# RESEARCH METHODOLOGY:

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CHAPTER :: II
Research Methodology::

2.1 Introduction

Macro level changes in Banking Sector, as pointed out in the preceding chapter, influenced manpower environment in Indian Banking. In post-Nationalisation period, Banks have not only enormously expanded branch-wise and business-wise but also have taken up the social responsibilities of contributing to the improvement in the quality of life of the weaker sections of the society.

The net-work expansion is expected to continue for some more years to come, at least until all the unbanked areas in the country are covered and per capita banking substantially improves. This has raised serious issues pertaining to Manpower in Banks in terms of quality and quantity. For instance, the expansion of Banking into Rural areas demand manpower with appropriate attitudes and skills to carry on Rural banking and development. Thus, Banks may have to take this aspect into consideration while recruiting their Manpower.

This explains the crucial role of Manpower Planning which is more significant due to peculiar characteristic of Manpower currently working or future Manpower in Banks. Most of the Manpower in Banks, represent well educated class. Secondly, this Manpower is highly organised. And thirdly, the rate of turnover of Manpower is very low in Banking organisations.
This implies that Manpower with tremendous potential to develop enters in the Banking services with specific objectives and stays there for considerably long period.

Trained and motivated properly, this manpower, certainly has capabilities to contribute for National cause, but this requires long range planning as well as developing a specific culture in Banking organisations. The exercise of Manpower planning, has to be understood with this broader perspective and not in its limited sense of quantitatively filling manpower gaps.

Whether Public Sector Banks in India, pledged to National development could plan their manpower requirements accordingly remains the issue to be researched.

Precisely, on this background, the present study has been undertaken. Prior to delving into methodological aspects, a brief review of literature and research in the area has been presented below.
2.2: Review of Literature:

Manpower being the central point of all managerial decisions, Management thinkers and writers have contributed in the form of concepts and innovations in manpower management. Though, considerable research is available in Manpower Management in general, research in Manpower Planning & Management in Banks has remained untapped so far. Post-Nationalisation period attracted academicians as well as professionals to study development in the field of Banks. Thus, quite a good number of Research studies are available in this field. But most of them deal with contribution of one particular Bank or a group of Banks, in specific areas of social and economic development. These studies being of evaluatory nature throw light on the performance of Public sector Banks.

As regards manpower planning or personnel in Banking, practically there is a dirth of Research work. A review of Research available in this field shows that Dr. T.S. Shaikh has attempted to study personnel policies and Administration in Urban Banks. This work is confined to Co-operative Banks; the functioning of which is totally different from the Public Sector Banks.

Dr. H.N. Agrawal has studied Management of Nationalised Commercial Banks in India. The focus of his study was on their social obligations.
Similar work has been done by Dr. P.K. Rastogi, which is titled as "Post-Nationalisation trends in Indian Banking". This is again a macro level study dealing with the overall trends in Bank deposits and advances and profitability of Banks.

Dr. Mukul Verma deserves special mention for his Research work in Manpower Planning in State Bank of India. A review of this work shows that the Researcher has studied Manpower policies adopted by State Bank of India. The Researcher has reviewed the policy in general and suggested alternatives for better Manpower planning. The period covered is upto the year 1987. It may be pointed out that the State Bank of India was brought under the umbrella of the remaining Public Sector Banks, as regards service conditions following the recommendations of Pillai Committee Report. Further, the situation in Banks Nationalised in 1969 defers in many respects from that of State Bank of India as manpower in these Banks including their high level Administration worked with profit orientation, prior to Bank Nationalisation.

Therefore, whether such Banks planned their manpower requirements, keeping in view attitudinal changes required in manpower, deserve specific Research.
One such attempt has been made by Shri Bhide of Bank of Maharashtra. His study, titled as "Manpower Planning & Development in Bank of Maharashtra", (Unpublished) was a part of organisational assignment and it deals with a short span of about five (5) years i.e. from the year 1978 to 1983.

Though the study has been titled as Manpower Planning & Development, its review shows that the Researcher has given more emphasis on Training aspects than studying the entire process of Manpower Planning. Thus, it may be concluded that Manpower in Public Sector Banks has remained un-researched field.

Taking into consideration the need for Research in this area, the present Research has been undertaken for which, Bank of Maharashtra has been selected as a unit for Research and it covers Manpower Planning process in both the periods i.e. before and after Nationalisation (1935 to 1990).
2.3:: Significance of the study::

The very concept of Public Sector Bank is to lead the country towards socio-economic development makes them ideal 'employers', in the country. Manpower in different grades is circulated into Banking organisations and they are given different roles and assigned with different responsibilities, along with specific authority, so that they form the organisation. However, it is generally observed that there is a difference in the management of Manpower by the Public and Private Sectors.

The important task before the Public Sector is to improve its performance with the available resources in the given social frame.

Public Sector Banks are created with multiple objectives. One and most important being socio-economic development. They have defined and developed specific policies and practices with an objective to serve the people as an ideal organisation. Public Sector Banks are growing horizontally (Branch expansion) as well as vertically (Business growth & expansion). Various socio-economic developmental objectives such as self-reliance in strategic sectors i.e. mobilisation of resources, balanced growth i.e. active participation in extension of required credit, as planned at specific levels; increase in employment etc. cannot be achieved without adequate attention being paid to Manpower Planning. This explains the significance of the study.
2.4: Research Objectives & Methodology:

A: SELECTION OF THE BANK:

The present study is in fact, a continuation of the similar work done by the Researcher for his degree examination leading to Master's Degree in Personnel Management & Industrial Relations. The Researcher being a Bank employee himself, by virtue of his position as a Faculty in Bank's Training system, was convinced about the need for such study. In his first attempt, The Akola Dist. Central Co-operative Bank Ltd was selected as a Research Unit. This Research gave him considerable insight into the problem and also made him aware of the possible constraints particularly relating to availability and collection of data.

The major point in the present Research process was the selection of the Bank.

There are 28 Public Sector Banks employing about 8.61 lakhs persons. Selecting one particular Bank for an in-depth study was really a difficult decision. In view of his past experience, the Researcher decided to select the Bank in which he works, as an officer. This enabled him to have access to relevant documents and related data.

These considerations guided the selection of Bank of Maharashtra as a Research Unit.
2.8

2.4:: Bank of Maharashtra is one of the 14 Banks Nationalised in first phase in 1969. Though, the focus of the study has to be on post-Nationalisation period (1969-90) for the purpose of comparison, the entire period from its inception to the year 1990 (1935-90) has been covered.

2.4:: B :: Objectives of the study::

As the title of the Research Report indicates, the study aims at analysing Manpower Planning in Public Sector Banks in general and Bank of Maharashtra in particular. In the light of the discussions, so far, the objectives of the study have been determined as under:

1. To study Manpower policies, planning and procedures in Public Sector Banks in general with special reference to Bank of Maharashtra.
2. To analyse Manpower positions in Public Sector Banks in general and Bank of Maharashtra in particular.
3. To evaluate Manpower Policies and practices of Bank under study in the light of the opinions expressed by its employees.
4. To suggest modifications in Manpower Planning and practices of Banks under study.
2.4.

C: SCOPE OF THE STUDY:

The scope of the study extends to Manpower policies, Planning and procedures in all Public Sector Banks in India. It covers the period from 1969-90 (March).

The indepth study of Bank of Maharashtra has been undertaken. Therefore, it covers the period from the year of establishment of the Bank of Maharashtra i.e. the year 1935 upto the year 1990.

The study covers all areas of Manpower planning.
:: 2.4 :: D :: Nature & sources of data:

The study is based on primary as well as secondary data. Details regarding Public Sector Banks such as:

i) number of branches,

ii) Business volume;

iii) Manpower development have been obtained from Published sources. Similarly, particulars of Manpower policies and procedures have been obtained from:

i) Annual Reports of various Public Sector Banks; and

ii) Business plans for forthcoming years of Bank of Maharashtra.

As regards, the data pertaining to Bank of Maharashtra, in addition to the published sources, office records and other unpublished common documents represent the source of data.

Information regarding history, organisational structure of Bank of Maharashtra have been collected from these sources. It may be pointed out that Banks have started publishing these details after Nationalisation. This report contains organisational and other details in respect of Bank of Maharashtra, right from its establishment in the year 1935 up to the year 1990. These details have been obtained from the office records as made available from the Bank.
Bank officers and other employees were also contacted for getting necessary information, particularly information pertaining to the period from the year 1935 upto 1989-90.

'Primary data regarding 'Employees opinion' on Manpower practices have been collected through Manpower Surveys and personal discussions.

:: E ::

MANPOWER SURVEY:
Manpower survey aimed at collecting details regarding entry of employee in the service of the Bank, his movements and opinion regarding Manpower policies and practices.

:: F :: THE QUESTIONNAIRE:
A questionnaire was designed for the purpose of Manpower survey. It was pretested and then finalised. Details regarding samples, size and characteristics have been presented in the respective chapters.

Part I of the set was pertaining to personal information, containing 19 points, followed with business background of the working unit of an individual. This contained three aspects viz:- Personal development aspect was covered through 9 points; Social involvement of an individual was judged through 12 points and respondents' views on various processes of manpower
planning in academic sense were sought through 15 points. As such, in all this part contained 58 points on which the data was collected.

Part II contained the movements of an individual, right from his/her entry, up to the date of reporting. Movements from job-to-job; from place-to-place; from position to position of his own work-unit during that period etc.

Part III pertained to the opinion of an individual on various aspects of Manpower planning at Branch level, Regional level, Zonal level and Head office level in different areas viz- Metropolitan, Urban, Semi-urban and Rural; and as per the different size of the branch viz- Very Exceptionally large, Very-large, Large, Medium and small branches.

Part IV pertained to the opinions obtained on various aspects of Manpower Planning from the Heads of the Work unit, the Union Representatives etc. The questions were provided with an objective suggested-answers in multiple choices, the opinionee was expected to select one.

:: G :: INDEPTH INTERVIEWS:

In addition to Manpower survey, in depth interviews were also conducted to get the opinion and expectations of Managerial personnel. Persons interviewed included the Chairman & Managing Director up to sub-staff at different levels.
The interviews covered the following aspects of Manpower Planning & Management:

1. Recruitment;
2. Selection;
3. Postings;
4. Placements;
5. Job descriptions;
6. Induction training;
7. Job-evaluation;
8. Job-changes;
9. Performance appraisal;
10. Transfers;
11. Promotions;
12. Industrial Relations;
13. Social activities & involvements;
14. Motivation;
15. Human Resource Development;

:: H ::

DATA collected from the above sources, have been classified and presented in the form of Tables, graphs and charts etc. Career graphs presented in this report deserve special mention, as they represent a new concept. For the purpose of analysis, comparisons, various ratios and trend analysis techniques have been used.
Conclusions are based on logical deductions and reasoning. This has helped in arriving at generalisations regarding Manpower Planning process at Public Sector Banks in general and Bank of Maharashtra in particular.

**ORGANISATION OF THE REPORT:**

The Research Report has been organised into nine chapters as under:-

Chapter I:

This chapter discusses manpower planning concepts, its significance, process including manpower environment, anticipation of Manpower needs, manpower budget, skill analysis and manpower cycle etc.

Chapter II:

This chapter presents a review of Research done in this field and describes, Research methodology. It explains the significance of the study, defines Research objectives, describes nature of data, sources and methods of data collection and techniques used for analysis of data. In the end, it states the limitation of the study.

Chapter III:

This chapter has been devoted to the discussion on manpower planning, steps and processes as adopted in the overall Public Sector Banks followed with findings of survey and analysis thereof.
Chapter IV:

This chapter deals with comparative positions of Public Sector Banks in respect of number of branches, business and manpower. Interpretation and analysis of various positions.

Chapter V:

This chapter is devoted to the study of Bank of Maharashtra. It presents a profile of the Bank, describes the organisational history in brief, discusses objectives of the organisation with special reference to the pre-Nationalisation and post-Nationalisation periods. It then analyses changes in organisational structures from time to time and provides a brief account of Manpower planning practices in Bank of Maharashtra.

Chapter VI:

This deals with Manpower positions in Bank of Maharashtra, right from the year of inception in the year 1935 up to the year 1990. It covers number of branches, various administrative and controlling levels, categories, business compositions, Areas of operations, means of business relationship i.e. work efficiency or productivity.

Chapter VII:

In this chapter, various positions as presented in the chapter VI are arranged in various permutations and combinations.
Chapter VIII:

A survey of representative character, covering manpower of all categories, placed at various levels, in various grades, in various areas, in various positions, was carried out with the help of a structured questionnaire and also separately by means of conducting interviews. All important aspects of Manpower related information, personal development, business background, Manpower Planning processes, social involvements, and opinion on the practices as adopted at various levels in respect of each factor of Manpower planning are presented in this chapter.

Chapter IX:

This chapter has been devoted to the observations, conclusions and suggestions/recommendations thereon.

:: J :: LIMITATIONS

The subject of the Research is very vast in nature. Though attempts have been made to give an exhaustive treatment, mention must be made of major limitations of the study:

As pointed out earlier, Public Sector Banks, represent gigantic organisational complex. It is beyond the reach of an individual Researcher to establish contacts with employees working in all these Banks.
Further, certain kind of data which was highly relevant to enhance the quality of the Research could not be made available as the same has been blocked in the custody of the Bank as 'Secret data'. While interpreting the findings in the report, these limitations should be kept in mind. In the end, it must be mentioned that conclusions and suggestions, though, are based on indepth studies of Bank of Maharashtra, may find applicability in the remaining Public Sector Banks.
DEFINITIONS:

1. 'Act' means, the Banking Companies (Acquisition and Transferr of Undertaking) Act, 1970.
2. 'Award staff' means the persons covered by the 'Award' as defined in the Industrial Disputes (Banking Companies) Decisions Act 1955.
3. 'Bank' means Bank of Maharashtra.
4. 'Board' means, the Board of Directors of the Bank.
5. 'Government' means, the Central Government.
6. 'Managing Director' means, the Managing Director of the Bank.
7. 'Officer employee' means a person who holds supervisory, administrative or Managerial post in the Bank or any other person, who has been appointed and is functioning as an officer of the Bank, by whatsoever designations called and includes a person whose services are temporarily placed at the disposal of the Central Government or a State Government or any other Public Sector Banks or the Reserve Bank of India or any other organisation, but shall not include casual work charged or contingent staff or the award staff.
Officers' Service Regulations of 1979 adds:—
'Officer' means a person fitted into or promoted to or appointed to any of the grades specified in Regulation 4 and any other person, who immediately prior to the mentioned date i.e. 1st July, 1979 was an officer of the Bank and shall also include any specialist or technical person, as fitted or promoted or appointed and any other employee to whom any of these regulations has been made applicable under Regulations 2.

8. 'Public Sector Bank' means:—
i) Corresponding new Bank specified in the first schedule of the Act.

   ii) The State Bank of India, constituted under the State Bank of India Act 1955;

   iii) A subsidiary Bank constituted under the State Bank of India Act (Amendment) 1959.

   iv) Any other Bank which the Central Government may determine to be a Public Sector Bank for the purpose of these regulations having regards to its manner of incorporation.

9. 'Public Servant' means a person as defined as Public Servant in section 21 of the Indian Penal Code of 1860.
10. **Grades:**

There shall be four grades for officers with the scales of pay specified against each of the grades:

a) Top Executives Grade VII Scale & VI Scale.

b) Senior Management Grade-Scale V & IV;

c) Middle-Management Grade: Scale III & Scale II;

d) Junior Management Grade: Scale I.

11. Having regard to the responsibilities and functions exercisable, every post of an officer in the Bank shall be categorised by the Board or any authority specified by the Board in this behalf as falling in any one of the grades or scales mentioned in regulation 4 and such categorisation may be reviewed by the Board or such authority. Provided that categorisation of the posts in existence on the appointed date shall be done before the expiry of two years from that date in accordance with guidelines of the Government, if any, and shall in respect of the posts in the Senior Management and Top-Management grades be done by a committee of the Managing Director and such other persons as may be appointed by the Government for the purpose.

For the purpose of categorisation of posts under sub-regulation (i), every branch of the Bank shall be classified by the Bank in accordance with criteria to be approved by the Government as: (1) Small; (2) Medium; (3) Large; (4) Exceptionally large.