CHAPTER-III

Executive Development

In

State Bank

of

India
EXECUTIVE DEVELOPMENT IN STATE BANK OF INDIA

In the preceding chapter, it was concluded that human resources development is a process by which people in the bank are helped in a continuous and planned manner to develop their job competence and capabilities. The concept of human resource development is a belief to treat people as human assets for organisation. They are part of the organisation and contribute their mite as partners in progress. They should be made to believe that they are part of the organisation and a sense of belonging should be inculcated in them. Since, executive development is the most important area of human resource development, therefore, a study of executive development process in banks becomes imperative. As the State Bank of India is the premier bank in the Indian Banking Industry, therefore, the present chapter shall be devoted to the study of executive development in State Bank of India.

Introduction

At the time of the inception of the State Bank of India, it had only 466 branches. In 1959, State Bank of India (Subsidiaries Bank) Act was passed, under which eight subsidiary state banks were also taken over and reconstructed into seven subsidiaries of the State Bank of India. These are known as Associate Banks of State Bank of India. They are:

a) State bank of Bikaner and Jaipur
b) State Bank of Hyderabad.
c) State Bank of Indore.
d) State Bank of Mysore
e) State Bank of Patiala
f) State Bank of Saurashtra
g) State Bank of Travancore.

The objective of State Bank of India is “Growth with profit” Growth in terms
of business size, branch expansion, coverage of unbanked areas as well as in terms of the variety and quality of service rendered.

**ORGANISATIONAL STRUCTURE**

The present organisation structure of State Bank of India is modular structure consisting of four discrete centres of responsibility: viz,

1. Central office
2. Local Head office
3. Zonal office
4. Branches

The central office of the bank is located at Bombay. There are 13 Local Head offices, called the "circles", one each situated at Bombay, Bhopal, Bhubneshwar, New Delhi, Madras, Gawhati, Ahmedabad, Calcutta, Hyderabad, Lucknow, Bangalore and Patna. In addition to these the bank is having network of zonal offices; totalling 53 in number. Apart from these, at present, the bank has 8,860 branches upto June 30th, 1996 in India and 50 offices in 33 countries of the world.

Structural arrangements in SBI is a decentralised administrative structure with branches as the basic building blocks. The structure in nutshell has been worked as follows:-

* Branch is placed under a branch manager who in turn is placed under an overall control of chief manager.
* 35/40 branches are grouped into a region placed under the administrative control of Regional/Zonal Manager.
* 4/5 Regional Managers are located at a Zonal office, co-ordinated and controlled by a Deputy General Manager (DGM)
* 4/5 Zonal offices constitute a circle under local head office headed by a Chief General Manager (CGM).
* 13 Local Head offices are coordinated and controlled by central office,
the seat of Corporate Management, headed by the Chairman.

*The above structure can be diagrammatically represented as follows:*

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Central office -- Headed by Chairman -- Coordinates -- 13 Local Head offices

Local Head Office -- Cheif General Manager -- Coordinates -- 4/5 Zonal offices

Zonal office -- Deputy General Manager -- Coordinates -- 4/5 Regional offices (Located at Zonal office)

Regional office -- Head by Regional/ Zonal Manager -- Coordinates -- 35/40 Branches

Branches -- Chief Manager -- Coordinates -- Branches
              (Number depends upon size of branches)
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[Compiled with the help of information collected through discussions with the executives of State Bank of India]

The Central Office of the bank is the corporate office. The role of central office can be briefly spelt as one of policy-making, planning, macro level operations including those in the personnel area, critical credit decisions and provision of specialist services to local head offices. The Chairman is the chief executive of the bank. The operating chief executive is the managing director. The Managing Director is assisted by deputy managing directors who control different functions. The designations of the deputy managing directors represent the types of functions that they control. We have at present 11 deputy managing directors heading broadly the various functional groups: [The organisation structure of central office has been given in exhibit A-A]
## Exhibit (A - A) (Managing Director | ------ [Operating Chief]

### Organisational Chart of Central Office of State Bank of India

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(Source: Economic and Research Deptt. Central Office, State Bank of India, Mumbia)
The circle is headed by a Chief General Manager, who is assisted by two General Managers, viz,

1. General Manager (Planning)
2. General Manager (Operations)

The Chief General Manager controls and coordinates the activities of two General Managers. For each circle, a local board sanctions advances and such other matters which fall beyond the interests of the Chief General Manager and are within the delegated powers of the Local Board.

To sort out any problems relating to coordination between Regional Offices as also relating to coordination between local head office and zonal offices, a circle co-ordination committee also functions where the three members of the circle management committee and all the Dy. General Managers are members. Besides, there are other committees such as the circle placement committee, which looks after movement of officer’s from one Zonal Office to another and from a Zonal Office to local head office and vice versa, circle training committee finalises the training plans etc.

[The organisation structure of local head office has been given in exhibit A-B]

Prior to review reorganisation, the bank had a few regional offices in some target circles but these offices were exceptions rather than a regular part of the overall structure. As a result of the review of reorganisation in 1978-79, the regional Offices have been accepted as a part of the structure. These regional offices are located in their areas of operation and are headed by Chief Regional Manager (Redesignated as Deputy General Manager). The Dy. General Manager controls 3/4 (or more) Regional Managers depending on the number of branches which are to be controlled from a zonal office. A regional manager controls 40/50 branches. The Regional Manager is supported by two administrative officers. One for General Banking and another for Advances. The administrative officers have been delegated with financial powers to deal with some of the matters
Exhibit (A-B)

Organisation of Local Head Office

[Source: Economic & Research Deptt., Central Office State Bank of India, Mumbia]
coming to the Regional Manager for attending to rehabilitation work where the number of sick units under nursing programme is large. Besides, the administrative officers, a Regional Manager also has the support of other supervisory and clerical staff. Need based planning, development and services support has been provided at a Zonal Offices. In the planning and development wing, a development officer for some business segments, depending upon the need, are provided. Service support in the form of personnel office, office manager, officer-in-charge of General Section, etc., are also provided. A Zonal Office controls 150 to 200 branches. [The organisation structure of zonal office is given in exhibit A-C.]

Exhibit (A-C)

Organisational Chart of Zonal Office
(Chief Regional Manager's Office)

- Deputy General Manager
  - Regional Manager
  - Development Officers (Need Based)
    - Personal Section
    - Planning Section
  - Office Manager Section
    - General Section
    - Audit Section
    - Disciplinary Cell
  - Branch Managers (Special branches)
  - Branch Manager

Every branch is headed by a Branch Manager. He is assisted by five Managers, they are:

01) Manager (Commercial & Institutional Banking Division)
02) Manager (Small Industries & Small Business Banking Division)
03) Manager (Agricultural Banking Division)
04) Manager (Personal Banking Division)
05) Manager (Accounts Department)

Besides, to sort out any problems among managers relating to coordination, a branch management committee also functions. [The organisation structure of branch has been given in the exhibit A-D.]
[Source: Economic & Research Deptt., Central Office State Bank of India, Mumbia]
The performance of State Bank of India during the past few years has been drifting downwards. An analysis of the performance revealed that it was below world standard and in some respects even compared unfavourably with the best in the industry locally. Besides, corporate clientele is highly concentrated (10% of the customers account for 70% of the limits) and will be the first target of rival domestic and foreign banks. The level of NPAs (non-performing assets) has also been a cause for concern. The NPAs of the bank at the end of March 1995 were 21.6% of total advances as against internationally accepted level of 5%.

The redesign of Central office structure includes the following:-

01) 4 focussed business groups have been created with full profit and loss responsibility and to serve distinct sets of customers and businesses. These groups named, **National Banking Group**, **Corporate Banking Group**, **International Banking Group** & **Associate and Subsidiaries Group** would be headed by Group executives who would report directly to the Chairman.

02) 3 new corporate centre positions have been created who would also report directly to the Chairman.

03) **Chief Vigilance Officer and Inspections & Audit Deptt.** would continue to report directly to the Chairman in addition to the seven corporate executives mentioned in points No's 01 and 02.

04) More important decisions would be taken in committee and a number of committees have been constituted at central office for different purposes. [This has been explained in the exhibit B-A.]

Circles have been domiciled under National Banking Group. Position of General Manager Operations GM(O) and General Manager (Planning) GM(P) have been abolished due to the integration of planning function with operations. Instead, two distinct networks have been created to be headed by GMs to serve distinct sets of customers and to shoulder independent profit & loss responsibility. Thus, GM (CB) would head **Commercial Network (CNW)** and GM (D & PB) would head Development & Personal Banking Network.
Following additional changes have been effected in circle set up:

i) Credit sanctioning secretariates have been eliminated and only a temporary credit appraisal cell (CAC) under the administrative control of DGM (CB) would exist.

ii) A few LHO departments have been combined, e.g. Personnel and HRD, Premises & Estates, Organisation Planning and systems & procedure.

iii) Some new positions have been created e.g. Business Planner under both GMs (AGM rank) product specialists under GM (CB), AGM (Corporate & international banking products).

The structural support to CGM, GM (CB) & GM (D & PB) to help them in discharging their duties are depicted in exhibits (B-B, B-C, B-D).
LHO STRUCTURE: CHEIF GENERAL MANAGER

EXHIBIT (B-B)

Chief General Manager

- Private Secretary
- Deputy General Manager (Vigilance)
- Public Relations & Community Services Bkg. Department

Circle Financial Officer

Circle Credit Officer

Circle Development Officer

General Manager (Commercial Banking)

General Manager (Development & Personal Banking)


LHO STRUCTURE: GENERAL MANAGER (COMMERCIAL BANKING)

Exhibit (B-C)

General Manager (Commercial Banking)

- Private Secretary

- Direct Branches
- Commercial Business Planning
- Corporate and International Banking Products
- DGM (Commercial Banking)

Commercial Network Branches

LHO Structure: General Manager (Development and Personal Banking)

Exhibit-(B-D)

General Manager
(Development and Personal Banking)

Private Secretary

AGM
Business Planning
Development Banking

CM
Business Planning
Personal and Institutional

MMIII
Advances
Cum NPA
Management Cell

CM
General Banking

AGM
Lead Bank & Monitoring of Priority Sector Advances

CM
Personnel

AGM
RRB Department

CM
Verification Audit

General Banking & Miscellaneous Matters (including IOR & GAD)

Complaints

Budget/Performance Monitoring/MS Support for Network Viz. Data Collection/Returns

Inspection & Audit

Disciplinary Proceeding & Frauds

Direct Branches

Modules

Major change in Zonal Office structure has been taking away of planning support from the DGM to where it actually belongs i.e., AGMs (Region). Thus, the position of Chief Managers (Development) for each business segment under DGMs (Module) have been disbanded. To meet a long felt need, the services of one sales planner have been provided to each AGM (Region). Similarly, planning section has been abolished leaving some planning support as Chief Manager (DEV & Personnel Banking) with the DGMs (Module). Management of NPAs has received focussed attention by creation of the position of a Chief Manager (Advances, Monitoring, Rehabilitation-cum-management) under DGMS (Module) and an NPAs Management-Cum-Recovery Desk under AGMs (Region). [The Organisation Chart of Zonal Office is shown in the exhibit (B-E)]

The above restructuring has basically followed the theme of a transition from strategy-structure-system approach to purpose-process-people approach in management (from 3-S to 3-P), where people have been recognised as an important factor. Purpose and processes remain inanimated and do not deliver unless a properly motivated human element is introduced. Restructuring cannot succeed unless the people at all levels appreciate and own the change. What is desired is goal-congruence between the organisation and its people. For this to happen, employees need to know the objectives of the change and the direction in which this change is headed followed by change in individual employees goal to match the organisation's goal. This calls for attitudinal change-to shun lethargy, apathy, and myopic view-to see the larger good of the organisation beyond personal parochial preferences and convictions.

After making a thorough study of the organisational structure of the bank under study alongwith its restructuring, it shall be interesting to analyse the executive development programmes & techniques adopted by the bank. This is in order to understand the extent to which employees perform their duties effectively.
Development and Personal Banking Networking

Exhibit-(B-E)

DEPUTY GENERAL MANAGER
MODULES

DEV & PER.BKG
SMGS IV
Monitoring of Priority
Sect. Adv/G.S.S./
Lead Bank/Customer
Srv/Task Force

ADVANCES,
REHAB
CUM NP A MGT.
SMGS IV

GENERAL SECTION
ALL RETURNS
SMGS IV

PERSONNEL
&
HRD
SMGS IV

OFFICE
ADMN.
SMGS IV

GEN. BANKING/
BUDGETING &
PER. MON. Etc.
SMGS IV

ADV. CELL
MMGS II

NPA MGT./
REH. CELL
MMGS II

CONSULTANCY
CELL/(SMA/AGR)
MMGS II

COMPUTER
SECTION
MMGS II

SECURITY
OFFICER
MMGS II

liaison
OFFICER
MMGS II

MEDICAL
OFFICER
JMGS II

PREMISES
MMGS II

VERIFICATION
AUDIT CELL
MMGS II

I.O.R. & GAD
CELL
MMGSII

DISC. PRO
CELL
MMGSII

OFFICIAL
LANG. DEPT.
MMGSII

ASST. LAW
OFFICER
JMGS I

ALL BRANCHES
HEADED BY
AGMs

EXECUTIVE DEVELOPMENT

There is no job in modern society more vital than that of an executive. The executive is the investor's catalyst. He is planner, producer, marketer; the man also is expected to make things happen. He is the primary instrument in the technical task of the creation of wealth, in that global task called "development."  

The vitality of a business enterprise is largely dependent upon the vigorous men who manage. Great organisers build great dream-like enterprises with their dynamic leadership. This requires very efficient and effective management of the process of growing executive leadership in organisations.

We should keep this quest in mind whenever we turn to studies of managerial methods, processes and objectives in order to gain some insight into what we are when we are managers, especially when the findings wear the imposing garb of "research". Such insight can in part be gained through the eyes of others, and we are about to consider a number of different views. Some of them are research findings, and others are straightforward observations and reflections. A search for managerial skills, leading to a consideration of the manager's role towards technical specialists and scientific executives, as well as for his specific responsibilities towards those for whom and with whom he works, may give us a new sense of the value of organisational relationships. But this is not enough. What the manager is asking us today is to help him develop an awareness of his particular kind of indispensability, an awareness of the form, to put it somewhat sententiously, of his particular existence as a manager. In this search, scientific inquiry, however defined, can be an aid, but only an aid.

Batten's is a no-nonsense approach to the question of how to be an effective manager. He attacks the increasingly popular assumption that "..... imagination and dynamic things will happen when a major position is filled by a man who possesses, roughly, the following qualifications: at least one college degree (preferably two, sometimes three or more); considerable related experience; pleasant and personable mannerisms; and the ability to assuage feelings and pour oil on troubled
waters. Many times a man with these flawless credentials is recruited and placed in charge of a department with high accompanying expectation."

Yet if the man moves into a "nonproductive climate" and simply remains a nice guy, he usually doesn't get the job done. Batten does not embrace the many kinds of management development programs currently popular, whether they include role playing, buzz sessions, case studies, brainstorming, sensitivity training, problem solving, the in-basket technique, or managerial games.

While Batten does not tell us how we can acquire those admirable traits, which make a manager successful, but if we possess the necessary innate qualities, he seems to imply, we can model ourselves in the image of the responsible, ethical, outgoing, action-minded, and results-oriented captain of industry—what, to Batten, the word "manager" stands for, the growing popularity of "how-to" books, lectures, and programs testifies to the attractiveness of this approach. It does have value as a primary step towards reorganizing one's own ways of acting. But if adopted faithfully, it keeps the adopter on its particular level: he remains an actor.

"To get things done" will always remain the simple and accurate description of one basic managerial function. Nonetheless, in an industrial society increasingly ruled by the gray eminences of the laboratory, traditional views of managerial functions and organisational design become irrelevant. The good manager, say Ralph M. Hower and Charles D. Orth 3rd in Managers and scientists, now must become the kind of administrator "who will not drive scientists away, who will facilitate, not hamper the research effort" and who can be developed "without syphoning off into management any substantial portion of productive scientists."

The manager, is no longer the boss, the man of authority or the man in whose image the organisation was and is molded. Nor is he merely an administrator relaying messages, applying policy, and regulating traffic between the in-baskets and the out-baskets. He becomes the Mr. Moderator of the daily R & D town meeting. He is a catalyst.
The problem of "Managing" the specialist and the expert within the organisation has renewed a trend in the study of management which began when "scientific management" was supplanted by the "people management" and when the "pure" problem of organisation was distilled from the multiple problems of one particular form of organisation, the competitive business firm. Today the systematic observer is deeply involved in the generic problem of organisation management. We study and compare the functioning of a great variety of organisation in business, the professions, the public service, and in social and political life.

"The most important feature of the managerial mind is its commitment to the life and growth of the organisation", says David W. Ewing in the Managerial Mind. For Ewing, "the philosophy of expectation" not only gives the managerial mind internal consistency; it also sets it apart from other ways of thinking. Along with Hower and Orth, he holds, though he does not specifically say so, that in some ways an organisation is an organism, with its own particular laws of internal motion, productivity, and existence. To the manager, his organisation, whatever its specific tasks, is a vehicle not only of social progress but of survival. He is its guardian.

It is believed that the organisations that aspire to a sound long run future must do better with the generation of executive leadership, i.e., they must have more of the people who are potentially capable of becoming managers—actually become capable performers in management and in a shorter period of time. For a business to have adequate assurance now, that it will be able to meet this requirement in the future, something more than what is usually thought of as a "management development programme" will be required, something more than courses, replacement tables and schedules of experience assignments, useful as these are if well done.

The more we see of the effort to improve management, the more we feel that "right thinking" about this problem must take into account the best of our experience and those of the advanced countries, the soundest of ethical ideas, the spiritual nature of a man as it relates to his capacity to venture and assume responsibility in the face of uncertainty and his knowledge that is experimentally demonstrable. The latter three of these aspects of "right thinking" are not commonly put together in approaching a practical problem like the development of business.
managers, but they are equally important and they cannot be overlooked in the process of "right thinking."

Management development is a process of growing leadership; it refers to all of the actions or influences—whether generated by the manager being developed, his boss, his associates or his company—that affect what he knows and can do, how he thinks, how he works, and how he grows as manager. Some of the major objectives of management development are:

01) **To assure managers in required numbers and with the required skills to meet the anticipated future needs of the business.** In every company something is predictable, something can be foreseen, that gives a tangible base to current management development activity.

02) **To encourage managers to grow as persons and in their capacity to handle greater responsibility.** Because unforeseen demands will be added to what can now be foreseen, a company will need all of the growth it can get.

03) **To improve the performance of managers at all levels in the jobs they now hold.** If improved operating performance is a constant goal, then improved management performance must pace it. One of the requirements of a sound, long-range business is that its management is seeking constantly to improve itself, to improve management performance of managers in their present jobs, including their belief in what they are doing and their ability to develop subordinates. This is important not only to meet the needs of the business, but for the good of the man, so that his own sense of personal significance will grow.

04) **To sustain good performance of managers throughout their careers.** Some managers are in their terminal jobs or their terminal levels, even in periods of expansion. Yet many years of good performance should be expected, by providing incentives other than advancement. If we may assume that a manager must develop somewhat merely to stay even, then part of the job of management development is to help sustain good performance of all managers right up to the day they leave their company.

The beliefs of senior managers about growth and change in their subordinates will probably determine, in the long run, how well the next generation of managers
comes along.

This poses a difficult problem because very little is known about growth of mature people anywhere. We can only speculate from such fragments of information as are available. This speculation suggests the following as a definition of mature growth: “Mature growth is seen as a continuous process toward the fulfillment of what a person is uniquely capable of becoming”.

Therefore, the managers who help people to grow is one who can accept the idea of each individual becoming himself, and who makes an effective team out of such people.

Growth, as viewed here, is equally available to each person in a business regardless of how far he has risen in the organisation. It is seen as something more basic than striving for status, although a business wants enough of that to produce people to cover all of the positions competently. Growth is seen as the fundamental development of the person so that every one, to the maximum extent possible, will do his best contribution to his company, his home and his community.

It will not be out of place to mention here that some companies do not agree with the various efforts put for the development of executives. There are some attitudinal blocks on the part of those companies. Briefly they are:

a) Executives are born, not made
b) Why train and develop? Just buy.
c) Appoint a training man and leave it to him.
d) Personnel man should take care of the people and their development.
e) Executives are too busy to be developed.
f) Let us do the “done thing”

It is needless to overemphasise the fact that such attitudinal blocks need to be overcome, if organisations wish to play a positive role in executive development effort. That too when the organisation is service-oriented organisation (Banking Company).

**Executive Development in State Bank of India.**

In order to analyse executive development programmes in the State Bank
of India, a sample at random was taken from various branches of the Bank in Jammu and Kashmir State. In this connection, 103 questionnaires were administered to various executives of the Bank. But, only 70 questionnaires were returned by the respondents in the State Bank of India which represents 20% of the total number of executives ranging between JMG-I executives to SMGS-V executives of State Bank of India. Therefore, for the analysis 70 respondents were taken into consideration. The questionnaires were distributed to the following groups of Executives in the Bank.

01) Senior Management Grade Scale V
02) Middle Management Comprising Scale III & IV level of executives
03) Lower Management comprising scale II & I level of officers

(Questionnaires could not be served to other higher level executives i.e., scale VI & VII, because such positions are not allotted to the bank under study in the State of Jammu and Kashmir)

The Number of Respondents for each Group of Executives in the Bank is as follows.

**TABLE - I**

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<thead>
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<th>Levels</th>
<th>No. of Respondents in S.B.I.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher Level Management</td>
<td>02</td>
</tr>
<tr>
<td>Middle Level Management</td>
<td>12</td>
</tr>
<tr>
<td>Lower Level Management</td>
<td>56</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>70</strong></td>
</tr>
</tbody>
</table>

The sample was selected at random basis and questionnaires were also distributed at random to various levels of executives in the Bank. Due care was taken that no category of officers remained unrepresented. Besides, survey was conducted in urban and rural branches, big and small branches, and regional and training centres also.

To analyse and evaluate executive programmes in State Bank of India, concentration would be confined to five important components of executive development.
programmes in the Bank, i.e., 01) Training 02) Promotion 03) Performance Appraisal 04) Transfers 05) Job Analysis & Job Rotation

01) TRAINING IN STATE BANK OF INDIA

Executive Development is an essential factor for the success of any organisation, particularly service sector. Training is the main component of the Human Resources Development. The banking sector has evolved very good system of recruitment but very bad system of training. The grass-root employees are mainly untrained or inadequately trained. They have to discharge very important functions in the development banking to which they have to be well-versed in practice.

Training in banks has been acknowledged for long as a vital in-house effort at strengthening the institution. With the advancement in management sciences during past three decades, training has begun to receive more serious consideration and it is already recognised as a continuing intervention in the ongoing process of organisation development. It is, therefore, in the fitness of things that training in banking industry has been specially emphasised in India from the highest quarters.

K. Rama Krishnan of State Bank of India rightly remarked, "training is a means to develop human resources. The importance of developing human resources and equipping them with knowledge, skills and attitudes essential for the effective job performance has increased tremendously in view of the vast expansion in staff strength, branch network & the scope of banking activities witnessed in recent times to keep pace with mounting expectations of society from banks."(7)

After the officer is selected, placed, inducted, he must next be trained, training is the act of increasing the knowledge and skill of an officer for doing a particular job. Training is essential part of the personnel management.

In the banking industry, training is being provided at all levels—from the level of senior management to the level of an even subordinate staff. The question of providing training facilities to employees of commercial banks was for the first time discussed by the Reserve Bank of India in 1953 with the representatives of the Indian Banks Association and the Indian Institution of Bankers. Later a
detailed scheme was drawn up for training whereafter on the lines of the institutions existing in U.K., Australia etc, a bankers training college was established where practical aspects of banking operations were explained to the trainees.

With the growing accent on training over the last few years, significant importance is being attached to providing various types of inputs on an on going basis to the staff in State Bank of India. The concept of training philosophy adopted by the bank emphasises the bank's concern about individual growth and organisational effectiveness.

"Training in the State Bank of India is a proactive, planned and continuous process as an integral part of organisation development. It seeks to impart knowledge, improve skills and reorient attitudes for individual growth and organisational effectiveness."(*)

TABLE - 2

Table showing various training programmes attended by executives of S. B. I in J & K during last 10 yrs. (1987-1997)

<table>
<thead>
<tr>
<th>Executive Designation</th>
<th>Grade</th>
<th>L/T</th>
<th>S/T</th>
<th>Tech</th>
<th>No of Exect's Total Training programmes attended</th>
<th>Average Total</th>
<th>Percentage of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asstt General Manager</td>
<td>SSMG</td>
<td>V</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.175</td>
<td></td>
<td>31.75</td>
</tr>
<tr>
<td>Chief Manager</td>
<td>SSMG</td>
<td>IV</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>6</td>
<td>1.33</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>14.07</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manager</td>
<td>SSMG</td>
<td>III</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>6</td>
<td>1.33</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>14.07</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deputy Manager</td>
<td>MMSG</td>
<td>II</td>
<td>10</td>
<td>36</td>
<td>7</td>
<td>34</td>
<td>1.56</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>16.51</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>JMGS</td>
<td>I</td>
<td>12</td>
<td>37</td>
<td>-</td>
<td>22</td>
<td>2.23</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>23.60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>32</td>
<td>83</td>
<td>9</td>
<td>70</td>
<td>9.45</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Lt denotes Long-term, St denotes Short-term and Tech denotes technical).
During the survey it has been noticed that training is a routine job of every employee. In other words, everybody was being sent to training courses, turn by turn. There, has been no fixed criteria for the selection of employees for training courses.

As per the Table 2, It is worth to mention that more training programmes are arranged for Junior Management Grade Scale (JMGS I) officers and Senior Scale Management Grade(SSMG V) officers. On the other hand, officers from other scales are given lesser training programmes to attend.

Above table further reveals That State Bank of India has conducted short term training courses largely as compared to long-term training programmes. In fact, out of total of 124 training programmes attended by various executives of the Bank during 1987- 1997 December, in the state of Jammu and Kashmir, only 32 training programmes were of long-term duration. This represents 25% of total training programmes attended by the executives. This shows lack of rationalisation from duration point of view.

Analysis of above table shows that SSMG-V and JMSG-I executives have attended more training programmes out of total training programme of 124. They have attended respectively 31.75% and 23.6% Similarly, other officers have attended lesser number of training programmes, i.e Chief Managers SSMG-IV and Deputy Managers MMSG-II and Managers SSMG-III have attended respectively, 14.07%, 16.5% and 14.07%.

The reason for conducting of largely short-term training programmes by the Bank is that training in State Bank of India is a continuous process as an integral part of organisation development. Training is provided to all types of employees on regular need basis. Therefore, question of providing long-term training programmes has least importance for the Bank except for certain exceptional cases. The following basic and special courses were conducted by the Bank for its officers during the period under study:
**Table showing the various training programmes attended by the S.B.I. officers**

<table>
<thead>
<tr>
<th>Name of the programme</th>
<th>Target Group</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Basic Courses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01. Programme for newly promoted cash officers</td>
<td>Newly promoted cash officers</td>
<td>1 Week</td>
</tr>
<tr>
<td>02. Supervisory orientation programme for newly promoted officers</td>
<td>Newly promoted officers- JMGS-I</td>
<td>8 Days</td>
</tr>
<tr>
<td>03. Programme for cash officers converted to accounting wing</td>
<td>JMGS-I Transferred from cash wing to accounting wing</td>
<td>2 Weeks</td>
</tr>
<tr>
<td>04. Induction programme for probationary officers/ trainee officers</td>
<td>Directly recruited officers/Trainee officers</td>
<td>4 Weeks</td>
</tr>
<tr>
<td>05. Intermediate programme for probationary officers/ trainee officers</td>
<td>Probationery officers/ trainee officers with one year of service</td>
<td>4 Weeks</td>
</tr>
<tr>
<td>06. Programme for rural development officers</td>
<td>Rural development officers</td>
<td>10 Days</td>
</tr>
<tr>
<td><strong>B. Special Courses.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01. Programme on lending in SBI for field officers, operating officers at local Head office/Regional offices</td>
<td>Field Officers</td>
<td>6½ Days</td>
</tr>
<tr>
<td>02. Special programme for officers on nursing &amp; Rehabilitation of sick units</td>
<td>Branch Managers, Managers of Division, Field Officers</td>
<td>1 week</td>
</tr>
<tr>
<td>03. Credit Appraisal programme</td>
<td>Managers of Divs/Field-Officers/Operating Officers</td>
<td>2 weeks</td>
</tr>
<tr>
<td>Name of the programme</td>
<td>Target Group</td>
<td>Duration</td>
</tr>
<tr>
<td>------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>04. Programme on Import &amp; export for officers in category 'A' Branches</td>
<td>For Desk officers of category 'A' Branches handling Forex Business</td>
<td>3 Days</td>
</tr>
<tr>
<td>05. Capsule course for officers posted at ADBs</td>
<td>Branch Managers/Rural Development Managers</td>
<td>3 Days</td>
</tr>
<tr>
<td>06. Programme on priority sector lending for officers working at Rural Branches</td>
<td>Field Officer &amp; Branch Managers of small Branches</td>
<td>6 Days</td>
</tr>
<tr>
<td>07. Programme for officers on IRDP &amp; Lead Bank Scheme</td>
<td>Field Officers (Agr)/Manager (Agri) Rural Development Manager</td>
<td>3 Days</td>
</tr>
<tr>
<td>08. Junior Level Branch Management programme</td>
<td>Newly posted Branch Managers</td>
<td>2 weeks</td>
</tr>
<tr>
<td>09. Programme for officers on Personnel Management &amp; Industrial Relations</td>
<td>Branch Managers/Managers of Divisions</td>
<td>1 week</td>
</tr>
<tr>
<td>10. Programme on HRD for Branch Managers &amp; Managers of Divisions</td>
<td>Branch Managers &amp; Manager of Divisions</td>
<td>3 Days</td>
</tr>
<tr>
<td>11. Computer appreciation programme</td>
<td>Officers</td>
<td>2 Days</td>
</tr>
<tr>
<td>12. International Banking Programme for officers</td>
<td>Officers of A &amp; B Category Branches handling foreign exchange work.</td>
<td>1 week</td>
</tr>
</tbody>
</table>

[Source: Training Manual, State Bank of India L.H.O. Chandigarh]
Besides, above programmes, the Bank has been conducting various training programmes keeping in view the need of providing training to the various target groups, different courses have been designed to meet the changing needs. The effectiveness of system and procedures coupled with the realisation of corporate objectives, which have been the constant anxiety of the Bank, are also reflected in the inputs provided by the training system.

In the system's approach to executive development, the follow up and utilisation of trained executives is a very crucial phase of the executive development system. An executive who is deputed by the State Bank of India for a training programme and he participates in it, he returns to his job but this is not the end of the executive development effort. As a matter of fact, this is just the beginning, in the sense, at this stage, the problem of transference of learning to on-the-job situation arises. If the goal of training and development is the goal of the organisation as well as the individuals, then learning or training that does not transfer to the job is of no use. The Bank under study realises this and report that they provide all opportunities to their executives to utilise their learning on-the-job in the Bank.

02) PROMOTIONS OF EXECUTIVES IN STATE BANK OF INDIA

Promotion is one of the tools of motivation. By promoting, we simply recognise the talent and hidden potentialities of a man. Promotion means throwing a challenge to an individual to show his ability. By promoting a man, institution does not loose but gains only. It provides moreability, new encouragement, stimulation. This results in change in task, attitude, liking, outlook and thinking of a man. In banks promotions are given due importance. It is worth to mention that approximately 80% of supervising staff in banks is inducted by departmental promotions. Before making promotions the positions are created and their job is prescribed/determined.
Table 3

Table showing the No. of respondents (satisfied/not satisfied) with the promotion policy of the Bank

<table>
<thead>
<tr>
<th>Executive Designation</th>
<th>Grade scale</th>
<th>Total no. of Executive</th>
<th>Satisfied No</th>
<th>%age</th>
<th>Not-Satisfied No</th>
<th>%age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant General Manager</td>
<td>SSMG V</td>
<td>2</td>
<td>2</td>
<td>100</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Chief Manager</td>
<td>SSMG IV</td>
<td>6</td>
<td>4</td>
<td>66.67</td>
<td>2</td>
<td>33.3</td>
</tr>
<tr>
<td>Manager</td>
<td>SSMG III</td>
<td>6</td>
<td>2</td>
<td>33.3</td>
<td>4</td>
<td>66.67</td>
</tr>
<tr>
<td>Deputy Manager</td>
<td>SSMG II</td>
<td>34</td>
<td>10</td>
<td>29.4</td>
<td>24</td>
<td>70.60</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promotees</td>
<td>JMGS I</td>
<td>19</td>
<td>2</td>
<td>10.5</td>
<td>17</td>
<td>89.50</td>
</tr>
<tr>
<td>Direct Recruit</td>
<td>JMGS I</td>
<td>3</td>
<td>3</td>
<td>100</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(Probationary officers)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

After implementation of Pillai Committee Reports in Banks there are seven scales in all major Banks.

These scales are:-

01) Junior Management I
02) Middle Management II & III
03) Senior Management IV & V
04) Top Executives VI & VII

These scales are also implemented in State Bank of India. The Level of proficiency is required as under:-

(a) Junior Management Level

This is a position which forms the first step in the State Bank of India management ladder. Persons come into this position through direct recruitment as well as through the promotional channel and these persons need to have an understanding of the Bank's basic system and procedure which is as follows.

a) Basic accounting skills
b) Awareness of system and procedures  
c) Inter-personnel Skills  
d) Elementary credit appraisal skills and  
e) Marketing skills.

While moving from clerical cadre to officers scale I, there are three channels of promotion.

a) By competitive test with certain minimum qualification and length of service.  
b) By competitive test with a clause to call the candidates three or four times of vacancies. The minimum length of service is fixed  
c) By interview only, after putting certain years of service in bank.

A ratio of vacancies in each channel is determined in the bank under study with employees union.

From the Table 3, it is clear that executives in this scale, i.e, Junior Management Scale I are mostly not satisfied with the promotion policy and procedure of the bank. It was noticed and observed during the study that out of sample of 19 respondents from Junior Management Executives (Scale I), promoted through various indirect channels, only two (02) respondents were satisfied and seventeen (17) were not satisfied. This gives a ratio in percentage, 10.5% satisfied and 89.5% not satisfied.

While as the situation is quite different in case of the direct recruits to Junior Management (I) executives in the bank, they claim that they are 100% satisfied with this system, as they are taken through Merit Channel.

(b) **Middle Management Level**  
For promotion to higher cadres say middle level the following skills are required:

a) Appraisal skills required for promotion to Junior Management Level I  
b) Rehabilitation skills
c) Basic credit appraisal skills

d) Agricultural finance skills

e) Marketing skills-international banking

f) Inter personnel communication & basic management skills

For further promotions the following additional skills are essential.

   a) Basic leadership skills
   b) Training skills
   c) Man management skills

Past performance and records of service also has bearing on promotion.

Promotion from junior management to middle management is again in two channels:

   a) Seniority Channel
   b) Merit Channel

Certain percentage of vacancies are fixed under seniority channel where promotions are made only through interview. In case of merit channel the promotions are made on the basis of written test followed by personal interview.

As per Table No 3, out of 40 respondents in Middle Management Level, only 12 executives are satisfied and remaining 28, are not satisfied with the promotion policy and system of State Bank of India.

Break-up of Middle Management Level is as under:-

Middle Management (Scale III) 33.3% Satisfied, & 67.7% Not-Satisfied
Middle Management (Scale II) 29.4% Satisfied, & 70.6% Not-Satisfied

It shows that comparatively, Middle Management scale III Level Executives are little more satisfied with the promotion policy and system than the MM scale II executives. Out of Middle Management Level executives total of 30% executives are satisfied & 70% not satisfied with the promotion policy.

(c) Senior Management Level
An executive who moves to next senior management level should have the capabilities of higher skills in man management area, negotiating abilities, strategic planning abilities, leadership abilities, higher training, marketing, credit, international banking skills etc.

All promotions in the State Bank of India from Middle Level onwards are made on the basis of interview and performance appraisal. There is no written test. Generally the confidential reports for last few years are examined & rated for promotion to Senior Management Level.

In the Senior Level Management Executives, questionnaires were served to eight senior executives of the State Bank of India. Six executives were satisfied and 2 were not satisfied with the promotion policy of executives in the Bank. This gives the ratio of 75% satisfied & 25% not-satisfied

An important analysis of the data collected for this purpose as contained in the table 4, reveals that as long as an executive is promoted from bottom to top, he has least grievances with the bank's promotional policy. This fact is revealed from the following chart.

Table 4
Table showing the %age of executives at various levels of management
(Satisfied and Not-satisfied)

<table>
<thead>
<tr>
<th>Designation of Executives</th>
<th>% Satisfied</th>
<th>% Not-Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>01) JUNIOR MANAGEMENT EXECUTIVES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Promotees</td>
<td>10.5</td>
<td>89.5</td>
</tr>
<tr>
<td>b) Direct-recruits</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>02) MIDDLE MANAGEMENT EXECUTIVES</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>03) SENIOR MANAGEMENT EXECUTIVES</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>75</td>
<td>25</td>
</tr>
</tbody>
</table>

In fact there was no promotion policy in the past, but now major commercial banks (including State Bank of India) have promotion policy. By and large promotions are made on merit of the individual. With the expansion of Banks there are large
promotional opportunities and now 70% of officers belong to the age group of 30-40 years. Majority of them are in the Junior Management Level.

It was noticed that the following main reasons were responsible for dissatisfaction among State Bank of India executives regarding promotion policy:

i) Seniority & performance of officers was partially considered for promotion, resulting in stagnation.

ii) For promotion from JMGS-I executive to MMGS-II executive, one of the prerequisite conditions is that officer must have 10 years service in JMGS-I. The period is considered long & instead promotion span according to them should have been 4 - 5 years.

iii) It has also been noticed that executives felt promotion policy at present does not provide ample opportunity for timely promotions.

iv) Bank has not taken any steps to remove stagnation by introducing drastic changes as promised with the union leaders of the bank under study.

03) PERFORMANCE APPRAISAL IN STATE BANK OF INDIA

Performance appraisal is a process that involves determination of how an employee is performing his job and communicating the same to him. It is a diagnostic tool which may be used to identify the strength and weakness of the employees of an organisation. As such it can focus on the changes required in behaviour, attitude, skill and knowledge of an employee for improvement of performance. This system thus can be very helpful to identify the educational, training and development needs of an organisation. However, the conventional performance appraisal system is usually designed to serve the administrative purposes and as such, it ignores the growth and development aspects of the employees. This old style of management is changing and will change very fast in the years to come. The evolving approach to management is a 'team concept' based on co-operation between management and subordinates. " The management needs to guide and assist his subordinates in the setting of performance standards and objectives rather than impose them unilaterally. (9)
The main objectives of the Performance Appraisal System are:

01) Generation of significant, relevant, open and valid information about employees;

02) Adequate feedback and guidance from the immediate boss or reporting officer to the employees;

03) Removal of weaknesses and improvement of strengths of the employee to enable him to improve his performance and that of the Branch/Region/Circle;

04) Identification of employees for the purpose of motivating, training and developing them;

05) Contribution to the growth and development of the employees by realistic goal setting;

06) Providing inputs to the system of rewards comprising appreciation, additional responsibilities, quicker promotion and preferred postings;

07) Creating an achievement-oriented culture and tradition in the organisation at all levels.

In State Bank of India, the system of performance appraisal was introduced as a tool for Human Resource Development, with the following objectives:

01) Creating "Openness of Culture"

02) Help the employee to overcome his weaknesses and improve his performance:

03) Generate significant, relevant, free and valid information about employees:

04) Help identifying employees for the purpose of motivating, training and developing:

05) Provide inputs to system of rewards comprising salary increments, appreciations, additional responsibilities, promotion etc.

06) To serve as a support function for the developmental aspects which include, identification of strengths and weaknesses, training and development, job-rotation and enrichment, performance planning and review, career development
and potential appraisal.

Like most of other organisations, State Bank of India too had a system of confidential reporting. The system of confidential reporting suffered from many drawbacks. Firstly, the degree of subjectivity was too high in the system. Secondly, there was no scope for providing feedback to the appraise on his performance. Thirdly, the system did not in any way reflect the growth needs of the individuals, being appraised, and so on.

A formal data-based Appraisal System, involving people in the goal identification process, was introduced on experimental basis in Ahmedabad Circle of SBI in 1981. The results of the experiments were quite encouraging and as a result, the Appraisal System was extended to whole of the organisation in 1986 covering all the levels of organisational hierarchy. This Appraisal System also suffered from many inadequacies. Some of the deficiencies noticed were as follows:

01) It was subjective in nature as forms PAS-5 PAS-5A were attributes based.
02) It was difficult to comprehend key performance areas and called for a good deal of judgement on the part of both appraiser and appraise.
03) Although the system had been conceived as person-specific in actual practice, the appraise and appraiser together settled key Responsibility Areas of the people.

As the key performance Areas linked with Performance Appraisal System did not stabilise, its coverage could not be extended to managerial positions above the level of Deputy General Managers. As such, two sets of reporting system continued to exist.

Because of such deficiencies this System also had to be discarded and on 25th January 1993 a new Appraisal System called the Assignment Appraisal system got finally approved by the Top Management, for its introduction all over the Bank with effect from 31st March, 1993. The salient features of the present Performance Appraisal System are:
01) There is only one reporting system covering all the officers. The Assignment Appraisal which is now compiled separately form part of the format.

02) The format (AARF) is data based and comprehensive. It provides the basic and vital inputs for assessing the performance of an officer and for his further advancement in career. Format (AARF) is divided into the following components:

01) Annual Appraisal Report Form I (AARF I) : for all of officers.
02) Annual Appraisal Report Form II (AARF II) Self appraisal for all officers.
03) Annual Assignment Report Form III (AARF III) : for all officers who have budgetary and operational responsibility.
04) Annual Assignment Report Form III-A (AARF III-A) : for all other officers having no budgetary & operational responsibility working in branches and at administrative offices.
05) Annual Assignment Report Form IV (AARF - IV) : For JMG1 and MMGII officers.
06) Annual Assignment Report Form IV - A (AARF - IV-A) : For officers in MMGS III and above.
07) Annual Assignment Report form V (AARF-V) : overall rating by Reporting Authority.
08) Annual Assignment Report form VI (AARF-VI) : final rating by reviewing authority.

03) The Assignment Appraisal is an annual exercise there by, obviating the need for compilation of reports years later by officials not knowing the appraise.

04) The rating is by marking system. The overall rating is done on a five point scale, comprising of excellent, good, above average, average and unsatisfactory categories. The rating for the performance is done as follows:
i. E-Excellent: Achievement of goals for growth to the extent of 100% and above.

ii. G-Good: 90% and above but below 100%.

iii. AA-Above Average: 70% and above but below 90%.

iv. A-Average: 60% and above but below 70%.

v. U-Unsatisfactory: Below 60%.

Finally, the rating is converted into marks as follows:

E - 40,  G - 30,  AA - 20,  A - 10,  U - 0.

05) There is provision for self appraisal.

06) The format is designed in such a way that the reviewing authority has to specifically record agreements/disagreements, and also potentialities and accord final judgement rating.

07) There is also provision for standing review committees at various levels so as to have a second review which helps to place all assignments for comparison under one umbrella. This helps to apply uniform norms to ensure fairness and remove arberrations and inconsistencies if any in reporting and reviewing styles.

The underlying process with regard to the present performance Appraisal System in State Bank of India is very clear: "The reporting authority should in the beginning of the year set quantitative/physical/financial targets in consultation with each of the officers with respect to whom he is required to report. In the case of those officers, who have responsibility for achieving growth of business, the settled budget for the year will be the target. As regards other officers, quantification of the responsibility in terms of identified Key Responsibility Areas (KRAs) may be done by the appraise. Even otherwise key responsibilities of every functionary are well known to appraise as well as appraiser. The targets/goals should be set at the commencement of the year. In the case of officer taking up a new assignment in the course of reporting year, he will take over the targets set for
the officer whom he is replacing. However, while reporting on such officer it will be necessary to take into consideration his performance in the assignment in which he has spent maximum period. While fixing the targets, priority should be assigned item-wise, taking into consideration the nature and the area of work and any special feature that may be specific to the nature and the area of work of the officer to be reported upon."

Table - 5

**TABLE SHOWING THE RESPONSES OF VARIOUS EXECUTIVES OF STATE BANK OF INDIA REGARDING THE PERFORMANCE APPRAISAL SYSTEM**

<table>
<thead>
<tr>
<th>Designation of Executives</th>
<th>Grade Scale</th>
<th>Total No</th>
<th>Satisfied %age</th>
<th>Not/Satisfied %age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant General Manager</td>
<td>SMGS IV</td>
<td>02</td>
<td>100</td>
<td>02</td>
</tr>
<tr>
<td>Chief Manager</td>
<td>SMGS IV</td>
<td>06</td>
<td>67</td>
<td>04 33 02</td>
</tr>
<tr>
<td>Manager</td>
<td>SMGS I</td>
<td>06</td>
<td>67</td>
<td>04 33 02</td>
</tr>
<tr>
<td>Deputy Manager</td>
<td>MMGS I</td>
<td>34</td>
<td>44</td>
<td>15 56 19</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>JMGS I</td>
<td>22</td>
<td>50</td>
<td>11 50 11</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>70</strong></td>
<td><strong>51.4</strong></td>
<td><strong>36</strong></td>
<td><strong>48.6</strong> 34</td>
</tr>
</tbody>
</table>

From the Table 5 it is clear that the present performance Appraisal System, which has replaced the old system, is an improvement over the latter. Out of total 70 respondents, 36 (51.4%) are satisfied and 34 (48.6%) are dissatisfied. Executives at upper levels are mostly satisfied. This can be judged with the figures
shown in the above table. While as, executives at middle level, i.e., deputy managers (MMGS II) are lesser satisfied, as their ratio in percentage is 44:56 (44% satisfied and 56% dissatisfied). On the other hand, executives at lower level shows equal response to the satisfaction and dissatisfaction.

Reasons responsible for dissatisfaction among executives regarding performance appraisal are mentioned as under;

1) In case of adverse remarks attributed by appraiser, same are not being communicated to the appraise.

2. Favouritism shown by bosses to their own ones.

3. Present performance appraisal being not open appraisal system.

Further, major portion of the response among dissatisfied category, pleaded that there should be complete open system of performance Appraisal in the Bank under study. Although an year-end exercise, in order that it be a tool for Human Resource Development takes place in the State Bank of India, review of performance is undertaken at regular intervals.

04) POLICY OF TRANSFER OF EXECUTIVES IN STATE BANK OF INDIA

No other issue has aroused so much controversy as the policy of transfers to difficult areas or the lack of it. People asked to take up challenging assignments may often construe it as punitive in the absence of supportive communication. It would be better to call the officer concerned and confide with him in confidence about the organisational concerns.

Monetary incentives or administrative ones have to be provided in areas where the basic amenities are lacking. Even these may not be enough and it would be appropriate to identify persons with the proper orientation. In such cases, the creation of a particular cadre would prove to be useful. For these people, a special career path needs to be evolved. Complications are bound to arise regarding the tenure at such places, but these can be minimised through a well defined policy and/or personal interviews with the individuals.
In the context of rapid branch expansion of State Bank of India, which has at present almost 8900 branches and the Government's avowed intention covering all blocks/block headquarters irrespective of infrastructural facilities, the problem of personnel for posting in these areas working on usual terms has already assumed serious proportions.

TABLE - 6

**TABLE SHOWING RESPONSES FROM STATE BANK OF INDIA EXECUTIVES TOWARDS THE TRANSFER POLICY.**

<table>
<thead>
<tr>
<th>Designation</th>
<th>Grade Scale</th>
<th>Transfer as reward</th>
<th>Transfer as punishment</th>
<th>Exigency of service</th>
<th>Satisfied %age</th>
<th>Not satisfied %age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant General Manager</td>
<td>SSMG V</td>
<td>-</td>
<td>-</td>
<td>02</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Chief Manager</td>
<td>SSMG IV</td>
<td>-</td>
<td>-</td>
<td>06</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Managers</td>
<td>SSMG III</td>
<td>04</td>
<td>-</td>
<td>02</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Deputy Managers</td>
<td>MMSG II</td>
<td>15</td>
<td>02</td>
<td>17</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Assistant Managers</td>
<td>JMGSI</td>
<td>16</td>
<td>02</td>
<td>04</td>
<td>81%</td>
<td>19%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>35</strong></td>
<td><strong>04</strong></td>
<td><strong>31</strong></td>
<td></td>
<td><strong>92%</strong></td>
<td><strong>8%</strong></td>
</tr>
</tbody>
</table>

From the data shown in the table 6, it can be asserted that the transfer policy in the bank under study is effectively implemented. It was observed that most of the executives are satisfied with the transfer policy except barring a few, who were not satisfied. As per the above table more than 80% executives in all the grade scales were satisfied. Most of the response of the executives was that the transfer in their case was either reward or they realise that it is the exigency of their service.

Only 04 respondents out of total 70 were not satisfied. It was observed that they were not given chance to work in prestigious branches. They were continuously
posted in one branch since the last 10 to 15 years. While putting the view of these officers before the management, they totally refused the allegation, but, admitted this fact in case of ignorable number posted in the same branch in the interest of the bank in particular and society in general.

It was observed during the study that executives have least complaint about transfer policy. They felt that by and large Bank has good transfer policy & its implementation.

05) **JOB ROTATION AND ROLE ANALYSIS**

Job rotation is the practice of systematically rotating an employee from one job to another within the branch office. "The Bank has laid down a system of Job rotation under which the entire work at branches has been classified under 9-10 clusters. All the clerical staff have to be systematically moved through these clusters over a period of 7-8 years in accordance with predetermined plan. This process came into effect from January 1989. A corresponding Employee Development Plan has been worked out for officers also."12 The Bank believes that for proper staff development, Job-Rotation is essential. It is considered as an important component of HRD for developing functional versatility among the employees. But, as regards its implementation, a few loopholes exist. It was observed that many executives had been working on one seat for many years. While the employees complained that only a "handful" of employees are given opportunity to work on prestigious desks.13

Another important area of HRD activity in SBI is the Role Analysis. Role Analysis as a sub-system of HRD, occupies a central position in the design of HRD activities in the Bank. Role is the point where the Bank and the individual meet. "Towards a more effective matching of the man with the role, what is required is the innovation of systems and organisation development interventions. And in order to have a clear understanding of the direction and intervention needs, we must know the precise nature of the role where the synthesis of Man and Organisation (Employee and Bank) takes place. This is centrality of Role Analysis
in the design of HRD."14

The crystallisation of role performed by the officers is considered crucial from the point of view of their development in the Bank. The increasing complexity of work in the Bank necessitated for the Bank to understand clearly the nature of roles occupied and the job performance achieved by various functionaries in the Bank. One of the aims of executive development in the Bank is, to develop the officers to meet the Bank's requirements, to be effective in roles they occupy and also to prepare them for higher responsibilities which they would shoulder in the years to come. An exercise in job analysis in the State Bank of India is helping the role occupant to see himself more clearly and objectively.

CONCLUSION

The crux of Executive Development problem lies in reorienting the basic attitudes and behaviour of the bank officers and to develop specific skills through training and retraining at different management levels. What we need most today is to introduce appropriate changes in the basic character of State Bank of India in particular, and Indian banking industry in general so that it becomes a truly professional, market-oriented and service-efficient system. It will also be desirable for banks to draw up business plans for deposits, credit, profit and manpower keeping in view the projected growth in the external environment and more importantly, to undertake periodically monitoring of planned performance of banks. It is equally necessary for banks to initiate appropriate measures to improve overall efficiency, reduce operational costs and increase productivity.

It has been observed in the present chapter that executive development in State Bank of India has assumed significant importance because of overall development of banking industry in the country & feeling of the bank that their executives share major burden out of total work done by the employees. It is worth to mention that State Bank of India has well built executive development mechanism but as is true in all spheres, there is always scope for further improvement.
The most important task for the Executive Development practitioners is to develop in bank executives an attitude of selfless dedication to work, quest for new knowledge and practice of love in relation with the public.

In view of the observations made in the present chapter, it will be interesting to make a thorough study of various problems of executive development faced by Banking Industry in general and State Bank of India in particular. Accordingly, next chapter has been devoted towards the study of various problems of executive development.
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