CHAPTER VI
SUMMARY, FINDINGS, SUGGESTIONS AND CONCLUSION

6.1 SUMMARY

In the globally competitive and challenging business scenario, the success of the Indian industry besides other factors will be to a great extent influenced by how it manages its human resources – the employees who make things happen. The traditional man management practices have undergone a sea change. To meet the challenges of the next millennium and to achieve organizational excellence, responsible trade unionism, productivity-oriented work practices and assertive professional management are inevitable.

The changes in the market scenario have necessitated the Indian industry to look inward for the development of human resources. If the Indian organizations are to develop and maintain their competitive edge, the potential value of the employees needs to be increased by enhancing and linking their skills and capabilities in tune with the contemporary requirements of the market. The human resource management is a function which is mainly concerned with people at work and with their relationship within the organization. It is the resource which plans, allocates and provides for all other resources in organizations. Most of the organizations have sidelined the Human Resource Management function owing to lack of immense knowledge about the importance involved in the successful handling of that function.

The human resource management function has emerged as one of the most important areas of organizational practice. It has not been developed in isolation but rather in the context of industrial change and economic development.
The uniqueness of human resource requires a totally different type of attention from management. The human resource function has the characteristics that provide the greatest challenge as well as the opportunity. A company’s human resource management is generally fragile, relationships between the employer and the employee is delicate, employees’ contributions are unpredictable, and stability is uncertain.

In an increasingly competitive market, survival and prosperity of business will depend critically on the ways in which an organization manages its resources especially the human resources. Today human resources occupy, more than ever, the center stage of all economic activities. It is time for all those organizations that wish to be successful in global markets to gear up and implement desired shift in their prevailing human resource management practices and leverage their human resource along with the other resources. Also to become more flexible and innovative, organizations need to adopt new ways of attracting, retaining and motivating employees who are keen to learn and can contribute to the growth and development of the organization.

With the ushering in of the new millennium, experts are of the view that the internal customer i.e. the human resources would be playing a major role in driving the 21st century organization. To cope with the shift in external environment business organizations have to put themselves to litmus test to check the objectivity of the prevailing human resource practices.

It is high time for business organizations to retrospect, benchmark and adopt global practices to become transnational enterprises in future. Human resource practices in business organizations can be broadly studied and compared with the global trends.
Even the best of technology is ultimately implemented by human resources. Success depends upon its efficiency as to how effectively it can be used to get the desired result. In the previous two decades many organizations across the globe realized it and have shown great concern towards their human resources by investing in big way for their growth and development. In the present era of computerization, organizations that are planning to operate in global scenario will have to prepare their employees accordingly. An organization can flourish by chalking out well-mediated strategic implementation plan for using information technology in making human resource function globally competitive.

For years Indian business organizations have been operating successfully in protected domestic markets facing only restricted competition. Globalization and the economic reform processes undertaken by Government of India have brought about a paradigm shift in the context in which Indian organizations have been operating. Integration with global economy has become an indispensable part of Indian economy.

Due to this shift in external environment the Indian industry in general and banking industry in particular are passing through a phase of radical transformation. Today, banking sector is seen as a catalyst in the economic growth of a country and, a lot is expected from the banking fraternity. The recognition of banking sector, as a tool for all inclusive growth by economists, financial planners and reformists has made it an important sector in the Government’s planning of economic growth. The banking sector in India is therefore witnessing tremendous changes because of political, social and economic upheavals that are taking place domestically and internationally.
The banking industry in India has undergone a radical change in the last two decades. When the 90s saw the revamping of Banking industry and setting up of new generation private sector banks, the first decade of the 21st century will proceed a little further. Now the banking has become too open and competitive. The basic focus and direction has changed from a level of moderate business to a maximum possible limit. Even the flow of business movement has changed from Customer’s door step to bankers to Banker’s to customers’ doorstep.

Survival of the fittest is the order of the day. Customer service has become quite important in the present day situation as competition is increasing among the banks. Every one is trying to woo the same customer. Retaining the existing customers and attracting new ones has become very difficult; more so for the public sector banks. This can easily be eliminated by effective human resource management policies and practices.

At this backdrop, the study of human resource management practices and job satisfaction are quite important for formulating sound polices for the future. Therefore, in this study, an attempt has been made by the researcher to study the impact of human resource management practices and job satisfaction in public and private sector banks. The review of literature express that there are very few studies on HRM Practices and its outcomes, job satisfaction and none of the study on HRM Practices and its outcomes, job satisfaction in Indian banking sector. Therefore this study attempts to fulfill the above gap.

Retaining the existing customers is a financial imperative for Indian banks, especially as attracting new customers is considerably more expensive. In increasingly competitive markets, inculcating loyalty in consumers is the key
factor in winning market share and developing sustainable competitive advantage.

Through efficient human resource management practices the Indian banks can improve job satisfaction of the employees, which in turn provides quality service to its customers. Hence, this study throws light on the satisfaction level of employees with various human resource management factors in the public and private sector banks and job satisfaction. This research study makes an attempt to analyze the impact of human resource management practices on job satisfaction of the employees in public and private sector banks.

The specific objectives of the study are; to identify the human resources management policies and practices followed by the Indian banking sector, to analyze the perceptions of the employees about effectiveness of human resources management practices of the study units, to examine the level of job satisfaction among the employees of the study units, to study the relationship between human resource management practices and job satisfaction of employees in the sample units and to offer valuable suggestions to the Indian banking sector with a view to help in shaping their Human Resource function as per the need of the hour.

The following hypotheses are formulated keeping the content and coverage of the framed objectives. The formulated hypotheses are tested by employing appropriate statistical tools.

The respondents in the public and private sector bank have similar perception about overall human resource management practices. There is no significant difference between individual demographic variables and the level of perception about overall human resource management practices of the public and
private sector banks. There is no correlation between overall human resource management practices and different factors of human resource management.

The respondents in the public and private sector banks have the same level of job satisfaction. There is no significant difference between demographic variables the level of job satisfaction of the respondents in the public and private sector banks. There is no correlation between job satisfaction factors and overall job satisfaction of the employees in the public and private sector banks. The perception of human resource management practices will have a positive relationship with job satisfaction of employees in public and private sector banks.

The present study has been conceptualized in order to analyze the relationship between human resource management practices and customer satisfaction in the select public and private sector banks. The study has made use of survey method of research to achieve the set objectives.

The population defined for this study was limited to employees in the select public and private sector banks in Thanjavur district of Tamil Nadu.

For the purpose of the analysis, the employees are classified as officers, clerical staff and sub staff. The branch managers and field officers and cash officers are considered as officers, clerks and recovery marketing officers are considered as clerical staff and messengers, sweepers and watchmen are viewed as sub staff.

Among the public sector banks functioning in Thanjavur district, Indian bank, Indian overseas bank, and State bank of India have played prominent role. They have established 32, 39 and 18 branches respectively in the district. Therefore, Indian bank, Indian overseas bank and State bank of India were selected for the study.
Similarly, there are 7 private sector banks operating in the district, of which, three banks viz., City Union Bank Ltd., ICICI Bank Ltd and ING Vysya Bank were selected for the study on the basis of number of branches. These three banks have 15, 05 and 4 branches respectively in the study area. All the selected banks have established branches in Thanjavur and Kumbakonam, therefore, these two main branches Thanjavur and Kumbakonam branches were purposively selected for the study.

As many as 468 employees are working in the selected branches of public sector banks, of which 149 are officers, 233 are clerical staff and 86 are sub staff. Likewise, 149 employees are working in selected branches of private sector banks; they include 50 officers, 72 clerical staff and 27 sub staff.

As per the sample size determination formula the required total sample size is 235, which constitutes 38 per cent of the total population. Therefore, 38 per cent from each category is drawn on the basis of stratified random sampling method.

To carry out the study in a meaningful manner, an adequate amount of data and information were required. The data were collected both from the primary and secondary sources.

An in-depth study of sample units was made through collecting primary data and information by administering the questionnaires, A questionnaire was administered on the sample respondents to collect the required data for analyzing the human resource management practices and job satisfaction.

The questionnaires specifically designed by Prof. Udaip Pareek and Prof. T.V.Rao, well known Human Resource Development experts, have been modified to suit the sample units to study Human Resource practices.
A Job Descriptive Index developed by Smith and Kendal, 1966 was used to assess the job satisfaction of the sample respondents.

The sources for secondary data were literature available in libraries in the form of books, journals and magazines. Besides the above mentioned literature, annual reports and published and unpublished documents of the sample units were also referred to.

The collected data and information have been carefully processed, analyzed and interpreted in order to reach the findings. The statistical tools and techniques such as arithmetic mean and simple percentage were used. The hypotheses framed for the study were tested using appropriate tests of significance. Chi-square test, inter correlation, t-test and ANOVA test were the statistical tools applied to test the significance. The data are processed through SPSS (statistical package for social sciences) and analysis was made by drawing cross-tables, calculating percentage, and by applying the statistical tools.

The variables selected for analyzing the human resource management practices are; Recruitment and Selection, Training and Development, Appraisal and Reward, Performance Management, Managing People, Promotion and Transfer, Compensation management and welfare measure, and Industrial Relations. To analyze the job satisfaction, the variables, Work, Supervision, Pay, Promotion and Co-workers were selected for the study.

The present study has been carried out very carefully and systematically still it may suffer from the following limitations; the study on its face appears to be limited as it is carried out in a single Indian industry, i.e. banking industry. Thus, its findings cannot be generalized to other industry.
The study is purely based on the respondents’ opinion. The researcher felt that the respondents might express biased opinions which limit the validity of the study. The sample size and purposive sampling strategy limit the generalizability of study. In the study human resources management practices outcome job satisfaction alone considered, other outcomes such as organizational commitment, customers’ satisfaction and loyalty is not taken into accounts, which are directed to future studies.

The study was organized to in six chapter; chapter I describes the empirical aspect of this study, including objectives, the methodology used to collect data, sample parameters, and limitations. Chapter II provides a detailed review of earlier studies carried out in the area of human resource management and job satisfaction. Chapter III has been devoted to the discussion of human resource management policies and practices followed by the study units. Chapter IV deals with the perception of the employees about the human resource management practices of the study unit.

Chapter V analyzes the level of job satisfaction among the employees and examines relationship between human resource management practices and job satisfaction. Chapter VI contains the summary, major findings, suggestions, conclusions and the scope of future research.

6.2 FINDINGS

The major findings of the study are;

The study revealed that the officers in both public and private sector banks are satisfied with recruitment and selection policy of the banks than that of clerical staff and sub staff.
Irrespective of category, all the respondents in the public sector banks have got higher mean score that that of private sector banks. Therefore it is presumed that the public sector banks have imparted better training and development than that of private sector banks.

The officers have high level of perception as compared to clerical and sub staff both in public and private sector banks. The minimum mean score obtained by the clerical and sub staff indicates that they were dissatisfied with the appraisal and rewards system practised by the banks.

Employees in the public sector banks have low perception about performance management when compared to perception of the employees in the private sector banks.

The officers have high degree of perception about managing people in the public and private sector bank as compared to clerical and sub staff.

All the employees both in public and private sector banks have low degree of perception about promotion and transfer policy of the Indian banking sector in the study area.

All the employees in the public and private sector banks have low degree of perception about compensation management and welfares measure provided by the Indian banking industry.

The officers in the public and private sector banks have high degree of perception as compared to clerical staff and sub staff in respect of industrial relations.

In public and private sector banks, officers have high degree of perception as compared to clerical and sub staff about overall human resource management.
All the respondents in the public sector banks and clerical staff and sub staff in the private sector banks are dissatisfied with recruitment and selection practices of the banks.

All the respondents in the public sector banks and officers and sub staff in private sector banks are highly satisfied with the training and development practices of the Indian banks.

All the respondents in public sector banks and clerical staff and sub staff in private sector banks have low satisfaction with the appraisal and reward system of banks.

In the public sector banks officers have moderate satisfaction whereas clerical and sub staff are dissatisfied with the performance management. In private sector banks officers have high satisfaction whereas clerical and sub staff have moderate satisfaction with the performance management of the banks.

The officers in the public and private sector banks have moderate satisfaction while clerical staff and sub staff have low satisfaction with the way in which people are managed in the banks.

All the employees in the public and private sector banks are dissatisfied with promotion and transfer policy of the banks in the study area.

All the employees in public and private sector banks are strongly dissatisfied with the compensation management and welfare measure of the Indian banks in the study area

In public sector banks the officers have moderate satisfaction whereas clerical staff and sub staff have low satisfaction. In private sector banks all the officers, clerical and sub staff have low satisfaction with industrial relations prevailed in the banks.
All the employees in the public sector banks have dissatisfied with the overall human resource management practices. In private sector banks, officers have moderate satisfaction, clerical and sub staff have experienced low satisfaction with the overall human resource management practices practised by the banks.

It is found that the employees in the public and private sector banks have similar perception about overall human resource management practices.

The study revealed that both male and female employees in the banks have experienced low satisfaction with overall human resources management practices.

Irrespective of age groups, all the respondents in public sector banks are dissatisfied with the overall human resource management practices whereas in the case of private sector banks, respondents in the age group of less than 40 years and 40-50 years are dissatisfied with the overall human resource management practices of the banks.

Among all the respondents both in the public and private sector banks, the respondents who studied upto higher secondary education and graduate are dissatisfied with the overall human resource management practices of the banks.

In public sector banks, senior employees who have more than 10 years of experience are dissatisfied and in the private sector banks, the employees who have less than 10 years and more than 20 years are dissatisfied with overall human resource management practices of the banks.

Irrespective of the income level, all the respondents in the public sector banks and the respondents whose annual income less than ₹3 lakh in the private
sector banks are dissatisfied with the overall human resource management practices of the banks.

The study revealed that there is no significant difference between sex and level of perception, age and level of perception, educational qualification and level of perception, experience and level of perception but there is a significant difference between income and level of perception about overall human resource management practices in the banks in the study area.

The inter correlation matrix for perception of the officers about overall human resource management practices indicates that there is no positive correlation between the overall human resource management practices, recruitment and selection, training and development, appraisals and reward and performance management but there is a significant correlation between overall human resource management practice and promotion and transfer, between overall human resource management practices and compensation management and welfare measures. There is also positive correlation between overall human resource management and managing people but it is not statistically significant.

The inter correlation matrix for perception of clerical staff about overall human resource management practices shows that there is significant correlation between overall human resources management practices and variables selected for the study such as recruitment and selection, appraisal and reward, performance management, managing people, promotion and transfer, compensation management and welfare measure and industrial relations. However, there is no significant correlation between overall human resource management and training and development.
The inter correlation matrix for perception of the sub staff about overall human resource management practices shows that there is significant correlation between among overall human resources management practices and variable selected for the study such as recruitment and selection, appraisal and reward, performance management, managing people, promotion and transfer, compensation management and welfare measure and industrial relations. However, there is no significant correlation between overall human resource management and training and development.

In the public sector banks the officers have secured a very low score for the factor pay and promotion only but the clerical and sub staff have secured very low mean score for all the variables taken for the study to measure the level of job satisfaction. It indicates they have low level of perception about the job satisfaction factor.

In private sector, the officers and clerical staff have revealed low perception for pay and promotion. The sub staff have revealed low perception for supervision along with pay and promotion. The sub staff have secured very low mean score for all the variable as compared to officers and clerical staff, which indicates they have very low perception about the job satisfaction factor when compared to officers and clerical staff.

The study revealed that the respondents from the private sector banks have higher perception about overall job satisfaction factors compared to public sector banks respondents.

In public sector banks, officers have moderate job satisfaction whereas clerical and sub staff have low job satisfaction. In case of private sector banks,
all the respondents, irrespective of category have moderate job satisfaction in respect of work environment in the banks.

In public sector banks more than three-fourth of the officers have revealed moderate job satisfaction while majority of the clerical and sub staff have expressed low job satisfaction over the factor supervision. In private sector banks majority of the officers have experienced high level of job satisfaction, clerical staff expressed moderate job satisfaction and sub staff experienced low job satisfaction in respect of supervision.

Out of 235 total respondents from the public and private sector banks combined together, majority of them have expressed low job satisfaction in relation to pay structure of the banks. Likewise, in public and private sector banks, majority of the officers, clerical staff and sub staff have revealed low job satisfaction in respect of pay structure of the banks.

In public sector banks, the majority of the officers and more than 80 per cent of the clerical and sub staff have experienced low job satisfaction. In case of private sector banks, more than three-fourth of the officers, clerical staff and sub staff have expressed low job satisfaction in respect of promotion in the banks.

More than three-fourth of the officers in public sector banks have experienced high job satisfaction and majority of the clerical and sub staff have revealed moderate job satisfaction. In private sector banks officers and clerical staff have revealed high job satisfaction while sub staff have expressed moderate job satisfaction.

In public sector banks, majority of male respondents have experienced low job satisfaction and one-fourth of the respondents have revealed moderate satisfaction and 17 per cent of the respondent have enjoyed high job satisfaction.
The majority of female respondents have experienced moderate satisfaction and about 23 per cent have high job satisfaction. In private sector banks majority of the male respondents and 44 per cent of the female respondents have experienced moderate job satisfaction.

In public sector banks, majority of the respondents who are in the age group of less than 40 years and 40-50 years have expressed low satisfaction whereas the respondents who are in the age group of above 50 years have moderate job satisfaction. In private sector banks, majority of the respondents who are in the age group of less than 40 years, 47 per cent and 45 per cent of the respondents who are in the age group of 40-50 years and above 50 years respectively have moderate satisfaction.

Among the respondents in the public sector banks, majority of the respondents who studied up to higher secondary education and the graduate respondents have expressed moderate and low satisfaction. About 40 per cent and 32 per cent of the postgraduate respondents revealed moderate and high satisfaction.

In case of private sector banks, majority of the respondents who studied higher secondary education and graduate respondents have revealed moderate satisfaction. Nearly 36 per cent, 18 per cent and 45 per cent of the postgraduate respondents have revealed low, moderate and high job satisfaction respectively.

In public sector banks majority of the respondents who have an experience less than 10 years and more than 20 years have revealed moderate job satisfaction while majority of respondent who have work experience of 10-20 years have low satisfaction. In private sector banks, majority of the respondents who have experience up to 20 years have revealed moderate job satisfaction and
fifty per cent of the respondents who have more than 20 years experience have exposed low job satisfaction.

Among the respondents in the public and private sector banks, nearly 37 per cent, 39 per cent and 23 per cent of the respondents whose annual income is less than ₹2 lakh have expressed low, moderate and high level of job satisfaction respectively. Nearly 48 per cent, 37 per cent and 17 per cent of the respondents whose annual income is ₹2-4 lakh have revealed low, moderate and high level of job satisfaction respectively. Similarly, 45 per cent, 34 per cent and 20 per cent of the respondents whose annual income is ₹4-6 lakh have exposed low, moderate and high level of job satisfaction respectively. The majority of the respondents whose annual income is more than ₹6 lakh have revealed moderate job satisfaction.

There is a significant difference between individual demographic variables such as sex, age, educational qualification, designation, experience, income and level of job satisfaction experienced by the public and private sector employees in the study area.

The inter correlation matrix for level of job satisfaction of officers revealed that the overall job satisfaction is significantly related with working condition and Supervision. The factor working condition is significantly related with supervision. Similarly the factor Pay is significantly related with promotion.

The inter correlation matrix for level of job satisfaction of clerical staff have revealed that there is significant relationship between overall job satisfaction and attitude and relationship with co-workers. There is a significant relationship among supervision, pay and promotion. The satisfaction level of supervision is positively influenced by pay and promotion. There is a positive correlation between work and co-workers but it is not statistically significant.
There is a significant positive association between level of satisfaction with pay and promotion.

The inter correlation matrix for level of job satisfaction of sub staff shows that there is a significant correlation among work, supervision, pay and promotion. It reveals that the level of satisfaction of work is positively influenced by supervision, pay and promotion. There is significant correlation among supervision, pay and promotion.

On testing hypothesis it is found that there is a positive relationship between HRM practices and job satisfaction of the employees in public and private sector banks.

6.3 SUGGESTIONS

Based on the major findings of this study, the researcher has made several recommendations to the public and private sector banks to increase the effectiveness of human resource management practices and enhance job satisfaction of employees. The recommendations are highlighted in the following pages.

The study revealed that in the public and private banks, clerical and sub staff dissatisfied with recruitment and selection practices of the banks. Therefore, the banks instead of following the hire and fire policy should have systematic recruitment and selection policy for employing best qualified persons. It facilitates to retain the most promising of those hired, to offer promising opportunities for life time working careers and to provide facilities and opportunities for personal growth on the job.

The recruitment and selection policy of the banks should be flexible enough to meet the changing needs of the banks. The recruitment and selection
policy of the banks should integrate organizational needs and needs of employees.

The recruitment and selection policy of the banks should provide each employee with freedom and opportunity to utilize and develop knowledge and skill to the maximum possible extent. Further, the banks will have to carefully plan their recruitment in terms of entry qualification, methodology of recruitment, etc.

The standard of recruitment including methodology and content of testing has to be raised. For this purpose, a Committee of experts including bankers can design the content of testing, methodology for conducting such test and also review the existing arrangements.

The banks should maintain the optimum ratio of direct recruitment quota in clerical and officer cadres and the banks should conduct HRD audit in vital areas like training, compensation, recruitment and promotion.

The banks should carry out detailed and structured manpower planning exercise every year for a time spectrum of 5 years, linking it with strategic and business plans. Banks have to take steps to institutionalize manpower planning, with the help of outside expert advice, if required, and subject it to review every year by the proposed Steering Committee of the Board on Human Resource.

Owing to the changing banking environment, human resource department should care for appropriate response in equipping people who have to perform in the new environment.

By incorporating personality development programmes such as role play, group discussion and business games the superior and subordinate relationship can be strengthened. Banks should take necessary steps in such away that
employees should feel training is essential to enhance the productivity and customer satisfaction and to meet the present business challenges in India.

For high growth the banks must pay due attention on Training, Selection, Compensation and employee participation for policy development.

The banks should make computer skills to be mandatory for both officer and clerical cadres to improve performance of the employees.

Training systems of banks should focus on creation of talent pool of officers in critical areas like Treasury, Corporate Credit, International Banking, Retail Banking, Social Banking, Technology, Risk Management, Marketing, Infrastructure Financing, Financial Inclusion, etc. Internal certification of training programmes to be introduced to build talent pool.

E-learning and other alternate delivery channels for learning to be extensively used for training and learning.

Linkage between training and operations should be improved by proper training need analysis and evaluation of effectiveness of training. Focus to be to understand world class practices and changing requirements of customers.

Training colleges of individual banks are to be upgraded as centres of excellence to carry out in-house research, provide learning support to the management and be responsible for continuing education efforts. Training centers should introduce and initiate newer training programs in conformity with the changed scenario and demand from the customers.

Necessary steps may be taken to improve the internal processes in training such as faculty selection process, training of faculty, introduction of core faculty in some key areas of management and top management support.
Training of newly recruited officers should be strengthened and re-vitalized. Two years’ training should be made mandatory for these officers and clerical staff to provide systematic exposure to all aspects of banking. During training period, they should not be posted in regular jobs. Mentoring of newly recruited officers can be entrusted to recently retired executives, say in the last 5 years.

Role related training should be made compulsory for all senior officers. Objective is to develop leadership, decision making and risk management skills. The banks should provide leadership training to precede posting to senior levels, after the promotion decision is taken. This is meant for understanding the role, developing the skills and competencies required to perform the role.

In the banks, training should be provided for retaining the existing manpower to cope with the changes and challenges of future.

The banks should fill up existing skill gaps at middle level and higher level employees through skill enhancement programs and the banks should keep employees skills updated to match present day requirements and to enhance productivity

The banks should effectively identify the critical areas where training is to be given on a priority basis and to provide appropriate opportunities to employees particularly clerical staff and sub staff for their own betterment.

The training programme of the banks must be related to the needs and problems of the trainees as well as to their abilities and aptitudes. Training and development of the employees should be linked to rewards like pay raise, promotion and praise. This link motivates the employee to learn and apply the acquired knowledge and skill. Rewards would quickly follow the desired
behaviour and performance. Trainees should be encouraged to participate, discuss and discover the desirable patterns of behaviour.

The banks should conduct refresher courses periodically to its employees to enable them learn new technological changes and its impact on their work. The banks should make the employee handle new work tools and methods change for the technological progress of the banking industry.

The management of the banks should also draw its attention towards bringing reforms in the Promotion policy as well as the welfare practices of the banks. Further, the management of the banks should bring about rigour in promotion process in all cadres.

There is an urgent need to bring down the waiting period in each cadre. The banks should introduce suitable fast track promotion policies for skilled employees.

Eligibility criteria in the matter of minimum length of service in a particular Scale should be suitably reduced for fast track promotions to talented employees – as a motivational and retention tool besides for creating leadership pipeline.

Career management system of the banks should make employees aware about availability of various career streams. It is necessary to the employees who perform well because this will send right signals and boost morale of the work force.

Necessary steps may be initiated to form a consortium among all banks for movement of surplus staff in the clerical cadre from staff surplus banks to staff deficient banks so as minimize workload of the employees and to strike a balance and maintain establishment expenses at optimum level.
The banks should have a just and impartial transfer policy for employees. Such a policy would help them to avoid an adhoc and arbitrary approach to transfers. Every transfer involves some cost. Therefore transfers should not be made frequently or without justified reasons. Instead of deciding each case separately, a policy should be formulated to govern all types of employee transfers. This will ensure uniformity of treatment and avoid transfers for petty reasons.

The transfer policy of the banks should clearly specify the types of transfers and the circumstances under which transfers are made. This should be clearly known to all the employees in the organization.

In the banks, the transfer should, as far as possible, be made in consultation with the employee. Alternatively the transfer should be made known to the employee much in advance.

The banks should make the employees aware of the reasons which would be considered for personal transfers and their order of priority. Similarly, the banks should consider the personal factors of the employee such as family situation, children’s education, and health of the employees and their dependents before transfers are made.

The promotion policy of the banks should clearly indicate the basis of promotion. Due weightage should be given to seniority, merit and future potential of an employee. Clear cut norms and criteria should be laid down for judging length of service, merit and potential. The assessment and reporting system should be objective.
The banks should establish a suitable system of follow-up, counselling and review. The progress of the promoted employee should be monitored to ensure that all is going on well. Counselling and guidance should be provided to the employees who were rejected for promotion. Alternatives like upgradation may also be provided for deserving candidates.

A provision for appeal against the management’s decision and its review should be made in the banks. This is necessary to satisfy employees who accuse management of being biased.

In order to increase the job satisfaction of the bank employees in the study area, the ceiling for staff welfare should be revised having regard to the business size of the banks and the employee strength.

The banks should develop performance based reward system to increase job satisfaction of the employees. Performance linked reward system will weed out excessive manpower and attract fresh talent.

On account of satisfaction level of employees certain improvements derives the attention the bank needs to improve the working conditions, needs to revise the compensation packages as per the industry standards, career opportunities should be pointed out to employees, bank policies should be conveyed in a simplified manner and its interpretation should be checked through feedback mechanisms.

The incentive scheme should aim at performance differentiation and reward the pivotal employees. This is with a view to retain employees in critical areas and build future leadership pipeline.

For retaining the talent, the banks have to pay market rates for all the employees with incentives like performance bonus and stock options.
The banks particularly private sector banks should provide salaries and welfare measures in line with public sector banks and with comparable jobs in other organizations. Otherwise the banks may not be able to attract and retain competent personnel. It can minimize the incidence of quitting, improving motivation and morale which in turn will increase the loyalty of the employees.

There is a wide gap between the remuneration provided by public sector banks and private sector banks and the difference needs to be reconciled.

The banks’ compensation policy can be a good motivator if pay increases are linked with merit. But annual increments should partly be linked to seniority or year of service. In the banks pay structure should be reviewed and revised periodically in conformity with the changing needs.

The banks should provide satisfactory welfares measure to its employees to improve their morale and loyalty and to reduce labour turnover and absenteeism thereby building a stable workforce.

In banks, the objectives and uses of performance appraisal should be made clear and specific. The objectives should be relevant, timely and open. The appraisal system should be fair so that it is beneficial to both the individual employee and the banks. The system should be adequately and appropriately linked with other subsystems of human resource management.

The banks should develop a well defined performance appraisal factors and criteria. These factors as well as the appraisal form, procedures and technique should be standardized. It would help them to ensure uniformity and comparison of ratings. Employees should be made fully aware of performance standards and should be involved in setting the standards.
The banks should arrange post appraisal interviews with its employees. It is necessary to supply feedback, to know the difficulties under which the employees work and to identify their training needs. The rater should adopt a problem solving approach in the interview and should provide counselling for improving performance.

All categories of staff including sub staff to be covered by Performance management system. The performance management system should be a credible, transparent and interactive system. Online performance management systems should be introduced.

Discipline of performance management systems should be enforced by the management. Appraising authorities should be accountable for proper and timely assessment.

The banks should introduce 360° feedbacks as the leadership development, succession management are grooming tool for all the employees.

The banks should revisit and review all internal settlements that affect mobility, flexible utilization of staff, productivity, performance and customer service. Further, the bank managements should accord priority treatment to the issues of productivity and performance acceleration while dealing with IR issues.

The grievance procedure of the banks must be acceptable to all and should, therefore be developed with mutual consultation among management, employees and the trade union. In order to be generally acceptable, the procedure must ensure a sense of fair play and justice to employees, reasonable exercise of authority to managers and reasonable participation to the union.

The grievance procedure system of the banks must facilitate speedy redressal of grievances. As far as possible the grievance should be settled at the
lowest level. There can be only one appeal. Time limits should be prescribed and rigidly enforced at each level and different types of grievances should be referred to appropriate authorities.

The management of the banks should give training to supervisors and union representatives in grievance handling. This would help to ensure effective working of the grievance procedure. The working of the grievance procedure system should be reviewed at periodical intervals. Necessary improvements should be made to make the procedures more effective.

In Indian banking sector, the top management’s commitment should be increased towards learning and potential development of its human resources in all its endeavours.

The banks need to build upon an open and developmental climate, where employees have been given more autonomy, where the same employees are heard and participate in the decision-making process and where there is less of a hierarchical and formal relationship between supervisors and subordinates. With respect to the private sector bank, employees have also reported low job satisfaction in terms of pay and promotion. Private sector banks need to introduce special schemes related to pension, gratuity, retirement, and other related benefits to enhance the employee's job satisfaction.

In general psychological climate in the banks should be improved and efforts should be initiated to make it conducive to the development of employees. Besides, there is an urgent need for restructuring the various personnel policies in the banks. Sound personnel policies that show high concern for employees and emphasise equity and objectivity in appraisals would go a long way in creating a better HRD Climate in the banks. The management of banks should also take a
good look at the existing HRD mechanisms and explore the possibilities of introducing new ones.

Systematic job rotation in the formative stages of an officer and clerical staff should be ensured for providing rounded exposure in operational areas of banking. Career plan for officers and clerical staff should aim at providing functional expertise in one or two areas before they enter the next cadre.

The banks should develop mechanisms for identifying star performers and to track their performance for fast track growth.

Banks should install a credible system to encourage free flow of ideas and suggestions from their staff – technology tools like Intranet, interactive portals and online quizzes should be used.

The banks should evolve employee involvement programmes covering all sections of employees.

Banks should encourage learning initiatives among employees through appropriate recognition and reward schemes.

The banks should conduct exit interview of every employee who quits the organization, which should reveal the employees’ grievances. Most of the employees quit the banks due to some dissatisfaction. Great amount of care and empathy is necessary for a successful exit interview.

The banks should set up a career planning and counselling cell for advising and guiding employees in their possible career paths and the direction in which they ought to be heading. The need for such counselling arises when employees have to plan their own careers and develop themselves for career progression in the banks.
6.4 CONCLUSION

The result of the study reveals that both in the public and private sector banks combined together, all the officers, clerical and sub staff have low perception about overall human resource management practices of the banks. Similarly, irrespective of category, all respondents in public sector banks have low perception. In private sector banks majority of the officers have expressed moderate perception while clerical and sub staff have revealed low perception. It indicates that all the employees in the public sector banks have dissatisfied with the overall human resource management practices. In private sector banks, officers have moderate satisfaction, clerical and sub staff have experienced low satisfaction with the overall human resource management practices of the banks.

The study further reveals that the employees in the public and private sector banks have similar perception about overall human resource management practices. There is no significant difference between sex and level of perception, age and level of perception, educational qualification and level of perception, experience and level of perception but there is a significant difference between income and level of perception about overall human resource management practices.

The analysis of the level of job satisfaction revealed that the majority of the officers in the public sector banks have reveals moderate job satisfaction and majority of the clerical and sub staff have expressed low satisfaction. In private sector banks, majority of the officers and clerical staff have experienced moderate job satisfaction while majority of the sub staff have expressed low job satisfaction.
The study further reveals that the employees in the public and private sector banks have same level of job satisfaction. The study also revealed that there is a positive relationship between HRM practices and job satisfaction of the employees in public and private sector banks.

It is pertinent to mention here that the face of banking is changing rapidly. The Indian banking industry is not just passing through transition, but also undergoing a transformation process. Competition is going to be tough and with financial liberalization under the WTO, banks in India will have to benchmark themselves against the best in the world. For a strong and resilient banking and financial system, therefore, banks need to go beyond peripheral issues and tackle significant issues like improvements in profitability, efficiency and technology, through implementation efficient human resource management practices and by improving level of job satisfaction of employees. Therefore, if the banking industry adopts the above mentioned recommendations made by the researcher, it will certainly increase efficiency of human resource management practices and improve job satisfaction of employees in banking industry in India, which is paramount important to succeed, not just survive, in the changing milieu.

**SCOPE FOR FUTURE RESEARCH**

The study has a few limitations since it was focused on a few banks in the Indian banking industry. The outcome is specific because the researcher has used only one kind of business field. Therefore, further research should investigate more banks in the banking industry as well as other service providing companies in the Indian financial sector to obtain a clear and better picture of the Human Resources management practices and job satisfaction. Other companies might employ different patterns to manage Human Resources in their company.
In this research, the researcher has focused on only eight variables that had an impact on Human Resource Management practices and job satisfaction of the employees in the company. In reality, there are other factors that impact the change of Human Resource Management practices and job satisfaction of the employees in companies, such as politics, economics, market growth or decline, technological forces and so on. These factors may form the basis for further studies.

In the study human resource management practices outcome job satisfaction alone considered, other outcomes such as organizational commitment, customers’ satisfaction and loyalty is not taken it to account, future studies may focus on the these human resource management outcomes.

The researcher hopes that this research will be a guideline and useful primary information for further studies and encourage further studies to pay more attention for Human Resource Management practices and job satisfaction of the employees in other banks, in other areas and even in other industries. Further studies should expand the scope of study to other factors and surrounding environment which would have an impact on Human Resource Management practices and job satisfaction of the employees in the Indian banking sector.