Chapter-2

Review of Literature
2.0. Review of Literature

In sub-chapters from 1.1 to 1.5, while discussing key concepts and change in prevalent work culture objectives and hypotheses are formulated. In the chapter 1.6, techniques used to conduct research were discussed in the chapter on research methodology. In this chapter, various relevant literatures searched while carrying out research are critically discussed.

Strategic Change Management:

Change, change, change……..else change will change you. (Anonymous)

Far-reaching changes are taking place all around the world, which in turn have direct and indirect impact on organizational performance effectiveness. Only those organizations, which are willing to transform themselves can survive and grow in such a volatile environment. In the liberalization, deregulation, globalization and competition age, speed, precision and quality will be the key factors for survival and success of an organization. (Sangwan, 2009, p.72) (1)

Sharma (2007) says, “Times change, people change, things change, situation change and so do organizations”. (2) The ostrich closes their eyes with the threat and hide themselves beneath the sand under the impression that they are now secured from the threat but this is a temporary psychological satisfaction and they cannot get away from the threat that exists. The threat has not gone away but continues to exist probably with the same intense which ostrich has to face and find the path to resolve the crisis. To overcome the threat, the ostrich land up in crisis management instead of preventive management. Similar situation arise in business environment too as the change is inevitable and organizations have only option to visualize probable threats, remain proactive and prepare strategies to overcome the same otherwise it will land up in crisis management like ostrich. More so, the changes which people are experiencing today are often surprising, unpredictable and there is very short period to act upon it. (Balaji & Sivangsundaram, 2012) (3)
Change is inevitable and ubiquitous in a rapidly expanding world. These landscapes of many external forces make it most difficult for organizational survival and prosperity...Indeed; the major dilemma faced by businesses today is managing strategic change initiatives efficiently and effectively (Graetz & Smith, 2002).\(^{(4)}\)

Thichy (1983) defined organizational change as strategic change. This type of change is a non-routine, non-incremental, and discontinuous change which alters the overall orientation of organization and/or components of the organization. When strategic change is properly managed, the organization is led through uncertainty via the decisions of leadership in the technical, political, and cultural areas. \(^{(5)}\)

**According to Murphy (2003)** \(^{(6)}\) *Organizational Change is a two-step process*. The first step is, “**what do we change?**” and second is **“How do we get the people in the organization to change?”** To answer the first question i.e. “what to change?” lies in the purview of Strategic Management and Strategic Leadership.

Griffin (1999) defines the Strategic Management as set of managerial decisions and actions that determines the long-run performance of an organization. It includes:

- A vision statement;
- An environmental scan of factors that will affect the operationalization of the vision;
- A strategic plan and policies based on the results of the environmental scan in comparison with the strengths and weaknesses of the organization;
- Tactical and operational plans and timelines to implement the strategic plan; and
- A monitoring system which will provide timely, valid, and reliable information by which to orchestrate the activity within the organization (as cited in Murphy, 2003).\(^{(7)}\)

Strategic leaders and managers of organizations must first realize that there are a myriad number of possible futures for an organization. To select the best possible future for the organization requires the organization to conduct….SWOT analysis, that is, a Strengths, Weaknesses, Opportunities, and Threat analysis. (Sharma, 2007) \(^{(8)}\)
To address the second challenge is more challenging as it deals with facing an unknown future. Most of the managers and leaders in their conversation accept that while managing change process, handling the people is their biggest challenge. The biggest task for the managers is to make people to come out of their zone of comfort to address “new” methods of doing business and in this process several times, the managers/ leaders’ frustration level goes off the chart.

To complete the second process i.e. how to get the people to accompany the organized change, Murphy (2003) states the following steps:

- Seek to understand, then to be understood.
- Create a vision.
- Communicate the vision.
- Establish a sense of urgency.
- Form a powerful guiding coalition.
- Empowers others to act.
- Create short terms successes.
- Look for Synergy.
- Institutionalize new approach.

Nadler and Tushman (1990) distinguish Strategic Change in two types – reactive (change made in direct response to external environment; they refer to as re-creation) and anticipatory (change made in expectation of a future event as re-orientation) (as cited in Sharma, 2007).

Managing Strategic Change means managing the conversation between the people leading the change effort and those who are expected to implement the new strategies, managing the organizational context in which change can occur, and managing the emotional connections that are essential for any transformation. (Daniel, 1993)

In a study, Margarethe & Karen (1992) examined the relationship between the demography of top management teams and corporate strategic change. By controlling prior firm
performance, organizational size, top team size, and industry structure, within a sample of Fortune 500 companies, they found that the firms in which top management constitute lower average age, higher educational level, higher educational specialization, shorter organizational tenure, higher team tenure, heterogeneity, and higher academic training in the sciences were more likely to go for strategic changes in corporate strategy than other teams. The result shows that top management’s demographic characteristic is directly linked to change in corporate strategy.\(^{(12)}\)

Clement (1994) identified three key factors for organizational change. These are the prevailing corporate culture, the kind of leadership used to make changes, and the forces behind internal politics and the organizational power structure (as cited in Christian & Stadtländer, 2006).\(^{(13)}\)

According to Ulrich (1998), a primary difference between organizations that succeed and those that fail is the ability to respond to the pace of change. In other words, organizations need to monitor and scan their external environments, anticipate, and adapt timely to continual change.\(^{(14)}\)

Griffith (2002) says that while a number of change initiative fail to reach all of its change objectives, organizations needs to understand the critical success factors in change management, because it plays a key role in evaluating change programs, challenges and opportunities and achieving competitive advantage (as cited in Al-Khaffar, 2006).\(^{(15)}\) Kiely (1995) observed that change programs often fail due to poor structuring. This occurs when the wrong leaders are selected to head the project, when people concentrate on too narrow objectives, when important information is excluded from human resource specialists, or when there is a general lack of a positive attitude (as cited in Christian & Stadtländer, 2006).\(^{(16)}\)
Christian & Stadtländer (2006) developed the above Strategically Balanced Change model which shows that the organization has to decide how to balance between the internal factors and external factors. The internal factors include corporate structure, culture, and resources etc. and the external factors include economic, technological, political, legal, social, and cultural factors etc. All employees of organization (i.e., leadership, management, and workforce) participate in scanning of the external and internal environment which might affect change process in the organization. For this, the organizations need to train all its employees to think strategically in their specialized area such as technical, administration and service. Mere scanning of all internal and external factors is not sufficient. When the organization decides that change is warranted, it also needs to consider two more factors i.e. persistence and flexibility. Persistence and flexibility is required for changing an organization. Persistence is necessary because change program cannot be completed overnight. On the other hand, flexibility permits decision makers to accept to even those environmental changes which occur during change process (Goss, Pascale, and Athos, 1993).
Though, flexibility at all levels is required, the organizations need to make a balance between persistence and flexibility during the whole change process in order to make it successful. If the communication spiral of the organizational structure is extended too much and/or if the internal and external factors as well as persistence and flexibility are not balanced properly, the organization will not be able to operate to its full capabilities and risks its survival. (Christian & Stadtländer, 2006) “Structure follows strategy” and “strategy follows structure” and both are subsumed. Current corporate strategy induces some strategic behavior but changes in corporate strategy follow other, autonomous, strategic behavior. (Robert, 1983)

Achilles & Arthur (1999) scrutinized the empirical and theoretical literature of organizational change for the period starting from 1990 to early 1998 and concluded that literature of organizational change continues to remain influenced with the dynamics of contemporary workplace demands. Four themes or issues are common to all change efforts:

a) Content issues: The main focus is on the substance of contemporary organizational changes;

b) Contextual issues: The core focus is on factors and condition of external and internal environments existing in an organization.

c) Process issues: It deals with activities undertaken by the organization to ensure implementation of strategic change, and

d) Criterion issues: It deal with likely outcomes generally observed in organizational change efforts (p.293).

According to Brown & Harvey (2006), in addition to the inability to recognize change, it is no longer sufficient to adjust one change to compensate another. Arguably, organizations will have to handle all the challenges of change simultaneously. These challenges of changes, at the organizational level, have elevated the importance of managing change and in particular, the managing of employees’ change experiences. This is because massive change has an impact on all facets of organizational members as it can create new dimensions of greater uncertainty. Hence, it is very important to ensure good coordination,
strong leadership, and clear communication while managing various changes simultaneously. (22)

Alkhaffar (2012) in his study of critical success factors of change management: a case study of Bank of Jordan and Capital Bank observed that there are seven critical success factors which affects change process namely, top management support, available resources, quality, satisfaction level of employees, training and development activities, technology, process and systems. (23)

Grimm & Smith (1991) (24) conducted a study with a sample of 855 managers from 27 railroads and hypothesized about age and education of the top-level manager' and strategic change. The hypotheses proved that comparatively younger and with less experienced managers are more flexible and adoptable to strategies with changing environmental conditions.

Floyd & Wooldridge (1992) (25) attempted to investigate the strategic involvement of 259 managers of middle level in 25 organizations. The results suggested the usefulness of middle level managers in strategic change management activity. They found that middle management people have significantly higher levels of upward and divergent forms of strategic involvement in comparison to those in Analyzers and Defenders.

**Change Management** is the methodology that integrates change and the ability to adapt into the organization. It is an organized, systematic application of knowledge, tools, and resources of change that provides organizations with a key process to achieve their basic business strategy. This will involve training of the personnel at all levels, more so, at the lower rung of government management organization.

Desai (2011) stipulates that key components of successful Change Management are:

- Leadership
- Focused and coherent strategy, including defined objectives and implementation plans
- Buy-In from stakeholders, which includes
Necessity of change management in Banks:

While talking with reference to the necessity of change in Banking System, Sagwan (2009) says Key strategic elements are: Capital, Consolidation, Competitions, Convergence and Corporate governance. Competition and consolidation will compel the banks to realize that today and tomorrow’s customers cannot be best served with yesterday’s structures, methods and technologies (p.16). (27)

Here, it is apt quoting Mr. Narayan Murthy, Chief Mentor, Infosys, who says “only those banks which use speed, imagination and excellence in execution will survive. Others will disappear like dew in the morning. Indian banks have several legacy issues hampering their progress, including inadequate customer support, human resource practices and a customer-centric focus” (as cited in Sangwan, 2009, p.184). (28)

Indian Banking sector has been one of the key national sector to embrace the philosophy, the pace and content of change in the wider market place, both in India and abroad. With the advantage of a fairly robust institutional and regulatory framework, it is repositioning itself to become a customer centric sector inspite of the rapid technological reformations, human resource remains the backbone of the organizational structure of Indian banks who undertake the crucial responsibility of transforming its operational system into the model one that suits to the present requirements (Sangwan, 2009). (29)
Relationship: HRD measures and organizational productivity and financial performance:

It is commonly used and discussed among industry and social expert that change is only permanent phenomena in the environment. The industry people are trying to understand and tell that if we change ourselves, we can add new dimension to our personality or industrial operation. They focus more to manage the change in business dimensions and sustainability of business because consumer demography and taste are changing. Hence the focus of the industry is upon the operational excellence in organization and excellence in drivers of operation i.e. Human capital (Balaji & Sivangn anusundaram, 2012, p.47). (30)

While describing about ‘Competitive strength-where does it lie on Technology or on Human Capital? Bhide & Khandelwal (2004) (31) says “… If technology is the equalizer, then what is the differentiator for each constituents of the sector? Possibly, the answer will lie in human capital – in its talent, in its skills, in its innovativeness and in its abundant unharnessed energy’. From idea generation to the idea implementation is done by the human resource available in the organization. It becomes compulsory for the corporate to design and develop a decent human equation. Innovation and creativity is the only tool to fight with insecurity and uncertainty. This is the only way through which organization can have a competitive advantage.

There has been considerable research over the last decade or so which has attempted to answer two basic questions: ‘Do HR practices make a positive impact on organizational performance?’ and ‘If so, how is the impact achieved?’ The second question is the more important one. It is not enough to justify HRM by proving that it is a good thing. What counts is what can be done to ensure that it is a good thing’.

Human beings have the nature to continuously interact with himself and environment and convert the idea into products and services. Therefore, it is imperative on the part of each
people in the organization to convert their thoughts into business intelligence. (Balaji & Sivangnanasundaram, 2012) (32)

Singh & Gopalkrishna (2013) while exploring HRM attributes existing between private and public sectors organizations attempted to establish a model to understand the relationship between HRM practices and financial performance of the organization. The model indicated that there is significant relationship between HRM practices and productivity and profitability of the organization affecting financial performance of the organization. There are six HRM factors which influences the financial performance of the organization. These factors are recruitment & selection, training and development, performance appraisal, compensation, industrial relation and work life program. (p.52). (33)

Kapgoda (2013) administered questionnaire to 400 non-managerial employees (respondents) of systemically important banks of Sri Lanka to investigate the relationship among job involvement, job performance of non–managerial employees and organizational commitment. The regression analysis and correlation analysis indicated that a significant +ve relationship exists among job involvement, job performance and organizational commitment. (34)

Tersita, Stephen and John (2005) attempted to examine the extent of adoption of human capital-enhancing human resource practices (HR) and industrial relations (IR) practices. They also investigated relationship between HR practices and firm’s performance in locally owned organizations and other organizations through questionnaire. The questionnaire was administered to managers and union representatives of 128 organizations located in the Philippines. The results indicated that foreign-owned firms tend to show a slightly higher level of adoption of HR practices in comparison to other organization. Foreign owned firms also show consistency in adoption of strategic approach to human resource management (HRM). The result also suggested that there was also a significant relationship between adoption of a more conciliatory and union-friendly industrial relation approach and perceived firm performance (as cited in Singh & Gopalkrishna, 2013). (35)
In ability-motivation-opportunity model Knifing Jiang et al. (2012) examined the effects of three dimensions of Human Resource systems, i.e. effect of skills-enhancement, motivation-enhancement, and opportunity-enhancement on proximal organizational outcomes (human capital and motivation) and operational efficiency (voluntary turnover, operational outcomes, and financial outcomes). The result suggested that there were more positive relationship between skill-enhancement practices and human capital in comparison to employee motivation and operational efficiency. However, all the three dimensions of HR systems were related to financial outcomes as these systems were directly / indirectly able to influence human capital, employee motivation, voluntary turnover and operational outcomes (as cited in Singh & Gopalkrishna, 2013). (36)

Absence of systematic people management practices adversely affects the organizational performance. (Bilgundi, Kumar & Pai, 2013) (37) Abdullah, Hossain & Rashid (2012) conducted a study on human resource practices of some real estate organizations in Bangladesh. In their research paper they mentioned that real estate organizations in Bangladesh do not have separate Human Resource Department and most of the HR functions are being handled by various other departments, like marketing, finance and operational department. Even, some of the real estate organizations are not familiar with the terminology of human resource management, recruitment and selection, performance appraisal etc. Such organizations do not follow any systematic recruitment and selection process. Recruitment of employees is done on ad-hoc/ contractual basis as and when needed. Most of the real estate organizations do not follow the minimum practices of human resources. In the recent past some of the accidents occurred which caused unrest among workers. This show the poor follow up of system and procedure and evasion of safety measures for employees as well as for public. Abdullah et al also proposed that real estate sector is an emerging sector in Bangladesh and plays significant contribution in national economy and therefore, should focus on HR practices more to make it an ideal place to work. (38)
Human resource development (HRD) has been able to serve the requirement of organizations by providing up-to-date expertise and wide-range scope to employees through exposure to new technology, on the job learning, orientation courses and training, career development programme or outdoor selling assignment, induction of new norms for developing or reforming organizational work culture, setting new standards of efficiency and achievement, innovations and experiments for higher performance, deployment/redeployment of employees for an effective team work and a shift from individual to collective responsibility or vice-versa. (Kumar & Panchanatham, 2012) (39)

In a paper O'Donnell, McGuire & Cross (2006) sets out critically challenge five interrelated assumptions prominent in the HRD literature. These relate to: the exploitation of labour in enhancing shareholder value; the view that employees are co-contributors to and co-recipients of HRD benefits; the distinction between HRD and human resource management; the relationship between HRD and unitarism; and the relationship between HRD and organizational and learning cultures (p.4). (40) Balachandar, N. & Anantharaman, R.N. (1996) says, human resource development (HRD) in itself can be understood in different ways: HRD in its broadest sense is an all-inclusive concept, referring to the process of increasing the knowledge, skills and capacities of all people in a society, encompassing in economic terms the accumulation of human capital, in political terms preparing people for participation in democratic political processes, and in social and cultural terms helping people to lead fuller lives, less bound by tradition. The dominant human capital theory has, however, narrowed HRD down to its economic aspects, or its human capital component (as cited in Bilgundi S.V, Kumar Kiran & Pai Akshay, 2013). (41)

People Management Practices act as an important tool which establishes the performance of an organization. Bilgundi, Kumar & Pai (2013) (42) by adopting convenience sampling administered a standard questionnaire among 120 shop floor workers (who were in the age bracket of 21 years to 50 years) to investigate the impact of the People Management Practices on the Organizational Performance at TOYOTA Motor Corporations Factory, Bidali, Bangalore. Result obtained by use of correlation analysis and relative tests shows
that there is positive and significant relationship between the People Management Practices and Organizational Performance.

In the study of impact of people management practices on organizational performance in Indian software companies, Anantharaman attempted to develop and test a causal model linking HRM with organizational performance through an intervening process. He observed that though there are forty paths, originating from HR practices which influence organizational financial performance but no single HR practice directly affects the financial performance of an organization. Each HRM practice through one or more intervening variables indirectly influences financial outcomes and operational performance. Means, an integrated approach to link HRM practices with organizational performance need to be adopted instead of focusing on direct HRM–performance linkage mechanism through which HRM system operates. It calls for a broader vision to see the big picture of interdependence and interrelationship among human resource management practices, intervening variables, operational performance and financial performance of the organization (as cited in Agarwal, 2012). (43)

Gone are the days of providing training events that miraculously improved employees’ knowledge and skills. Today, HRD professionals are expected to provide interventions, initiatives, activities, and services that help organizations to achieve their strategic business goals and objectives....Vail referred to unprecedented organizational changes as permanent white water. Further, he suggested that organizational white water means that organizational life will be (a) full of surprises; (b) increasingly complex; (c) poorly organized, structured, and ambiguous; (d) quite costly; and (e) brimming with problems. Quite simply, organizations are in a constant state of change. As such, dedicated and determined professionals spend their energy and efforts helping their organizations develop learning cultures, create performance management systems, and implement change initiatives (Bhide & Khadelwal, 1986) (44)

To seek the predictors of learning organization, Orlando, Gary, Phillip & Wright conducted a study wherein male and female professionals were advised to rate their perceptions on
training and education, rewards and recognition, information flow system, vision and strategy of the organization and individual team development. They found that a knowledge sharing environment and learning systems indicate the strength of learning organization, and appropriate rewards and recognition system provides a useful structure to the learning organization. Results supported the notion that an organization which wishes to metamorphosis of the organization needs to focus initially on aspects like training and education, rewards and recognition, information flow system, vision and strategy (Orlando, Gary D, Geroy, Phillip C & Wright, 2000). (45)

While managing change, line and HR managers need to move towards a unified direction which generally they lack. In an empirical analysis of strategic HR roles and organizational learning capability, Bhatnagar & Sharma, 2005 (46) analyzed the performance of line managers and HR firm performance through a standardized questionnaire distributed to 640 managers in India. The statistical result shows that:

i. As per correlation coefficients there was significant and positive relationship among the variables/sub-variables of strategic HR roles and organizational learning capability.

ii. Discriminant functional analysis indicated that line and HR managers differed significantly in their perception of strategic HR roles and organizational learning capability.

iii. Stepwise regression analysis reflected that strategic HR roles and organizational learning capability predict firm performance (Bhatnagar & Sharma, 2005).

Khandwalla (2013) says that in a developing country like India, HRM is necessary at all level of human activity, at the individual level, organization level and society level. Synergy between Human Resource Management and technology can propel India to become global political and economic power and acquire the status of a prime civilization. In the reference of corporate challenge before India Inc’s, he also said that the HRM does not mean HR department but HRM as a process and a culture which is observed at different levels of departments, divisions and organizations, and practiced by all people starting from the top CEO to the first level supervisor/ manager. He also meant only the larger enterprises in the Indian public and private sectors. He also opined that meeting the challenges of the
future, human resource management in India needs to move beyond its traditional functions and benchmark itself against global standards (as cited in Singh & Gopalkrishna, 2013)\(^{(47)}\).

According to Rao (1999) the following principles to be kept in mind while designing the HRD system:

1. HRD system should help the company to increase enabling capabilities. The capabilities include: development of human resource in all aspects, organizational health, improvement in problem solving capabilities, diagnostic skills, capabilities to support all other systems in the company, etc.
2. HRD system should help individuals to recognize their potential and help them to contribute their best towards the various organizational roles they are expected to perform;
3. HRD systems should help maximize individual autonomy through increased responsibility;
4. HRD systems should facilitate decentralization through delegation and shared responsibility;
5. HRD systems should facilitate participative decision making;
6. HRD systems should attempt to balance the current organization culture with changing culture.
7. There should be a continuous review and renewal of the function.\(^{(48)}\)

**Necessity of HRD in banking sector:**

With the dawn of liberalization, privatization and globalization in 1991, Indian financial markets were opened for newly formed private and foreign banks. These new generation banks brought the concept of lean organizations with higher implementation of information technology and introduced the word “Quality of Service”. This gave a tough competition to the public sector banks the only Mantra for survival was “Customer Services”. It became imperative for the banks to focus on “quality of the service delivery” by the employees (Kulshrestha, Singh & Das 2013, p.1).\(^{(49)}\)
On Human Resource Development and organizational matters, an annual report of RBI, 2000-2001, states that, sweeping changes in the environment within which the Reserve Bank operates and increasing public scrutiny of its policies and functions have placed a premium on the quality of human resource. In recent years, there has been a growing recognition that capital and technology are replicable, but not human capital which needs to be viewed as a valuable resource for the achievement of dynamic competitive advantage (Balaji, 2012.).

Sangwan (2009) says notwithstanding the level of technology, banking is primarily a labour intensive sector. Hence, it will not be possible for the banks to sustain effectiveness unless human resource management is given prime importance; because the technology is only an aid to human-effort and not a substitute there of (p.54)….Human resource is the most important element for the progress of banking. Though technology can replace manual intervention, the thinking process is the exclusive preserve of human beings (p.254)….Human Resource Management has direct links with environment. Changes in environment (interlinking) directly affect people system in the organization (p.72). There are two basic issues with change initiative; firstly, even if there is general consensus on the goals of the change initiative, it faces a strong resistance. Secondly, even if the change initiative is implemented successfully and it appears that it has overcome resistance, its life remains short lived and there is tendency to return to its original position within the period of a few months. (Yin & Choo, 2008).

Shuchi Sanon (2013) in the article “HR-A new People centric approach in Banks” recommends that, if you think banking is all about money, think again. Banking is all about people; People behind the counter and people in front of the counter. It is pertinent to ponder over the fact that why HR assumes such a crucial role in today's organizational scenario despite the massive advancement in the field of IT. Perhaps this is the only resource, which gives significance and validation to all resources. While all other resource depreciates over time HR appreciates through use. This is more important to a service industry like banking where a continuous improvement is must to meet the rising expectations of the customer.
In fact, banks are basically human organizations requiring no other input (in the form of raw material) to produce output (which, in their case, are the services). In other words, the quality of services produced by a bank is a function of the human resource only. Accordingly, banks, as any other service organization, are obliged to pay greater attention to the effective and optimum utilization of their human resource. This calls for aligning the human resource management strategy with the business goals at both the strategic and practical levels in order to face the twin challenges unleashed by the environmental change since the beginning of the previous decade. This means that the banks should not only adopt human resource management strategy but also align it to their business strategy (Sangwan, 2009, p.229). (54)

Sangwan (2009) further says that human resource is the primary capital and all other tangible assets are secondary….the value of intangible assets such as human beings is increasing in comparison to tangible assets (p.43). (55)

The importance of management of intangibles can be observed from the following facts.

- The manpower cannot be treated at par with other factors of production and requires to be treated with respect and dignity where behavior, relationships and values make significant difference.

- High mobility of manpower brings the individuals of different socio-economic and geographical regions at the same working place, which necessarily call for some amount of emotional bonding among the employees otherwise they tend to become socially and emotionally alienated thus forming a loosely knitted team and adversely affecting the organizational performance (Singh, 2004). (56)

Last decade of previous century has been designated as the information age and, by now, has already passed the midpoint of its life cycle. During the last two decades the era has changed to information era and employees have become an intellectual asset for an organization. The role of the Human Resources function in firms has changed in parallel
with the economic shift from agrarian to manufacturing to services—and now to information. The new economy is knowledge economy based on the application of human know-how to everything we produce and how we produce it. In the new economy, more and more of economy’s added value will be created by brain rather than brawn.

Knowledge management is essential for change in the mindset of the employees. Winston Churchill had rightly said, ‘The empires of the future are the empires of the mind.’…Because tomorrow’s battles cannot be fought with yesterday’s tools. We must remember that it is apt to quote Alexander the Great, who won the world with a handful of army, well equipped with the latest techniques and tools, the highest level of efficiency and above all, the high morale of the soldiers. On the contrary, the Indian kings, with huge army lost many battles due to obsolete weapons, technology and low morale (Sangwan, 2009, p.101). Practices of knowledge management are context-specific and they can influence organizational effectiveness. In a study Wei Zheng conducted a survey of 301 organizations to examine the possibility of “mediating role of knowledge management in the relationship between organizational culture, structure, strategy, and organizational effectiveness”. The result suggested that knowledge management mediates the impact of organizational culture on organizational effectiveness (Zheng & Yang, 2010, p.763).

Khandelwal (2005) says that if we want to become a world-class bank, it is clear that the public sector banks have to embrace and implement world-class HRD practices”(p.281). While describing the benefits of good HRD practices, Rao (1999) says that good HRD practices do make a difference on many counts. They enhance internal capabilities of an organization to deal with current or future challenges to be faced by an organization. Good HRD practices also energies people. The commitment and motivation built through good HRD practices can lead to hard work and can have a multiplier effect on the conversion of human capital to organizational capital. The culture so built can help to create a sustainable and lasting capability of the organization to manage itself and not only cope with the
external turbulence but even encash on the opportunities offered by the changing environment. (Pareek & Rao, 1999). (60)

In a case study of the Change Management and Challenges in a Bank, Yin & Choo (60a) observed that a change management programme in a Malaysian Bank failed due to mismatch in expected performance and problem encounters which are summarized as under:

<table>
<thead>
<tr>
<th>Expected Performance</th>
<th>Problems encountered</th>
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<tbody>
<tr>
<td>Clear career path</td>
<td>Lack of clear career path</td>
</tr>
<tr>
<td>Match employees skills with interest</td>
<td>Staff were transferred to areas where they did not have competencies</td>
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<tr>
<td>Re-skilling</td>
<td>Targeted at wrong groups for re-skilling</td>
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<tr>
<td>Coaching at bank wide level</td>
<td>Testing team lacked sufficient experience to anticipate potential technical problems</td>
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<tr>
<td>Reduce resistance to change</td>
<td>• Confusion and anxiety</td>
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<td></td>
<td>• Inconsistency in temporary solutions</td>
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<td></td>
<td>• Inconsistency in service experience</td>
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<td></td>
<td>• Operational staff lacked confidence</td>
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<td></td>
<td>• Operational staffs were not trained on managing technical problems.</td>
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<tr>
<td></td>
<td>• Unresolved queries and technical problems</td>
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<td>• Staff turnover and low employee morale</td>
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Dynamic changes in HRD Measures:

HR is not a fundamental, unavoidable do or die factor of business and mere adoption of HR in blank shall not help the organization. The field of HR is changing and expanding continuously and HR practitioner should not only be able to understand change but also should be able to forecast it to some extent. Many commentators agree that the role of HR professionals in future would be pivotal as business strategists. This will require considerable business acumen and the ability to contribute effectively to strategic decision-making (James, 1997). (61)

HR professionals also act as change agents by developing competence in managing and implementing change (Micolo, 1995). (62) Wihelm (1995) suggests that change management competencies in conjunction with business competence and HR ‘craft’ competence comprise a model of a complete human resource professional for the foreseeable future. (63)

“Dynamic changes in HR measures are urgently required to refocus the priorities and resources of the HR functions. Instead of being HR driven (what makes sense to HR professionals), the next generation of HR measures need to be business driven (how HR can impact business success). Instead of being activity oriented (What and how much we do); new HR measures should be impact oriented (how much we improve business results). Instead of looking backward (what has happened), innovative HR measures should be forward looking, allowing the managers to assess and diagnose the process and people capabilities that can predict the future success of corporation” (Kalpan & Norton, 1992). (64)

In respect of HR competencies, Ulrich (1998) conceptualized a three-domain framework i.e. knowledge related with business, delivery of HR, and handling capability of change process. These competencies contribute in different ways to the overall performance of HR personnel. According to Ulrich, knowledge related with business explains 19 % of the performance, 41% HR professional’s performance and 8.5% is personal credibility. (65)

HRD can find its importance in four main ways:-

- By focusing on business strategy of the organization;
• By devolving responsibility to line managers;
• By adopting an employee-centered approach to learning; and
• By emphasizing workplace learning. (Grieves & Redman, 1999). (66)

Organizational change often implies a different allocation of already scarce resource but the most serious challenge in change programmes today is that the constantly changing environment must deal with people’s resistance to change. Most advocates of change assume that support will be imminent because the objectives for change are worthwhile, but sometimes this does not happen (Brown & Harvey, 2006, p.7). (67)

In a case study of the change management process of the Bank A, Yin & Choo (2008) observed that the challenging issues that resist change enabling forces are often the soft issues that exist/ develop across different levels of the management and functional boundaries. These significant issues emerge at various phases/ place like at the stage of implementation, at the stage of launch of new product, in the centralized unit, within branch of operations, during technical training, during HR relocation and organizational performance activities etc. (68)

The Great Management Guru, Douglas Mc Gregor (1969) (69) has said, “The task of management is to arrange organizational conditions and methods so that people can achieve their goals best by directing their efforts towards organizational objectives.”

The first special objective is to help line managers across the board to manage the today and organizational fact of life. Secondly, the individual must be developed to his full potential. This may be done through various training and development methods.
HRM must provide needed learning and growth experiences to both individuals and groups to help them to resolve organizational problems and exploit opportunities for change. Finally, there must be a constant and sustained attempt at forging desirable working relationships. These wholesome relationships are the lubricants which keep the human wheels of the enterprise moving smoothly. If one were to state an ultimate purpose however in today’s competitive age, one would have to say that it would be to make a tangible difference in the real world of costs, quality, quantity, accuracy and timeliness (Sangwan, 2009, p.60). (70)

Dave Ulrich (1998) says HR can help deliver organizational excellence in the following four ways:

- First, HR should become a partner with senior and line managers in strategy execution, helping to move planning from the conference room to the market place.
- Second, it should become an expert in the way work is organized and executed, delivering administrative efficiency to ensure that costs are reduced while quality is maintained.
- Third, it should become a champion for employees, vigorously representing their concerns to senior management and at the same time working to increase employee contribution: that is employees’ commitment to the organization and their ability to deliver results.
- And finally, HR should become an agent of continuous transformation; shaping processes and a culture that together improve an organization’s capacity for change (para.1). (71)
Relationship: HRD and competence and commitment:

Drucker (1993) pointed out that the capability of adding value through knowledge development, improvement, and innovation are more important in comparison to traditional economic factors such as monetary capital, physical labor and raw materials. Organizations, therefore, need to step up the development of human capabilities through the enhancement of knowledge, skills and abilities of their workforce. As organizations are now competing for advantage in a volatile business environment it becomes more pertinent to deliberately, consistently, strategically and innovatively develop, optimize and utilize their major value adding resource, i.e. human resource. Organizational success depends largely on the quality of their human resource. The effectiveness of any organization in reinventing itself through strategic development of human resources depends on the prevailing organizational developmental climate. Organizations must ensure that an optimal level of Human Resource Development Climate (HRDC) exists to enable their employees to discover hidden potentials, improve on their current skills and acquire new, relevant skills and utilize them in the interest of their organizations (as cited in Mittal & Verma). (72)

Rao (1999) (73) says, any HR practices can be considered successful only if it leads to improve any of the 3C’s, i.e.

(i) Competence
(ii) Commitment, and

Line managers in general and HR functionaries in particular, ought to play a crucial role in development of organizational capability. Growth and change comes not through geographical expansion but through the development of less visible competence and soft skills of employees (Balaji, 2012). (74) Competence and skill are essential for task
performance, without which no job can be performed or if performed, will have of sub-
optimal level. Skill is important for success of the individual as well for the organization. 
To attain the task, every employee needs to complete various operational processes for 
which he needs to have noteworthy skills like interpersonal skills, soft skills, 
communication skills, technology proficiency skills and objection handling skills etc. 
Therefore, it is necessary to identify the skill gaps prevailing in the organization and reduce 
the same for the smooth completion of the task. Moreover, appropriate skills among 
employees also generate more business for the organization and help in its rapid and 
consistent expansion (Vergheese & Punwatkar, 2013). (75)

In the competitive environment employees are the most important ingredients which 
determine success of an organization. Organization’s success and competitiveness is 
maximally determined by its committed employees. Commitment of employee is 
determined by their experience, their feeling of goodness towards organization and their 
intention to leave job or intention to search for job alternatives which is strongly related to 
organizational commitment. HRD practices considerably predicts organizational 
commitment which shows the strength of the commitment which an employee feels about 
the organization. Various HRD practices affect the commitment level of employees which 
is the backbone of the contemporary HRD philosophy. In a research on the engineers 
working in NCR, Singhal and Dwivedi (2013) (76) observed that an individual’s attitude to 
their firm is inferred by loyalty and values of the organization towards its employees. The 
commitments of employees are reflected by their willingness to put extra effort for the 
organization and their intention to continue in the organization. Employees with high 
commitment level consider organizational goals as of primary importance. On the other 
hand employees with low organizational commitment level are interested in pursuing self-
interest above than the organizational interest. They further stated that stronger 
commitment results in lower labour turnover, lower absenteeism increase in efficiency of 
employees and improvement in organization’s productivity.

Based upon factor analysis of various HRD practices, they grouped five factors which 
 affect employee commitment namely:
• Competency Development Practices,
• Information sharing Practices,
• Empowerment,
• Fair Reward Practices, and
• Recognition.

Singhal and Dwivedi (2013) further recommended that private sector organization should implement good human resource practices to improve the organizational commitment level of engineers of NCR, such as:
• Competency development practices through training and development, coaching and mentoring proficiency courses;
• Open information sharing system and practice through which employees are not only able to share decisions but are also involved in decision making;
• Empowerment where employees are provided autonomy and liberty to complete the work allotted to them;
• Adoption of fair reward practice system.

According to Hiltrop (1996), there is clear evidence that the HRD practices of an organization have a powerful influence in motivating employees to exhibit the kinds of attitude and behavior that are needed to support and implement the competitive strategy of an organization. Hence, it is important to show that HRD practice and innovations are able to create competitive advantage by causing certain perceptions, employee attitude and behaviors which, in turn, further create competitive advantage for the organization. Hiltrop and Despress (1994) proposed that HRD has positive impact on organization culture (as cited in Tanuja, 2001, p.303).

Paul & Anantharaman (2004) carried out a study in Indian software companies and found that HRM practices such as employee-friendly work environment, career development, development oriented appraisal, and comprehensive training shows a significant positive relationship with organizational commitment.
Relationship: HRD and development of innovative culture:

Patrick, Gary, Blaine & Scot (n.d.) (79) conducted a study to examine the impact of strategy, core competency of HR managers in strategic decision making on the refinery manager’s evaluation of the effectiveness of HR and refinery performance in 56 U.S. petro-chemical refineries. The result indicated that higher involvement of HR in organizational strategy was strongly related to perception of HR effectiveness and innovation strategy.

Ellen Martins & Nico Martins (2002) (80) with the aim to determine what type of organizational culture would support innovation and creativity in an organization compared the theoretical model with its new model developed by them. The study indicated that trust manifests sincerity and openness. Trust influences employee support for change as well as the probability of making change successful, which influence the degree to which innovation and creativity are stimulated and promoted.

Krishna and Rao (as cited in Kasyap et al., 2012) (81) carried out an empirical study on the Organizational and HRD Climate in BHEL and the result indicated that HRD climate encouraged innovation and creativity among middle and senior management level people to experiment with new ideas.

Relationship: HRD and empowerment of employees:

In paper on “delivering customer-oriented behaviour through empowerment: an empirical test of HRM assumptions”, Riccardo & Patrice (2002) (82) examined the impact of organizational initiatives in strengthening customer orientation among front-line staff upon the expected customer-oriented behaviour among employees. They evaluated it in the context of a major change initiative undertaken by a supermarket firm and observed that job design, values-based training and management behaviour can produce a feeling of empowerment among front line employees, and that empowerment will generate pro-social customer-oriented behaviour. Ricacardo & Patrice also observed that those employees who
perceived management behaviour in a positive manner and participated in value-based training were feeling more empowered (means had internalized pro-social service values and felt competent and autonomy in work). This feeling of empowerment was, in turn, positively related to the customer-oriented behaviour of employees.

Further, David, Carla & Neat (2001) \(^{(85)}\) by choosing 351 small businesses units of the same industry investigated about the degree to which organizational climate mediates the relationship between human resource practices and customer satisfaction. The result indicated that indirect effects of HR practices on customer satisfaction were significant and relatively large while the direct effect was non-significant and near to zero. The results were also supportive of a social context model of the impact of human resource practices on organizational outcomes.

But in another study, Alexander, Elmada & Andrea (2007) \(^{(86)}\) examined the influence of development practices initiated by service provider organizations on the performance of front lines service employees. They collected the data from 307 customer contact personnel and the finding indicated that, in contradiction to conventional knowledge, initiation of higher levels of employee development practices always may not give the most beneficial outcomes.

Organizational capability is dependent upon capability of its human resources which is one of the factors of HRD. A firm can achieve competitive advantage by recruitment and maintenance of a well-trained employees and managers whose knowledge, skills and abilities work as a source of innovation. Therefore, it is necessary to ensure that the right kind of environment exists in the organization where every employee can develop its full potential (Zahra & Nielsen, 2002). \(^{(87)}\)

**Relationship: HRD practice and faith of employees:**

Razali & Vrontis (2010) \(^{(88)}\) administered a questionnaire to 250 employees to conduct a study to determine the relationship between ten selected variables and acceptance of a
transformation program by employees. The findings indicated that involvement of the top management and organizational commitment are the two largest coefficients which create impact on the acceptance level of employees towards the transformation/ planned change programme and faith on the management.

In assessing the impact of bundles of HR practices on job satisfaction, workplace trust, commitment, effort and perceived organizational performance, Williams J.G. (2003) developed a theoretical model and tested it by using data collected through a postal survey of UK local government employees. The hypothesis that HR practices are powerful predictors of trust and organizational performance was found as proved.

**Relationship: HRD and team building:**

Eric, Kenneth & Futrell (1990) identified 8 key factors which influence team effectiveness in organizational context. These factors are (a) organizational culture, (b) technology and task design, (c) mission clarity, (d) autonomy, (e) rewards, (f) performance feedback, (g) training/consultation, and (h) physical environment.

Through field study of 76 technology-based project teams, Hans (2004) attempted to examine the influences of the HRD climate on team performance. The results indicated that in spite of cultural differences among organizations a general agreement exist on the factors that drive team performance. Organizational factors which satisfy personal and professional needs of employees have a strong effect on cooperation, commitment, risk management, and ultimately drive overall team performance. (91)

**Relationship: HRD practices and business performance**

The integrative framework offered by Yeung and Berman (1997) identifies three paths through which HR practices can contribute to business performance: (1) by building
organizational capabilities (2) by improving employee satisfaction and (3) by shaping customer and shareholder satisfaction.

Wright, Gardner, Lisa & Mathew (2005)\(^{93}\) measured correlation of HR practices with past, concurrent, and future operational performance of 45 business units and result indicated that correlations with performance measures at all three times are both high and invariant, and that controlling for past or concurrent performance virtually eliminates the correlation of HR practices with future performance.

Bhattacharya, Gibson & Harold (2005)\(^{94}\) hypothesized that flexibility of skills and behaviour of employees and HR practices represent critical sub-dimensions of HR flexibility and are related to superior firm performance. Results based on perceptual measures of HR flexibility and accounting measures of firm performance support this prediction. Whereas employee skill, employee behaviour, and HR practice flexibility are significantly associated with an index of firm financial performance.

In a study on “Organizational climate and performance”, Lars (2010)\(^{95}\) examined the relationship between organizational climate and performance of the organization in a large multinational company wherein 3089 employees among 49 companies participated in the study. Regression analysis of the data shows that there is a significant relationship between organizational climate and sustainability and growth, productivity and profitability, and employee engagement.

Elizabeth & Christopher (2011)\(^{96}\) examined the relationship between high-commitment HR practices and firm performance in professional services firms through the mediator of employee effort. The result of their study shows that high-commitment HR practices positively relate to firm performance through employee effort for two employee groups within professional services firms. They also found that the relationship between employees’ effort and performance is contingent on the value of the employee group to firm competitive advantage and suggested that companies need to expand the effort and
resources on building a high-commitment HR system for employee groups that are clearly tied to create firms competitive advantage.

David, Jonathan, Neil & Maura (2003) (97) explored the relationship between HRM and performance in 366 U.K companies by using both objective and subjective performance measures and cross sectional and longitudinal data. They found that use of objective measures of performance and greater use of HRM is associated with lower labour turnover and higher profit per employee but not higher productivity. Upon using subjective performance measures, they found that there is a strong association between HRM and productivity and financial performance of the firm.

Ingrid, Barry & Kimberley (2003) (98) says positive employee relations effectively serves as an intangible and enduring asset, and therefore, can be a source of sustained competitive advantage for the firm. Ingrid, Barry & Kimberley (2003) while focusing on publically traded firm of “100 Best Companies to work for in America”, empirically investigated whether positive employee relations are related to firm performance. The relative performance of these “100 Best Companies” was examined via comparisons to companies in the broad market and a group of matched firms. They observed that these 100 Best companies enjoy not only stable and highly positive workforce attitudes, but also performance advantages over the broad market, and in some cases, over the matched group.

Sushana, Jose & Camilo (2005) (99) in their paper dealt with the relationship practices between high performance and Human Resource Practices, tested the hypotheses organizational learning and business performance. The hypotheses were tested over a sample constituting 200 employees of 195 Spanish companies. By using structural equation modeling they observed that high performance human resource practices have a positive effect on organizational learning, which in turn positively influences business performance. However, any direct effect of human resource practices on business performance could not be observed.
Strategic Change Management and Organization Culture:

According to Ulrich (1998), change, change, and more change. Perhaps the greatest competitive challenge companies are facing is adjusting to- indeed, embracing- nonstop change. They must be able to learn more rapidly and continuously, innovate ceaselessly, and take on new strategic imperatives faster and more comfortably….the hardest and most important challenge facing many companies in this era of flux is changing their culture. In helping to bring about a new culture, HR must follow a four step- process:

- First, it must define and clarify the concept of culture change.
- Second, it must articulate why culture change is essential for business success.
- Third, it must define a process for assessing the current culture and the desired new culture, as well as for measuring the gap between the two.
- And fourth, it must identify alternative approaches to creating culture change (para 5).

As the competition, changes, and pressure intensify for organizations, organizational culture is given more prominence and emphasis. This is because, paradoxically, organizational culture creates both stability and adaptability for organizations. It creates stability by being the glue that holds the organization through adherence to a clear set of consensual values. Culture also fosters adaptability by providing a clear set of principles to follow when designing strategies to cope with new circumstances. Clarifying the core competencies and the strategic intent are prerequisites to organizational adaptability, and both are grounded squarely in the organization’s unique culture (Cameron & Quinn, as cited in Singh & Kumar, 2010). The organizational culture plays a very significant role in making organizations get the best out of themselves. Culture provides the energy needed to function well by ensuring as it were a proper circulation of blood through all the organs (Farooq & Sethi, 2008).
The unique high performing culture of any organization helps it to gain competitive advantage. Organizational Culture and strong ethos help a company achieving competitive advantage because the manner in which it contributes value to the organization's products or services is rare, hard to substitute for and difficult to imitate. A competitor cannot reverse the culture of the company at the same time it cannot imitate it. Organizational culture leads to organization capabilities. In a dynamic and changing environment culture's flexibility, adaptiveness and responsiveness create organizational capabilities. Organizational culture can play a vital role in the successful formulation of strategy (Farooq & Sethi, 2008).

Organizational culture is the pattern of values and beliefs held by members of an organization and the management of culture is now one of the most frequently discussed of all organizational concepts. The excitement associated with culture is attributable to two factors. First, it is argued that culture is the key to organizational performance; simply stated, a strong organizational culture can be a source of competitive advantage. Second, culture is perceived as an alternative method of control to traditional and technocratic forms of management and can be manipulated to ensure that employees are enthusiastic and committed to organizational objectives. To predict organizational success one can study the climate of the organization. Organizational success depends upon the organizational climate (Subramanian, 2012). (103)

Practitioners have started realizing that, in spite of the best-laid plans, an organizational change should attempt to change not only the structures and processes but the corporate culture too. The organization which adopts comparatively good culture could be adopted by other organizations too to bring organizational effectiveness which will help these organizations to build such culture which will bring standardization in the industry. It also will help in retention of employees as work environment in the organization plays an important role in the retention of employees. (Choudhary, 2011). (104)
HRD climate and Organization culture:

The conceptualization of culture within the context of an organization is primarily adapted from the field of anthropology and sociology. Culture has typically been defined as the traditional ideas and values of a group of people (Chouhan, 2011, p.2). Culture comprises the symbolic side of an organization, and it gives dimensions to the human contemplation and behaviour in the system (Kashyap, Vohra, & Kaur, 2012, p.60).

A more formal definition of culture is that “organizational culture is a pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration, and that have worked well enough to be taught to new members as the correct way to perceive, think and feel in relation to those problems” (Schein Edger as cited in Chouhan, 2011, p.2).

Organizational culture includes ethics, values, beliefs, attitudes, norms, ethos, climate, environment, and culture. According to Pareek (2002), the Culture-related concepts also can be seen as multilevel concepts. At the core (first level) are the values, which give a distinct identity to a group. This is the basic ethos of the group. Pareek defines ethos as ‘Underlying spirit of character or group and is the root of culture’. The second level concept is ‘climate’, which can be defined as the perceived attributes of an organization and its members, groups and issues. The third level concept relates to ‘atmosphere’, which is the distinct factor that affects the development of someone or something.

According to Henry Mintzberg (2004) “Culture is the soul of the organization — the beliefs and values, and how they are manifested. I think of the structure as the skeleton, and as the flesh and blood, and culture is the soul that holds the thing together and gives it life force” (as cited in Kashyap, Vohra, & Kaur, 2012, p.60).

Organization culture has an increasing importance because of its impact on employee performance and satisfaction. Understanding organizational culture helps to increase the
organizational effectiveness and development. It helps to develop strong corporate identity 
(Subramanian, 2012, p.131).  

The research studies done by various researchers indicates that the strong culture 
contributes to the organization’s healthy working environment and self-assessment 
capabilities which in turn increase the proficiencies of individual, teams and the entire 
organizations (Kashyap, Vohra, & Kaur, 2012, p.60).  

Many organizational studies, including Peter and Waterman’s “In Search Of Excellence” 
and William Ouchi’s Z Theory, have sufficiently pointed out that culture is the key factor in 
making an organization competitive, world class and innovative. Organizational Culture is 
shared values, morals, traditions and ideologies of people inside organization. Shared 
values are commonly held beliefs, mindsets, and assumptions that shape how an 
organization behaves. Culture of the organization influences decision making, 
communication, interpersonal relationships, work environment, trust and openness, and the 
way organization behaves and interacts within and outside. This implies that culture is the 
strongest determinant of organizational performance. Strong and positive culture creates 
positive work environment in which every employee feels comfortable to work. A positive 
and strong organizational culture helps employees to explore their potential into tangible 
performances through reinforcing the strengths and relieving their weaknesses (Singh, 
2012, p.126). 

Organization culture where stressful and politics, prevail productivity is adversely affected. 
Such conditions also destroy the discipline of an organization. Though, sometimes in stress 
people may perform better, it depends on the attitude of employees. In case, they are not 
able to perform under stressful situations, number of absentees and turnover of employees 
may increase. Thus organization climate is totally dependent upon feelings of the 
employees and feeling of employees is totally dependent upon the attitude of the individual 
employee (Choudhury, G, 2011). But a conducive HRD climate plays a great role in 
enhancement of the knowledge, skills, abilities and attitudes / attributes of employees 
needed to respond to the demand of current job and challenges of the future (Choudhury, G,
Abraham in another study observed that HRD climate is a powerful intervening variable that converts HRD practices into profit (as cited in Shami, Ramzan & Rasool, 2013, p.18).\(^{114}\)

To a large extent, the success of HRD in any organization depends on the existence of a favorable HRD Climate. HRD is more having personnel-orientation rather than technology-orientation and believes that communication and participation would bring greater commitment, higher efficiency, and growth of individuals (Barney & Wright, 1998).\(^{115}\)

In the note on Human Resource Development Climate, Venkateswaran (1997) obtained response from 132 executive of a large PSU and concluded that two major tasks of HR i.e. early identification of human resource potential and development of their skill, can be only achieved when a conducive HRD climate prevails (as cited in Solkhe & Chaudhary in 2011, p 6).\(^{116}\)

Rao and Abraham were among the early researchers carried out research in 1986 on HRD climate in Indian organizations and found that HRD climate in Indian organizations appears to be of an average level and the main contributing factor is general indifference on the part of employees on their own development (Shami, Ramzan & Rasool, 2013, p.18).\(^{117}\)

Human Resource Development Climate (HRDC) is a component of the wider organizational climate. It refers to perceptions about the prevailing conditions within the organization that affect the life of employees (work and personal life) and the activities within the organization (Smith, 1988) or their perception about an organization’s developmental environment. Rao and Abraham (1986) list a set of characteristics expected of such developmental climate as:

a. A tendency at all levels starting from top management to the lowest level to treat the people as the most important resource;

b. A perception that developing the competencies among employees is the job of every manager/supervisor;
c. Faith in the capability of employees to change and acquire new competencies at any stage of life;
d. A tendency to be open in communications and discussions rather than being secretive (fairly free expression of feelings);
e. Encouraging risk-taking and experimentation.
f. Making efforts to help employees recognize their strengths and weaknesses through feedback;
g. A general climate of trust;
h. A tendency on the part of employees to be generally helpful to each other and collaborate with each other.
i. Team spirit;
j. Tendency to discourage stereotypes and favoritism;
k. Supportive personnel policies;
l. Supportive HRD practices including performance appraisal, training, reward management, potential development, job-rotation, career planning, etc. (as cited in Kashyap, Vohra, & Kaur, 2012). (118)

Sharma and Pooja Purang (2000) carried out a case study of a Navratna public sector on Value Institutionalization and HRD Climate. They found that there is a positive relationship between value institutionalization and HRD climate. Means, that a value based ethical environment will help the organization in development of better HRD climate. Vijaya Banu in his study on HRD Climate with special reference to Public Sector Cement Corporation concluded that the HRD climate is of crucial importance for survival and excellence in the new economy because it creates a developmental environment among employees which directly or indirectly affects the performance of the organization. Employees will put their maximum contribution to achieve the organization goals, if there is strong HRD climate in the organization. Means, strong HRD climate leads to higher performance of the employees which further leads higher profit of the organization (as cited in Shami, Ramzan & Rasool, 2013). (119)
Shami, Ramzan & Rasool (2013) also conducted a study on banking sector to find out, how much HRD climate exists in the banking industry and whether there is any significant difference in respect of perception of HRD climate on the basis of gender, age, experience and designation. For the purpose of study, data was collected from 75 respondents (employees) of three major banks United Bank Limited, Allied Bank Limited and MCB by using HRD climate questionnaire. Responses were analyzed by using different statistical tools T-test, mean, standard deviation, and variance. Result suggests that an average HRD climate exists in all three banks. The result also suggests that there is no significant difference on the basis of gender, age, experience and designation. They suggested that average HRD climate can further be improved by introduction of HRD policies and practices, ensuring follow up of system and procedure, elimination of favoritism and communication gap, and conduct of training programme.

Solkhe & Choudhary (2011) in their paper on “HRD climate and job satisfaction: an empirical investigation” tried to establish relationship between HRD Climate and Job Satisfaction and found that as per mean score analysis a relationship exists between HRD climate and Job satisfaction. Correlation analysis shows a significant positive correlation of 0.786 between HRD climate and job satisfaction. Accordingly, the result supports the hypothesis that an improvement in HRD Climate improves job satisfaction level of the managers which resultantly brings positive changes in the organizational performance of the organization. They also analyzed relationship between various dimension or sub factors of HRD Climate with Job Satisfaction through correlation and observed that relationship exists between various sub-factors of HRD Climate i.e. General Climate, HRD Mechanisms and OCTAPACE Culture and Job Satisfaction.

Chalam and Srinivas in the study on gender wise perceptions and attitudes on HRD Climate in Indian Banking sector observed that basic disagreement exists in selected branches of SBI with respect to HRD Climate (as cited in Shami, Rahman, & Rasool, 2013, p.19). The elements of HRD climate can be clubbed into three broad categories, viz:

1. General climate,
2. OCTAPACE culture and
3. HRD mechanisms.

Irrespective of the size of the organization, nature of ownership and control, HRD climate can be proved as an important instrument for organizational dynamics, growth and effectiveness provided it is implemented effectively by the top management of organization. Changes brought through a systematic manner by use of General Climate along with OCTOPACE Culture and HRD mechanisms would result in a strategic fit between: (a) employee and the organizations and (b) organization & its business environment (Mufeed & Rafai, 2011). \(^{(123)}\)

**The General Climate** covers the items which deal with the importance being given by the top management to human resource development in general and concerns shown by the line managers to good HR policies and positive attitudes towards development (Solkhe & Chaudhary, 2011). \(^{(124)}\). 

**OCTAPACE** was developed by Professor Rao (1999). \(^{(125)}\) It stands for Openness, Confrontation, Trust, Authenticity, Pro-action, Autonomy, Collaboration and Experimentation. These values help in fostering a climate of continuous development of employees in an organization. An optimal level of these values is essential for facilitating HRD. The elements of OCTAPACE are as follows:

- **Openness**: An environment where employees feel free to express their ideas and the willingness of the organization to take risks and to experiment with new ideas and new ways of doing things.

- **Confrontation**: Employees face the problems and work jointly with others concerned to find its solution. They face the issues squarely without hiding them or avoiding them for fear of hurting each other.

- **Trust**: The extent to which employees individually and in groups trust each other and can be relied upon to do whatever they say they will do.
- **Authenticity:** The willingness of a person to acknowledge the feelings he/she has, and to accept him/her as well as others who relate persons to him/her as?

- **Pro-action:** Employees are action-oriented, willing to take initiative and to show a high degree of proactively. They anticipate the issues and act or respond to the needs of the future.

- **Autonomy:** The willingness to use power without fear, and helping others to do the same. Employees have freedom to act independently within the boundaries imposed by their role/job.

- **Collaboration:** This involves working together and using one another’s strength for a common cause. Individuals, instead of solving their problems by themselves, share their concerns with one another and prepare strategies, work out plans of action and implement them together.

- **Experimentation:** This involves emphasis given to innovation and trying out new ways of dealing with the problems in the organization.

Pareek (2002) \(^{(126)}\) stated that when the OCTAPACE values are present in the following combinations, organizations benefit more. The combinations are:

- Openness and Confrontation
- Autonomy and Collaboration
- Trust and Authenticity
- Pro-action and Experimentation.

Rao elaborated that openness - confrontation, autonomy - collaboration, trust - authenticity and proaction - experimentation go together and these four pairs are four corner stone of HRD culture. If these values are practiced in an organization; they become a part of life and are likely to get the best out of people at work.

Rao & Abraham (1985) \(^{(127)}\) elaborated that HRD mechanism takes into account career planning, performance appraisal, potential appraisal, performance recognition and rewards, feedback and counseling, training and development, employee welfare, job rotation, quality of work life, self renewal and institution building, personal growth laboratories and
education programmes of workers, task forces and assignment groups, managerial learning network, quality circles, organizational development etc.

Likert (as cited in Deepika & Thiruchelvi, 2013, p.99) proposed six dimensions of organizational climate (leadership, motivation, communication, decisions, goals, and control), while Litwin and Stringer (as cited in Deepika & Thiruchelvi, 2013, p.99) proposed seven dimensions (conformity, responsibility, standards, rewards, organizational clarity, warmth and support, and leadership). A review of their studies and those of others indicate that twelve processes or dimensions of organizational climate relate specifically to motivation: Orientation, Interpersonal relationships, Supervision, Management of mistakes, Conflict management, Communication, Decision making, Trust, Management of rewards-Rewards reinforce specific behaviors, thereby arousing and sustaining specific motives, Risk taking and Innovation and change.

Alfredo Presbitero (as cited in Deepika & Thiruchelvi, 2013) in the study on organizational climate and employee engagement used the longitudinal design to demonstrate relationship between change in organizational climate and employee engagement and observed that employee engagement is shaped by energy, efficacy and involvement in a role and creation of organizational climate based upon employee perception motivates employees to become more committed and effective performer. There is a positive link between levels of employee engagement and organizational and change in organizational climate has a positive influence on employee engagement. So, better the organizational climate, more the employees feel engaged and motivated in their roles which in turn improves the organizational performance.

Litwin and Stringer (as cited in Deepika & Thiruchelvi, 2013) were the first one to demonstrate that employees with a given motive becomes most effective when organizational climate is conducive for that motive. Organizational climate has important outcomes at individual, group and organizational levels and has great influence upon job satisfaction, individual job performance, and organizational performance. Organizational
Climate also helps in determining organizational success, and is important for achieving organizational effectiveness.

According to Choudhury (2011)\(^{(131)}\) organizational climate is seen as a measure of the feel of the internal environment of an organization which is perceived by an outsider and/or an employee according to their business with the organization. Organizational climate has a great impact on employees' behavior. If the climate of an organization is open and friendly, employees feel comfortable and if it is very formal, then such a comfort level may not be felt. Organizational climate depends on the employee's attitude how they interpret the climate of the organization.

A study was conducted by Mufeed and Rafai\(^{(132)}\) on the need for OCTAPACE culture in tourism sector, to identify the major factor that non-promotes for organizational effectiveness among staffs and to measure the prevailing culture in the organization. This study stated that high OCTAPACE profile will contribute to high organization dynamics and organizational effectiveness. Subramanian (2012)\(^{(133)}\) says that:

- The top management should give freedom to its employees especially of lower level in hierarchy to participate in decision making as it will improve employee participation and belongingness towards the job.

- Management should imbibe such culture among its employees which encourages work life quality and organization effectiveness and free interaction among employees.

- The organization should empower and encourage its employees to make decisions without the fear of negative repercussions and make gradual enlargement of duties.

- Brain storming sessions should be conducted to promote the experimentation among the employees as it will generate new and innovative ideas and collaboration among employees.
• The management should conduct employee satisfaction survey at regular intervals to have the actual picture of work culture and to know the change in attitude level of employees.

• The top management should delegate responsibilities and empower people lower in the hierarchy.

• The autonomy to the best possible level should be provided so that most of the problems are solved at the grass root level itself.

• The employees should be involved by the management so that they are able to think about expected problems and arrangements for resolutions well in advance. This will help in necessary systemic and process changes without compromising quality and quantity.

Cultural change in an organization can be achieved through one or more of the following ways:

2. Changing people's position: Right people on right jobs.
3. Changing beliefs and attitudes: Encouraging mutual trust and co-operation.
5. Changing structure: Empowering frontline managers to take decisions.
6. Changing the corporate image: To get internal and external positive attitude with focus on stake holder's interest (Kashyap, Vohra, & Kaur, 2012).\(^{(134)}\)
Relationship: employees and customer satisfaction level:

The companies these days are on the edge of the cliff due to cut throat competition, technological changes & innovation. Faced with economic uncertainties, risky strategies, competing priorities, limited resources, and managerial complexities, organizations are realizing the value of human resource management. The role of HR is changing fast to adopt and adapt to new organizational structure and culture. Today, if an organization is to survive, it needs to adapt and continually seek to reduce costs, increase quality, create new products, and increase performance (Farooq & Sethi, 2008). (136)

McCune suggested that due to increased public desire for improved services with the dramatic growth in the service industry, companies have led to assess quality of service for an increased consumer satisfaction. He further says that service quality and consumer satisfaction are important concept as a means of creating competitive advantages and consumer loyalty. Service quality has become a significant differentiator and the most powerful competitive weapon, which all the service organizations want to possess (as cited in Samantaray, 2012. p.127). (137)

Service quality and consumer satisfaction are widely recognized as key influences in the formation of consumer’s purchase intentions in service environment (Samantaray (2012). (138)

The customer satisfaction is a psychological phenomenon. It differs from person to person i.e. a person may feel satisfied by a certain product or service, other may not be. Thus, efforts are made by every concern to provide product / services which satisfy the needs of a varying class of customers. Whether the buyer is satisfied after purchase depends on the offer's performance in relation to the buyer expectations. (139)

Satisfaction = Perceived Perception – Expectation

Customer satisfaction is a key differentiator and has become an important element of business strategy. It is an abstract concept and the state of satisfaction is a psychological
as well as physical phenomenon which varies from person to person, product to product and service to service. The satisfaction level is the difference between perceived performance and expectations. The level of customer satisfaction could be grouped in three broad levels.

- Actual performance < the expectations → the customer feels dissatisfied.
- Actual performance = the expectations → the customer feels satisfied.
- Actual performance > the expectations → the customer feels pleased or delighted.

In the modern age, the success of any organization depends upon level of consumer or customer satisfaction and no organization can survive, if it performs its functions just for earning profit and ignore customer satisfaction. (Upadhyaya & Jain, 2012) \(^{140}\)

According to RBI road-map, India is going to be one of the most attractive emerging market where foreign banks are likely to come in with more freedom, grow and acquire, resulting India will see more competitive banking market after 2009. Therefore, Indian banks need to wake up to the reality and start re-focusing on their core assets i.e. the customers. The only way the banking industry can protect its market share and ensure to boost its growth is to pay greater attention towards service management (Bala, 2012). \(^{141}\)

To remain in the long run in the market, the time has come for an organization to identify, attract and retain its most valuable customers who help such organization to sustain profitable growth (Tripathi & Sinha, 2012). \(^{142}\)

Jay Kumar (as cited in Tripathi & Sinha, 2012) \(^{143}\) observed that the correlation matrix brings to the fore the fact that there are 7 pairs of variables which are not only positively correlated but also statistically significant. They are condensed to seven factors which the banks have to focus to tone up customer service. The set of variables with a statistically significant correlation are given below:-

1. Service charges have been correlated with atmosphere in the banks.
2. Decor of bank, with seating accommodation.
3. Innovativeness in new product development with competence of staff.
4. Parking space correlates with ambience in the bank.
5. Banks' publicity as to their services with the image of the bank.
6. Knowledge of the bank employees and their attitude towards customers.
7. Location of the banks with staff presence at the bank.

To effectively compete in the globalized economy, an organization needs to be customer-focused. Providing a good customer service enables the organization to find a way to leverage the good will through which the organization can deeply connect with consumers psyche and develop a strong business relationship. The formation, promotion and practice of work and conduct which forms strong customer goodwill should be the part of the sound customer relations policy. Such policy gives a formal promise to customers regarding commitment to their satisfaction. A customer should not be compelled to run from one employee to another or one department to another to get satisfaction. The policy should be clear specifically with reference to when, where, how and who handles customers complaints or questions (Jayakumar, 2012). (144)

Apart from gaining competitive advantage, a relationship with customers outside the organization is helpful in many ways like, having referred markets, good quality of employment markets etc. Such relationship is possible only if the organization fulfills its promises to the satisfaction of the concerned customers. Research has proved that attracting a new customer and building relationship with him/her is 9 times costlier than retaining an existing customer. Relationship is also helpful to the organization that a customer moves from the stage of prospective buyer to consumer, from consumer to client, from client to supporter, from supporter to an advocate and from advocate to a partner in the organization (Tripathi & Sinha, 2012). (145)

In the present scenario the organizations have to respect the customer’s preferences to make its’ experience as memorable and favorable one because even though the product may be of the best in quality, if the service experience of the customer is unsatisfactory, there will be loss to the organization. Customer relationship is a multidimensional activity which is influenced by various things like organizational strategy; business policies and practices at the management level, enthusiasm and eagerness of management to achieve customer satisfaction, flexibility, resourcefulness, and positive attitude of employees who
are in direct contact with customers. Management decisions and employee behaviors are governed by organizational culture. It is the perception of employees towards the internal environment of the organization which are influenced by:

- How an organization operates,
- What values it espouses, and
- How it treats its employees.

An organization that stresses on customer satisfaction, strives for excellence in product and service, values its employees, and is able to instill a sense of mission, and common purpose, develop an organization culture where all members of the organization gets a sense of accomplishment that their contributions play a vital and important role in the overall growth and profitability of the organization (Balaji & Sivagnanasundaram, 2012).

Organizations create mission statements and emphasize core values. Inculcating those values depends on the way employees are treated and nurtured. Therefore, there seems to be a strong relationship between human resource development (HRD) practices and organizational values.

Hasan (2007) in its paper aimed to empirically examined relationship between HRD practices and organizational values from employees’ perspectives rather than management perspective. He attempted to measure the effectiveness of human resource development practices and cherished organizational values through responses obtained through a questionnaire sent to 239 employees of eight organizations in Malaysia and the result revealed that HRD practices like training and development, potential appraisal and promotion, performance guidance variables were positively associated with organizational values of creativity and risk taking ability, quality, delegation, collaboration, experimentation and human treatment. However, employee performance appraisal system, career planning, and contextual analysis were negatively related with values such as trust and creativity. (147)
What seems to be misunderstood by people working for companies is that everyone, from the business owner or manager to the telephone operator or receptionist or the sales associate, plays an important part in how customers view a company. Rude, unfriendly, uncooperative, or inappropriate behavior on the part of company representatives who are in direct contact with customers may translate into loss of business, regardless of the quality of the goods or services the company has to offer. It has been estimated that 68% of business losses are because of rude behavior of employees. Furthermore, customers who encounter this type of treatment are likely to tell others about their experience, who in turn, will not be very interested in dealing with that particular company, thereby magnifying the extent of customer loss (actual and potential). In this era of fierce competition, both on a local and a global level, it becomes increasingly important to ensure that a business is "customer-centered." There is an abundance of merchandise available, and there is no shortage of businesses that offer (Tripathi & Sinha, 2012. p.135).

Robert Hall (as cited in Tripathi & Sinha, 2012)\(^{(149)}\) stated that the workforce is the primary factor in influencing the customer’s behavior. The representatives of service providers play an important role in effective customer relationship management. Business success is dependent on a variety of factors - a realistic business idea, a well thought-out business plan, an appropriate marketing strategy and great customer service are amongst the top ones...Customer service includes all aspects of interaction with a customer and speaks to the organization's image in the mind of a customer. Regular and sustained interaction with a customer ensures that the customer feels connected with the business. If the customers have a good experience they feel that the establishment treated them well. Tripathi & Sinha (2012)\(^{(150)}\) conducted a pilot study in a Public Sector to study the respondent’s interaction process and the behavioral factors of the interaction process. The results obtained showed that most of the respondents rated the behaviour of the public sector representative’s to an average level (p.136).

Ponreka Maria D et al (as cited in Upadhaya & Jain, 2012),\(^{(151)}\) in their paper “Customer Satisfaction with Service Quality with Special Reference to Life Insurance Corporation in
Madurai District” tried to understand various dimensions of service quality that helps in ensuring maximum level of customer satisfaction and thus helps LIC of India to acquire a bigger market share in Madurai. This study was done on a stratified random sampling design. Based upon the factor analysis, it was identified that factors namely Individualized attention with courtesy, tangibles, performance and trustworthiness influence the quality of service rendered by the LIC in Madurai district. (p.44).

Reichheld and Kenny (as cited in Thapa, 2012) (152) observed that there are following six factors which are imperative to improve customer retention:

- Commitment level of senior management people;
- Retention information systems that tracks and analyzes the root causes of deficiencies/defections;
- A customer-focused culture where managers as well as employees focus their full attention on customer satisfaction;
- Empowerment of front line staff so that they are able to take prompt action for customer satisfaction;
- Training and development of employees on continuous basis; and
- Incentive system based on customer retention.

Tripathi & Sinha (2012) (153) says what happens if the representative does not attend the customer for service properly?

In a survey regarding the reactions of the customers if the behavioural expectations with respect to employees do not match the actual behaviour or if the problems are not attended properly by employees, during the interaction, they observed that customer :-

- Get Angry and irritated.
- Tension develops.
- Feels like closing the account (i.e. not utilizing the services any more)
- Start arguing and make a complaint, if possible
- Try to stop taking the service and tell others also not to utilize the service of the company.
- If the work is urgent, he make repeated visits and advise them to improve the services.
• Feels like beating or giving a slap for not understanding the problem, it might be an emergency for someone.
• He gives up.
• He tries to resolve it, but if the company does not support then keep quiet and manage it on his own.
• He makes complaints to the superior or head, by personally meeting them or by e-mail or letter
• He stops taking the services. (p. 138)

Upadhyaya & Jain (2012) \(^{154}\) measured the level of customer loyalty in banking sector and observed that the mean value is 3.90 which is higher than the standard value 3.00 means the customers are satisfied with the services provided by the banks but the parameter mean value is low and probability of switch over to other banks is high on recommendation of the friends and foe. Therefore, it is very important for the banks to not only satisfy their customers but maintain long term relationship too with them. This can be done by improving the area of service management. Employees should give comfort and best service to customers while doing banking as it will encourage customers to maintain relationship with bank. Therefore, an strong work force plays an important role in customers retention otherwise the customers may not like to continue with the bank and the relations between the customer-and bank will be hampered.

Rao (1998) \(^{155}\) in his report ‘HRD and bank customer satisfaction’ explains that, by now it is recognized worldwide that human resource development (HRD) is a tool for business improvements. The first and foremost task of HRD staff, therefore, is to be in touch with the real customers first and then with internal customers. Satisfied employees are likely to serve the customer better and create more positive encounters. The time has come for unions and associations to work hand-in hand with the HRD staff for improving the work culture and image of banks.
Samantaray (2012) while in his attempt to analyze the hypothesis that there is a significant difference between average ratings of expectations and perceptions of mobile users and observed that most of the mobile users felt that the service providers should be able to fulfill the promised services and resolve the grievances to increase the satisfaction level. In his study, he also observed that employees of service providers though not remain busy, still not willing to help customers. Customers were unhappy due to long waiting hours in resolving their problems and non-responsive attitude of customer care representatives towards resolving a problem. Customer care executive should be more prompt and responsive towards the customer in resolving their problems. Further, knowledge, courtesy of employees, ability of employee to convey trust and confidence on customers will result in reducing the dissatisfaction.

Tripathi & Sinha (2012) in their article on “Behavioral issues in effective implementation of customer relationship management” grouped the:-

<table>
<thead>
<tr>
<th>Factors</th>
<th>Behaviour that customer expects from employee/representative of a company:</th>
<th>Behaviour that customer dislikes in an employee of a company</th>
</tr>
</thead>
</table>
| Expected Behaviour | Behavioural factors which customers expect from employees are that:  
• They should give proper attention and guidance;  
• They should be responsive;  
• They should be polite, alert, helpful, and friendly, and;  
• They should talk properly with older people. | Behavioural factors which customers dislike are:  
• Rude/ impolite behaviour;  
• Incomplete reply;  
• Poor response;  
• Unconcerned dry behaviour;  
• Non-helping tendency;  
• Lack of willingness to help if concerned customer is absent;  
• Talking to others while customer is waiting;  
• Using abusive language;  
• Joking about customers in their absence, and;  
• Chewing pan, tobacco at work place. |
<table>
<thead>
<tr>
<th><strong>Personality</strong></th>
<th>Employees should be smart and well dressed.</th>
<th>Arrogant behaviour is disliked by the customers.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Information and Knowledge:</strong></td>
<td>• They should be well informed; • They should have proper and full knowledge about the product and services so that they are able to provide appropriate solutions to their problem.</td>
<td>The customer dislikes if: • Employee are not having adequate job knowledge, • Having poor knowledge of product and services; • Are unable to suggest to remove the difficulties.</td>
</tr>
<tr>
<td><strong>Communication</strong></td>
<td>Communication factors expected by customers are that: • Employees should use simple and easily understandable language; • If there is any confusion/ not understood, the employees should explain again instead of getting angry. • In case employee does not know, he should be able to tell the customer to whom to talk for the matter.</td>
<td>Communication factors disliked by customers are: • Not replying when a customer asks something. • Employee says that I don’t know; • Even do not tells whom to approach.</td>
</tr>
<tr>
<td><strong>Professional attitude</strong></td>
<td>The customers expect that: • Organization should maintain database of the customers; and • Employees should work professionally at work place.</td>
<td>The attitude disliked by customers are: • Non-professional attitude of employees; • Carelessness and unnecessary delay in work; • Non fulfillment of commitment within time period as per assurance (within 24 to 48 hours) and lingering the problem continuously.</td>
</tr>
</tbody>
</table>
Jayakumar (2012)\(^{(158)}\) stated that customer satisfaction and employee empowerment are dominant factors in ensuring successful marketing. 100 best customers and leaders were selected and formed as a team to frame guidelines for their new customer service satisfaction cell. Some of the important guidelines are:

1. Do not just meet customer needs, exceed them.
2. Do not just answer questions, anticipate them.
3. Do not just be thorough, check even minute details.
4. Do not just do good work, provide an unpatrolled service.
5. Do not just do your best, do your best as part of them.
6. Do not just be courteous; make every customer feel as if he is the only one.

These guidelines hold good for any industry or service provider and if followed in true spirit, would give no room for complaints at all. They are intended not for curing complaints but for preventing them. They in fact treat the customer as the most important person, whose care and satisfaction is the ultimate mission of the organization (p.77).

Fleming and Asplund (as cited in Bose 2009)\(^{(159)}\) strongly feel that one cannot measure and manage the employee and customer experiences as separate entities. They add that one must manage these human systems in tandem, one may need to reorganize. True value and profit comes from the employee-customer encounter in the service sector, and by measuring and managing this interaction properly.

This is possible only through effective HRM processes. When the internal customer (employee) is satisfied, they will make efforts to satisfy the external customers through the service quality. Satisfaction of internal customers is the foundation of HRM in banks. Right approach to HRM will certainly bring about greater employee satisfaction and organizational performance effectiveness. (Sangwan, 2009, p.72).\(^{(160)}\) HRM practices, in turn, affects attitude of employees, turnover and engagement, which, in turn, affect the customers’ experience. The customers’ experience, in turn, affects buying behaviour of the customers, which, in turn, affects sales turnover, which, in turn, affects profits.
Ultimately, the customer service in turn affects job satisfaction level of employees (Singh, M.M & Gopalkrishna, 2013, p.54). (161)

**Relationship: HRD practice and perking up customer satisfaction:**

Tsaur & Lin (2004, August) (162) observed that tourist hotels in Taiwan are focusing their attention on improving quality of customer service. In general, a firm's human resource management (HRM) practices create an environment that encourages positive employee behaviour, which in turn, enhances customer service quality. This conceptualization was examined by them in a research carried out in the tourist hotels in which they empirically attempted to explore the relationship among HRM practices, service behaviour and service quality. The results indicated that human resource management practices had partially a direct effect on customer perceptions of service quality and an indirect effect through employees’ service behavior. It means service behavior only partially mediates the relationship between human resource management practices and service quality.

Chuang Chhi & Liao Hui (2010) (163) collected data from multiple sources of 133 stores in Taiwan in 2 phases and observed that the human resources management practices of a high performance work system enhances a business unit’s market performance in the service context by facilitating 2 types of strategically targeted organizational climate: concern for customers and concern for employees, which further encourages employees to engage in cooperative behaviors with customers (service performance) and coworkers (helping behaviors) that are essential in achieving superior market performance.

Riccardo & Rosenthal (1997) (164) in their paper on the “antecedents of employee commitment to customer service: evidence from UK” attempted to conceptualize and operationalize the notion of commitment to customer service as part of a broader concern to explore the determinants of key aspects of service quality and of individual-level performance in service organizations. Based on an explicitly behavioral definition of commitment to customer service, they set out a model of the
antecedents of customer service and tested it using data from a representative sample of 717 employees of a major food-retailing organization in the UK. The results suggested that determinants of customer service are commitment of employees, altruistic concerns, job pressure, job routinization, job competence and employees’ understanding of customer service requirements.

A critical assessment of literature and a comparison of various quality management models divulge the variables that are proposed to influence service quality and customer satisfaction in manufacturing-oriented services. Lenka, Suar & Mohapatra (2010) (165) categorized these variables as ‘soft’ and ‘hard’ aspects of quality management. The soft aspects include transformational leadership, workplace spirituality, service climate, human resource management practices, employees’ effective commitment and job satisfaction. The hard aspects incorporate the management information system and physical evidence. It is rationalized that the adoption of soft and hard aspects of quality management is essential to achieve service quality and customer satisfaction.

**Handling of customer grievances & customer satisfaction:**

According to Thorsten, Isabelle, & Roediger (2006) (166) an empirical study using the means-end approach and the paper-and-pencil version of the laddering technique which provided a deeper understanding of attributes of effective customer contact employees and revealed the underlying benefits that complainants look for. The research indicated that complainants want contact employees to give positive nonverbal signals, to have sufficient product (service) knowledge and the authority to handle their problems adequately. They also want employees to be willing to try hard and spare no effort. Customers think that if employees take them seriously, this will lead to a problem solution and feelings of satisfaction. They suggest that management should develop active complaint management system to monitor the complaint for better customer satisfaction.
According to Rodney F. Ganey (as cited in Balaji & Sivangnansundaram, 2012)\(^{(167)}\) there is a high correlation between the overall satisfaction of the customers and handling the problems efficiently by the management.

To measure satisfaction level of customers, a research study on Customer Service Management in Selected Public Sector Banks in Rural villages in Salem District, Tamil Nadu was undertaken by Jaya Kumar (2012)\(^{(168)}\) and mean scores proves that none of the customers feel extremely satisfied with any variable. There is only a moderate satisfaction in speed of deposits and withdrawal, service charges, internal ambience, banks innovativeness etc. The factor analysis reveals that these factors explain variations only to the extent of 60.54\% but rest remains unexplained which confirms the poor service delivery by these banks. Jaya Kumar suggested that factors/ dimension like knowledge updation of bank staff, customer complaint management and professional management of grievance redressal system etc. will further improve the satisfaction level.

Customer complaint is one of the important tools to track the customer satisfaction level. The speed and manner in which the organization responds to the customer complaints makes a lot of difference in customer perceptions. Albrecht and Zemke (as cited in Ponduri & Sailaja, 2012)\(^{(169)}\) observed that between 54 to 70 percentage of the customers who lodge a complaint will continue to do business with the organization provided their complaint is resolved? Even this figure may go upto 95\%, if the customer feels that the complaint registered with the organization was resolved promptly. Customer who registers the complaint to an organization and feels that his complaint was resolved satisfactorily, on an average, usually tells five people about the good treatment they received.

**Developing focus of HRD in Banks:**

Bhide & Khandelwal (1986) says (Khadelwal was earlier Chairman & Managing Director, Bank of Baroda) “in achieving the growth, the Banks could not give adequate attention to several important aspects of working like customer service, staff discipline,
Further, increasing pressure from trade union and short term approach of the management to counter such pressure led to many ad-hoc practices and decision in individual banks which through ‘ripple effect’ created problem in other banks and Management started using the fire fighting techniques in the name of maintaining industrial peace. The unions have been successful in getting better pay and better working conditions without much responsibility and accountability resultantly customer has no option except to accept the poor service. But this situation was neither in the interest of the customer nor in the interest of employees as a whole. (170) Sangwan (2009) says, the cooperation between management and unions could only satisfy the economic needs of the employees. The other issues such as career planning, recognition of talents, differentiation between performers and non-performers were sidelined. This sowed the seeds of frustration among employees and had negative impact on organization’s performance (p.70). (171)

Sangwan further says that banks have paid much less attention (than what is required) towards the development of their human resources, the quantum of attention paid by the bank’s management towards proper utilization and development of their human resources can be ascertained only with the heop of research. However, amazingly not much effort has been made in this direction and area is almost barren (p.197). (172)

After the banking reforms and entry of foreign and new age private banks, the banking industry started transforming like deregulation, competition and focus on profitability, induction of technology driven operations and products. It compelled the Banks to make attitudinal changes in the employee and improve the level of skill, motivation and initiative of our human resources and develop the system (p.264). (173)

Cumming & Worley (2005) (174) says normally…. the change process could only identify limited organizational efforts that addressed such personal need while change efforts demand a great deal of empathy and support, understanding the situation from another’s perspective. When people feel that those responsible for change are genuinely interested in their feelings and perceptions, they are likely to be less defensive and more willing to
share their concerns and fears. This also provides basis for joint problem solving that is essential to ensure success in a change programme (Cumming & Worley, 2005).

The scope of HRM in banks- sky is the limit. But there are hardly resources. The so-called human resource development department is engaged in finding faults with the staff, penalizing them, giving them more work and reducing the manpower in the bank. HR is the most important area in banks but the most neglected one. HR has also been slow to change. No one wants to change the line or methods, because change always has risk factors and we are very risk aversive (Sangwan, 2009, p.82). (175) Even during the Banking reforms, HR has remained neglected field except lip service.

Banks in India have been given increasing doses of freedom. But the freedom and the growing complexity of banking operations demand efficient development of human resources. In the Indian banking industry, HRM is a forsaken concept (Selvam, 1997). (176)

Competition and consolidation will compel the banks to realize that today and tomorrow’s customers cannot be best served with yesterday’s structures, methods and technologies (p.41)...Today’s market situation, apart from skill development, calls for change in the mindset, attitude and behaviour of the employees. Hence, the success of man-management in public sector banks lies in adopting new strategies to bring about the required change in mindset and attitude of the employees and creating knowledge workers to align with the corporate goal (p.259).... Banks need to develop a comprehensive HRM policy document encompassing actionable philosophy. Among the key challenges before the state-run banks is to create smart knowledge frontline staff with positive attitude (Sangwan, 2009, p.42). (177)

The management should consider employees as partners rather than as problems. In the words of Dr. Bimal Jalan, Ex Governor, RBI: “Principle of human resource management is to treat people as an asset rather than as a mere factor of production” (179) The Management needs to play a pro-active role and appropriate steps should be taken for empowerment of their vital resources, i.e. the human resources which never depreciate but
always appreciate in comparison to other asset. This is the only factor that can make or mar an organization/bank. It is not the fault of the Rs 500 note being used as Rs 50 note in the market, but the fault is with the user of the note. HRM is concerned with integration-getting all the members of the organization involved and working together for accomplishment of a common objective (Sangwan, 2009, p.227). One factor that can give them (organizations) sustained advantage is their people (Sanwan, 2009, p.55). It was suggested that knowing the business lets HR professionals join the management team: knowing HR practices helps the HR professionals effectively contribute in management and development of people; and managing change helps them to make things happen (Sangwan, 2009, p.78).

HR strategies for successful organizations are not a fundamental, unavoidable do or die factor of business. The field of HR is continually changing and expanding and HR professionals must be able not only to manage changes but also, to some extent, forecast it. Strategic HR planning is a must. In any business strategy, people are more critical than plans. Effective implementation of strategy is possible only through the motivated people (Sangwan, 2009, p.88). Therefore, the Indian Banks needs to focus on following areas to create HRD climate:-

i. **Developing creative leaders:** According to Dr. A.P.J Abdul Kalam, the need of the hour is to develop creative leaders; the creative leadership is exercising the task to change the traditional role from commander to coach, manager to mentor, from director to delegator and from one who demands respect to one who facilitates self-respect. The higher the proportion of creative leaders in the banking industry, the higher the success (as cited in Sangwan, 2009, p.54)

ii. **Flat structure:** Tall vertical pyramidal structures are not very apt in the service sector. It is important to build flat structures where there is a direct contact and reporting relationship with persons who actually deliver the services. A chief Executive of a bank who built a very effective organization in a short time said, “I want every Branch
Manager to think that he is the Chairman and Managing Director of the bank (Sangwan, 2009, p.15).”

iii. **Right person at the right place:** In banking industry, hardly any attention has been paid to skills, needs of the business or individual career plans while making decisions of placements, transfer and promotions. Placement of the right person at the right place for optimum utilization and deployment of people with minimum hardships to the people and without undermining the business needs of the organization is expected from HR. Proper placement and posting of employees is important for the growth of an organization but at the same time, it should be kept in mind that minimum hardship is faced by the employees, and, therefore, the Bank should correlate the individual needs with business and organizational needs while making placement of its employees.

iv. **Developing right attitude and behavior through training:** As all banking functions are interdependent, employees need to work in coordination with others; they need to carry right attitude and behaviour with both internal and external customers. Employee’s training is a tool to develop the competency factors of employees to match the service benchmarks to enhance the customer satisfaction and customer delight as an output. The demographic profile of the employee plays an important role in the quality of services they are expected to deliver. Their age, gender, experience, and work motivation has direct bearing on what they can and what they will deliver to the customers. In a research paper, Kulshreshta, Singh & Das measured the impact of training on several demographic variables (gender, age, experience, location of Bank’s branch) of the employees. These variables were classified into two parts; independent variables were “gender, age, experience, location of Bank’s branch” and dependant variable was “impact of training”. They administered a questionnaire to 398 employee of private and public sector banks in Agra region. Tools like Chi square test, one way ANOVA and Levene’s test were used to establish the relationship between employees’ demographics and training out comes. Results revealed that there is no significant association between gender, age, experience, location of Bank’s branch and overall impact of training but the association
between bank of the respondent (private/public) and the overall impact of training is statistically significant. (Kulshreshta, Singh & Das, 2013, p.1). (185)

v. **Talent management:** In today’s world of competition, the most important challenge before the HR is ‘attraction and retention of talent’. Commitment of employees is towards the career rather than organization and therefore retention of talent has become quite challenging (Singh, 2012, p.125). (186) Selection of the suitable talent for the Bank as retention is becoming one of the major problem in today’s business. There should be the right employee in the right job. The motto should be “work where your heart and mind belong to.” Companies need people who know the business, understand the theory and practice of HR, can manage culture and make change happen, and have personal credibility. Sometimes, such individuals already exist within the HR function but need additional training. Other times, they have to be brought in from other parts of the company. In still other cases, they must be hired from outside. According to Sangwan (2009) (187), the Bank should go for:-

- Recruiting specialized personnel and should motivate the existing staff for acquiring higher qualification, as there shall be no room for the inefficient and incapable employees in the future banking (p.264).
- Recruit younger people at all levels of hierarchy to ensure that there is no dearth of fresh ideas at all levels (p.263).

vi. **Rule of 80-20:** Follow the rule of 80-20. 80 % of the results are achieved by 20 % of the people in the Bank. Hence, banks should identify and reward these 20% employees without de-motivating 80% (Singh, 2012). (188)

vii. **Have faith:** Respect human dignity and have faith in every employee as a resource and portal achieving organizational objectives effectively.” A clear philosophy, which is understood by all, will assist in generating a positive employee perception that the organization cares for its people (Sangwan, 2009, p.67). (189)
viii. **Authenticity:** There is saying “you cannot preach what you do not practice.” It is often complained from the employee side that Management preaches something and practices something else. The management needs to have consistency in the philosophy and practice and to treat people as an asset rather than as a mere factor of production in true spirit.

ix. **Develop team strategy:** So far, the concept of performance in the Bank has been individualistic and individuals are rewarded for their good work. Success or performance of any individual employee is not as important as performance level or success of any team and hence concept of team work should be promoted because team work is the ultimate measure to judge performance level of any organization.

Teams and teamwork are not new to organizations. Teamwork is an activity in which tasks are interdependent and performed by individuals in a collaborative manner with different skills to achieve a common goal with performance excellence. Participative management, workers cooperation in management, quality circles, small group activity and so on is some of the examples of team work in organizations. With the competitive, challenging and changing environment, teamwork has acquired a special place in organizations as most of the work inside organizations has become more interdependent. There is a growing necessity to introduce flexibility, delegation, consensus, two way communication, flat structures, empowerment, continuous improvement and more importantly constantly changing work patterns have increased the role of teams in organizations. However, for achieving success organizations must have teams with clear vision, purpose, commitment and alignment with organizational goals. Teamwork and teams can be a natural source of improving performance (Singh, 2012, p.126).

x. **Work-life balance:** The Bank needs to encourage people to focus on working smarter rather longer and manage the work life balance. While expressing the need of managing work life balance, Brian G Dyson, former President and CEO, Coca Cola Enterprise, once said, “Imagine life as a game in which you are juggling five balls in the air namely-work, family, health, friends and spirit. You will soon understand that work is
a rubber ball. If you drop it will bounce back. But the other four balls- family, health, friends and spirit are made of glass. If you drop one of these, it will be irrevocable scuffed, marked, nicked, damaged or even shattered. They will never be the same. You must understand that and strive for balance in your life.” (source unknown)

Shripria (2013) \(^{(191)}\) carried out a study of Insurance Company on a sample size of 300 employees. The data were collected through Probability Sampling design by using questionnaire and direct oral investigation method. Reliability test represented that the alpha score was (0.945) with 95% of reliability. Analysis of data was done with the help of statistical tools like Correlation. In the study Shripria observed that work-life balance concept is based on the notion that paid work life and personal life should not be seen as competitor to each other but as complementary to each other. The work pattern of insurance sector has gone tremendous change and employees are expected to achieve target driven performance and exert more and more for the cause of customer service resultantly get better career growth. There is a stiff competition amongst insurance industry players and therefore, organizations should follow best HR practices to attract and maintain the best use of available resources.(p.59).

In another study, Sheokhand (2013) \(^{(192)}\) observed that Work-life balance has become a subject of concern for both research scholars and business leaders in view of the contemporary demographic, technological, market, and organizational changes associated with it. However, there has been little academic attempt to provide a holistic picture of work-life balance benefits and programmes (WLBP)s offered by various organizations in India. Work–life balance is the proper prioritizing between "work" (career and ambition) on one hand and "life" (pleasure, leisure, family and spiritual development) on the other (p.138).

xi. **Merit cum performance:** Sangwan (2009) says, the criterion of merit-cum-performance for promotions should be adopted in true spirit to prevent “brain drain in banking industry”. Though this has been stated to be adopted by the banks, yet what has been done is only partial implementation of this system to give promotions to the
“pliable” This has also been the recommendation of the Indian Banks Association and Government of India (p.226). (193)

xii. **HR Audit:** There is no system to assess whether the HRM policies are in tune with the corporate planning and strategies and whether the HRM policies are improving the productivity and operational efficiency of the Bank. Looking to the importance of HR in the banking industry today, the Bank should initiate the system of HRD audit. HRD Audit is a comprehensive evaluation of the current HRD policies, strategies, systems, structure and skills in the context of the short and long-term business plans of the organization after assessing the current HRD activities and inputs (Rao, 2010). (194)

xiii. **Motivation and attitudinal change** in the employees of public sector banks is the key to customer satisfaction. Creating a culture which promotes motivation and attitudinal change in employees.

xiv. **Idea generation:** A forum may be provided at all levels where the employees may report any process related problems or any systemic problems as well as solutions, if any thereof. This becomes more important as banking increasingly becomes technology driven. A suitable reward system (even if it is a letter of appreciation) is also devised (Sangwan, 2009, p.265). (195) Empirical evidence suggests that the ideas of people at lower hierarchy of organizational ladder are more workable than those of people at the top. Quoting a German research study that the ratio of ideas generated each day is 0.7:8.1 between chairman/CEO and divisional managers, Jackson points out that clearly organizations cannot rely on senior managers to generate the innovations needed to keep the organization ahead. Finding ways of involving all people in the improvement process is therefore essential (as cited in Elis, 2008). (196)

xv. **Creation of an effective grievance mechanism** is important. Choudhary (2012) In his attempt to study the redressal and grievance settlement mechanism in selected organizational units tried to identify and suggest an effective and flexible grievance mechanism that can ensure the speedy settlement of grievances. He says that
organizations do not stand in vacum, but made of the people and function through the people. An organization is basically what its people are. People while working together sometimes may have cause to be aggrieved due to the service condition or due to certain managerial action / practices which could lead to unhappiness, discomfort, disappointment and non-resolution of the grievance may lead to rebel against the organization. The grievance mechanism is one of the most important tools available for the people to express their unhappiness, discomfort, and disappointment. It is also a diagnostic tool available to the management to have a check on the state of organization’s health (p.53). \(^{(197)}\)

xvi. **Transparency:** Truth also needs proof. HR policies need to be inclusive and not sectarian in its approach. Hence, the transparency needs to be encouraged in such a way that transparency is perceived by the rank and file. It is similar to the principle of natural justice that it is not sufficient that justice is done but it is also necessary that justice seems to be done (Sangwan, 2009). \(^{(198)}\)

xvii. **Honesty & Integrity:** Since, the banker needs to handle financial matter, the most important characteristics for a banker is honesty and integrity. This led to strict discipline on the part of money matter. But the concept of staff accountability needs a major revamp. It should be fact-based and management must give up the fault-finding approach. At the same time, a message must go loud and clear that any dereliction of duty and willful transgression of discretionary powers shall not be tolerated. Nonetheless, the culture of holier of thou has to be discarded (Ulrich, 1998). \(^{(199)}\)

xviii. **HR needs to work as advocate of employees.** HR serves an important role in holding a mirror in front of senior executives (Waterman & Collard, 1994). \(^{(200)}\)

xix. **Skill rebuilding:** The manager is responsible for creating an environment in which all employees have opportunities to develop so they do not hit a dead end and their skills remain competitive (Ulrich, 1998). \(^{(201)}\)
xx. **Training & Development:** The Banks have been concentrating upon training of employees. But still there is much scope to go. If an employee is not qualified for a desired job then company and the employee should jointly try to make the necessary training available (Waterman & Collard, 1994). (202)

xxi. **Transparent Performance Management System:** The Banks have been historically dependent upon the confidential Performance Appraisal system. Performance appraisal does not answer larger questions of widespread employee despondency, sense of inequity, poor work culture, power politics and dysfunctional work practices. These are the issues that strongly affect organizational performance. The solutions to such vexing issues may be found in performance management (Ghosh, 1995). (203) If an organization want to survive in today’s era, it has to adapt and make continuous effort to reduce the cost, improve quality, create new products, and improve performance. Performance management has become one of the key elements of HRM. Performance management strategies help in identification of the skills that employees need to develop and then provide necessary training and other structural support. Performance management is the backbone of HR management of any organization that intend to leverage its human capital and produce a high performance (Singh, 2012, p.124). (204) The performance management system has become an important part of the organizational strategic initiative system so that employee goals can be aligned with vision and mission of the organization. In this modern day global knowledge economy, performance management is an important tool to ensure the sustenance and competitiveness of an organization. Effective performance management system along with a robust reward and recognition system leads to higher employee productivity and employee engagement consequently leads to higher retention level of employees. In a study of Telecom Sector, Krishnan & Patil (2013) attempted to study the establishment of the linkage of performance management system, recognition and reward system with employee retention. Data generated from 129 respondents was subjected to partition analysis to identify causal factors of employee retention and its linkages with PMS and the result reinforced the necessity and importance of a robust
performance management system to align employees with the organizational goals for superior business excellence. (Krishnan & Patil, 2013. p.148).

xxii. **Segregation between HRM & IR:** Another problem with HRM in banks is that there is no segregation between HRM and industrial relations (IR). Kannan (1997) says. “A clear line needs to be drawn to show where collective bargaining ends and individual development starts. Why should staff administration be decided at the industry level?” (206) Nagarajan (1997), General Secretary, All India Central Bank Officers’ Association, counters, “It is incorrect HRM decisions and lack of transparency of clear rationale behind the HR decisions that makes IR intervention necessary in the first place.” (207)

The world is changing the market place is changing; more particularly, the Indian banking market place has been witnessing tumultuous changes. Are….policies in the area of HR changing in tune with the changing times and the changing customers? ... Understand that the risks are too great and the opportunities are too rich to be missed. Hence, along with financial capital and technology, highest attention needs to be paid at the Chief Executive level to recalibrate and refashion HR policies of the bank in tune with the expectations of the market place and in line with the compulsions of the competitive times (Sangwan, 2009, p.251). (208) Chief Executives of banks will have to assess and re-assess continually the contribution of each input-financial, technology human capital. (209)

Khandelwal (2010) (210) specifies that since human resources occupy a unique and sensitive position in banking sector as in any other service industry, no meaningful change is possible without involvement of their employees. Therefore, if banks have to undertake any significant change to adapt themselves to the new competitive environment, one of the most crucial initiatives lies in organizing and preparing its human resources to the requirement of competitive banking. Bankers should realize as Selvam (1997) (211) says,” The human factor is key factor to propel growth and the strength of the bank lies with her people. “Human Resource management has direct links with environment. Changes in environment (interlinking) directly affect people system in the organization.
“Change is a permanent part of life. No matter who we are, where we live, how old or young, we all make changes in our lives. Most of us struggle with change. The ways we change inside, the ways we grow and learn, and become transformed are because of the changes in our lives (Orlando & Anaam).”

There are changes in the corporate culture, that means, in the collection of beliefs, expectations, and values learned and shared by the members of an organization and transmitted from one generation of employees to another (Wheelen & Hunger, 2002). There are also changes in the availability, educational level and attitude of our workforce, as well as changes in the availability of finite economic resources. All this indicates that organizations need to be constantly adapting to new business conditions and that change needs to be strategically balanced and seen as a key factor in modern management.

Future work environment is full of uncertainty, volatility, ambiguity and complexity and no one can actually predict what tomorrow is likely to bring before us. Most of the change patterns will be discontinuous and difficult to identify and anyone who attempt to control the future will not get anything except frustration. Drucker (1999) sums up this pent up frustration when he says that “one cannot manage change. One can only be ahead of it”. Drucker further says that successful strategic managers and leaders are those who become change leaders. They identify opportunities and threats to the organization and subsequently establish an environment wherein people can meet these challenges and still grow as individuals.

End Notes

7. Ibid.
17. Ibid.
28. Ibid. 184.
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55. Ibid. 43.


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123. Mufeed, S.A & Rafai S.N. Need for OCTAPACE culture in tourism sector: an instrument for organizational dynamics, 82-94.

129. Ibid.

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150. Ibid.


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173. Ibid 264.


176. Pannir Selvam A.T was Chairman & Managing Director, Union Bank of India taken from ‘The Economic Times, Hyderabad Sunday, 5th October, 1997, 15


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