



HRD PRACTICES - A COMPARATIVE STUDY OF PUBLIC AND PRIVATE SECTOR COMMERCIAL BANKS

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ABSTRACT

KEYWORDS:

Training programs, Employee role satisfaction, Career planning and Development, Commercial banks and Vijayawada.

The main objective of this paper is to examine the nature of HRD practices in select public (SBI) and Private (ICICI) sector commercial banks operating at Vijayawada city. For this purpose 105 sample respondents were taken from each bank with help of simple random sampling technique. The chi-square test was applied to test the data and draw suggestions of the study.

1. INTRODUCTION

A nation with abundance of physical resources will not benefit itself unless human resources make use of them¹. In fact human resources are solely responsible for making use of national resources and for the transformation of traditional economies into the modern and industrial Economies. Lack of organization of human resources is largely responsible for the backwardness of the nation Countries are underdeveloped because their people are underdeveloped. In essence, the difference in the level of economic development of the countries is largely a reflection of the differences in the quality of their human resources The key element in this proposition is that the values, attitudes, general orientation and quality of the people of a country determine its economic development². The shift from manufacturing to service and the increasing pace of technological change are making human resources vital in the national development and growth³.

2. INDIAN BANKING SECTOR

Indian banking industry has recently witnessed the roll out of innovative banking models like payments and small finance banks. RBI's new measures may go a long way in helping the restructuring of the domestic banking industry. In August 2017, Global rating agency Moody's announced that its outlook for the Indian banking system was stable.

The Indian banking system consists of 27 public sector banks, 26 private sector banks, 46 foreign banks, 56 regional rural banks, 1,574 urban cooperative banks and 93,913 rural cooperative banks, in addition to cooperative credit institutions. Public-sector banks control more than 70 per cent of the banking system assets, thereby leaving a comparatively smaller share for its private peers. Banks are also encouraging their customers to manage their finances using mobile phones

3. REVIEW OF LITERATURE

The review of literature has been presented in order to assess the importance of HRD Practices, especially in banking sector as there are very few studies conducted so far in this area, however, a few important studies have been presented here

SHARMA N.K. (2002)⁴ stated that due to the concept of LPG the competition among the banks has changed the way of bank management functions presents as compared to pre-reform days, the public sector banks are at a disadvantageous position compared to private sector banks in many areas even the Narasimham committee in 1991 recommended steps that were needed to improve the financial health of Indian banks and employees all round development. Due to this HRD has very important role and there is an urgent need to build up requisite professional cadre, therefore HRD is very important as it provides maximum solutions to the various problems.

Kulakarni (1988)⁵ in his paper "Future possibilities in HRD Area for Banks" discussed the impact of environmental changes in HRD in banks with special emphasis on recruitment placement, Performance Appraisal, training, promotion and welfare.

Visweswara Rao (1996)⁶ in his thesis "HRD in Banking Sector a Study of Public Sector Bank in Andhra Pradesh" made an in depth study of the various HRD activities undertaken by Andhra Bank. The study concluded that HRD helped the bank to improve its profitability, in terms of business per employee and profit per employee.

4. NEED FOR THE STUDY

Human Resource plays a significant role in the growth and development of any organization. Among the several factors of production only the Human Resource has unlimited capacity and potential to contribute to the growth of the organization. Banking sector plays a significant role in development of Indian economy. Banking sector is passing through a phase of reforms. The Indian banks which have been working in a very comfortable and protected environment. Until 1990 are going a great transformation and have pushed into intense competition, high customer expectation, competition for market share due to changed economic policies. The banks are offering a different services to its customers includes internet banking, tele banking, mobile banking etc. hence the role of human beings and their competencies is very crucial for the growth of banking sector. Therefore an attempt has been made to study HRD practices in Public and private sector banks of Vijayawada city. Andhra Pradesh.

5. OBJECTIVES

The broader objective of the study is “to study the HRD practices in Public sector (State Bank of India) and Private sector (ICICI) Banks in Andhra Pradesh with a focus on Vijayawada city, Krishna district.

1. To study Demographic profile of the sample respondents in select banks;
2. To Analyse the Human Resource Development practices such as training and development, career planning and development and employee role satisfaction in the selected Banks;

3. To offer the Suggestions to improve HRD practices at SBI and ICICI banks based on the findings of the study.

6. RESEARCH METHODOLOGY

The present study is based on the primary data, as it is related directly to the Bank employees. Adequate information has been collected through the structured questionnaire, which was served to the State Bank of India and ICICI employees of vijayawada, oral information is also gathered from the employees. It includes the middle level management staff consisting of Clerical, managerial, Probationary officers and technical team. The size of the sample was taken as 105 employees from the each bank, totaling a sample of 210; the sampling technique employed for the study was simple random technique. The questionnaire was adopted from R. Krishnaveni (HRD Practices). The statistical tools like percentage, mean, S.D. chi-square test were used to analyse the data.

7. DATA ANALYSIS AND INTERPRETATION

The researcher has taken three HRD sub systems to analyse the whole data, namely employee training, career planning and development employee role satisfaction. Each subsystem contains 20 statements, these are measured on five point likert scale rating has given by strongly agree, (1) agree, (2) neutral, (3) disagree, (4) strongly disagree (5) and the chapters summary has been presented along with the demographic profile.

Table 1. Demographic Profile Of the respondents

Demographic Factors		Type of Banks		Total
		Public sector (SBI)	Private Sector (ICICI)	
Gender	Male	31 (59.1)	74 (70.5)	136
	Female	43 (40.9)	31 (29.5)	74
	Total	105	105	210
Age	20-30	26 (24.7)	38 (36.2)	64
	31-40	49 (46.7)	43 (40.9)	92
	41-50	16 (15.2)	16 (15.2)	32
	> 50	14 (13.3)	8 (7.6)	22
	Total	105	105	210
Education	Graduates	39(37)	32 (30.4)	71
	Post Graduates	41 (39.5)	42 (40.0)	83
	Technical	25 (23.8)	31 (29.5)	56
	Total	105	105	210
Experience	1-5	27 (25.7)	43 (40.9)	70
	6-10	33 (31.4)	35 (33.3)	68
	11-15	25 (23.8)	17 (16.2)	42
	>15	20 (19.5)	10 (9.5)	30
	Total	105	105	210
Marital status	Married	93 (88.5)	71 (67.6)	164
	Unmarried	10(9.5)	32(30.5)	42
	Divorced	Nil	2 (1.9)	2
	Widower	2 (1.9)	Nil	2
	Total	105	105	210
Salary	Below 20,000	3 (2.8)	6 (5.7)	9
	20001-30000	32(30.4)	41(39.5)	73
	30001-40,000	47(44.7)	52(49.5)	99
	40001 and above	23(21.9)	6(5.7)	29
	Total	105	105	210
No. of Dependents	None	9(8.5)	7(6.6)	16
	One	30 (28.5)	35(33.3)	65
	Two	28 (26.7)	23 (21.9)	51
	Three	19 (18.0)	13 (12.3)	32
	Four and above	19 (18.5)	27 (25.7)	46
	Total	105	105	210

Source: Field survey

The above table presents the demographic factors of sample respondents. It shows that male respondents are higher than the female respondents working both in public (SBI) and private (ICICI) sector Banks. Majority of respondents working in the banks fall in the age group of 31-40, followed by 20-30 age group, and post graduate respondents are higher as compared to other educational qualifications followed by technical employees. In both the

banks employees with 1-5 years and 6-10 years experience are high as compared to other segments of experience. Regarding marital status married people are dominating in both the banks, respondents having salary levels of Rs.30001-40,000 are high as compared to other income levels in both banks, employees with one dependent are in first place with 65 out of 210, followed by two dependents numbering 51 in ICICI.

Table 2.Overall analysis on Training Programs

Training programmes	N	Mean	S.D	Z-Value	P-value	Result
SBI	105	1.1847	0.2347	-2.07	0.04	Significant
ICICI	105	1.2456	0.1897			

The average opinion score of the respondents who were from ICICI (1.2456) is significantly greater than the SBI (1.1847) respondents as per the significant Z-value(2.07) and its significant P-value(0.04) at 5% level of significance i.e.,

training programmes conducted by the ICICI Bank is significantly good than the SBI bank. Further, the average score is greater than "1" which indicates that the opinion is above the agree level.

Table 3. Overall analysis on Carrer Planning and Employee Development

Career Planning and Employee Development	N	Mean	S.D	Z-Value	P-value	Result
SBI	105	1.2872	0.3246	-2.33	0.021	Significant
ICICI	105	1.4071	0.4144			

The Z-value (-2.33) and its corresponding significance value (0.021) reveals that there is a statistically significant difference between the opinions of the respondents who were working on the respective Banks on the dimension "Career Planning and Employee Development". Further, the

average opinion score of the respondents who were from ICICI (1.4071) is significantly greater than the SBI (1.2872) respondents at 5% level of significance i.e., Career Planning and Employee Development by the ICICI bank is significantly good than the SBI bank.

Table 4. Overall analysis on Employee Role satisfaction

Employee Satisfaction	N	Mean	S.D	Z-Value	P-value	Decision
SBI	105	3.065	0.457	-2.80	0.006	Significant
ICICI	105	3.334	0.872			

The average opinion scores of SBI and ICICI is greater than "3" which indicates that the opinion of the respondents who were working in both the banks stated that employee satisfaction is giving some opportunity to grow. Further, the Z-value and its P-value make note that the opinion of the respondent who were working in ICICI opined more positively than the SBI and concludes that there is a statistically significant difference between their opinions at 5% level of significance.

8. FINDINGS OF THE STUDY

- 1) Regarding to the statement that "training programmes are given adequate importance", Majority of the sample respondents stated that ICICI bank was given more importance to the training programme than SBI bank.
- 2) It is found from the study that majority of respondents endorsed a negative view over the statement that training programmes are periodically evaluated and improved. It is dissatisfying to observe that as much as 33.1 percent of ICICI respondents as compared to 30.4 percent of SBIstated disagreed.
- 3) It is dissatisfying to observe from the analysis that greater part of the respondents in both the units

stated negative to the statement that giving ideas or suggestions to superiors. It is found that out of total sample respondents about 32.3 percent of SBI against 28.6 percent of ICICI expressed that there is very little opportunity. It can be concluded from the analysis that in between two units there is mixed reaction regarding the level of dissatisfaction.

- 4) Regarding providing equal opportunities to all its employees in the Banks, it is found that 25.8 percent of ICICI against 22.9 per cent of SBI respondents stated disagreed, whereas 20 percent of ICICI as compared to 17.1 percent of SBIrespondents strongly agreed.
- 5) It is dissatisfying to observe from the analysis that majority of the respondents in both the banks stated negative to the statement that Development of subordinates is seen as an important part of their job by the managers/officers.

9.SUGGESTIONS

- 1) Intensive efforts should have to be initiated for designing well structured orientation programme for new Recruities which will expose them to different functions and duties in the organization.

- 2) It is suggested the management has to, provide a chance to the employees to implement new methods and creative ideas. It is like a self management, with close monitoring and also supplements necessary inputs and resource / infrastructure from superiors. This will help in boosting up the quality, productivity and efficiency of the employees working in different segments of the organizations
- 3) The top management efforts should be directed towards developing new career paths and new career planning schemes in the organization, which results in improving the morale motivation, and confidence levels. These measures certainly culminate in the retention of the existing employees.

10. END NOTES

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