

HRD atmosphere in Indian banking industry

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Abstract

This study is an attempt to observe the HRD atmosphere in the context of Indian Banking industry. Any banking organizations had been desired for sustainable superiority for long term without giving the sharp attention to the human resource development. Now when the superiority is driven by the human resource- an organization has, it becomes important to study the various practices related with the human resource development efforts of an organization in a given climate which results to an extent in the expected outcomes.

Keywords: HRD, banking industry, atmosphere, organization

Introduction

For the desired progress and enlargement of any banking organization, human resource development is the fundamental necessity and most important foundation. Therefore, the continuous maintenance of the human resources becomes an obligatory requirement for banking industry also. The enlargement of a banking industry depends mainly upon the essential atmosphere and a proper human resource development practices, so that it may bring encouraging outcomes. Human Resources Development (HRD) in banking industry is the subordinate system of the Human Resource Management. Atmosphere means the environment in the banking industry, especially a supportive atmosphere that allows staff members to develop their skills for the benefit of the banking industry on one hand, and for themselves on the other hand. While the HRD system refers to the various equipments which help us to get the favourable results. These are the some important factors which should be in use while we want to use HRD system in our banking industry as Performance Appraisal system, Potential Appraisal, Training, Feedback counselling etc. That may be used for the development of the personnel and as a result, there comes favourable/unfavourable outcomes.

Review of literature

HRD acquires special meaning in the banking industry due to various factors; a stable labour intensive industry, high job security of employees, quality of banking services and the objectives of banks in achieving its socio-economic goals. Banks have a strong industrial relation orientation which necessitates more and more focus on improving the HRD efforts to influence people. In the word of Saraswathi (2010)^[16], human resource development in the Indian banking organizational context is a process by which the employees of banking organization are helped in a continuous and planned way to:

- Obtain or sharpen capabilities mandatory to perform various functions associated with their present or accepted future roles

- Build up their general capabilities as personal and discover and exploit their own inner skills for their own and banking organizational enlargement processes
- Enlarge an banking organization culture in which top level management, co-worker, and subordinate staff relationships grow up better. Team work Spirit and collaboration among sub units are strong.
- To Contribution to the professional wellbeing, motivation and the pride of employee among all human being of any Indian banking organisation.

Mufeed and Hamdani (2013)^[10] conducted their research on HRD mechanisms in the health care sector of Jammu & Kashmir and found the HRD Climate and HRD Mechanisms dissatisfactory.

Benjamin & David (2012) in their study found that HRD climate had a strong influence on the level of effective commitment and therefore suggested the Nigerian Banks to inculcate openness, confidence, trust, autonomy, pro-action and authentication into their organizational climate. A favourable climate influences directly the behaviour of managers in an organization which creates a sense of belongingness in them and also enables them to perform. A study of 52 organizations shows that the average extent of favourable climate was about 54% in these organizations which is rather low (Rao & Abraham, 1986)^[12].

HRD climate was significantly more developmental in IT industry when compared to the automobile industry (Agarwala, 2002), good in a private sector undertaking in India (Mishra & Bhardwaj, 2002), highly satisfactory in engineering institutes in India (Rodrigues, 2004), moderate in Dubai based and Indian organizations (Srimannarayana, 2007; Pillai, 2008; and Srimannarayana, 2008)^[11].

Origo and Pagani (2008) considered job rotation system as an effective operational system to improve human capital performance and productivity (accelerated operations, saved time and resources). Kilam and Kumari (2012)^[7] in their study on career planning & HRD climate found that well-established private sector in India and the foreign banks had better career planning & HRD system as compared to that of Indian Public Sector Banks. The study by Pillai (2008)^[11]

found the HRD climate existing in banks as moderate. His study further found that a supportive HRD climate in banks stimulated the learning orientation of the employees.

As per the study of Kumar and Patnaik (2002) ^[8], HRD Climate had a positive association with job satisfaction, meaning that the job satisfaction is a resultant of favourable HR practices. Mishra and Bhardwaj (2002) conducted a study which indicated that the managers in general showed a favorable attitude towards HRD policies and practices of the organization. They were satisfied with the developmental policies of top management as well as were happy with the prevailing HRD climate in the organization.

Kumudha and Abraham (2008) ^[9] conducted a study on organizations' career management in banks and found that the programs related to self-development, information about job openings, opportunities to learn new skills and retirement preparation programs greatly influence the feelings of career satisfaction.

Salokhe (2002) ^[13] conducted a study of the HRD climate in selected banks which revealed the existence of a remarkably good HRD climate in the scheduled, co-operative and public sector banks.

A study conducted on banking sector of J&K for determining its HRD climate showed that there existed an intimate degree of trust. Yattoo (2001) highlighted the need for high degree of expertise, professional competence, managerial excellence and involvement of staff at all levels. Abraham (1988) ^[12] observed that there was a wide gap between the belief of top management and their practices with regard to HRD.

Objectives of Study

The present study aims at pursuing the following three major objectives.

To study the HRD atmosphere in Indian Banking industry

To study the HRD components used in Indian Banking industry

To examine the HRD process outcomes in Indian Banking industry.

Research Methodology of Study

Single cross-sectional descriptive research design has been considered suitable for the study. The study is derived from previous similar studies (Holloway, 2012; Solkhe & Chaudhary, 2011; and Saraswathi, 2010) ^[16]. Adopting convenience sampling method and using closed ended structured questionnaire, the data were collected from the employees working at different levels in selected private and public sector banks of Haryana NCR. For the purpose of getting usable responses, the researcher received filled questionnaires. For the purpose of analysis, researcher considered only neatly and unambiguously filled questionnaires. These responses were checked and analyzed the results of the descriptive statistics, simple analysis test were interpreted to give a meaningful and sense conclusion.

Data analysis of the study

Around 80% of the respondents have maximum up to five years of experience and even in this 80%, more than half of the respondents (approximately 53%) have less than 3 years of working experience. Majority of the respondents were found working on either at entry level positions (46%) or at

most at middle level management position (48%). Also, majority of the respondents (approx 56%) were from public sector rather than private sector banks. Most of the banking organizations (60%) have below 15 employees. Moreover, among the selected banks, only 13% are operating in urban areas while the remaining 87% are operating in semi urban locations.

HRD Atmosphere Instruments

In the context of Indian banking industry, highest values of welfare provision for the employees and training & development show that these two HRD atmosphere instruments are relatively better in comparison to other such instruments. Lowest value suggests that there is an urge for the banking organizations to focus more upon their potential appraisal efforts. On the basis of average, one can say that supervision is having the most representative for all HRD atmosphere variables.

HRD Atmosphere Situations

The researcher went for testing the reliability found that in public sector banks HRD Atmosphere is poor as compare to some reputed private sector banks. But it is also found that HRD Atmosphere is better in public sector banks as compare to rest of private sector banks.

HRD Atmosphere Outcomes

All human resource development instruments are exercised in a given human resource development atmosphere to result into some outcomes which should benefit the organization in one way or the other the HRD Outcomes training & development show that these two HRD atmosphere instruments are relatively better in comparison to other such instruments in public sector banks. Future security is much better in public sector banks as compare to private sector banks.

Finding, Conclusions & Recommendations

- The welfare provisions of banking industry are good and the training & development system of the banking sector are satisfactory.
- Other HRD instruments i.e. job environment, banking organization atmosphere, rewarding system etc. are normal and up to the mark.
- Potential appraisal systems' is found to be lowest; bank management should make extra efforts on this factor. No significant differences were found between public and private banks related to any of the HRD atmosphere variables. The results of the present study show that the outcomes of HRD instruments in a given atmosphere of Indian banking industry is average and there is lot of scope for improvement.

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