



## HUMAN RESOURCE DEVELOPMENT IN COMMERCIAL BANKS - A STUDY WITH SPECIAL REFERENCE TO COMMERCIAL BANKS IN TUMKUR DISTRICT

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### KEYWORDS :

#### INTRODUCTION

**Peter Drucker's words "I never predict, I just look out the window and see what is visible".**

The success of any organization in the long run depends on the quality of its human resources. Development of human resources is essential for any organization that would like to be any dynamic and goal oriented. Unlike other resources, human resources have rather unlimited potential capabilities. The potential can be used only by creating a climate which can continuously identify, bring to surface, nature and use the capabilities of men. Human Resources Development system aims at creating such a climate. A number of HRD Techniques developed in recent years to perform the above task based on certain principles.

The human resources are most important and productive asset of any organization which actually carries out the functions and productive activities of various departments. Treat people as primary source of productivity hence development of people inevitable for every human resource driven organizations. Human resource development as a fascinating field attracted researchers and practicing managers like to investigate its varied practices across organization and to examine critical managerial issues, problems and Human resource development has two separate interlinked performances in various ways. HRM is a strategic approach to the acquisition, motivation, development and management of the human resources. It is a specialized field that attempt to develop a corporate culture and introducing programmer which reflect and support the core values of the enterprise and ensure its success.

The origin of the word Bank is derived from the words "bancus" or "banquet" that is a bench. The early bankers, the Jews in Italy transacted their business in the market place, when a banker failed; his bench was broken into pieces by the people which indicated the bankruptcy of the individual banker. In the modern sense, is traced to Italy, The word bank also seems to have originated after Italy, The work is supposed to have been derived from German work 'Bank' meaning a mound or heap, from which Italians adopted 'Banco' others believe that the word bank has been derived from bancus or banc or banque which means a bench at which the money changers or media eval bankers used to change one kind of money into another and transact their banking business.

#### Progress of Commercial Banking in India

Indicator/Year	June 1969	June 1980	March 1990	March 2000	March 2005
No. of scheduled commercial banks (excluding RRBs)	73	75	74	101	97
No. of Bank Offices	8262	32419	59752	67868	68195
Population Per Office (Thousand)	64	21	14	15	15
No. of Public Sector Bank Offices	6669	25828	41874	47536	47676
Per Capita Deposits (Rs.)	88	494	2098	8542	11008
Per Capita Credit (Rs.)	68	327	1275	4555	5927

Source: RBI Bulletin

#### HRD in verse

- H – Human Development
- U – Utilization of Human & Providing Ideas
- M – Man Power
- A – Agreement Appreciations of Human
- N – Needs and desires are satisfied.
- R – Respecting human & listening problems

- E – Encouraging human
- S – Self Confidence and Supporting Staff
- O – Offering Counsel to Staff Under
- U – Understanding Stress and Tension
- R – Realizing Goals.
- C – Co-operation and Team Work
- E – Enriching Job
- S – Self Confidence
- D – Development of Man & Growth of Bank

**REVIEW OF LITERATURE D.V. Ramana Murthy (1989)** has discussed in his article on "human factor on Banks" the significance of human factor and trade unions in the banks.

**S.R. Varde** in his paper on "Manpower Planning" at the level of an Indian Commercial bank dealt with the aspects like basic structure of manpower planning, linkage of manpower plan to other plans, several of manpower function, objectives of manpower planning in Indian commercial banks.

**N.R. Seth** in his paper "Trade Union and Industrial relations in Indian Bank Industry" discussed growth, functioning and progress of trade unions in Indian Banks.

**Kabra (1972)** examined the participants objectives in attending training programme. He suggests that, the organizational development techniques can be most useful for training programmes are designed to include capabilities to introduce and review of the environment.

#### Objectives of the Study

The present empirical study on training, development and performance appraisal in commercial banks has been carried out in Tumkur district, keeping in view the following objectives.

- To study employees perception about Human Resource Development.
- To study different skills of HRM, Human Resource Skill, Accounting skill, Marketing Skill.
- To suggest measures to overcome these problems and make the HRD department effective.
- To understand the attitude and work performance of sample employees of commercial Banks.

#### Methodology and Sample Study

In Tumkur district, tune with the objectives mentioned above, Researcher has selected only three Banks viz., State Bank of Mysore scheduled public sector bank, Canara Bank scheduled public sector bank and ING Vysya bank scheduled largest private sector bank, got two national awards by Gem and Jew performance in export promotion were selected as sample banks for research purpose.

Tumkur district is divided into three revenue subdivision viz., Tumkur, Tiptur and Madhugiri. Tumkur district has ten taluks in its purview. They are Tumkur, Gubbi, Turuvekere, Chiknayakanahaali, Madhugiri, Pavagada, Tiptur, Sira, Kunigal, and Koratagere. Total numbers of branches of State Bank of Mysore in all 10 taluks are region 3 total 26 branches and region 4 total 26 branches and Magadi 06, Total branches in Tumkur district is 58, Canara Bank has 18 branches and ING Vysya bank has 4 branches in Tumkur district. A detailed study comprising of all 1185 employees in banks was an arduous task for an individual researcher. Therefore, to keep the study with in the reliable and manageable limits convenience sampling technique was adopted and a sample of 27 percent of 1185 respondents from State Bank of Mysore,

Canara Bank and ING Vysya Bank was taken for the study.

Twenty seven percent of each officers, Managers, Branch managers, and clerks constituted 209 from State Bank of Mysore, 73 from Canara bank and 38 from ING Vysya Bank. Thus the sample size constituted of 320 employees. Training practice of State bank of Mysore and Canara Bank are similar and has been more importance to internet based learning rather than class room teaching. Therefore training development and performance appraisal has been shown separately

**Exhibit Shows Taluk and Category wise respondents of State Bank of Mysore Region 3 and 4 (excluding STC's)**

Taluku Category	Tumkur	Gubbi	C.N. Halli	Koratagere	Kunigal	Madhugiri	Pavagada	Sira	Tiptur	Turuvekere	Total
No. of Branches	10	09	04	04	05	07	02	03	04	08	56
Officers Managers	07	07	03	02	04	05	01	01	02	05	37
Clerks	22	10	02	14	10	12	20	14	12	10	126
Sub-staff	10	08	02	04	04	07	03	04	02	02	46
Total	39	25	07	20	18	24	24	19	16	17	209

**Exhibit shows Taluk and category wise respondents of Canara Bank (excluding STC's) Scheduled Public sector Bank Tumkur District**

Taluku Category	Tumkur	Turuvekere	Tiptur	Sira	Pavagada	Kunigal	Koratagere	C.N. Halli	Total
No. of Branches	10	09	04	04	05	07	02	03	04
Officers Managers	07	07	03	02	04	05	01	01	02
Clerks	22	10	02	14	10	12	20	14	12
Sub-staff	10	08	02	04	04	07	03	04	02
Total	39	25	07	20	18	24	24	19	16

**Exhibit : ING Vysya Bank (excluding STC's) Scheduled Private Bank**

Taluku Category	Tumkur	Tiptur	Pavagada	Kodaganahaali Madhugiri Tq	Total
No. of Branches	01	01	01	01	04
Officers/Managers	05	03	02	01	11
Clerks	05	05	05	02	17
Sub-staff	06	02	01	01	10
Total	16	10	08	04	38

**Total samples collected from different banks**

Taluku Category	State Bank of Mysore	Canara Bank	ING Vysya Bank	Total
No. of Branches	58	18	04	80
Officers/Managers	49	24	11	84
Clerks	129	30	17	176
Sub-staff	41	09	10	60
Total	209	73	38	320

**The employee's performance in banking before training and after training in all three Banks**

A comparative analysis of the performance of employees in banking skills before and after training have been identified and furnished below.

- Human Resource Skill.
- Accounting skill.
- Marketing Skill.

All the above skills are measured on 5 point of scale as follows. Excellent, good, fair, average and poor. The excellent score is 5 whereas least poor employee's performance rating of 1. The quality of training helps to improve the attitude of the bank employees.

**Hypothesis-1:**

H1 : training enhances the performance of bank managers and officers

to help in their attitudinal transformation.

Hypothesis 1 is tested for managers and officers by using t' test in all the banking skills. 0.495 is acceptance region and 0.005 is rejection region.

**The effect of Training in Human Resource Skill**

Human Resource Skill is an important skill for bank employees, ability to work both individually and in a group, good human relations practitioner is a better communicator. Human resource professionals need to consider the needs of both employees and management. They must make decisions to protect the individual and other times when protect the organisation, communication should be clear with these objectives in mind the study has been carried out and the relevant data have been presented in table.

**Effect of Training on Human Relation Skill**

Variables	N	Mean	S.E	S.D	95% confidence level	
After Training	40	4.125	0.00	0.72	4.3406	3.9094
Before Training	40	2.975	0.15	0.92	3.269	2.681
Difference	-	1.150	0.105	0.66	0.94	1.36

t score = 10.984 p < 0.0001

Above table reveals the mean, standard error, standard deviation before and after training period of employees and t value is 10.984 p< 0.0001. But there is requirement to improve the skill in order to meet the demands of the customers as well as to improve the optimum level of interpersonal relationship. The improvement score is 38.65%, which indicates that there is a moderate improvement in Human relations skill, which needs to be attended with greater commitment and creativity. This study is in line with the researcher finds that the bank men need to develop 'Soft skills' in order to carry the business effectively by performing best in the area of selling, negotiation, team work etc.

Accounting skill is one of the prime requirements in selecting the bank employees. The employees should know the accounting norms, preparation of periodical returns, preparation of annual returns, deposits, cash transfer transactions, balancing of books of accounts, recovery of advances. The services like collection of bills, demand drafts, safe deposit lockers, inter bank adjustments, clearing transactions, etc. Clerical speed with accounting aptitude makes the bank employees competent in their jobs. In order to know whether training has helped in developing accounting skill among the employees, hence study has been carried out and relevant data have been presented in table .

**Effects of Training on Accounting Skill**

Variables	N	Mean	S.E	S.D	95% confidence level	
After Training	40	4.25	0.10	0.63	4.446	4.054
Before Training	40	3.18	0.16	0.98	3.4936	2.8664
Difference	-	1.07	0.131	0.8285	0.812	1.34

t score = 8.2055 P < 0.0001

The result shows statistical improvement t score 8.2055 p< 0.0001 and the level of improvement is 33.65%. But still the existing employees have to improve in accounting skills. At the same time standardised aptitude test is required to be adopted in the banks. The present state of training is upgraded and well monitored. The employees must attend sound knowledge on accounting skill

**The effects of Training on Marketing Skill**

Marketing skill is an important skill required for the employees to expand the business. Marketing is not simply the skill or technique but it is the way of doing business by deriving the competitive advantage, offering customers what actually they wants by providing greater commerce and flexibility is a marketing skill . In order to know the marketing skill acquired by the respondent managers the study has been carried out and the relevant data has presented in table.

**Effect of Training on marketing skill**

Variables	N	Mean	S.E	S.D	95% Confidence level	
After Training	40	4.25	0.12	0.74	4.4852	4.0148
Before Training	40	2.93	0.14	0.92	3.2044	2.6556
Difference	-	1.33	0.110	0.6957	1.10	1.55

t score = 12.0778 P &lt; 0.0001

10. N.R. Seth and Kabra (1972) Trade Union and Industrial relations in Indian Bank Industry" discussed growth, functioning and progress of trade unions in Indian Banks.

An analysis of the above table 5.10 marketing skill required for the employees to expand the business. Frequent orientation training in this skill would tune the efficiency of the employees in dealing with customers. Training has improved marketing skill among the bank employees (t=12.0778, p < 0.0001). The improvement score is 45.05percent shows improvement in the skill.

At present creating a favourable atmosphere for innovations in all spheres of banking is needed. Training and education have a critical role in this regard. The researcher fined that marketing skills needs to be improved more competently through appropriate training. In the competitive environment, financials deals are more important than financial transactions. The trainers should gain knowledge in recent advance technology in marketing skill.

#### Findings and suggestion:

Concentration of the bank on specific banking skills.

Some skills like cash management skill, Accounting skill and problem solving skil were very poor before the training. This shows banks do not give importance to specific skills of the employees at the time of recruitment.

Utilization of Training Inputs.

Employees training status is hardly considered while enforcing job rotation. This itself shows that there is no correlation between training and job performed in clerical/level.

Human assets are most critical and difficult to manage as they are the only active resource at disposal. Further human behaviour is highly unpredictable differ from individual to individual so they need training before placing them on job. Training needs Identification.

The banks only seems to play a number of games in deputing employees for different programmes identified by it. Training needs should be always chalked out with reference to the career planning and post training placement of the employees. There should be regular interactions and meetings of teaching and non-teaching staff with line managers so as to design training programmes.

Another major finding in my survey is that most of the employees are graduates or below graduates, therefore they are unable to take certain decisions at their level, which rises make them to train further as they promote to higher levels. Some bank employees scared to express their opinions on training and inputs they get from the training.

Humour in Training : Since the training programmes in the STCs consists of people with different abilities, talents and also sense of humour, the trainees also need to have a good sense of humour and use humour where ever essential.

Flexible Training Practices : The training practices must always have an in-built, flexibility and the trainer must have the freedom to include extra items relevant to the programme if found necessary. This type of flexibility will help in the critical discussion of the topic and better coverage of the area.

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