CHAPTER VI
SUMMARY OF FINDINGS, SUGGESTIONS
AND CONCLUSION

The objectives of the present study were accomplished in three stages. First of all, the view of the employees in commercial banks on the level of the existence of the HRD systems in the commercial banks was focused. It is followed by the discussion on antecedents of the HRD, factors leading to the successful implementation of the HRD, rate of implementation of the HRD practices and also the constraints to implement the HRD in banks. At the final stage, the various outcome of HRD practices in commercial banks, the linkage between the implementation of various HRD practices on various outcomes and the impact of constraints on the implementation of HRD practices were focused. The results of the analysis were presented and discussed in earlier chapters. The summary of the findings and the conclusion are covered in this chapter to draw specific inferences and policy implications.

To start with, the profiles of the employees and patients were reviewed to set the background for the study. The specific objectives of this study were: (1) to exhibit the profile of the employees in PRSBs and PUSBs ii) to analyse the existence of the HRD sub-system in the commercial banks iii) to examine the antecedents and the critical factors leading to the successful implementation of the HRD in the commercial banks (iv) to examine the rate of implementation of the HRD practices in the commercial banks and also the constraints to
implement them v) to measure the various outcomes of HRD practices in commercial banks and vi) to evaluate the linkage between implementation of HRD practices and its various outcomes in commercial banks.

The concepts and the methodology were formulated according to the objectives of the study, with the help of comprehensive review of the previous studies. The secondary data about the commercial banks were collected from the annual credit plan. To collect the primary data, the interview schedule was prepared with the help of the previous studies and the opinion of the experts. The interview schedule was pre-tested among 50 bank employees at Nagercoil town. Based on the feedback, the final draft interview schedule was prepared after certain modifications, corrections and deletions.

The sample size was determined by the formula of \( n = \frac{Z^2 \sigma^2}{D^2} \). The sample size of employees came to 549. In 3 employees from each bank (one manager, one assistant manager and staff) were selected purposively for the study. Hence, the applied sampling procedure of the study is purposive sampling.

The collected data were analysed with the help of appropriate statistical tools to fulfill the objectives of the research. The various findings of the present study are summarized below:
On the basis of the bank, the employees are classified into employees working in private sector banks (PRSBs) and public sector banks (PUSBs). The important years of experience among the employees are 10.01 to 15 and 15.01 to 20 years. The most important years of experience among the employees in PUSBs and PRSBs are 10.01 to 15 and 15.01 to 20 years respectively. The important gender among the employees is male. The dominant level of education among the employees is only with CAIIB and under-graduation and degree with CAIIB respectively.

The important age groups of the employees are 41 years to 50 years and 30 years to 40 years. The most important age groups among the employees in PUSBs and PRSBs are 41 years to 50 years and 30 years to 40 years respectively. The most important designations among the employees are all three designations namely manager, assistant manager and staff which are commonly seen in PUSBs and PRSBs.

The dominant marital status among the employees is ‘married with kids’ and ‘married with aged children’. The most important marital status among the employees in PUSBs and PRSBs are married with grownup children and married with kids respectively. The important nature of family among the employees is nuclear family which is commonly seen in both PUSBs and PRSBs.
The important family size groups of the employees are 3 members to 5 members and less than 3 members. The most important family sizes among the employees in PUSBs and PRSBs are 3 to 5 members and less than 3 members respectively. The important number of earning members per family among the employees is two. The most important number of earning members among the employees in PUSBs and PRSBs is two earning members per family.

The dominant personal income groups per month among the employees are Rs.25,000 to Rs.35,000 and Rs.35,000 to 45,000. The most important family income categories among the employees in PUSBs and PRSBs are Rs.25,000 to 35,000 and Rs.40,001 to 55,000 respectively.

The important family income groups per month among the employees are Rs.80,001 to 1,00,000 and above Rs.1 lakh. The most important family income groups among the employees in PUSBs and PRSBs are Rs.80,001 to 1,00,000 and above Rs.1 lakh respectively.

Regarding the existence of the sub system of the HRD, the highly viewed variables related to the development sub-system in the PRSBs are feedback and counselling sessions. In the PUSBs, these are adequate time and infrastructural facilities. Regarding the level of existence of variables, related to the development sub-system, the significant differences among the two
groups of banks have been noticed in the case of 18 out of 26 variables in development sub system in banks.

The important components of development sub-system narrated by the Exploratory Factor Analysis are training, special development activities, job rotation and programme and counselling. The included variables in the important components of development sub-system explain it to a reliable extent. The highly viewed component in the PRSBs is training whereas in the PUSBs, among the less experienced employees, it is ‘programme and counselling’. Regarding the perception on the existence of important components of development sub-system, the significant difference among the two groups of banks has been noticed in the case of training and special development activities.

Regarding the existence of the career sub-system in the commercial banks, the highly viewed variables related to this system in the PRSBs is ‘well laid out career path’ whereas in PUSBs, it is ‘subjectivity level of assessment’. Regarding the existence of variables, the significant difference among the two groups of banks has been noticed in the case of 12 out of 20 variables related to the career sub-system in HRD in commercial banks.

The important components of the career sub-system identified by the EFA are ‘career planning’, ‘man power planning’ and ‘potential appraisal’. The highly existing important components in the PRSBs and PUSBs is ‘career
planning’. Regarding the existence of important components, of the career sub-system significant differences among the two groups of banks have been identified in the case of ‘man power planning’ and ‘potential appraisal’.

The highly existing variable related to the work planning sub-system in the PRSBs is ‘direction by seniors to juniors’ whereas in the PUSBs, it is ‘mechanisms of sharing performance expectation’. Regarding the level of existence of variables related to work planning sub-system in HRD, the significant differences among the two groups of banks have been identified in the case of 14 out of 16 variables related to the work planning system.

The important components of the work planning sub-system, identified by the EFA are ‘role assigning system’, ‘communication system’ and ‘performance appraisal system’. The included variables in each component explain it to a reliable extent. The highly existing important component, in PRSBs is ‘communication system’ whereas in the PUSBs, it is ‘performance appraisal system’. Regarding the level of existence of the important components of the work planning sub-system, the significant differences among the two group of banks have been identified in the existence of all three important components of the work planning sub-system in HRD.

Regarding the existence of variables in self-renewal sub-system, the highly existing variables in the self renewal system in the PRSBs is ‘the scope for action research’ whereas in the PUSBs, it is also ‘scope for action research’.
Regarding the level of existence of variables in the self-renewal sub-system in the commercial banks, the significant differences among the two groups of banks have been noticed in the case of ‘role- efficacy programmes’, ‘research orientation’, ‘undertaking of organization development exercises’ and ‘adequate decentralization’ and ‘delegation’.

The important components in the self-renewal sub-system, identified by the EFA are ‘role efficacy’, ‘organization development’ and ‘action orientation’. The existing components in the PRSBs is ‘Role efficacy’ whereas in the PUSBs, it is ‘action orientation’. Regarding the level of existence of important components, the significant difference among the two groups of banks has been identified in the existence of ‘role efficacy’.

Regarding the existence of variables related to the culture sub-system, the highly existing variables in PRSBs are ‘autonomy’ and ‘a tendency to discourage favouritism’. In the PUSBs, these are trust and existence of values. Regarding the existence of variables, the significant differences among the two groups of banks have been identified in the case of 26 variables out of 40.

The important components of the culture sub-system, identified by the factor analysis are human resource development, values, quality orientation, recognition, communication and empowerment. The variables in each component explain it to a reliable extent. The existing components in PRSBs are human resource development and empowerment whereas in the PUSBS,
these are values and empowerment. Regarding the level of the existence of important components of the culture sub-system, the significant differences among the two groups of banks have been identified in the case of ‘human resource development’, ‘quality orientation’, ‘recognition and communication’.

The highly existing HRD subsystems in the PRSBs are culture and development whereas in the PUSBs, these are also the same but the rate of the existence of HRD sub-systems in PRSBs is higher than that of HRD in PUSBs. The level of existence of sub-system in HRD in PRSBs is higher than the level in HRD in PUSBs.

The significantly associating profile variables with the perception on the existence of the sub-systems in the commercial banks are personal income, family income per month, age and designation among the employees. There is a significant difference among the employees regarding their perception on the level of existence of the HRD sub-systems when they are classified on the basis of the above said profiles.

The highly viewed antecedents of the HRD in the commercial banks, especially PRSBs, are ‘understanding and acceptance of ones roles’ and ‘effective communication skills’. In the PUSBs these are ‘blame free-culture’ and ‘openness’. Regarding the view on the antecedents of the HRD in the commercial banks, the significant difference among the two groups of banks
have been noticed in the case of 14 out of the 16 antecedents of the HRD in commercial banks.

The important antecedents of the HRD in commercial banks narrated by the factor analysis are organizational and personal factors. The highly perceived factor in the PRSBs is ‘personal factor’ whereas in the PUSBs, it is ‘organisational’ factor. Regarding the perception on the important antecedents of the HRD, the significant differences among the two groups of banks have been noticed in the case of both the organizational and the personal factors. The highly associating profile variables with the perception on the antecedents of the HRD are level of education, age, personal income and family income per month.

Among the employees in PRSBs, the important variables influencing the success of the HRD in the banks are character, habits and self-confidence. In the case of PUSBs, these are self confidence, goals and self image. Regarding the perception on the variables influencing the success of the HRD in the commercial banks, the significant differences among the two groups of banks have been noticed in the case of innovation/creativity, knowledge/skills, control, enthusiasm, habits, personal preferences, experience and character.

The important factors leading to the successful implementation of the HRD in the commercial banks narrated by the analysis are personality, work preferences, life goal plan, role clarity, motivation and abilities. The highly
viewed factors among the employees in PRSBs are ‘motivation’ and ‘personality’ whereas among the employees in PUSBs, these are ‘motivation’ and ‘work preferences’. Regarding the perception on the factors leading to the successful implementation of the HRD in the commercial banks, there is no significant difference among the two groups of banks. The important profile variables associating with the perception on the factors leading to the successful implementation of the HRD are family income per month, personal income per month, age and the level of education of the employees.

The highly implemented HRD practices in the commercial banks, as per the view of employees in PRSBs are openness, risk-taking and authenticity. As per the view of the employees in PUSBs, these are also the same. Regarding the perception on the implementation of the HRD practices in the commercial banks, the significant differences among the two groups of banks have been noticed in the case of 21 out of 30 HRD practices.

The important HRD practices implemented in the commercial banks, identified by the factor analysis are orientation, system, top management support, climate, programmes, style of management and motivation. The highly implemented HRD practices as per the view of employees in PRSBs are climate and style of management whereas as per the view of employees in PUSBs, these are orientation and climate. Regarding the rate of the implementation of the important HRD practices, the significant differences
among the two groups of banks have been noticed in all the seven important HRD practices.

The highly associating profile variables with the rate of implementation of the HRD practices in the commercial banks are family income per month, level of education, and personal income. The rate of implementation of the important HRD practices in the PRSBs is higher than that in PUSBs. The important discriminant HRD practices among the PRSBs and PUSBs are the level of implementation of climate and motivation practices. The overall rate of implementation of the HRD practices in the PRSBs is higher than the level of implementation of HRD practices at PUSBs.

The highly perceived constraints to implement the HRD in the commercial banks, especially in PRSBs are trade union attitudes and heavy workload never allows time for development. In the PUSBs these are trade union attitudes and the government policies. Regarding the view on the constraints in implementing the HRD, the significant differences among the two groups of banks have been noticed in the case of seven out of the 20 constraints.

The important constraints narrated by the factor analysis are employee inadequacy, organizational culture, polices and management commitment. The highly viewed constraints among the experienced employees in PRSBs are policies and organizational culture whereas among the employees in PUSBs,
these are polices and management commitment. Regarding the perception on the important constraints, the significant differences among the two groups of banks have been identified in the case of management commitment. The significantly associating profile variables with the perception on the important constraints in implementing the HRD are personal income, family income per month and age of the employees.

The highly viewed variables in general outcome of HRD in PRSBs and PUSBs are individual productivity and participation. Regarding the level of variables in general outcome, the significant differences among the PRSBs and PUSBs have been noticed in all ten variables. The 10 variables included in general outcome explain it to a reliable extent. The level of general outcome of HRD practices is higher in PRSBs than in PUSBs.

The highly viewed variable in organisational values in PRSBs and PUSBs are delegation and decentralization, and human treatment respectively. Regarding the level of variables in organisational values, the significant differences among the PRSBs and PUSBs have been noticed in six out of eight variables. The Confirmatory Factor Analyses accepts only seven variables in organisational values. The level of organisational values in PRSBs is higher than that in PUSBs.

The highly viewed variable in organisational climate in PRSBs and PUSBs are integration and autonomy respectively. Regarding the level of
variables in organisational climate, the significant differences among the PRSBs and PUSBs have been noticed in the case of 11 out of 14 variables in organisational climate. The Confirmatory Factor Analysis accepts only 10 variables in organisational climate. The level of organisational climate in PRSBs is higher than the organisational climate in PUSBs.

The highly viewed variables in internal service quality in PRSBs and PUSBs are promptness of service and individualized service respectively. Regarding the level of variables in ISQ, the significant differences among the PRSBs and PUSBs have been noticed in the case of all ten variables in it. The Confirmatory Factor Analysis accepts only seven variables in it. The level of ISQ in PRSBs is higher than the level of ISQ in PUSBs.

The highly viewed variable in work performance at PRSBs and PUSBs is ‘able to complete my work in time’. Regarding the level of variables in work performance, the significant difference among the PRSBs and PUSBs have been noticed in the case of all six variables in work performance. The Confirmatory Factor Analysis accepts only five variables. The level of work performance in PRSBs is higher than that in PUSBs.

The highly viewed variables in PRSBs and PUSBs are innovative services and competitive advantage respectively. Regarding the level of variables in organisational productivity, the significant difference among the PRSBs and PUSBs have been noticed in the case of all seven variables in it.
The Confirmatory Factor Analysis accepts only six variables in organisational productivity. The level of organisational productivity is higher in PRSBs than in PUSBs.

The highly existing outcomes of HRD practices in PRSBs are internal service quality and organisational productivity whereas in the case of PUSBs, these two are internal service quality and organisational productivity. Regarding the level of outcome of HRD practices, the significant differences among the PRSBs and PUSBs have been noticed in the use of organisational values, internal service quality, work performance and organisational productivity.

The significantly associating profile variables with the view on the various outcomes of HRD practices are level of education, age, number of earning members per family, personal income and family income. The important discriminant outcomes of HRD practices in PRSBs and PUSBs are work performance and organisational productivity which are higher in PRSBs than in PUSBs.

The significantly influencing HRD practices on the general outcome of HRD practices in PRSBs are top management support, climate, programmes, style of management and motivation whereas in PUSBs, these are programmes and motivation. The level of impact of HRD practices on the general outcome
of HRD practices is higher in PRSBs than in PUSBs. The important HRD practices which influence on general outcome are motivation and programmes.

In the PRSBs, the significantly influencing HRD practices on the organisational values are orientation, system, top management support and motivation whereas in the PUSBs, this is only motivation. The rate of impact of HRD practices on the organisational values is higher in PRSBs than in PUSBs. The most important HRD practice which influences the organisational values in banks is motivation.

The significantly influencing HRD practices on the organisational climate in PRSBs are orientation, system, climate and motivation whereas in PUSBs, these are orientation, climate and motivation. The rate of impact of HRD practices on the organisational climate in PRSBs is higher than in PUSBs. The most important HRD practice influencing on the organisational climate in banks is climate.

The significantly influencing HRD practices on the internal service quality in PRSBs are orientation, system, programmes, and motivation whereas in PUSBs, these are orientation and motivation. The rate of impact of HRD practices on the internal service quality is higher in PRSBs than in PUSBs. The most important HRD practice on internal service quality in banks is orientation.
The significantly influencing HRD practices on work performance in PRSBs are orientation, top management support and motivation whereas in PUSBs, these are orientation and motivation. The rate of impact of HRD practices on organisational productivity is higher in PRSBs than in PUSBs. The most important HRD practice on organisational productivity of commercial banks is orientation.

The significantly affecting constraints in implementing the HRD practices in PRSBs are employees and policies whereas in PUSBs, these are employee’s, inadequacy, organisational culture and management commitment. The rate of influence of constraints on the rate of implementation of HRD practices in PUSBs is higher than that in PRSBs. The most important constraint in implementing the HRD practices in commercial banks is employee.

CONCLUSION

The existence of the HRD system in the commercial banks is rated only at moderate level. The rate of the implementation of the HRD practices in the public sector banks ranges from poor to moderate. The level of existence and implementation of HRD practices in commercial banks are higher in PRSBs than that in PUSBs. At the same time, the view on the constraints to implement the HRD practices in the public sector banks is higher than in the private sector banks. The important constraints are poor organisational culture and lack of management commitment.
The outcomes of HRD practices are higher in PRSBs than in PUSBs. The significantly influencing HRD practices on the outcome of the HRD practices in commercial banks are orientation, top management support and motivation practices. The significantly affecting constraints on the implementation of HRD practices in commercial banks are employee related constraints and organisational culture. The study concludes that the commercial banks especially public sector banks, understand the importance of HRD practices in improving the organisational performance.

SUGGESTIONS

Based on the findings of the study, the following policy implications are drawn.

1. Significance of HRD Interventions

This study emphasizes the importance of implementing progressive HRD practices and improving the work environment with team spirit among the commercial banks employees. The banks should provide enough funds for the allocation on the various programmes for their human resource development. At the same time, the banks should formulate a system to monitor the activities of the HRD department and its impact on their human resources. The immediate feedback will rectify the mistakes immediately and also enrich the programmes at the fullest level.
2. Professional Growth and Career Development

Since the professional growth and the career development opportunities in the employment are too restricted, the commitment of the employees has been affected to a greater extent. The young and experienced employees perceive less on the existence of motivational measures and also top management support. They also feel very bad about the organizational climate in the commercial banks especially PUSBs, which affect their service offered to the customers. The banks should establish a separate system to observe the needs of the employees regarding their professional and career growth. If the system provides assurance to the employees for their professional and career growth, the employees will render better service to their customers to their fullest satisfaction.

3. Reward Policies in Banking Industry

Employees in banking industry perceive that there is no existence of well established reward policies in the banking industry. The employees feel that they are not properly rewarded. Hence, they look for some other private services apart from government services. The private practice among the employees affects their productivity in the public services. The government should understand the fact and establish a separate system to review the salary structure of the employees. The system should recognize the services offered by the employees in banking industry and formulate a suitable salary structure in order to avoid dissatisfaction on reward policies.
4. Structural Design Changes

The progressive administrative and HRD policy and practices will be successfully implemented only when proper enabling structural arrangements are put in place. The focused group discussions reveal that the current structural rigidities in banking sector are an impediment to implement the reform process. This emerged from the qualitative study and the discussions that the researchers had with the officials at various levels. Based on the findings of the study, the following structural design elements need the immediate attention of the policy makers.

(i) The roles and responsibilities should be carefully designed and informed to the employees. As the employees at various levels perform different levels of activities, there should be a well defined system for regulating and monitoring, provision of health care services and facilitating and coordinating the provision of services.

(ii) The rigidity of present structure leads to a lot of confusion in co-ordination and communication between the various levels of organization. Hence, the infrastructure is to be properly fragmented. Each fragmentation of the infra structure should be properly informed about their duties and responsibilities. There should be a proper co-ordination system to integrate various fragmentations.

(iii) Since the centralized decision-making over a period of time has seriously affected the creativity and commitment in the banking industry the system should be properly restructured and redesigned in order to make an immediate action according to the local needs of the employees.
5. Networking, Collaboration and Referral Linkage

The networking, collaborations and referral linkages are critical in effective banking system. The key to this lies in two factors. “One is the policy and physical infrastructure (physical capacity) and the second is the management capacity to develop collaborations, and implement the referrals. The latter will also include referring to the ability of employees to diagnose a need for their customers and deliver the right service at the right time at the right price. There is a significant tendency to spend significant efforts in information seeking, information screening and its careful dissemination. Hence, the willingness to implement these, depends on the confidence and trust in the relationship between the service providers in the network than on the referral linkages.

6. Autonomy to Departments in Commercial Banks

The bankers should provide some autonomy to the department to enrich their own resources and utilization of human resources. Each department should have autonomy to evaluate the performance of their employees and design the required programmes to enrich their knowledge and services. This type of autonomy may enrich the working of the HRD sub-systems in the commercial banks and also the service orientation among the employees. The autonomy of the department correctly identifies the need of the employees and also the required HRD practices to develop the competency of the employees also.
7. Strengthening Regional Management in Banking

The rate of implementation of the HRD practices in the commercial banks is affected by the poor management commitment and less top-management support. This may be caused by the centralization of the management of banking facilities at the state level. Hence it is advised to decentralize the management system at the regional (district-level) level. Then only the management system can review the need of their employees and customers, and they can formulate appropriate policies according to their needs. The speedy action and the communication are also possible when there is a decentralization in the management of the banking system. The employees may be allowed to think at global level but they can be encouraged to act for the local needs. This can be possible by strengthening the regional management of banking facilities.

8. Sector Reforms in Banking Industry

The commitment, competencies and skill of the employees in the banking system have significant implications for any sector reform process. This study suggests that although Tamilnadu has invested in a large way in its banking system development, the sector faces a number of challenges to ensure the professional and the organizational commitment of the employees. Meeting the needs of the population goes beyond the budget allocations. The state has to invest more in developing the leadership quality, the supervision skills, and developing autonomy in its banking institutions.
9. Customer Orientation among the Employees

Since the study has identified a significant impact of the HRD practices in the commercial banks on the various outcome, it is essential to examine the need of customer orientation among the employees. The banks have to formulate the HRD practices which are highly customer oriented. All the HRD practices not only enrich the quality of the employees and their work life but also their service orientation and customer orientation. Then only they can satisfy their customers at the fullest level. In the globalised world, the customer satisfaction is emerging as an important objective of any organization, and the commercial banks are not an exception to this. Hence, the HRD practices should be based on the service and customer orientation among the customers.

10. Participative Management

Greater information sharing with the employees, increasing employees participation in decision making, greater job involvement, employee’s feeling of adequate job satisfaction, delegation of authority and thus granting to the employees more autonomy to work, focus on job enrichment programmes etc. positively contribute to employee empowerment. In the light of the aforementioned “observations, there should be focus on the important” in employees communication and empowerment process.

11. Focus on Organisational Culture

The implementation of HRD practices should focus on the improvement of organisational culture in the commercial banks. For that purpose, the banks
should establish an optional cultural sub system in HRD in commercial banks. That system should be modified and enriched according to the need of the employees and the customers in banking industries in the globalised era.

**DIRECTION FOR FUTURE RESEARCH**

The present study has made an attempt to analyse the employees’ perception of the HRD systems and the practices in the commercial banks and its outcome at banks. The future study may be extended to the implementation of HRD practices in all commercial banks in Tamilnadu. This study may act as a base for any further research which links the human resource management and the marketing management. Since the present study confines its scope to the public and private commercial banks, the future studies may be enlarged to the foreign banks. There may be a separate study on the constraints in the implementation of HRD practices in commercial banks. The present study may act as a base for the development of the new HRD models which are highly customer oriented in future. This type of study may be extended to other service industries in future. The mediator role of HRD practices in between the HRM practices and the organisational effectiveness may be studied with the help of structural equation modelling.