INTRODUCTION

The ever increasing global level competition forced Indian organizations to give top priority to the issues of Human Resource Development (HRD). Currently, the HRD system, its processes and practices make significant difference for all those who emerge as winners and who maintain their position for a long time in the global market. All the relevant processes of change can be implemented successfully, if the human resource effectiveness is ensured through the HRD system and processes and if the management practises an appropriate style for managing the same. It is the need of the hour that all the individual groups and teams of an organisation have to give their best and to get the best from one another if the organizations intend to have competitive edge over their rivals. Organisations, therefore, need to configure their HRD strategies, keeping them well aligned with the overall corporate strategies. An integrated HRD system makes significant and visible contribution to the organisation’s performance. However, there is dearth of empirical evidence regarding and the factors that affect HRD practices. The present study is an attempt to fill up this gap.
HRD as a Sub-System of HRM

HRD, a sub-system of HRM, is a process of competence and commitment (motivation) development of human resources of all cadres/levels in organisation and for this purpose, HRD functionaries must develop various sub-systems and appropriate climate to facilitate the competence and commitment development of human resources. Further, management must facilitate the effective implementation of HRD policies and strategies and must ensure the effective functioning of various sub-systems at pragmatic level. In the process of HRD, competence and commitment development of human resources must be focussed in relation to their existing jobs/roles as well as their likely future jobs/roles with which they will be expected to engage themselves. Besides these, in the process of HRD, mutual relationships and team spirit and team work among the people and groups in organisations should be emphasized. Finally, in the process of HRD, designing/re-designing of various sub-systems and maintenance and ongoing improvement in an organisation’s overall health and self-renewing capabilities should also be taken care of. In order to facilitate such a process of HRD, various sub-systems, viz., Employees’ Training, Employees’ Potential, Appraisal & Development, Career Planning & Development, Succession Planning, Employees’ Empowerment, Job Enrichment, Role Innovation, Quality of Work Life, Organisational Re-structuring, Organisational Development (OD), Employee Communication, Human Resource Information System (HRIS) etc. need to be
designed/re-designed; the related policies/strategies need to be formulated/re-formulated; and their effective functioning/effective implementation need to be formulated/re-formulated and their effective functioning/effective implementation need to be ensured. For all these, not only the qualified, competent and committed HRD professionals are required but such professionals need to develop and maintain high concern for HRD cause, in the mind set not only of themselves, but also of line and staff managers, trade union leaders, team leaders and members, and individuals in organisations. Appropriate management styles need to be practised in order to ensure the effective implementation of HRD process and strategies as well as to ensure effective functioning of HRD sub-systems. Ultimately, HRD policies and strategies and HRD sub-systems need to be well aligned and integrated with overall organisation’s system, policies and strategies and such well aligned and integrated HRD system policies and strategies must make significant and measurable contribution to the overall organization’s performance effectiveness.

**Human Resource Development in India**

India, one of the fastest emerging economies of the world and the fourth-largest in the world as measured by the purchasing power parity (Sunil, 2007)

currently the second fastest growing economy in the world, with a GDP growth rate of 8.1 per cent at the end of the first quarter of 2005-06 (EOI, 2006), but in terms of the health indicators, India performs poorly. For example, the UNDP’s Human Development Report ranks India at 127 in a list of 177 countries, much lower to that of Sri Lanka which is ranked 93 in the list. This report points out that India accounts for one in five child deaths in the world, amounting to 2.5 million child deaths annually. Only 42 per cent of its children are fully immunized and 63 of every 1000 infants born in India die within a year, while the corresponding figure is 46 in Bangladesh and just 13 in Sri Lanka (World Bank, 2007).

**Human Resource Development in Commercial Banks**

The concept of HRD, as it has originated from the work experiences (Rao, T.V., and Pereira D.F. 1986)³ shows the activities namely performance appraisal, potential appraisal, career planning, feedback and counselling and organizational development. The concept of HRD is to facilitate the learning of new skills and techniques for the social development, changing of attitude towards a more positive side of life and developing a productive work culture and team work. The HRD is being practised in the commercial banks for the organizations which are mega-sized, facing lean competition and providing

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innovative services. Truly speaking, the banking system in India has undergone many structural changes, especially after globalization and liberalisation. They have to implement the HRD practices in order to enrich their service quality.

**NEED FOR THE STUDY**

The human resource development in an organization is the need of the era. The banking industry is not an exceptional case. The investment on human capital benefit the organization in two ways. Firstly, it increases the work performance and organizational productivity. Secondly, it enriches the job satisfaction and internal service quality among the employees. The level of satisfaction among the employees may restrict the turnover among the employees. Since the cost of recruiting and training of the new employees is higher than the cost of retaining the existing employees, the investment on human resources is inevitable today. Hence, the banks have to focus on this aspect to improve their human resources by providing appropriate training and other measures in order to increase the quality of service offered to their customers. Hence, the present study has made an attempt to study this aspect.

**STATEMENT OF THE PROBLEM**

Today banks are increasingly faced with resource constraints due to the economic trends that are prevalent all over. With large amounts being spent on human resources, it is very important to get good value for money through sound HRD practices. The banks have different categories of technical and
non-technical personnel. The commercial banks need personally committed personnel to provide high service quality for improving the quality of services to their customers.

The public sector banks find it difficult to cope up with the increasing pressure. The private sector banks have been proved to be innovative and potential competitors to both public sector and foreign banks. Even though, there are lots of tangible developments in the banking industry, the focus on the development of intangible assets, i.e. human capability, it is not upto the level. Hence, these banks are struggling to face competition in the industry. Hence the development of human resources becomes very vital to achieve more. These are:-

i) It is needed to improve the efficiency of the existing infrastructure at the primary, secondary and territory levels.

ii) A new vision is needed to promote the development of human resources for service in tune with the evolving technologies.
RELATED REVIEWS

i) Importance of HRD

Mullins (1998)\textsuperscript{4} identified that training is potentially one of the most important motivators. It is a key element in the ability, morale, job satisfaction and commitment of staff, and in the improved delivery of service and the customer relationship and the economic performance.

Hoque (2000)\textsuperscript{5} remarked that as service quality becomes increasingly vital to competitive success, so does the need to provide staff with skills and motivation to be able to deliver high quality and professional service.

Hill and Stewart (2000)\textsuperscript{6} mentioned the need for strategic approach to the HRD in all firms. The success of the HRD rests on the awareness of the owner and the manager and also their drive for congruence between the training and the learning activities and the business plan.

Maher and Stafford (2000)\textsuperscript{7} revealed that the choice of the trainer is a key determinant in the success of the training effort. The trainers must be competent and interested in their work. Tacit knowledge is vital for understanding the HRD in their organizations.

ii) HRD functions

The drive for quality is one of the triggers that has promoted and underpinned the development of the Strategic HRD. It is acknowledged that effective people management and development is one of the primary keys to achieving improvements in the organizational performance.

Heraty and Morley (2000)\textsuperscript{8} stated about the HRD function as “while often viewed as an elusive activity, lacking any real strategic focus, there is evidence that this is changing”. Their findings are: (i) responsibility for the HRD policy-some development to line managers, (ii) Identifying the HRD needs, seven out of ten organizations conducted systematic training needs analysis.

Lee (1996)\textsuperscript{9} showed that among the characteristics of the companies at the top end of the training maturity scale, training was perceived as supporting the business strategy and the HRD specialists and line managers worked in partnership with each other. Line managers are crucial stakeholders whose role in the HRD is often under-developed for a variety of reasons, both attitudinal and cultural.

Bennet and Leduchowicz (1993) stress that senior and line managers have a crucial role to play in ensuring that the trainers are selected and developed appropriately and that the roles expected of them are clear.

Prickett (1998) conducted a survey among London University graduates. It showed that 90 per cent of them expected their employers to help them in their development. It is found that one third of her sample of high fliers would leave the organisation as they could not broaden their skills. Organisations like wise view investments in human resource development to be important.

Losey (1999) reported that organizations increasingly seek, through sophisticated human resource development and work place learning strategies, to develop employee competencies to enable them to respond quickly and flexibly to business needs.

Sandberg (2000) identified that the human resource development results in several positive individual and organizational outcomes such as higher performance, high quality individual and organizational problem-solving, enhanced career plans and employability, sustainable competitive

advantage, higher organizational commitment and enhanced organizational retention.

iii) Components of HRD

David and Marie (2006)\textsuperscript{14} identified the important constituent components of the HRD namely work place learning, training and development, employee development (training and education), organizational development, performance improvement, career development, instructional design, theories of learning at individual and organizational level, consulting and formal and informal learning.

Schmidt et al., (2003)\textsuperscript{15} listed the key trends influencing the field of the HRD. These are the changes in the work patterns and organization forms, changing definition of where and how work is accomplished, nature of work and how it is organized and structured establishing the value of the HRD in the organizations, changing global workforce, changing demographics of workers, ethics and professional development, new notions of career and career development, globalization and E-learning.


Patton and Marlow (2002)\textsuperscript{16} considered training as one of the central elements in the human resource development and organizational learning. The reasons for reluctance to invest in training are the ignorance of benefits, time issues, fear that training will enhance employee mobility and that there is little evidence to indicate that investment in training and development leads to enhanced firm performance.

Lermusi (2006)\textsuperscript{17} found that meaningfulness of work and job variety are the two areas of value while HR overemphasises the relationship with the supervisors and the recognition that management gives regarding job performance.

Chew (2005)\textsuperscript{18} opined that the most popular of the job training techniques is coaching which includes job rotation and self learning, whereas off-job training includes role playing, case study, lectures, seminars, group discussion, leadership training and slide presentations.

Peccei (2004)\textsuperscript{19} reiterated that employee satisfaction is high, if employees feel that they have a good wage structure and they are well paid for

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what they do. He emphasized on the quality of work life rewards, in addition to traditional increase in basic pay, and variable rewards such as bonus, profit sharing and gain sharing.

**iv) HRD and Organisational Outcome**

Singh (2003)\(^{20}\) conducted a survey of 84 Indian firms representing major domestic business sectors ranging from automobiles and auto components to cement, engineering, iron and steel, financial services, info-tech and the like. He found that the combined effect of HR performance index was significant in predicting the firm’s performance as well as employee turnover and productivity.

Edgar (2003)\(^{21}\) examined the relationship between the HRM and the organizational outcomes such as productivity and turnover rate. He identified the positive and significant impact of the HRD practices on their employee’s perception of the HRD climate and quality orientation.

Rao T.V. (1997)\(^{22}\) evaluates the HRD system with the help of the HRD audit check list which consists of career system, work system, development system, self renewal system and the HRD system. The HRD system includes the HRD climates, organizational values, quality orientation, reward and recognition, information sharing and empowerment.


Zairi (1998)\textsuperscript{23} identified an organization as one which had an adequate system of potential appraisal and promotion, performance guidance and development, role efficacy, and reward and recognition system promoted quality orientation. Quality orientation was measured in terms of customer orientation, continuous improvement, total quality, sense of pride and the like.

Englehardt and Simmons (2002)\textsuperscript{24} identified that incentives and reinforcement can be used to encourage people to adopt changes such as those that may be the subject of the HRD interventions. Pressure to learn, often comes from group norms and from a simple awareness of the skills acquired by others and the available opportunities to learn new ways of doing a job.

Karen et al., (2006)\textsuperscript{25} found that the high level of staff turnover is typical of the organizations in the regional areas which results in significant shortage and recruitment difficulties. This creates specific challenges to the HRD strategies and practices in terms of maintaining adequate skill levels.

Dilworth (2003)\textsuperscript{26} ascertains the core components of the HRD as strategic change management, integration of learning processes, knowledge

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management, career development, healthy and productive workplaces, insourcing and outsourcing of training, team building, leadership development, application of technologies to the HRD and socio-technical fitness.

v) HRD and Job Satisfaction

Appelbaum et al., (2000)\textsuperscript{27} revealed that the employees find satisfaction in being able to perform tasks adequately and are more willing to work hard for the overall well-being of the organization. This not only increases the involvement of the employees at the work place but also creates interesting and challenging work.

Becker et al., (2001)\textsuperscript{28} identified that organisations need to promote such values as openness, trust, initiative, teamwork and collaboration, human treatment of worker, creativity, quality, empowerment, delegation and the like for better results.

Ahmad and Raida (2003)\textsuperscript{29} examined the association between the training and organizational commitment among the white-collar workers in Malaysia and they reported that the availability and support for training, environment, and the like positively contributed to overall commitment scores.

\begin{thebibliography}{9}
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Sanberg, (2000)\textsuperscript{30} advocated that investment in the HRD by the organizations constitute to the organizational and the individual performances such as high performance, high quality of individual and organizational problem solving, higher organizational commitment and enhanced organizational retention.

Priti Jain (2004)\textsuperscript{31} investigated the main critical qualities required to provide efficient public library service. According to her they are enthusiasm, positive attitude, innovative thinking, achievement, a feeling of self-worth, job security, staff recognition, status, career development, good salary, effective communication, job satisfaction, conducive working environment, delegation of authority, clear job description and performance feed back.

Ford (1993)\textsuperscript{32} proposed a series of metrics which may be usefully applied to the HRD bench-marking. These are expenditure on the HRD activities as a percentage of pay roll, average hours spent on the HRD per employee per annum, average HRD cost per participant per hour, per cent of employees undertaking the HRD activity per annum, average percentage of positive ratings of the HRD activities by the participants, average percentage of improvement in on the job performance as a result of participation in the HRD activities, and cost saving and efficiency gains as a result of the participation in the HRD activities.

William and Dodd (1998)\textsuperscript{33} identified the topical areas in HRD to be: creative problem solving, living with change, managing transitions, power influence, bargaining and negotiation, time and stress management, personal motivation, planning and goal-setting, co-ordination and task analysis, professional communication, conflict management, team building, interpersonal communication and participative decision making.

**HRD Practices and the Consequences**

Singh (2009)\textsuperscript{34} revealed that the HRD practices are a strong predictor of organisational culture both in private sector and public sector organisations in India.

Kandula (2001)\textsuperscript{35} pointed out that better strategic HRD practices contribute for harmonious industrial relations scenario, increased trainability, low need for employment, externalization and downsizing of manpower.

Reddy et al., (2000)\textsuperscript{36} mentioned that all the dimensions of organisational climate dimensions were found to have positive correlation with organisational commitment.

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\end{itemize}
Sharma and Pooja (2001)\(^{37}\) revealed that a better ethical environment of the organisation like, appropriate recruitment policy, proper selection and placement, adequate training, effective performance appraisal system, sound wage and salary administration, fringe benefits and social securities, leads to better HRD climate for an organisation.

Singh et al., (2008)\(^{38}\) showed that the test HR practices have a positive relationship with organisational performance; motivational HR policies have a positive impact on generic performance. If HR policies are updated on a regular basis, there is a high likelihood that the organisation will be high on morale, adaptability, quality of product and services, learning and growth, and overall impact on industry.

Jain and Kamble (2005)\(^{39}\) revealed that HRM/HRD department does not follow-up work on training of an organization. But Job requirements, technological changes, organizational viability and internal mobility which are identified through performance appraisal system are essential for successful training programme for effective work.

Jain and Agarwal (2007)\(^{40}\) found the training climate as highly satisfied in the four facets namely higher productivity, better quality of work, cost reduction and personnel growth, and moderately satisfied with two facets namely reduced supervision and organizational climate. A well-planned and executed training programme can provide more benefits to the organization.

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Jain and Chatterjee (2006) revealed that HRD oriented institutional climate across the selected eighty eight academic institutions of higher education and the sector was found as moderately favourable and communication, as regards to the selected seven dimensions was also found as moderately favourable.

Manikutty (2005) found that for the purpose of desired development of managers, training programmes like orientation training, Job training, safety training, promotional training and refresher training are far from sufficient. Training effectiveness can be measured in terms of reactions, learning behaviour and results.

Jain and Sayeed (2003) found that open door approach, employees’ preference for face to face conversation, facilitating employee communication through trade unions, mutual relationship and credibility, and variety of organisational facilities and supportive systems were found as facilitators of upward communication protective screening and supervisors’ attitude of paying perfunctioning attention to communication initiated by the subordinates.

RESEARCH GAP

Even though, there are so many studies related to HRD and its causes and consequences at various industries, only few studies related to the banking industry have since been made the studies related to HRD practices at banking industry in Tamilnadu are nil. Hence, the present study has made an attempt to fill up the research gap with the help of proposed research model.

42. Manikutty, S., (2005), “Manager as a Trainer, a Coach, and a Mentor”, Vikalpa, 30 (2), pp.57-64.
OBJECTIVES OF THE STUDY

Based on the proposed model, the objectives of the study are confined to the following

i) To exhibit the profile of the employees at Private and Public Sector Bank,

ii) To analyse the existence of the HRD sub system at the commercial banks,

iii) To examine the antecedents and the critical factors leading to the successful implementation of the HRD at the commercial banks,

iv) To examine the rate of implementation of the HRD practices at the commercial banks and also the constraints to implement them;

v) To measure the various outcomes of HRD practices at commercial banks and
vi) To evaluate the linkage between the implementation of HRD practices and their various outcomes at commercial banks.

HYPOTHESES OF THE STUDY

Based on the objectives, the following hypotheses are drawn:

i) There is no significant difference between the private and public sector banks regarding the level of existence, implementation and consequences of HRD practices at commercial banks

ii) There is no significant association between the profile of the employees and their view on the various aspects related to HRD systems, HRD practices, antecedents of HRD at banks and the outcome of HRD practices

iii) There is no significant impact of implementation of HRD practices on the various outcomes of HRD practices at commercial banks and

iv) There is no significant impact of constraints to implement the HRD practices on the rate of implementation of HRD practices at commercial banks.

RESEARCH METHODOLOGY

Research is defined as looking for new facts in any branch of knowledge. The research methodology enlightens the methods to be followed in the research activities starting from the investigation to the presentation. It
includes research design, sampling framework, method of data collection, framework of analysis and limitations.

DESIGN OF THE STUDY

The design of the study indicates the research design. It is the overall plan or programme of the research. It is the general blue print for the collection, measurement and analysis of data. It includes an outline of what the investigator will do, from the hypotheses and their operational implications to the final analysis of data. This research work is in the form of ‘descriptive study’ in which the researcher tries to study the existing perceptions of the employees regarding the HRD system and practices implemented at the commercial banks and its consequences.

Number of Commercial Banks in Kanniyakumari District

Kanniyakumari district consists of nine blocks namely Agasteeswaram, Killiyoor, Kurunthencode, Melpuram, Munchivai, Rajakkamangalam, Thiruvattar, Thovalai and Thackalay and four municipalities namely Nagercoil, Kuzhithurai, Padmanabhapuram and Colachel. The number of public and private sector banks in the above said blocks and municipalities are shown in Table 1.1.
TABLE 1.1  
Number of Commercial Banks in Kanniyakumari District

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Blocks</th>
<th>Number of banks</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Public sector banks</td>
<td>Private sector banks</td>
</tr>
<tr>
<td>1.</td>
<td>Agasteeswaram</td>
<td>12</td>
<td>3</td>
</tr>
<tr>
<td>2.</td>
<td>Killiyoor</td>
<td>11</td>
<td>–</td>
</tr>
<tr>
<td>3.</td>
<td>Kurunthencode</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>4.</td>
<td>Melpuram</td>
<td>11</td>
<td>2</td>
</tr>
<tr>
<td>5.</td>
<td>Munchirai</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>6.</td>
<td>Rajakkamangalam</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>7.</td>
<td>Thiruvattar</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>8.</td>
<td>Thovalai</td>
<td>10</td>
<td>–</td>
</tr>
<tr>
<td>9.</td>
<td>Thuckalay</td>
<td>11</td>
<td>5</td>
</tr>
<tr>
<td>10.</td>
<td>Nagercoil municipality</td>
<td>31</td>
<td>15</td>
</tr>
<tr>
<td>11.</td>
<td>Kuzhthurai municipality</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>12.</td>
<td>Padmanabhapuram municipality</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>13.</td>
<td>Colachel municipality</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>136</td>
<td>47</td>
</tr>
</tbody>
</table>

**Source:** Annual Credit Plan, Lead Bank, K.K.District, 2011-12.

In total, there are 183 commercial banks in Kanniyakumari district. Out of 183 banks, 136 are public sector banks and the remaining 47 are private sector banks. Higher number of 46 branches of commercial banks are seen in Nagercoil municipality as 46 branches whereas the lesser number of 4 branches of commercial banks are seen in Colachel municipality.
The sampling plan of the study consists of determination of sample size and sampling procedure of the study. The sample size of the study was determined by the given formula.

$$n = \left[ \frac{Z\sigma}{D} \right]^2$$

where

- \(n\) – Number of sample size
- \(Z\) – Z statistics at five per cent level = 1.96
- \(\sigma\) – Standard deviation of work performance among the employees in pilot study = 0.5980
- \(D\) – Error of acceptance = 0.05

\[
n = \left[ \frac{1.96 \times 0.5980}{0.5} \right]^2 = 549 \text{ employees}
\]

The determined sample size of 549 employees are distributed proportionately to all bank branches in the blocks and municipalities in Kanniyakumari district. The applied sampling procedure of the study is proportionate random sampling. The distribution of sampled employees are shown in Table 1.2.
TABLE 1.2
Distribution of Samples Selected for the Study

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Blocks</th>
<th>Public sector banks</th>
<th>Private sector banks</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Agasteeswaram</td>
<td>36</td>
<td>9</td>
<td>45</td>
</tr>
<tr>
<td>2.</td>
<td>Killiyoor</td>
<td>33</td>
<td>-</td>
<td>33</td>
</tr>
<tr>
<td>3.</td>
<td>Kurunthencode</td>
<td>36</td>
<td>6</td>
<td>42</td>
</tr>
<tr>
<td>4.</td>
<td>Melpuram</td>
<td>33</td>
<td>6</td>
<td>39</td>
</tr>
<tr>
<td>5.</td>
<td>Munchirai</td>
<td>39</td>
<td>18</td>
<td>57</td>
</tr>
<tr>
<td>6.</td>
<td>Rajakkamangalam</td>
<td>24</td>
<td>6</td>
<td>30</td>
</tr>
<tr>
<td>7.</td>
<td>Thiruvattar</td>
<td>18</td>
<td>9</td>
<td>27</td>
</tr>
<tr>
<td>8.</td>
<td>Thovalai</td>
<td>30</td>
<td>-</td>
<td>30</td>
</tr>
<tr>
<td>9.</td>
<td>Thuckalay</td>
<td>33</td>
<td>15</td>
<td>48</td>
</tr>
<tr>
<td>10.</td>
<td>Nagercoil municipality</td>
<td>93</td>
<td>45</td>
<td>138</td>
</tr>
<tr>
<td>11.</td>
<td>Kuzhithurai municipality</td>
<td>12</td>
<td>15</td>
<td>27</td>
</tr>
<tr>
<td>12.</td>
<td>Padmanabhapuram municipality</td>
<td>12</td>
<td>9</td>
<td>21</td>
</tr>
<tr>
<td>13.</td>
<td>Colachel municipality</td>
<td>9</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>408</td>
<td>141</td>
<td>549</td>
</tr>
</tbody>
</table>

In total 549 bank employees (408 from public sector banks and 141 from private sector banks) are selected for the study.

COLLECTION OF DATA

The primary data used in the present study were collected with the help of interview schedule. The interview schedule was classified into four parts.
The first part of the schedule includes the profile of the employees and their views on the existence of HRD sub-systems at the commercial banks. The second part of the schedule covers the antecedents of HRD and factors leading to the successful implementation of the HRD. The third part of the schedule explains the rate of implementation of HRD practices at commercial banks. The final part of the schedule includes the various outcomes of HRD practices.

The interview schedule was pretested among 50 bank employees at Nagercoil Town. Based on the feedback on the interview schedule, certain modifications, deletions and additions were carried out to prepare the final draft of the interview schedule. The interview schedule was used to collect the primary data from the bank employees.

FRAMEWORK OF ANALYSIS

For analyzing the data collected during the investigation, the following statistical tools were used.

i) ‘T’ test

In order to test the significant difference between the two means in two different samples, the ‘t’ test is applied.

\[ t = \frac{\bar{x}_1 - \bar{x}_2}{\sqrt{\frac{(n_1 - 1)\sigma_1^2 + (n_2 - 1)\sigma_2^2}{n_1 + n_2 - 2}}} \times \sqrt{\frac{1}{n_1} + \frac{1}{n_2}} \]

with degree of freedom of \(n_1 + n_2 - 2\).
Where $t$ – ‘$t$’ statistics

\[
\begin{align*}
\bar{x}_1 & \quad - \quad \text{Mean of the First Sample} \\
\bar{x}_2 & \quad - \quad \text{Mean of the Second Sample} \\
\sigma^2_1 & \quad - \quad \text{Variance in the First Sample} \\
\sigma^2_2 & \quad - \quad \text{Variance in the Second Sample} \\
n_1 & \quad - \quad \text{Number of Samples in First Group} \\
n_2 & \quad - \quad \text{Number of Samples in Second Group.}
\end{align*}
\]

In the present study, the significant difference between the private and public sector banks regarding the existence of HRD systems and the implementation of the HRD practices at banks have been analysed. It is also applied to find out the significant difference among the two groups of banks regarding the various consequences of HRD practices at commercial banks.

2. One-way Analysis of Variance

The One-Way Analysis of Variance is applied when the criterion variables is in interval scale and the group of samples is more than two. In order to find out the significant difference between the various groups of the samples regarding each criterion variable, the one-way ANOVA has been applied. The $F$ statistics is calculated by

\[
F_{\text{ratio}} = \frac{\text{Variance between groups}}{\text{Variance in their groups}}
\]

and it should be compared with the respective table value of ‘$F$’. 26
In the present study, the association between the profile of the employees and their views on the various aspects of the HRD and the outcome of HRD practices at commercial banks have been analysed.

3. Multiple Regression Analysis

The Multiple Regression Analysis has been executed to analyse the impact of the independent variables on dependent variable when the variables are in interval scale. The linear regression model was followed. The fitted regression model is

\[ Y = a + b_1 x_1 + b_2 x_2 + \ldots + b_n x_n + e \]

where

- \( Y \) – Score of Dependent Variable
- \( X_1, X_2, \ldots, X_n \) – Score of Independent Variables
- \( b_1, b_2, \ldots, b_n \) – Score of Independent Variables
- \( a \) – Intercept and
- \( e \) – Error Term

The Multiple Regression Analysis has been executed to analyse the impact of the HRD on the various outcomes of HRD practices and also the impact of constraints to implement the HRD practices on the rate of implementation of HRD at banks.
4. Exploratory Factor Analysis

Factor analysis is a set of analysis procedure to study the internal dependence of a large number of observations as in a survey research. It derives a smaller number of composites or factors generally orthogonal to each other, which account for most of the variance of the original variables. The factor analysis has been executed to identify the important HRD, sub-system, antecedents of the HRD factors leading to the successful implementation of the HRD practices and constraints to implement the HRD.

5. Confirmatory Factor Analysis

This is a factor analysis procedure to test the hypothesis regarding how well the data fit a specified pattern of factor loadings. The CFA works best when the results of a prior exploratory factor analysis are available. In the present study, the Confirmatory Factor Analysis has been applied to test the reliability and validity of variables in each factor. It is used to measure the reliability and the validity of the variables in each concept developed for the implementation of HRD at banks and its consequences.

6. Two Group Discriminant Analysis

The Two Group Discriminant Analysis is used when the dependent variable is in nominal scale and the independent variables are in internal scale. It is used to identify the important discriminant variables between two groups.
The unstandardised procedure has been followed to generalise the discriminant function.

\[ Z = a + b_1x_1 + b_2x_2 + \ldots + b_nx_n \]

where \[ Z \] – Discriminant Criterion
\[ x_1, x_2, \ldots, x_n \] – Discriminant Variables
\[ b_1, b_2, \ldots, b_n \] – Discriminant Co-efficient and
\[ a \] – Intercept.

The Wilk’s Lambda was calculated as a multi variant measure of group difference over the discriminating variables. The relative discriminating power of the variable was calculated by

\[ I_j = K_j (\bar{x}_{ji} - \bar{x}_{j2}) \]

where
\[ I_j \] - the important value of the \( j^{th} \) variable
\[ K_j \] - unstandardized discriminant co-efficient for the \( j^{th} \) variable
\[ \bar{x}_{jk} \] - mean of the \( j^{th} \) variable for \( k^{th} \) group

The relative importance of variable \( R_j \) is given by

\[ R_j = \frac{I_j}{\sum_{j=1}^{n} I_j} \]
The Two Group Discriminant Analysis has been administered to identify the important discriminant aspects among the public and private sector banks regarding the various aspects related to HRD at banks.

LIMITATIONS OF THE STUDY

The present study has the following limitations:

i) The study covers only public and private sector banks in Kanniyakumari district only.

ii) The proportionate random sampling was applied since the population of study was not disclosed by the commercial banks in the Kanniyakumari district.

iii) The level of existence, implementation and consequences of HRD in commercial banks have been decided by the mean score of the variables in each concept related to HRD among the sampled employees in each branch.

iv) The linear relationship between the independent and the dependent variables have been assumed.

v) The variables related to the HRD sub-system, the antecedents of the HRD, the successful implementation of the HRD, the HRD practices and constraints in implementing the HRD at the commercial banks have been derived from the review of the previous studies and also the views of experts. The same procedure has also been followed in identifying the variables related to the outcome of HRD practices and

vi) The qualitative variables are converted into quantitative variables with the help of Likert’s five point scale.
CHAPTERISATION

The present study has been organized into six chapters for the purpose of neat and clear presentation.

Chapter-I includes the introduction, need for the study, statement of the problem, review of previous studies, research gap, proposed research model, objectives of the study, methodology, limitations and chapterisation.

Chapter-II explains the meaning, definitions, variables and methods to measure the various concepts used in the present study. It includes the HRD sub-system, antecedents of HRD, factors leading to successful implementation of HRD practices, implementation of HRD practices, constraints to implement HRD practices and various outcome of HRD practices.

Chapter-III shows the profile of the employees in commercial banks, the employees views on the existence of HRD sub-systems at banks, antecedents of HRD practices and factors leading to the successful implementation of HRD practices at banks.

Chapter-IV covers the rate of implementation of HRD practices at commercial banks and the constraints in the implementation of HRD practices at commercial banks.

Chapter-V explains the various outcome of HRD practices at commercial banks, the impact of implementation of HRD practices on the
various outcomes of HRD practices and also the impact of constraints in the implementation of HRD practices on the rate of implementation of HRD practices at commercial banks.

Chapter-VI summarises the findings of the study, conclusions, suggestions and directions for future research.