CHAPTER - VII

APPLICATION, LIMITATIONS AND
SCOPE FOR FUTURE RESEARCH
7.1. Application of the study

The findings of the study is generally helpful in formulating human resource strategy of the banks in general and credit deployment in particular.

i) Specifically, this study will help in formulating job specifications for an efficient selection model of the bank branch manager in the lending arena, affecting the recruitment strategy of the banks towards this end. Indeed, this study may be considered as a primary step towards formulation of a specific aptitude test by the apex bank for the lending branch managers of banks.

ii) The study will help the banks in developing promotional policies along with the identification of the promotional criteria of the lending managers.

iii) This study also will help the banks to formulate need-based branch managers' development programme and training strategies.

iv) The instrumental factors as measured may help formulating a scale that will assist in restructuring the factors by the apex bank, which not only facilitate the process of identification of the priorities attached to the factors but also, in its turn, will develope the managers in taking quality credit-decisions at the initial stage as an effective step towards reducing further growth of non-performing assets. This will ,in its turn, enhance the profitability of the good banks and will assist the loss making banks to come out of the red.

v) The study will assist in developing the specific measures of
performance appraisal of the lending managers.

vi) The study will also determine the incentive planning for the successful lending managers by the banks.

Last but not the least, this study helps one to get the understanding about the underlying factor that affect the decision-making of the lending managers. This will result in the varied degrees of the accumulation of the non-performing assets of the banks. This understanding is helpful not only from the view point of developing the strategy in reducing NPAs, but also reflects the effectiveness of the human resource and its strategic deployment through tailor-made promotion and transfer policy.

7.2. **Limitations of the study**

i) The study was confined to the branches of a particular nationalised bank. The environmental and other situations prevailing in other nationalised banks have not been covered.

ii) As a case study since it has not covered the branch managers of other nationalised and commercial banks, no generalisation of the findings could be possible.

iii) The study has not considered the psycho-social factors influencing the other credit managers assisting the branch managers, wherever so employed.

iv) The study has not covered other psychological factors which may have positive bearing on the psycho-dynamics of the branch managers in taking loan decisions.
v) The psycho-social dynamics of the industrial borrowers influencing the recovery of loans have not been directly considered in the study.

vi) Movement of non-performing assets of the bank considered for the study covered for successive two years i.e. 1993-94 and 1994-95, due to paucity in getting branch-wise NPA accounts.

7.3. **Scope for future research**

i) Further research work may cover the other credit managers assisting the branch managers, wherever applicable, in respect of their psychosocial factors.

ii) There is scope for extensive research on the psycho-dynamics and interacting variables pertaining to social and environmental aspects of the industrial borrowers.

iii) Further research may cover the managers of other nationalised and commercial banks in respect of the social and environmental aspects.

iv) Attempts may be made to cover personality factors influencing the lending decisions of the branch managers both for nationalised and commercial banks.

v) There is scope for further research to evaluate the findings of the study considering non-performing assets of the banks spread over more than two years.