON FIVE POINT LIKERT SCALE**

(A) **Recruitment and Selection Practices**

In case of recruitment and selection practices in the selected banks, the major outcome derived is that maximum of –

1. 50.75% employees agreed that recruitment and selection system of the banks is well defined, scientific and rigorous.
2. 52.25% employees strongly agreed that selection system selects the candidate having desired knowledge, skills and attitudes.
3. 44.50% employees agreed that valid and standardized tests are used in the selection process of the employees.
4. 46.75% employees agreed that comprehensive selection process is used before rendering decision.
5. 45.50% employees agreed that unbiased test and interviewing techniques are used for employee selection.
(B) **Training and Development Practices**

Considering training and development practices in the selected banks, the study derived major outcome that maximum of –

1. 39.75% employees agreed that training programmes are periodically reviewed and improved.
2. 48.25% employees strongly agreed that investment in training and development programme depends upon the gap between skill and knowledge required and available.
3. 40.25% employees strongly agreed that training and development programmes greatly affect the behavioural changes like increase confidence, encourage creativity, develop proactiveness, improve morale and better analytical ability.
4. 49.25% employees strongly agreed that methods and teaching aids used, facilities and equipments provided by the banks are most appropriate and effective.
5. 42.00% employees strongly agreed that they help to deal successfully with the complex nature of challenges that confront the banks.

(C) **Job Satisfaction Practices**

Observing job satisfaction practices in the selected banks, the study derived results that maximum of –

1. 48.00% employees strongly agreed that comfortable working environment like space, light, seating arrangement, air condition, etc. is provided.
2. 39.00% employees agreed that adequate rights and authorities are given for taking decision at work.
3. 44.50% employees disagreed that they experienced or observed discrimination or harassment at the banks.
(4) 48.00% employees agreed that they get enough opportunity to interact with other employees on a formal or informal level.

(5) 52.50% employees disagreed that job is highly repetitive and boredom and feel under pressure at work.

(D) **Performance Appraisal Practices**

**Investigating the results of performance appraisal practices in selected banks, the study revealed the following results that majority of –**

(1) 44.00% employees strongly agreed that performance appraisal system is growth and development oriented.

(2) 39.75% employees strongly agreed that performance provided by them is based on feedback and counseling.

(3) 38.50% employees agreed that performance appraisal system is unbiased and transparent.

(4) 50.00% employees strongly agreed that performance appraisal information is used for bonuses, promotions, motivations and selected training.

(5) 50.00% employees strongly agreed that performance appraisal system is modern and uses the latest techniques and technology.

(E) **Compensation Practices**

**Taking into account compensation practices in the selected banks, the study observed the following conclusions that majority of –**

(1) 39.75% employees agreed that compensation offered by banks match their expectancy.

(2) 45.75% employees strongly agreed that compensation is directly linked to their performance.

(3) 45.25% employees agreed that compensation plan is revised accordingly with the economic situation by the banks.
(4) 46.00% employees strongly agreed that pay incentives such as bonus or profit sharing are an important part of the compensation strategy.

(5) 45.50% employees strongly agreed that annual increment is given as per the standards.

(F) Promotion Practices

Witnessing promotion practices in the selected banks, the study concluded the following results that majority of –

(1) 52.75% employees strongly agreed that they have been getting promotion as per their qualifications and experience.

(2) 49.50% employees strongly agreed that promotions are made on merit basis.

(3) 41.50% employees strongly agreed that promotions are based on their potential rather than present performance.

(4) 46.50% employees disagreed that promotion policy includes extraneous considerations e.g. political recommendation.

(5) 67.50% employees agreed that they get cash award/salary increase/promotion for outstanding performance.

(G) Quality of Work Life Practices

The study examined quality of work life practices of the selected banks and derived at major findings that maximum of –

(1) 45.75% employees agreed that genuine grievances are redressed satisfactorily by the management.

(2) 43.25% employees strongly agreed that welfare facilities like pension, medical, transport, housing facilities, etc. are provided.

(3) 46.00% employees disagreed that their job yields too much physical, emotional and mental stress.

(4) 60.00% employees agreed that they are satisfied with the job enlargement and enrichment policy.
49.50% employees agreed that they are consulted and respected in major decision making by both subordinates and superiors.

(H) Motivation Practices

In case of motivational practices of the selected banks, the outcome revealed is that maximum of –

(1) 49.25% employees agreed that sympathetic and caring attitude of superiors and top management motivates to work harder.

(2) 49.25% employees strongly agreed that skilled training provides the confidence to put more effort to perform better in the job.

(3) 44.50% employees agreed that diverse perspectives are valued/personal views are accepted by the banks.

(4) 42.25% employees strongly agreed that they are motivated by giving authority to make decisions necessary to accomplish assigned tasks.

(5) 51.00% employees strongly agreed that awards/recognitions are used as a technique for motivating both the employee and his/her family.

(I) Career Development Practices

After examining the career development practices of the selected banks, the major findings derived is that maximum of –

(1) 41.25% employees agreed that supervisor regularly discusses with them about career development.

(2) 44.75% employees strongly agreed that adequate and relevant knowledge and skills are acquired through the training programs.

(3) 47.25% employees agreed that adequate preparation or orientation is given on knowledge and skill, before being assigned new roles.

(4) 46.00% employees strongly agreed that employees get career guidance from their supervisor without any hesitation.

(5) 43.00% employees strongly agreed that job rotation is done to facilitate their development.
(J) Employee Retention Practices

The study evaluated employee retention practices of the selected banks and derived at major findings that maximum of –

(1) 45.00% employees agreed that employees are retrained and redeployed rather than being de-recruited.
(2) 43.25% employees strongly agreed that banks do not cultivate a hire and fire image although inefficiency of the employee.
(3) 43.50% employees agreed that banks have a well defined termination pay policy.
(4) 55.50% employees disagreed that they constantly look forward for change in job as allotted job task is monotonous.
(5) 60.50% employees agreed that weaknesses of employees are communicated to them in a nonthreatening-way.

6.2.3 FINDINGS BASED ON HYPOTHESES TESTING

1. There is significant difference in valid and standardized tests used in the selection process of the employees and comprehensive selection process is used before rendering a decision among the selected banks.

2. There is a significant difference in the training and development practices viz., investment in training and development programme depends upon the gap between skill and knowledge required and available, training and development programmes greatly affect the behavioural changes as well as training and development programmes helps to deal successfully with the complex nature of challenges among the selected banks.

3. There is significant difference in the job satisfaction practice that job is highly repetitive and boredom and feel under pressure at work among the selected banks.
4. The study depicted significant difference in the performance appraisal practices viz., performance appraisal system is growth and development oriented, performance appraisal information is used for bonuses, promotions, motivations and selected training and performance appraisal system is modern and uses the latest techniques and technology among the selected banks.

5. Compensation practices viz., compensation offered match the expectancy of the employees, compensation of the employees is directly linked to their performance, compensation plan is revised accordingly with the economic situation, pay incentives such as bonus or profit sharing are an important part of the compensation strategy while annual increment is given as per the standards has significant difference among the selected banks.

6. The study reported significant difference in employees getting promotion as per their qualifications and experience, promotions are made on merit promotion policy includes extraneous considerations e.g. political recommendation among the selected banks.

7. Looking to quality of work life practices, study reported significant difference in welfare facilities (like pension, medical, transport, housing facilities, etc) are adequately provided among the selected banks.

8. There is a significant difference in sympathetic and caring attitude of superiors and top management that motivates to work harder and skilled training provides the confidence to put more effort to perform better in job among the selected banks.

9. There is a significant difference in supervisor regularly discusses about career development, adequate and relevant knowledge and skills are acquired through the training programs and Employees get career guidance from their supervisor without any hesitation among the selected banks.
10. The study does not depict any significant difference in employee retention practices.

6.3 RECOMMENDATIONS

The following are some of the recommendations outlined in the study:

1. The bank organizations should ensure of having adequate manpower. The shortage of manpower may affect the delivery of banking products as well as use of technology.

2. Strong support from top-level bank managers should be provided to the employees for organizational development by understanding employees’ issues, having discussion with them, encouraging employees’ by creative ideas for work, etc.

3. The bank management should arrange induction based on the job training to facilitate employees’ development and improve their skill, knowledge and performance. Apart of training, banks should encourage their employees for effective interaction with peers and mentors through a well structured mentoring programme.

4. Career planning process should be strengthened in the banks as huge chunk of employees at middle levels are found stagnated. So, banks should expand avenues for promotion by inter-bank promotions and mobility.

5. Instead of skill based rewards, performance and productivity based rewards should be implemented by the management.

6. Management should make aware about the allowances and fringe benefits to the employees.

7. Banks can send bright employees to abroad on fellowship/scholarship for higher studies and learn new technology in order to attain competence at global level.

8. Superiors in the banks should guide their subordinates and cooperate with them to enable good team spirit and openness.
9. Finally, bank management should explore the possibilities to introduce the HRD mechanism with advanced techniques.

10. There should be award schemes administered by prestigious organizations and Government agencies for best HRD policies & practices amongst private sector banks operating in India.

6.4 CONCLUSION

HRD policies and practices are very important for all the organizations and the banking sector is not an exception especially in present competitive world. Thus researcher tried to find the difference in the perception of the respondents (employees) regarding HRD policies and practices. The study found that HRD practices followed in the selected banks are good and satisfactory in case of recruitment and selection, job satisfaction, quality of work life, motivation and employee retention practices. On the contrary, the employees are somewhat not satisfied with some of the practices related to training and development, performance appraisal, compensation, promotion and career development. So there is a scope for improvement in the HRD climate for the selected banks under study.