

Problems of HRD in Commercial Banks

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ABSTRACT

The real strength of a country lies in the development of the human mind and body. McGregor observed, people have got a large amount of creativity, imagination, and ingenuity to solve the problems of the organization. But often these potentials are not fully utilized by management through appropriate and systematic efforts. In fact each human being is born as something new, something that never existed before. Each is born with the capacity to win at life. Each has his/her own unique potentials, capabilities and limitations. A country lives, develops and gains recognition and glory through its people. Empirical studies have indicated that labour and capital were largely responsible for the development of advanced countries. This was done by way of investment in education and training of the labour forces. The huge manpower available can be creatively and constructively used for the growth of the economy. Owing to the significance attached to the human resources in the national context, Sir William Petty in the seventeenth century attempted to quantify the value of the human resource in monetary terms. No nation can become strong if it ignores its most precious natural resources i.e., its people. It is clearly said by the eminent economist Adam Curie that the development of the organization as well as the nation lies in the development of their individuals.

Introduction

The HRD concept is much wider and the commitment is for the long term. It embraces almost all areas of an organization and places emphasis on the development of individuals as integral parts within an organization along with the development of methods and systems. HRD in the context of banking is not only acquisition of new knowledge and skills but also acquiring capabilities to manage both internal and external environment attaining self confidence and motivation for public service. On account of the importance attached to the human resources in

the national context for William Petty in the seventeenth century attempt to quantify the value of the human resources in monetary terms. The classical economists like Adam Smith, Jean Baptise say, and Nssam W. Senior, Neo-classical economists like Alfred Marshall, and Jr. Wing Fisher and modern Human capital economists like Theodore W. Schultz, Grey S. Becker and Lester Throw have recognized human resource as an important asset like many other productive assets of material nature. Peter Drucker, an international management expert, has remarked that economic forces but they are essentially human achievements. Thus human

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beings are viewed as important resources both in the past and at present. It hold good even in future also.

Objective of the Study

The present research paper has been prepared keeping in mind to identify and analyze the employee related problems to be encountered in the process of HRD.

Methodology

In tune with the objective mentioned above, a close study has been carried out by selecting the population from state Bank of Hyderabad. The population is restricted to employees of clerical and official level. The domain for data collection is restricted to the Hyderabad Karnataka area.

Sources of Data

The present study has been conducted with the help of both primary and secondary sources of

data. The study is mainly based on the primary data through a questionnaire consisting both open and close ended questions on a five point scale. An in-depth discussions / interviews were held with clerical staff and official at bank before the development of questionnaires. Necessary modifications were made in the questionnaires on the basis of pre-testing.

The secondary data redrawn, classified, and studied from the government, publications, monthly bulletins of the Reserve Bank of India, National Institute of Bank Management, including the annual reports of State Bank of Hyderabad. Wherever necessary reference was also made to different issues of journals namely. HRD Times, The Banker, The Personnel, Indian Journal of Training and Development, Indian Journal of Labour Management, etc. Different editions of daily newspapers such as Economic Times, Financial Express, The Hindu, Indian Express, Business Line etc. were also used for the purpose of collecting the information.

Sample

Table - Sample size of respondents

Districts	Total employees			Sample		
	Clerical	Officers	Total	Clerical	Officers	Total
Bidar	148	50	198	35	15	50
Gulbarga	418	72	490	55	20	75
Koppal	141	33	174	36	15	51
Raichur	150	55	205	39	15	54

* Personnel Handbook, State Bank of Hyderabad, Gulbarga Zone.

The sample of 230 respondents at different stages of the hierarchy was selected at random. To give a cushion to indifferent attitude of the respondents a 20 percent stand by sample was also selected on random basis. As the results cannot be measured accurately in quantitative terms, where the human being is involved, qualitative method i.e., personnel interface which goes mainly by the feelings of the employees is also adopted. However, data based opinions are more reliable than general assumptions. In the absence of statistical data, it becomes difficult to establish the validity of the study. Hence, both quantitative methods have been employed.

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Here an attempt is made to examine, in detail, the employees' perceptions towards various problems related to the training programme. Such an examination throws light on the strengths and weakness of the training system, and also enables to suggest ways and means of synergising the strengths of the system and minimizing the negative impacts of the same.

The problems coming in the way of human resource development are innumerable. However, the degree and intensity of problems may not be the same. Problems differ from institute to institute, place to place and even from time to time. These problems are not isolated but they are interlinked with one another. So these problems are to be looked into as an integrated whole. The various problems related to Human Resource Development have been discussed under the three categories i.e., employee related problems, problems at staff Training College and General Problems.

Employee Related Problems

1. Employee expectations from training

The employee expectations in terms of monetary benefits, promotional opportunities, recognition by the organization after undergoing the training is dealt in detail. It is observed that the employee expectations with regard to the above aspects is high. However, the least is achieved with the help of training.

a) Monetary Benefits the following table 1.2 presents employee expectations towards monetary benefits.

Table 1.2 : Employee expectations monetary benefits

Reactions	No. of respondents		Total
	Clerical level	Officers level	
Strongly agree	15 (9.09)	6 (9.23)	21 (9.13)
Agree	13 (7.87)	12 (18.46)	25 (10.86)
Partly agree	35 (21.21)	10 (15.38)	45 (19.56)
Disagree	58 (35.15)	20 (30.78)	78 (33.91)
Strongly disagree	44 (26.68)	17 (26.15)	61 (26.54)
Total	165 (100)	65 (100)	230 (100)

Source: Field survey

Note: Figures in the brackets represent percentages to the column totals.

The above table shows that training and monetary benefits are not associated as more than 139 employees constituting 60.45 percent of the total respondents have perceived that training does not provide them with any monetary benefits. In case of clerical level 102 employees constituting 61.83 percent of the respondents and as far as the officer's level is concerned 37 employees constituting 56.93 percent of the respondents have perceived that training does not provide them with any monetary benefits. Therefore, they are not showing a good response to the programme resulting in impediments in the working of this development activity.

b) Promotional opportunities

It is natural that the employees who have already undergone training and other related process expect some kind of opportunities like promotion, recognition etc. Here it is analyzed the employee expectations towards the promotional opportunities and presented in table 1.3

Table 1.3 : Employee expectations promotional opportunities

Reactions	No. of respondents		Total
	Clerical level	Officers level	
Strongly agree	13 (7.9)	6 (9.23)	19 (8.26)
Agree	17 (10.30)	11 (16.92)	28 (12.17)
Partly agree	10 (6.06)	7 (10.76)	17 (7.39)
Disagree	72 (43.63)	26 (40.00)	98 (42.60)
Strongly disagree	53 (32.12)	15 (23.09)	68 (29.58)
Total	165 (100)	65 (100)	230 (100)

Source: Field survey

From the above table, it may be observed that the reactions to the above is a negative one. While 166 employees constituting 72.18 percent of the total do not associate training with promotional opportunities and 27.82 percent of the total sample respondents associate training with promotional opportunities. It is interesting to note that nearly 75.75 percent of the employees from clerical level did not associate training with promotional opportunities. This negative reaction may not augur well with the organization as the clerical group consider training as an important intervention to seek promotions through regular upgrading and updating their skills, conceptual knowledge etc. Hence, there is a need to project more serious effort both by the organization and Staff Training College (STC) through well laid out training policy and effective implementation. In the absence of a serious effort and a cavalier approach to training, the employees are likely to get frustrated and may consider training more as a paid holiday than as an opportunity to facilitate their learning.

c) Organizational recognition

Organizational concern to its employees is generally indicated when they are nominated for a training programme. The effort may be either to broaden the skills in identified functional areas or create awareness in new products, services and the systems / procedures introduced from time to time. Table 1.4 presents employee expectations in this regard.

Table 1.4 : Employee expectations organizational recognition

Reactions	No. of respondents		Total
	Clerical level	Officers level	
Strongly agree	32 (19.39)	11 (16.92)	43 (18.69)
Agree	30 (18.18)	13 (20.00)	43 (18.69)
Partly agree	20 (12.12)	7 (10.76)	27 (11.73)
Disagree	45 (27.28)	22 (33.84)	67 (29.13)
Strongly disagree	38 (23.03)	12 (18.48)	50 (21.76)
Total	165 (100)	65 (100)	230 (100)

Source: Field survey

From the above table it can be observed that there is a mixed reaction as nearly 50 percent of the total sample (i.e., 113 employees) perceived training as providing them with a sense of recognition by their organization, and 117 employees constituting over 50 percent of the total sample perceived negatively. However, it is interesting to note that 83 employees from clerical level constituting about 50 percent of the sample did not consider training is providing them with a sense of recognition by the organization. In case of officers level, there is a negative reaction from 34 employees constituting 52.30 percent of the sample.

2. Training policy

There are formidable obstacles to Human Resource Development at the administrative level also. The organization has to provide proper information regarding its policies towards human asset development.

In order to examine whether the employees of State Bank of Hyderabad are aware of the existence of a training policy in their bank, the opinion survey administered on them carried a question to elicit the employee reactions towards the existence of a training policy. Table 1.5 presents employees reactions in this regard.

Table 1.5 : Training policy Employee reactions

Reactions	No. of respondents		Total
	Clerical level	Officers level	
Yes	57 (34.54)	22 (33.85)	79 (34.34)
No	108 (65.46)	43 (66.15)	151 (65.66)
Total	165 (100)	65 (100)	230 (100)

Source: Field survey

Note: Figures in the brackets represents percentages to the column totals.

The above table reveals that, of the 230 total respondents, 151 comprising 65.66 percent pointed out that there is a lack of training policy in their bank to indicate their training needs. It is, further, interesting to note that a high percentage in clerical and officers level have responded to this issue negatively.

This problem was discussed with the different employee categories. Those who indicated the existence of a training policy, argued, that training probationary officers and other employee categories reflect the presence of a training policy. Further, they pointed out that training policy need not be in writing and that the same should be inferred from training practices of the bank. The employees also felt that allotting some seats by the parent bank training colleges / institutions is indicative of the existence of a training policy. Apart from the above, the bank had introduced the "Self Nomination Scheme" for officers category to indicate training preferences.

But the main question is not only the existence of policy but its relationship to the training needs of the employees and the organization. The training policy should provide necessary guidelines for identifying training needs on systematic and scientific lines, ensure proper nomination of employees to the identified training programmes, provide for a post training placement and its evaluation. Such a comprehensive policy would go a long way in improving the training system of the bank and enhances the effectiveness of Staff Training College as corporate learning centre. Consequently, it is suggested that a comprehensive training policy is to be spelt out in "Annual Policy Guidelines" of the bank prepared each year.

3. Training programmes and nominations

The problem of nominations to training programmes and employee reactions were elicited through opinion survey. Table 1.6 presents the employee reactions in attending training programmes when they needed the same.

Table 1.6 : Nominations to training programmes employee reactions

Reactions	No. of respondents		Total
	Clerical level	Officers level	
Always	18 (10.90)	8 (12.30)	26 (11.30)
Most of the time	21 (12.73)	6 (9.23)	27 (11.75)
Sometime	42 (25.46)	11 (16.93)	53 (23.04)
Rarely	54 (32.73)	24 (36.92)	78 (33.91)
Never	30 (18.18)	16 (24.62)	46 (20.00)
Total	165 (100)	65 (100)	230 (100)

Source: Field survey

Note: Figures in the brackets represents percentages to the column totals.

From the above table it is clear that only 26 employees constituting 11.30 percent of the total sample indicate that they get opportunity for attending training programmes when needed most, whereas, most of the employees indicated that their presence is needed in the work place to cope with pressures of work.

The clerical category seems to be frustrated as they are not sent for training when needed by them. In this context, it also becomes relevant to examine whether or not the employee is in a position to attend a training programme having been nominated to the same.

The following table 1.7 presents the employee reactions for not attending a training programme and the reasons for the same. It may be pointed out that the total responses would not equal 230, as one employee has given multiple reasons for not attending a training programme.

Table 1.7 : Employee training programmes causes for non attendance

Reactions	No. of respondents		Total
	Clerical level	Officers level	
Pressure at branch	62 (33.51)	28 (37.33)	90 (34.61)
Advance notice not given	55 (29.72)	22 (29.34)	77 (29.61)
Personal reasons	35 (18.91)	16 (21.33)	51 (19.61)
Any other	33 (17.85)	9 (12.00)	42 (16.17)
Total	185 (100)	75 (100)	260 (100)

Source: Field survey

From the above table, it is clear that the pressure of work at branch followed by advance notice not given and personal reasons have contributed to non-attendance to the identified training programmes by the employees, thereby they are taken by surprise when they are asked to attend a training programme in the last minute. Under such situation employees may drop out on account of personal reasons or due to pressures of work at branch. However, such adhoc arrangement of requesting the employees to attend a training programme dampens the very spirit of training as no one likes to be substituted in the last minute.

In view of this, it is suggested that a training calendar be prepared by the Human Resource Department and Staff Training College well in advance and circulate to the branches so that employees have prior knowledge of the programmes offered. As this provides sufficient notice in advance, it may encourage "self nomination" by them, besides preparing them psychologically to attend the training sessions.

4. Training and job situation

One of the objectives of training is to effectively use the skills, knowledge, concepts etc. on the job situation, and training becomes meaningful only when the transfer of the same takes place at the work situation.

In order to examine as to what extent an employee could effectively transfer the skills he has acquired at training, the opinion survey is carried out to elicit employee reactions on need based training programmes, employee placement after training, the problems in the implementation of the skills/ knowledge/concepts acquired during training etc.

a) New assignment and training

Data collected pertaining to the above is presented in the table 1.8 which shows employee reactions as to whether the provision of training before a new assignment requiring training is given to the employee or not.

Table 1.8 : New assignment and training employee reactions

Reactions	No. of respondents		Total
	Clerical level	Officers level	
Strongly agree	20 (12.12)	12 (18.46)	32 (13.91)
Agree	24 (14.55)	9 (13.84)	33 (14.34)
Partly agree	15 (9.09)	10 (15.38)	25 (10.86)
Disagree	58 (35.15)	22 (33.86)	80 (34.78)
Strongly disagree	48 (29.09)	12 (18.46)	60 (26.08)
Total	165 (100)	65 (100)	230 (100)

Source: Field survey

From the above table it can be concluded that, nearly 28 percent of the total sample agree that, their bank gives training before a new assignment is assigned. This implies that, majority of the total sample did not react favourably as to the provision of training before a new assignment is given.

It may be pointed out that as some of the new systems and procedures were baffling and superiors were equally baffled and could not offer the necessary clarifications, it creates anxiety and tension among the employees. Therefore proper training in this field will serve the purpose.

b) Implementing new skills at work situation

There are many instances where the employees, after being trained by the organization, could not apply the newly acquired skills in their work situation.

The reasons for the above situation as noticed during the survey are that the employees were not being given proper placement, the pressures of routine work at branch being high and the absence of infrastructural facilities to implement the skills etc.

Employee reactions to the above situation are analyzed and Table 1.9 presents the same.

Table 1.9 : Training and placement employee reactions

Reactions	No. of respondents		Total
	Clerical level	Officers level	
Strongly agree	18 (10.90)	10 (15.38)	28 (12.17)
Agree	26 (15.77)	12 (18.46)	38 (16.52)
Partly agree	20 (12.12)	9 (13.84)	29 (12.60)
Disagree	58 (35.15)	20 (30.78)	78 (33.92)
Strongly disagree	43 (26.06)	14 (21.54)	57 (24.79)
Total	165 (100)	65 (100)	230 (100)

Source: Field survey

From the above table, it can be seen that, an equal percentage of employees in officers category have expressed mixed reactions to the above issue whereas clerical staff have pointed out that training and job needs are not related.

The reasons for the above may be that while officers are associated with a number of banking functions in their capacity as supervisors, the clerical staff perform simple and routine banking functions in specific areas such as advances, credit, foreign exchange etc. Hence, if clerical staff receives

training in foreign exchange and they are posted to a branch where foreign exchange dealings are not dealt with, the training efforts of staff training college and the employees time both are lost. However, it may be argued that, the skills may become useful at a later date when proper placement is given. But it is possible that the employee is likely to forget in the absence of application of the same, further, the skills that he has acquired may become obsolete necessitating fresh training.

c) Routine work and non implementation

The trainee when goes back to the work situation is likely to revert to his old habits of work either because of work pressures at the branch or superiors directions to stick on to the old methods of work. Routine pressures dictates to follow the old work patterns and the employee therefore finds it difficult to apply the new skills / systems and procedures. The employee reactions towards this are presented in Table 1.10.

Table 1.10 : employee reactions to non implementation

Reactions	No. of respondents		Total
	Clerical level	Officers level	
Strongly agree	62 (37.58)	22 (33.85)	84 (36.52)
Agree	48 (29.09)	20 (30.76)	68 (29.56)
Partly agree	10 (6.06)	6 (9.23)	16 (6.95)
Disagree	25 (15.15)	10 (15.38)	35 (15.21)
Strongly disagree	20 (12.12)	7 (10.78)	27 (11.73)
Total	165 (100)	65 (100)	230 (100)

Source: Field survey

From the above table it can be inferred that nearly 73 percent of employees felt that routine work at branches leaves little time to apply new skills, systems and procedures. The above conclusion is further strengthened when the researcher interacted with the branch staff and elicited their reaction through discussions. They mentioned instances where they involved in QC's and find ti difficult to play appropriate role in these areas. The officers mentioned that, in the areas of Quality Circles, they were to scan the environment in order to obtain first hand information regarding the credit needs of the village. Many a time due to pressures of work, the officers were forced to resort to their old habit of using previous years data through trend based modifications. Similarly, the quality circles at the branches, could not be activated due to pressures of work of routine nature.

d) Lack of infrastructural facilities at branches

Infrastructural facilities include buildings with adequate facilities, like electricity, computers etc. Some of these facilities are totally absent in some of the branches at rural and semi urban areas and even in urban areas. It is doubtful whether an optimal use of the equipment, particularly computers is made. The lack of some of these facilities may create frustrations among the employees, who after training exposed to the usage and developments find themselves handicapped because of the absence of the facilities. The employee reactions towards lack of infrastructural facilities in implementing the ideas acquired during training is presented in table 1.11.

Table 1.11 : Employee reactions to lack of facilities

Reactions	No. of respondents		Total
	Clerical level	Officers level	
Strongly agree	58 (35.15)	16 (24.63)	74 (32.17)
Agree	52 (31.51)	18 (27.69)	70 (30.43)
Partly agree	12 (7.29)	6 (9.23)	18 (7.84)
Disagree	23 (13.93)	17 (26.15)	40 (17.39)
Strongly disagree	20 (12.12)	8 (12.30)	28 (12.17)
Total	165 (100)	65 (100)	230 (100)

Source: Field survey

From the table it is evident that, 162 employees constituting over 70 percent of the total sample reacted in favour of lack of infrastructural facilities at branches. Further it reveals that, in clerical level 122 employees constituting nearly 74 percent of the sample and in officers level 40 employees constituting nearly 62 percent of the sample reacted in favour of lack of infrastructural facilities at branches. It is interested to note that in clerical level 43 employees constituting nearly 26 percent of the sample and in officers level 25 employees constituting nearly 38 percent of the sample disagreed the existence of lack of infrastructural facilities at branches.

e) Frequent transfers

The transfer of an employee is another problem that is likely to affect the new ideas acquired during the training. The same is presented in table 1.12.

Table 1.12 : Employee reactions to frequent transfers

Reactions	No. of respondents		Total
	Clerical level	Officers level	
Strongly agree	42 (25.45)	24 (36.32)	66 (28.69)
Agree	54 (32.74)	20 (30.78)	74 (32.17)
Partly agree	12 (7.27)	6 (9.23)	18 (7.83)
Disagree	25 (15.15)	9 (13.84)	34 (14.78)
Strongly disagree	32 (19.39)	6 (9.23)	38 (16.53)
Total	165 (100)	65 (100)	230 (100)

Source: Field survey

It is interesting to note that 158 employees constituting over 69 percent of the total sample felt that frequent transfers take away their enthusiasm, however, a section of 72 employees constituting around 31 percent of the total sample are undisturbed with the problem of transfers.

Further it can be seen that, in clerical level 108 employees constituting over 65 percent of the sample and in officers level 50 employees constituting nearly 77 percent of the sample felt that frequent transfer takes away their enthusiasm affecting the very purpose of Human Resource Development. In this context, it may be mentioned that, the interpersonal relations at branch and personal life and family life getting disrupted mainly when both the family members are employees and have to take care of their children's education, particularly, when they are posted to rural and semi urban branches.

Conclusions

- The study reveals that training will not provide any monetary benefits to the employees, as more than 139 employees constituting 60.45 percent of the total respondents have perceived. Thus, training and monetary benefits are not associated in the State Bank of Hyderabad.
- The study reveals that 72.18 percent of the total sample respondents do not associate training with promotional opportunities while only 27.82 percent of the total sample respondents associate training with promotional opportunities. Thus, majority of the respondents perceive that training will

not provide any promotional opportunities.

- It is found in the study that 65.66 percent of total sample respondents perceived that there is a lack of training policy in their bank to ascertain their training needs. It further reveals that a high percentage in clerical and officers level have responded to this issue negatively. Many respondents perceived that training policy should be there in the bank to provide them necessary guidelines on a systematic lines.

Suggestions

- There is a need to update training related information and attain better coordination

between personnel and HRD departments in the areas of transfers, promotions, placements etc., for attaining effectiveness in the training function of the bank.

- At present there is an absence of involvement among the line and operating functionaries in the assessment of training needs, employee nominations for training, performance appraisal etc. There is need for the above functionaries to associate in the training function by providing first hand information on the above areas so that training need assessment can be attempted on systematic and scientific lines.
- The Staff Training College should upgrade itself with regard to both infrastructural facilities, faculty selection, training needs for matching training plans of the organization with career plans and also for building a climate of learning at Staff Training College.

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