CHAPTER – II

REVIEW OF LITERATURE

Review of selected literature is an essential part of every research process. It helps us to examine and evaluate what has been said earlier on the research subject. The prevailing theories, hypothesis and methodologies can be understood in an effective manner. The gap in the research area can be indentified only through it. Realising, its significance and relevance for the research work, an attempt has been made to review the relevant studies in the area of human resource management. An overview of various aspects and issues of this study is presented through the review of literature. Some of the selected studies undertaken for review are discussed as under:

Srinivas (1990), conducted a study to find out the selected weak central cooperative banks in Andhra Pradesh with the objective to examine problems faced in the organization structure and other managerial problems. The study covers a period of 13 years from 1968-69 to 1980-81. He concluded that due to lack of sense of responsibility among management personnel, the banks under the study failed to perform efficiently. The organizational structure was also not well-designed and it did not suit the needs of these banks.

Govinda (1992), in his doctoral work, ascertained the existing system of manpower management, contribution of manpower in profitability of banks, and most effective method of motivating the employees in the public sector banks. The present study covered a period of 10 years from 1977 to 1986. A sample size of 2652 employees had been taken for the purpose of the study. He found that profitability of public sector banks was mainly affected by three variables, viz. manpower, branch expansion in rural areas, and priority sector advances. Of all the three variables, manpower influenced the productivity and profitability most. One of major factors that also inhibited the employees’ productivity was improper working
environment and work facilities. The study also revealed that there was absence of adequate communication system and work standard in the bank. The training facilities were inadequate. He further pointed out that ineffective grievance procedure, improper performance appraisal system, and lack of employees' participation were other factors affecting the performance of the banks under study. There was also the absence of well-defined promotion policy, and proper recruitment system in the bank. Majority of the respondents found their work monotonous. The study provided that that bank should re-organize its banking structure and improve the working conditions.

Mathew (1992), in his Ph. D. thesis, attempted to assess the effectiveness of personnel management practices, compensation system and level of job satisfaction of employees to evaluate the industrial relations in the cooperative organizations in the state of Kerala. A sample size of 459 employees had been taken for the purpose of study. The study covered the period from 1987 to 1992. He found that personnel management practices in the cooperative organizations of Kerala were not satisfactory. There was no proper planning, recruitment, selection procedure, and performance appraisal system in these organizations. It was also found that seniority based promotion policy was followed; and most of the employees had favoured it. The employees in these cooperative organizations were fairly compensated but most of them had shown dissatisfaction with their emoluments. He suggested that cooperative organizations should improve their personnel policies.

Purohit (1992), in his doctoral thesis, investigated the human resource development practices followed in State Bank of Bikaner & Jaipur (SBBJ) and Bank of Rajasthan. The sample size consisted of 130 bank officers for the purpose of this study. He found that there was a good development climate in both these banks in Rajasthan. Bank had recognized the importance and implementation of training
programmes. But the performance appraisal system was of an average level. The commerce graduate employees were found more critical of the performance appraisal system as compared to science and arts graduates. It was also found that dominant leadership style was adopted for the development of employees in commercial banks. Further, he also pointed out that both these banks followed most of the human resource development practices. He emphasized that commercial banks should recruit HRD experts for developing human resource. It will keep the banks to improve their performance.

Mahajan (1993) examined the organization structure, perceptions, attitudes, and beliefs of the employees toward the HRD climate, effectiveness of the performance appraisal system and training in the development of human resource in National Fertilizer Ltd., Naya Nangal. He found that organization structure of the enterprise was well-laid and suited to the organization functions. Employees were found helpful to each other and satisfied with the personnel policies of the organization. He also concluded that top management had shown interest in the development of employees and confidential reporting system was used as a performance appraisal technique but it was not an effective technique to measure the performance of employees. The prevailing training practices were found to be satisfactory and well-oriented. He emphasized that there was need of improvement in performance appraisal system and training programmes in the changing and dynamic environment.

Sivaprakasam (1993), in his research paper, discussed the organizational structure, profile and personnel management concepts like recruitment and selection, training, salary administration, working conditions, grievance redressal, employees’ union, management relation and job satisfaction of the employees working in the central cooperative banks in Tamil Nadu. The study covers a period of 10 years from 1978-79 to 1987-88. He concluded that there was no uniformity in relation to cadres of central cooperative banks.
There was shortage of manpower and sincere efforts were not made to fill these vacancies in the banks. He also concluded that there was no systematic arrangement to train the employees. Further, most of the employees had shown dissatisfaction with the working conditions of these banks. It was also found that employees’ union had played an important role in the redressal of their grievance. Each bank followed its own pay scales; and the relations of employee union and management were not cordial.

**Jammu (1994)** studied the organizational structure and personnel management aspects like recruitment, selection, placement, promotion, training, pay & allowances, fringe benefits, code & discipline and employee-employer relationship in Punjab & Sind bank. He concluded that employees were found satisfied with the recruitment policy and special training courses conducted by the bank for them. However, the employees were not satisfied with the promotion policy of the bank as it was marred by political influence. Training facilities were not adequate and training centers were not well-equipped. The study also brought out that employees were satisfied with regard to salary structure and code & discipline in the bank.

**Massey (1994)** opined that people in an organization were most important asset. He explored some of the reasons why strategic human resource management is a critical issue and organizations were finding it as a difficult approach to implement. He identified key risk areas of not taking a strategic approach to human resource management. He also explained reasons like history issues, capabilities, issue of power, personality and culture & expectations which affected the organization. He emphasized that chief executives should clarify their expectations, check HR director’s capabilities and necessary organization arrangements. He further advised that to HR director to develop power base personnel ability, evaluate the
efficiency and effectiveness of HR functions in relation to some very basic administration functions.

**Krishana and Reddy (1996),** in their research paper, had taken a study to understand the nature, dimension and practices of performance appraisal and potential appraisal in Bharat Heavy Electronic Ltd. (BHEL), Hyderabad. A comprehensive empirical study was conducted in the Hyderabad unit during the period 1985-86 to 1993-94. Both primary as well as secondary data was used for the purpose of study. Secondary data was collected from BHEL annual reports, general reports, personnel manuals, performance overview reports, human resource overview reports and annual reports of human resource development of the unit. A sample of 116 employees had been taken for the purpose of study. On the basis of findings of the study he concluded that performance appraisal system identified the development needs, skills and motivational needs to be taken place. The appraisal systems had provided an opportunity for each appraisee to communicate the support he needed from his superior to perform the job and an opportunity for self motivational values through periodical appraisal for acquiring additional capabilities. With regard to potential appraisal, most of the employees had expressed that the potential appraisal was practiced in BHEL for assessing the individual potential. The system provided choice and directions regarding potential of the employee and helped the organization to plan for career and succession development.

**Kumar (1996),** in his Ph.D. thesis, made an attempt to study HRD practices with regard to different variables like age, sex, marital status, designation, educational qualification, length of service, mode of employment and contribution of the different HRD sub systems in the development of human resource. For this purpose, 200 employees were selected as a sample for the present study. He concluded that most of the employees got training but variables such as age and sex were not taken into consideration during training of employees. It was
also found that employees were not satisfied with promotion policy; and education and professional qualification were not given due weightage in promotion and transfer of employees. He further concluded that recruitment was made according to the manpower requirement and these variables were not taken into account at the time of recruitment; and majority of the employees were satisfied with the welfare facilities, performance appraisal system of the bank and their attitude toward management was found positive.

Oswick and Grant (1996), in their paper, focused on the development and growth of human resource management, institutional role of personnel functions in public sector and its influence on public sector. Fourteen public sector organizations were formed the basis of sample including Local Authorities, the National Health Services (NHS), Educational Institutions and Civil Services. A sample of 112 people was considered for the purpose of study. They concluded that the changes in the practices of public sector personnel management had an adverse effect on the relative power of personnel practitioner. There had been a decline in the personnel professional’s power base in perceptual changes in management of human resource. Human resource management practiced in the public sector was not the strategic management of human resource. Those activities were seen as a set of HRM-oriented practices which were cost driven. The results of the study also suggested that professionalization of management and de-professionalization of personnel management had been further compounded by high unemployment and low trade union power which needed improvement.

Nainta and Verma (1997), in their research paper, aimed to study the willingness of the management toward HRD training techniques & procedure followed in the bank and role of training in improving the output. A sample of 150 employees was taken for the purpose of study. They concluded that top, middle and lower level management had desirable willingness for the HRD programmes. It
was also found that employees were satisfied with the present training techniques; and training had improved the performance of the employees in the bank. He suggested that all the employees who were deficient in training should be sent to the other training institutes having facility of executive development; and bank should allocate more funds for the training and welfare of the employees.

**Prasain (1997)**, in his research paper, studied the concept of training and development in Life Insurance Corporation (LIC). He concluded that although LIC had established officer training centre and zonal training centre to impart training to its employees, but achievements were not satisfactory. There was absence of appropriate feedback system to measure the effectiveness of training. He suggested that training programmes must be reoriented to produce new attitude, new awareness, improved skill and responsibility among officers and non-officers.

**Louma (1999)**, in his research paper, introduced the term ‘human resource development orientation’ as the key factor affecting the use of training and development activities in companies. The data was collected from a representative sample companies operating in one of the major industries in Finland. The sample consisted of 81 Finnish based organizations. The results showed that there were differences in the manners, the company perceived the role of HRD in business; and differences in HRD orientation were also seen. The result also indicated that management of HRD in companies could be described with the help of need driven, opportunity driven and capability driven role. HRD orientation acted as a background factor affecting the nature and impact of HRD initiative taken up by the companies and most common form of HRD orientation was the emphasis on the capability-driven role while other roles were at the average level.

**Matley (1999)**, in his research paper, carried out a three-year comparative study of employee relations in small and medium sized
organizations in Britain. The study was undertaken with an objective to identify record, analyze the nature and extent of employee relations in micro-business. The study covered a period from 1995 to 1997. A sample of 600 small businesses was selected and owners/managers as well as employees of these organizations were interviewed on the basis of study. He concluded that majority of the owners and manager expressed preference for informal management style; and human resource management functions in micro firms were considered crucial to overall business strategy. A close scrutiny of employee relations in micro-businesses highlighted that recruitment procedure in these types of firms involved the use of an owner/manager personnel network and training needs were evaluated informally. The study concluded that the respondents adopted an informal approach to pay bargaining but owner/management approached informally to the grievances involving managerial, clerical or specialist staff. The supervisors and line managers dealt formally with grievances involving workers and operatives.

Gupta (2000) analyzed the training and development activities of Bharat Electronic Limited (BEL) in the face of changing global economic scenario. A sample of 120 employees had been taken for this purpose. He concluded that most of the non-executives were satisfied with the HRD and training programmes which were based on the genuine training needs. An effort had been made to know the view point of executives as to the HRD programmes of the company. He deeply examined the training and development programmes and perception of staff towards the HRD programmes of the company.

Sidhu (2000), in his research paper, emphasized on the development of personnel in State Bank of Patiala. He deeply examined the human resource development system of the bank. He analyzed the training needs of personnel of the bank and further studied the different training programmes implemented by the bank. He also studied the Human Resource Information System (HRIS) of
the bank and concluded that trade unions became a hindrance in implementation of new technology as represented by computers. He suggested that need of technical skilled personnel would be felt as introduction of technology in the bank which would create a better career path and give better training to the employees for development.

Saha (2002), in his research article, explained the importance of human relations in an organization. He opined that every organization must pay due importance to maintain harmonious relations with its working people. The maintenance of effective human relations in an organization was critical to its success. He concluded that in Indian industries, personnel executives will have to prove that their survival, growth and competitiveness of organization entirely depend upon employees’ attitude, morale, commitment, and loyalty to the organization. He suggested that management should maintain a co-operative environment with unions instead of conflicting with them. He further viewed that every organization in public sector must develop its human resource in tune with government policies so that they could exhibit excellence in their activities by systematic utilization of inner qualities of its human resource.

Dagar (2003) studied the objective to study the internal factors having effect on industrial relations and to find out the relative importance of these factors for industrial relations in Small Scale Industries (SSIs). A sample size of 50 SSIs, 50 employers and 150 employees was taken for the purpose of study. The study revealed that most of the employees considered wages, bonus and incentives as the main issues for industrial disputes in SSIs, while management showed a casual attitude regarding working and physical conditions, industrial housing and other facilities. High importance was given to introduction of change and job security for industrial disputes. Majority of the employees considered a good promotion policy essential for cordial industrial relations and gave less importance to
discipline system, grievances handling procedure, worker participation in management and nature of supervision.

**Narayanankutty (2003)**, in his research paper, explained the concept of Human Resource Accounting (HRA) that it was an information system which told the management what charges overtime were occurring to human resource in an organization. The concept of HRA was new in India and very few Indian industries were adopting it. He explained that HRA involved two aspects; investment made in human resource and value of human resource. Investment in human resource could be made in expenditure on advertisement for recruitment, cost of selection, training costs, allowances and salary, provident fund and medical expenses; and the value of human resource could be measured as time rate of return, per capita operating income, human resource ratio to total resource, salary and wage allowances, operating income and rate of return of human resource. He explained these concepts with the data of Cochin Port Trust. He concluded that HRA is an emerging concept in the field of HRM and gaining importance in organizations.

**Singh (2003)** undertook his study to explore the effects of human resource practices on the firm performance. For the purpose of study, a sample size was drawn from firms listed in Business Today (500 Indian firms) for three years 1995, 1996 and 1997. The study was conducted with an objective to find out the link between human resource practices and firm performance. These human resource practices included selection, performance appraisal, job description, employees participation, career planning, compensation, information sharing and firm performance which includes turnover, productivity and financial performance. The results showed that more investment in human resource could not result in higher performance.

**Bhudhwar and Boyne (2004)**, in their research paper, made an attempt to compare the human resource management practices in Indian public and private sector organizations. The key areas of
analysis were the structure of human resource department, recruitment and selection, pay and benefits, training and development, and employee relation in organization. A questionnaire survey of sample size 450 was adopted to collect data from the Indian firms having 200 or more employees for the period January 1995 to April 1995. He concluded that on an average there was similarity in the recruitment and selection practices which were based on external sources in both public and private sector, the difference was that private sector recruitment approach was affected by social contacts. With respect to the compensation, public sector approach was based on seniority, while private sector approach was based on skill and competency. The research revealed that the gap between human resource practices in two sectors was not frequently significant.

**Dayanandan (2004),** in his research paper, evaluated the training and development of the employees working in selected District Central Banks (DCBs) in Kerala. For the purpose of the study, 244 sample respondents were selected from the three banks (Trivandrum, Ernakulam and Kozhikode). He concluded that majority of the employees were not given sufficient induction training before placement to their new job, and the majority of junior level employees had not attended any training programme. The training programmes conducted for senior level employees were adequate and satisfactory, while training to junior level employees was always neglected by the management. He emphasized that for the success of DCBs, it was necessary to prepare a training plan for junior level employees.

**Jacob (2004),** in his doctoral work, studied the industrial disputes and their forms, nature, extent of worker participation in management. He also evaluated the working procedure for settlement of grievances in public sector. A sample size of 10 per cent of total workers was taken for the purpose of this study. The study covered a period of 10 years from 1990 to 1999. He concluded that the industrial disputes and those arising from strikes and lockouts in
public sector undertakings in Kerala were found few; and wage settlement and bonus were the main causes of disputes. The study also revealed that worker participation in management helped the management framing the policy regarding service conditions, productivity, administration and supervision. A proper grievances settlement procedure existed in these enterprises. Management always considered the grievances favourably; and these were generally presented through the trade unions. The overall results of the study showed a fairly good industrial relations system in public sector undertakings in Kerala.

Laila and Sajjad (2004), in their research paper, analyzed the policies and practices of Kuwaiti corporate companies for training and continuing development of their Information Technology (IT) and information professionals. A sample of 30 companies was taken for the study. Companies picked were from different categories of finance, banking, service and trade. Data was collected through interviews with managers of these companies. They concluded that Kuwaiti companies used a variety of orientation and induction activities. They were also committed to use diverse mode of in-housed professional training. They had the formal and informal training activities individualized as well as group-oriented. It was also found that almost all the companies had intensive programmes for providing systematic induction to their new employees. Majority of them had in-house resources and facilities for training and most of them considered outside options for training. These companies were not satisfied with the role of higher educational institution in providing useful training to their employees. These results suggested that these companies should give serious consideration to training avenues used by them.

Matley (2004), in his paper, explained the human resource issues for the proposed research in small e-businesses. He raised some important questions of the role and impact of human resource in e-business development which could be used for research purpose.
Small business strategies must also prove feasible in terms of human and physical resources. The main focus of the research agenda should be on training and human resource needs of small e-business owners/managers and their employees. Various training, human resource management and human resource development issues should be incorporated. A particular interest would be on the scrutiny of recruitment & selection, retention of specialist and technical staffs that design maintain and develop small e-businesses. Research should also cover those organizations which use e-business exclusively. In terms of impact on training and human resource issues, different factors would be explored, including organizational, sectoral and personal characteristics. A tentative framework for a research agenda in training related human resource issues needs to be designed to support the e-businesses. Its aim should be to establish short, medium and long-term trends in training, human resource strategies and to note that recruiting, developing and retaining suitable qualified staff has become a full time personnel function in small e-businesses.

**Kaushik (2005),** in his doctoral thesis, evaluated the organizational structure, human resource planning, recruitment policy, training process and performance appraisal of the Punjab State Cooperative Supply and Marketing Federation Limited (MARKFED). The study was mainly based on the primary data; and a structured questionnaire was used for the purpose of this study. He concluded that present structure of the MARKFED was formal and systematic. There was lack of human resource planning in the organization, and recruitment policy was also not fair. He further concluded that training was not given adequate attention in the MARKFED and there were no in-house training facilities for the employees. Annual confidential report was used as performance appraisal system to measure employees’ performance in the organization. He further suggested that organization should use recruitment mix in spite of using newspaper advertisements. A separate human resource
department for human resource planning was suggested by the researcher. Replacement of ACR with open appraisal system was also recommended.

**Mahajan and Sharma (2005),** in their research paper, covered the most of the HRD concepts i.e., recruitment, selection procedure, placement, training, promotion, wage salary, financial incentive, transfer, deputation, industrial relations, and political interference in the cooperative banks. A sample of 50 employees was taken for this study. They found that human resource development practices in the cooperative banks were not satisfactory. Employees were having low level of satisfaction with regards to the HRD practices followed in of these banks.

**Selvaraj and Deivakani (2005)** studied the profile of the society, and relationship between level of job satisfaction and other factors like locality, experience, age, marital status, educational qualification, salary and promotion. As many as 100 employees were taken as a sample for the study. The study revealed that that most of the employees were not satisfied with their present position. It was further pointed out that officers of the society were having better job satisfaction as compared to clerks and vendors.

**Sharma and Nayyar (2005),** in their research paper, made an attempt to examine the HRD mechanism in State Bank of India. The study presented an overall view of HRD practices, level of job satisfaction and HRD climate in State Bank of India (SBI) with special reference to Chandigarh circle which comprises Haryana, Himachal Pradesh, Punjab and Jammu & Kashmir. He concluded that SBI was the largest bank with largest manpower as compared to other commercial banks in India. The Bank had excellent customer service and well-designed training programme. Performance appraisal system, working condition and organizational climate were also satisfactory.

**Wang (2005),** in his research paper, aimed to understand the organizational effectiveness from recent developments in technology
innovation and human resource strategies. Firstly, he described the need for technology innovation and human resource management integration. A model of three strategies for global technology innovation and organizational development was adopted which were based on personnel strategy, system strategy, and organization strategy. He concluded that personnel strategy could play a crucial role in enhancing the effect of human resource management and entrepreneurship by supporting the main dimensions of HRM. The results of the study revealed that it was crucial to improve technology innovation ability by advancing HRM and HRM ability for High Technology Firms. System strategy was used to facilitate through knowledge management; and innovative human resource were integrated into organization system. Organization strategy was adopted to create positive organizational culture and high performance system. The paper suggested that strategies have implication for study of new informational technology innovation and electronic human resource development approaches as well as professional service, customer relations including strategic HRM.

**Hassan et al. (2006),** in their research paper, attempted to measure employee perception regarding human resource development practices on employee development and quality orientation in organizations. A sample of 229 employees belonging to eight organizations was taken for the purpose of study. A questionnaire, which measured career system, work planning system, development system and self-renewal system, was used for data collection. The results indicated that there were large variations in the HR practices adopted by the organizations; and combined effect of HR performance index was significant in predicting firm performance as well as employee turnover and productivity. The study revealed that employees’ satisfaction with HRD climate was predicted by learning & training system and employee development system. The results also suggested that organization which had an adequate system of potential appraisal and promotion, performance guidance and
development would be able to promote employee trust and satisfaction.

**Namasivayam (2006)** conducted a study to analyze the opinion of the employees on the performance of Madurai District Central Cooperative Bank Ltd. A sample of 60 employees was taken for the purpose of the study; and the data was gathered relating to the opinion on the performance of the bank with respect to resource mobilization, recovery performance, financial performance, human resource management and customers services. He concluded that working performance of the bank had been quite impressive in terms of deposit mobilization and credit deployment. The respondent employees of the bank revealed that higher rate of interest and security of deposit were the main reasons for attracting deposits. They felt that non-repayment of loan was due to natural calamities. It was also ascertained that the banking operations had been restricted due to lack of manpower and better working conditions. The success of cooperative bank under study depended upon effective manpower planning and management.

**Edwinaras and Soloman (2007),** in their study, analyzed the profile of Mayuram Urban Cooperative Bank Ltd., and measured the employees’ effectiveness of selected banks. A sample of 30 respondents had been taken for the purpose of study. The effectiveness of the employees was measured in terms of different ten behavioural dimensions. They concluded that the bank’s top level employees were more effective than the middle and lower level employees which were less effective. They suggested that middle level employees should improve their respective role in the bank and they should be growth-oriented. Lower level employees should improve their performance in the bank and think about their negative points by adopting new approaches of their role. They must overcome their shortcomings by improving their effectiveness for the success of the bank.
**Foster and Akdere (2007),** in their paper, aimed to examine the existing literature relating to organization vision and know the role of HRD in increasing effectiveness of organization vision. The paper revealed that vision development; vision content selection and vision implementation each required careful planning; and HRD played an important role in maximizing the effectiveness of organization vision. It also increased organizational effectiveness with organization functions like organization communication, employee development, organization development inventions and vision implementation. This paper also provided an opportunity to scholars for further research in area of HRD and organization vision, vision development and vision implementation.

**Lujane et al. (2007),** in their research paper, emphasized on using the information and communication technology to deliver human resource services known as e-HRM as a strategy in firms. They explained that e-HRM practices became necessary to the firms to compete world-wide under the impact of globalization and technology. They defined e-HRM as application of any technology enabling managers and employees to have direct access of HR and workspace services for communication, performance, reporting, team management and learning in addition to administrative application. For the purpose of this study four types of industries (manufacturing, consumer, business product, and service industry) from Mexico were taken as a sample and interview method was used for data collection. On the basis of findings of the study, they concluded that HR activities were delivered through companies self-service portals (e-compensation, e-training, e-recruitment and e-staffing). They also found that the firms were working towards changing the employee mindset for adopting e-HRM strategy.

**Ramu (2008),** in his paper, explained the various elements of human resource management like human resource policies, recruitment and selection, training and development, promotion,
performance appraisal, compensation, employee-employer relation, etc. He concluded that compared with other management functions, human resource management in cooperative banks was more sensitive and personalized issue. He emphasized that successful HRM requires a sound management philosophy that respects human dignity, diversity and commitment to the growth of employees. He further pointed out that belief in the value of employees’ contribution and then involvement in decision-making can lead to organizational effectiveness. He concluded that in the competitive environment strategic human resource management was missing in the cooperative banks; and suggested that there was a need to develop customer-oriented strategic human resource management in the cooperative banks.

Mellacheruvu and Krishnamacharyulu (2008), in their paper, had explained that recruitment was not adequate in public sector banks and there was shortage of employees as per requirement of the banks. Training had been a neglected function in these banks. They also opined that appraisal system of the employees had been in vogue and it needed to be reformed by making it more objective and linked to the bank objectives. They further found that rigidity in the system of rewards and promotion had no linkage with the performance of employees and banks were providing less compensation to their employees as compared to other organizations. It had created the problems of retention and succession planning in the banks. They also suggested that banks should be given autonomy to recruit and provide faster promotions for meritorious employees. Performance based promotion and reward system should be followed to build a service culture through HRD programmes.

Rupinder (2009), in her doctoral work, studied the recruitment and selection, training and development policies, performance appraisal system and employees’ perception about the HRM practices in Life Insurance Corporation (LIC). A sample size of 300 employees
had been taken for the purpose of study. She concluded that LIC had well-framed personnel policy and HRD philosophy. LIC had been very much conscious of training, and performance appraisal system was based on annual confidential reports. She further concluded that employees were of the perception that there was no provision for succession planning and no system to determine the training needs in LIC. She suggested that recruitment of LIC should be based on well-determined manpower planning and training; and development policies needed to be objectively evaluated for judging the effectiveness of employees.

**Manjinder (2009)** examined the employees’ perception regarding designing, implementation, and evaluation of the training and development programmes and comparative analysis of training and development strategies in public and private sector banks. A sample of 150 employees was taken for the purpose of study. She concluded that both private and public sector banks had focused on training designing part which was influenced by job requirement, technology advancement and internal mobility. She further concluded that both types of banks had used best possible methods for the training of their employees. She suggested that training programmes should be more diversified. The benefits of these programmes should be extended to all the employees working at different levels from time to time; and e-training concept needed to be implemented in these banks.

**Mann (2009),** in her Ph.D. thesis, evaluated the recruitment, selection, training and the wage policy of SSIs in Punjab. A sample size of 429 units had been taken for the purpose of study. She concluded that recruitment and selection in SSIs was done at factory gate and through agents and HRM personnel needed some special training. She further concluded that employees were of the view that wage policy had differed in different SSIs and wage matters were the major factor of conflict in these organizations. She suggested that
there was need of awareness of HRM practices in SSI and specific type of training was required to improve the skill of employees.

**Rao (2009)**, in his research paper, explained the effect of HRIS in improving human resource practices. He explained that use of technology in human resource had made a pivotal change in the human resource practices. HRIS enabled better HR services and had provided the information at a faster rate and improved the communication development. An effective HRIS provided information just about anything company needs to track and analyze about employees, former employees and prospective applicants.

**Kumar (2009)**, in his research paper, made an endeavour to study with the objective to study the awareness and satisfaction level of employees with regard to the HRM policies and practices in India Cements Limited, Sankari. A sample of 125 employees was taken for the purpose of study; and questionnaire method was used to collect the primary data. He concluded that majority of the employees were found satisfied with the HRM policies and practices followed by the company. Further, he found that majority of the employees had opined that they were satisfied with the employee-employer relations and welfare measures of the company. He also concluded that HRM policies and practices followed by the company were excellent. These might help the company to achieve vast development.

**Chopra and Khan (2010)**, in their paper, reviewed the existing human resource system and understood the significance of emerging trends and their implications on human resource. They concluded that traditional functions of human resource management now needed to be strategically directed towards developing organizational capabilities. They also observed that role of human resource managers was changing rapidly due to changes in government policies, role of unions, and labour legislations. New trends in HR were HRIS, strategic HRM, and HRM in cross cultural context, employees’ engagement and information technology in HR. They suggested that it
was a time to redefine HR practices according to the changing environment.

**Mishra and Akman (2010),** in their research study, made an effort to know the impact of introducing information technology in HRM. A sample size of 104 respondent IT professionals was taken for the purpose of study. They concluded that due to the advancement of information technology and e-HR, organizations became more competitive by reducing costs and improving productivity, quality and profitability in the field of management of human resource. Modern business and industries had taken suitable steps for the implementation of IT as the key area of management of HR. They also opined that there was no standardization in the integration of IT software and HRM function, and low level of integration was due to the lack of knowledge and training of IT among the employees. They also suggested that for the successful implementation of IT in HRM required that HRM department should spend more attention to the education and training of the employees in the area of information technology.

**Sukhminder et al. (2011)** aimed to study the best HRM practices suitable for an organization. They concluded that job security, safety, healthy and happy work place were the first best practices in HRM these days followed by the selective hiring of suitable candidates, training and development, performance incentive, performance feedback, rewards management, open book management style, and fair evaluation system of the employees. The study also provided that the fair HRM practices helped the organization in its development and to realize its objectives and goals.

**Mudor and Tooksoon (2011)** conducted their study with the objective to explain the relationship of three variables, viz. supervision, job training and pay practices with the job satisfaction and turnover of employees. They brought out that these three variables of HRM practices were positively associated with job
satisfaction and negatively associated with turnover of employees. They further explained that a strong positive relationship between HRM practices and job satisfaction had motivated the employees to work with efficiency; and negative relationship between HRM practices and turnover clearly enlightened the importance of good supervision, training and pay practice in order to reduce turnover rates of employees. They suggested that organization needed to take a consideration about job satisfaction and apply HRM practice in the work place in order to reduce turnover and gain organization goals.

Harman et al. (2011), in their research article, investigated the importance of HRIS and information technology in banking industry. They concluded that HRIS had wide scope in banks in the form of salary administration, leave & absence recording, skill inventory, performance appraisal, training and development, HR planning, recruitment, career planning, etc. They also described that HRIS required re-engineering of process which many banks found very hard to adopt and employees lacked sufficient training to adopt the new system. It had reduced the efficiency of the banks. They further suggested that HRIS database should be used as a single source of all the information related to HRM function in banks. It would lead to effective information exchange between HR processes and HRIS & IT platform. It would ease out the functioning of HRM in the banks.

Tripathi (2011), in his research paper, made an attempt to study the role of information system in HRM in Birla Corporation Limited. He concluded that Management Information System (MIS) was an integrated system of man and computer based machine for providing the information which helped the management in decision-making of the organization. He further viewed that information system had an impact on the important functions of top management and generated reports of good information of HR like monthly attendance, card replacement, sick reports, salary management and overtime detail reports, appraisal of employees’ performance with the help of
advance technology which was very important in HRM decision-making in Birla Corporation Limited.

Chakrabarty (2012) explained the importance of human resource management in banks. He concluded that survival of banks would depend on customers’ satisfaction and for this, banks need efficient and valued human resource. Among banks skilled manpower was in short supply, and HR had become a scared resource in banks, both in quantity and quality. He suggested that HR needed to be managed properly for the benefit of society. He further focused on the human resource planning, acquiring the right people, retaining, and developing the HR in the banks by providing them training and motivational factor. Lastly, he suggested that the banks needed concrete action plans to tackle the HR challenges in the competitive era.

Kumari (2012), in her paper, focused on the importance of HRD and industrial development in India. She concluded that HRD had provided the essential tools needed to manage and operate an industry in an effective way. She opined that for meeting the industrialization programme, HRD was a very fragmented, imprecise activity and it had achieved positive outcomes for the industry but current HRD pattern appeared to be static and needed vital change for the successful industrialization in our country. She also emphasized on the development of HRD practices in India to meet the challenges of globalization and liberalization in the industrial sector.

Ranjan (2012) conducted his study with the objective to know the satisfaction of the employees working in Municipal Council, Panchkula with regard to the HRM practices. The data was collected through a questionnaire from 58 respondent employees for the purpose of the study. He concluded that majority of the employees had shown their dissatisfaction with regard to the pay scale, training, transfer, promotion policy, disciplinary action system, service conditions, and management and employees relations in the council.
Further, he suggested that recruitment rules should be modified because these were very old. A re-look on disciplinary action system and transfer policy of the council was also suggested. There was need to improve the service conditions, and enhance promotion opportunities. A positive look on the management and employees relations in the council was also required.

Kang (2013), in his paper, raised some of the major issues in supply chain management. He brought out that supply chain management was facing major HR issues like job attraction and retention, education and training, succession and career planning and moving with the technology. He further concluded that professionals were lacking in knowledge, education and training in supply chain management and it created problems in the processes of supply chain management. Talented demand was also a major issue in this area. He suggested that HR professionals should fill gap in their knowledge about supply chain management and provide right training and education at the right time.

2.1 INFERENCES DRAWN FROM REVIEW OF LITERATURE

The empirical studies as reviewed above reveal that human resources management in different organizations failed to discharge its functions efficiently due to lack of sense of responsibility and poorly designed organizational structure was not designed properly. It was also found that lack of proper manpower planning, absence of well-defined promotion and recruitment policy, and HRD orientation were the key problems areas in management of human resources these days. It was also observed that cooperative sector failed to provide a satisfactory and proper system with regard to the appraisal, recruitment & selection, and promotion of the employees. Further, there was absence of appropriate feedback system to measure the effectiveness of HRM policies and practices followed in this sector.
The employees through their trade unions resisted to implement new technology which was helpful in the area of HRM. HRIS and e-HRM and Human Resource Accounting (HRA) are some of the other important aspects which are gaining importance in the area of management of human resource these days.

Although a good number of studies relating to human resource management have been carried out in various organizations, yet, only a limited number are available on human resource management practices in cooperative banks. These studies have not covered all the aspects of HRM. The present study is the outcome of gap left by the studies undertaken earlier.
References


Purohit, Govind Narain (1992), Human Resource Development with Special Reference to Commercial Banks in Rajasthan, Doctoral Thesis, Jai Narain University, Jodhpur, Rajasthan.


