A Study on HRM Practices in Public Sector Banks in Tirunelveli District

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ABSTRACT

Human resources constitute the most valuable asset in the perspective of development in every organization. The study of human resource management practices has been an important and critical area in management and organizational performance from last several years especially in the banking industry. Human resource management (HRM) has emerged as a major function in organizations. HRM is the organizational function that deals with issues related to people such as, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration and training. The purpose of this study is to identify the need of human resource practices in bank as well as to know the human resource development programmes in banks, to know the working conditions in banks and to identify the contribution human resource practices towards improving the efficiency of bank employees in public sector banks. The study was conducted on the HRM practices in public sector banking in Tirunelveli District. The data collected from primary and secondary sources. Further, data to be classified, tabulated and interpreted to arrive at a meaningful and suitable results. And to give the recommendations for needful action to be taken by the authorities.

I. INTRODUCTION

The economic development of any country is dependent of the effective functioning of the banking system. An effective banking system is dependent on the efficiency and effectiveness of its employees. Employee satisfaction in organisations is largely dependent on the HRM practices followed by the organisations. Hence it becomes necessary to understand and evaluate the HRM practices of the banking industry. Banking industry is a labour intensive industry and efficiency of employees has got a bearing on the quality of services offered. This being the case, it should have been natural that professionalization of personnel management should have gained better priority but unfortunately personnel happened to be the most neglected aspect of banks management. The typical working of banks as such does not require any professional training and here is an industry where it is strongly believed that every one can do anything and as one knows no body does much to the prosperity of the organization. This aspect is further accentuated by the fact that banks operate in a seller's market with total absence of an element of competition and the prices of deposits accepted is determined by the banks, but by an external agency like the RBI and the GOI. In a sheltered environment like this, the need for professionalization of bank management was never felt personnel happened to be managed by a non-expert and usually by a medicore officer who could not otherwise prosper on banking operations. With the implementation of recommendations of Pillai Committee a controversy was ranging among bankers whether or not Personnel Management is a specialized function. In the absence of scientific personnel practices being developed in the banking industry, a discontent workforce emerged which strengthened the trade union movement in banking industry.

II. OBJECTIVES OF THE STUDY

The objectives of the present study as follows

- To analyze the organizational and HRM practices in public sector banks.
- To analyze the awareness and satisfaction level of the bankers regarding HR management.
- To identify the various problems of HRM practices in public sector banks.
- To give the suggestions and policy recommendations to improvement of HRM practices.

III. RESEARCH METHODOLOGY

The study was conducted in Tirunelveli district. Simple random sampling and multi stage stratified random sampling technique has used. A sample of 150 employees were selected in different designation of various public sector commercial banks in Tirunelveli district. The present study is based on the primary and secondary data. Primary data is collected from 150 banks officials in different public sector commercial banks with the help of well structured questionnaire. Secondary data were obtained from reports, Journals, Books and few websites. The data which are collected has classified according to its characteristics. For analyzing and compiling the data the following sophisticated statistical tools are used apart from the use of simple tools like averages and percentages.

1. Chi-square Test
2. Independent Samples t Test
3. ANNOVA Table
4. Friedman Test

Hypotheses

- a) There is no association between age and level of satisfaction on over all services.
- b) There is no association between sex and level of satisfaction on over all services.
- c) There is no association between education and level of satisfaction on over all services.
- d) There is no association between income and level of satisfaction on over all services

Data Analysis and Interpretation

In this study the data have been analyzed for the purpose of the study. The data has been collected from respondents, thus the collected data were tabulated and presented in this paper. The data

analysed to draw the results about various factors that are related to HRM practices in public sector banking.

Association Between Personal Profile Factors and Level of Satisfaction on over all Services

The association between the personal profile factors namely Age, sex, education, monthly income, occupation, and employee satisfaction with service provided by public sector banks was analyzed in this section. The chi square test is used at 5% level of significance.

Association Between Level of Satisfaction on over all Services and Age

The association between Age and level of satisfaction on over all services is analyzed and the results were given in the following bivariate Table 1

Null Hypothesis:Ho : There is no association between **Age** and **Level of satisfaction on over all services**

Table 1 Age Level of satisfaction on over all services

Particulars					Total
	Disagree	Undecided	Agree	Strongly agree	
Age below 25	2	4	5	2	13
	1.3%	2.7%	3.3%	1.3%	8.7%
25-35	5	9	19	5	38
	3.3%	6.0%	12.7%	3.3%	25.3%
35-45	5	17	20	11	53
	3.3%	11.3%	13.3%	7.3%	35.3%
45-60	3	9	20	14	46
	2.0%	6.0%	13.3%	9.3%	30.7%
Total	15	39	64	32	150
	10.0%	26.0%	42.7%	21.3%	100.0%

In order to find the relationship between the Age of the respondents and Level of satisfaction on over all services, a chi-square test was used and result of the test is shown in the following table 1.1

Table 1.1 Age * Level of satisfaction on over all services –Chi square Test

Age	Value	df	P value	Remark
Pearson Chi-Square	7.049	9	.632	Not Significant

It is noted from the above table that the p value is greater than 0.05 and hence the result is not significant at 5% level. Hence the hypothesis is “Age of the respondents and the level of satisfaction on overall services are not associated” does hold well. From the analysis it is concluded that there is no close relationship between the age of the respondents and the level of satisfaction on overall services.

Association between Age and Level of motivation

The association between age and level of motivation is analyzed and the results were given in the following bivariate Table 2

Null Hypothesis: H_0 : There is no association between **Age** and **Level of motivation**.

Table 2

Particulars	Level of Motivation			Total
	Low	Medium	High	
Age below 25	0	8	5	13
	.0%	5.3%	3.3%	8.7%
25-35	0	17	21	38
	.0%	11.3%	14.0%	25.3%
35-45	1	24	28	53
	.7%	16.0%	18.7%	35.3%
45-60	2	17	27	46
	1.3%	11.3%	18.0%	30.7%
Total	3	66	81	150
	2.0%	44.0%	54.0%	100.0%

In order to find the relationship between Age and Level of Motivation on over all services, a chi-square test was used and result of the test is shown in the following table 2.1

Table 2.1 Age * Level of Motivation

Chi-Square Tests

Particulars	Value	df	P value
Pearson Chi-Square	4.537	6	.604

It is noted from the above table that the p value is greater than 0.05 and hence the result is not significant at 5% level. Hence the hypothesis is “Age of the respondents and the level of motivation are not associated” does hold well. From the analysis it is concluded that there is no close relationship between the Age of the respondent s and Level of motivation.

ANOVA

The test for mean score analysis (ANOVA) test procedure is used to compares mean scores of opinion on level of motivation for more than two groups. The procedure assumes that the variances of the groups are equal and it was tested with Levene’s test statistics. The significant difference between the mean scores of opinion on level of motivation is tested with respect to the various personal profile factors like Age, occupation, name of the bank, educational qualification and income

Test for mean scores of opinion on level of motivation and age group of the respondents.

Test for mean scores of opinion on level of motivation and age group of the respondents was tested wit ANOVA test procedures and the results of the analysis are given in Table 5.

Null Hypothesis: H0 : There is no significant difference between the mean scores of age groups regarding with opinion on level of motivation.

Table 3

Age	N	Mean	Std. Deviation	Std. Error	F	Sig.
Below 25	13	25.38	3.380	.937	0.329	.804
25-35	38	26.42	3.692	.507		
35-45	53	26.03	3.928	.637		
45-60	46	26.48	4.396	.648		
Total	150	26.5	3.930	0.321		

The above table 5 displays the descriptive statistics of the sample size, mean, standard deviation and standard error. The table also shows that the F statistics, calculated as the ratio of the variances. The column P value shows the probability value from the F distribution. Since the P value is greater than 0.05 we accept the hypothesis. Hence there is no significant difference in the mean scores of the age groups with respect to the opinion on level of motivation.

Independent-Samples T Test

The Independent-Samples t test procedure is used to compares mean scores of opinion on level of motivation for the two groups of sex. The procedure assumes that the variances of the two groups are equal and it was tested with Levene’s test statistics. The results of the analysis are given in Table4.

Null Hypothesis: H0 : There is no significant difference between the mean scores of male and female regarding with opinion on level of motivation.

Table – 4

Particulars	Gender	N	Mean	Std. Deviation	Std. Error Mean	t	P value
Preference level	Male	65	18.33	2.337	8.279	0.418	0.677
	female	45	18.07	4.204	0.657		

The above table 8 displays the descriptive statistics of the sample size, mean, standard deviation and standard error. The table also shows that the t statistics, calculated as the ratio of the difference between sample means divided by the standard error of the difference. The column P value shows the probability value from the t distribution. Since the P value is greater than 0.05 we accept the hypothesis.

Hence there is no significant difference in the mean scores of the two groups with respect to the opinion on level of motivation.

Influencing Factors Towards HRM in Public Sector Banks- Friedman Test

The Friedman test is a nonparametric alternative to the repeated measures analysis of variance. The Friedman test is the nonparametric equivalent of a one-sample repeated measures design or a two-way analysis of variance with one observation per cell. Friedman tests the null hypothesis that k related variables come from the same population. For each case, the k variables are ranked from 1 to k. The test statistic is based on these ranks. The Friedman test ranks the scores in each row of the data file independently of every other row. The HRM were classified in seven factors that factors influence the respondents. They are "Maximum extent, Present job, Future roles, High motivation, Subordinate relationship, Different teams and Promotion".

Particulars	N	Mean	Std. Deviation	Mean Rank	Chi-square	P value
Maximum extent	150	4.58	1.860	4.50	77.648	0.000
Present job	150	3.92	1.621	3.95		
Future roles	150	3.97	2.110	3.45		
High motivation	150	3.33	1.911	3.46		
Subordinate relationship	150	3.41	1.723	3.31		
Different teams	150	4.21	1.879	4.42		
Promotion	150	4.43	1.912	4.93		

To identify the factor which is more influencing the HRM in Public Sector banks for achieving the targeted bank objectives are in the Friedman's test analysis was used and the results were given in above Table.

IV. SUMMARY OF FINDINGS

1. The 40% of the respondents are developing for the future roles & 34% of the respondents are maintaining high motivation level of employees and developing the individual to realise his potentials to the maximum extent. No Uniformity is found in the matter of ranking of the objectives of HRM.
2. The HRM instruments like PAS and potential development exercises contributing to Individual Development.
3. The past research studies and literature have clearly revealed that prime challenge for top management and HRM functionaries in banks today is to mould the beliefs and values of their employees in favour of HRM Policy and systems.
4. The unions in banks need to modify the traditional role at the work place and start focusing on development roles like a) Initiation of HRM b) Communication c) Education and Training d) Welfare of bank employees e) Role in family vocational guidance and f) research.
5. Computerisation may reduce employment possibilities although the ament's experiment of computerization has kept the employment in a particular operation

V. SUGGESTIONS

- Remuneration system can be revised for the better performance of the employees. Performance appraisal system is formed in such a way that should be able to attain the career goals and Management should train all the employees to get the explore to all department to get the employee can confidently and handle all type of jobs..
- To development human resources the bank should undertake different HRD programs including continuing education and training. It orientation career development etc. banks have good number of bright employees and it should create opportunities for employees higher studies with fellowship scholarship at home and abroad
- The banks should apply standard techniques for employee's job evaluation performance measurement and audit as a routine work. On the basis of the result their duties and

responsibilities should be resigned and restricted because it will reduce the repetitive work and reduce monotonous environment.

- Banks have a separate human resource departments it is essential to empower the department or divisions for handling different issues in HRM in banks the divisions should be incorporated with well-organized HRIS human resources information systems and modern it facilities.
- More important personal policies like transfer and promotion are to be views periodically transfer placement policy should be implemented in fairness with minimum aphorism and under favoritism from either side this will initial confidence amongst all.
- New manual for computer audit should be prepared and the access to software kind of access and the risks involved are required to be assessed periodically so that of computerized branches serve the purpose of an audit in banking sector.

VI. CONCLUSION

HRM is no longer just a support function but a strategic tool for competitive advantage. employee satisfaction is prerequisite to customer satisfaction. Effective organization depends on having the right system of HR policies and practices in order to recruit, select develop appraise, compensate and place, promote or send away the employees. Successful HRM requires that the banks practices a sound management philosophy that respects human dignity and diversity and are committed to the growth of employees, believes in the value of employees contribution and involve them in decision making and share the wealth equitably and fairly. Thus the Indian commercial banks are expected to focus on recruitment planning career planning and training performance linked incentives succession planning and grooming of leaders for public sector commercial banks recruitment machinery is not properly equipped as required to attract talent and to retain and train them through well planned policies and practices. Training and development of the staff has been on integral part of the banks since beginning which somehow missed the track midway and the only significance for the training was to fill in the slots of the training programs and keep the training centers going by achieving the targets.

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