

## A STUDY ON HRD CLIMATE IN PRIVATE SECTOR BANKS IN GUNTUR DISTRICT

BUSINESS MANAGEMENT

Chapter-II

December/Vol.8.0/Issue-1



### Original Research Article

ISSN CODE: 2456-1045 (Online)  
 (ICV-Impact Value): 2.31  
 (GIF) Impact Factor: 1.272  
 Copyright@IJF 2016  
 Journal Code: ARJMD/BM/V-8.0/I-1/C-2/DEC-2016  
 Website: [www.journalresearchijf.com](http://www.journalresearchijf.com)  
 Received: 17.10.2016  
 Accepted: 22.10.2016  
 Date of Publication: 05.01.2017  
 Page: 10-14



Name of the Authors:

**Dr. S. APPARAO**

*Head & Professor, Dept of Logistics & Supply Chain Mgt,  
 Gambella University, Ethiopia.*

#### Citation of the Article

*Dr. Apparao S. (2016, December). A study on HRD climate in private sector banks in Guntur district. Advance Research Journal of Multidisciplinary Discoveries. Vol.8.0,C2,PP.10-14. ISSN-2456-1045. From <http://www.journalresearchijf.com>*

#### ABSTRACT

A study on Human resource development climate in private sector banks ultimately concludes with certain recommendations and measures that can be taken into consideration by the banks, for developing and implementing certain strategies to strengthen the organizational effectiveness through human resources development. It is well established today that it is not just financial and technological capital that provide banks with the competitive edge, but people, or human capital. Without attracting and retaining the right people, in the right jobs, with the right skills and training, private sector banks cannot succeed., then the researcher suggested these interventions i.e. "class "y" people", "interventions of organizational development", "Effective communication", "open door policy" and "Team work" and proactive and healthy working environment can be created which enhances the organizational development, moreover, the efficiency of production process and various areas of management depends to a greater extent on the level of human resources development, and this study done with structured questionnaire to collect the primary data. Data was analyzed by with SPSS, and, was applied the Regression analysis with ANOVA and Pearson Correlation.

#### Key Words :

Org'l effectiveness,

Open door policy,

Class y,

Effective communication,

HRD interventions.

## INTRODUCTION

People are the real assets of an organization provided treated well they can take organizations to commendable heights. Two plus two can be four or even ten. Organizations are generally driven by a set of predetermined goals and they employ physical, financial and human resources in order to achieve the goals. These goals have no meaning unless people understand the underlying philosophy, translate them into concrete action plans and put their hearts while realizing the targets. Organizations thus depend on people for the achievement of the objective and goals, in similar way, people need organizations. The vast majority of people work to support themselves and their families and people also work for many reasons other than economic security. To meet their multifaceted needs, people and organizations join hands. Unfortunately, this union seldom approaches perfection. Organizations face several problems in their attempt to be productive and efficient in their tasks and feel satisfied in their work. The challenge of human resource management is to minimize these obstacles and improve the contribution made by people to the organizations.

Human Resource Development (HRD) as a theory has a framework for the expansion of human capital within an organization and the individual to achieve performance improvement. Peter F. Drucker said the resources stand under the laws of mechanics. They can be better utilized or worse utilized, but they can never have an output greater than the sum of the inputs. Man alone of all the resources available to man, can grow and develop. Human Resource Development (HRD) deals with creating conditions that enable people to get the best out of themselves and their lives.

Development is a never-ending process. As people develop themselves in new directions, new problems and issues arise, requiring them to develop new competencies to meet the changing requirements, aspirations and problems. There are, however, some universal goals towards which all human resource development efforts should aim to achieve. HRD embraces all those policies and programmes that support and sustain equitable opportunities for continuing acquisition and are mutually beneficial to individuals, the community and the larger environment of which they are a part.

## REVIEW OF LITERATURE

Avantika Tomar and Amit Dhiman (2013) in their article "the New Service Management School of thought acknowledges a set of new Human Resources Management /Development Practices" underpinned by the concept of satisfaction mirror between customers and front line workers. HRM practices in the cycle of success includes, careful selection of the staff, high quality training, well designed support system, performance appraisal, career planning and employee development, empowerment of employees, teamwork appropriate measurement, rewards and recognition and the development of a service culture, the model for achieving

cycle of success HRM/HRD practices were most important, as it works properly it leads to customer satisfaction and organization growth. Rajesham & Devender(2013) in their article "HRD Practices in Singareni Collories Company Limited" stated if employees are sufficiently motivated, trained, informed, managed, utilized and empowered they will be more productive at work, which results in more production and sales for the organization. Organizations that develop a well informed and proactive approach to strategic HRD planning have an opportunity to gain a crucial competitive edge. The well planned and properly run HRD practices will achieve measurable positive outcomes for the company, only the human resource has unlimited capacity and potential to contribute to the growth of the organization. Aryasri A.R. & Aijaz (2013) in their article "Managing diversity to create a High Performing Organization" stated that in every organization employees are working from the different backgrounds and different cultures like caste creed, region, religion and gender. But by definition an organization makes people to come together and work towards a common goal. In this regard HRD is the most important to create professional culture and knowledge.

Nazeer M. ( 2013) in his article " HRD in Public Sector Enterprise" stated that HRD is multifaceted exercise which involves training, objective performance appraisal and guidance and bring about an attitudinal revolution among the employees, developing positive attitudes , approaches, thinking and problem-solving attitudes and conditioning of minds among the employees along with a simultaneous up gradation of skills, knowledge, experience, expertise, perceptions, grasp and understanding of the varied problems in the organization. Zafar-Ul-Hassan Almas (2012) 139 "Role of Effective HRD Policies for Economic Development in South Asia" South Asian nations shared same poor economic development two three decades before with their east Asian Counter-parts but after that both regions are worlds apart with no comparison of economic advancement the distinguishing feature is only effectiveness of Human Resource Development (HRD) in East Asia and ignored area of focus in south Asia the resource abundantly available in south Asia is their human capital which could be transformed into precious asset through reforming existing education and technology base, this huge potential could be exploited by dovetail HRD policies into national growth strategies and development works of South Asia.

Surat Kumari M and Balagar Jyoti (2012) in their article "HRD Climate of Canara Bank" study at Gulbarg circle office. Say that Human Resource is the most important active factor of production and refers to the knowledge, skill creative ability talents, values, belief of work force. These resources play an important role in deciding the efficiency of an organization and their development would lead to organization development and it leads to national development. Krishnamachari & Shireesha ( 2012) in their article " HRD Practices in IT

Industry” stated that HRD is the framework for the expansion of human capital and it always focused on the development of the competencies of the people and concludes that in IT companies acquiring talent, enabling talent, grooming talent and building the culture are the part of HRD. Radha P. (2012)in her article “HRD TODAY”, human resource is the most important feature of many businesses especially in an economy where there is an increasing shift towards service-based industries. HRD will develop the competencies to grow, reduce absenteeism and motivate the staff and develop the team work.

**Statement of the Problem:**

With the advent of globalization and technical advancement the market conditions have witnessed miraculous changes and coping up with those changes along with the rising expectations has been a big challenge for the banks. Keeping this in view the researcher focused greater emphasis on the concept of Human Resource Development Practices. Since the banks realize human resources as most important and indeed as essential imperative for an organization to prosper and grow, on the other hand the employee development and retaining them with the banks is certainly an issue to the management in today’s knowledge based economy. The study is aimed at assessing the HRD practices and its influence on the employee training, career planning and employee development and level of employee role satisfaction in the banks.

**Objectives of the study:**

- To study the socio -economic profile ofthe sample respondents in selected private sector banks,
- To examine the HRD climate inbanks,
- To offer pragmatic suggestions to the private sector banks for effective implementation of HRD practices.

**Hypotheses of the study:**

**Ho:** The Employees are not satisfied with the HRD climate in the banks, and the management was not given enough importance to HRD activities for their employees.

**H1:** The management given much importance to HRD activities, so the employees are highly satisfied with the human resource development activities of the banks.

**Sources of Data Collection:**

The study includes both primary and secondary data. Primary Data: The primary data is collected from four private sector banks. The sample was selected across the organizations to bring about universality of the relationship. The middle level management staff including the heads and staff of the functional departments like production, marketing, human resource, finance and systems were taken.

Information was collected by administering a questionnaire designed to fulfil the objectives and to test the hypothesis the questionnaire is divided into three sections. The first section elicits the opinions on Employee training, the second section elicits the opinions on career planning and employee development; and the third section tries to elicit the opinions of employee role satisfaction in the organization.

Secondary data: Information gathered from various journals like Academy of Management Journal, HRD Review, Indian Journal of Industrial Relations,(IJIR) Indian Journal of Training and Development, (IJTD)Personnel today, Business vision, HRD times. Secondary information has also been gathered from business magazines, like Business India, Business Today. The researcher has also referred various websites that have cited research studies and empirical investigation.

**RESULTS AND DISCUSSIONS**

To attain the objective of the study, ANOVA and correlation analysis was conducted between the study variables. The results are reported in the following tables:

**Table – 1: Socio-Economic Profile of the Respondents**

Age	Number	Percentage	Experience	Number	Percentage
Below 25 Years	6	4	Less than 5 years	63	47
25 to 35	75	56	5 to 10 years	45	33
36 to 45	41	30	10 to 15 years	21	16
Above 45	13	10	Above 15 years	6	4
<b>Total</b>	<b>135</b>	<b>100</b>	<b>Total</b>	<b>135</b>	<b>100</b>
Educational Qualification			Monthly Income		
Post-Graduation	27	20	Below 20 Thousand	46	34
Graduation	75	56	21 to 30	36	27
Other	33	24	31 to 40	32	24
<b>Total</b>	<b>135</b>	<b>100</b>	Above 41	21	16
			<b>Total</b>	<b>135</b>	<b>100</b>

Source: primary Data

The data presented in the above table discloses the socio – economic profile of the respondents in the study area. It is observed that the majority of the respondents (56 per cent) are in the age group of 25 to 35 years, about 30 per cent are in the age of 36 to 45 years and the remaining small percentage i.e. 4 per cent of respondents belongs to age group of below twenty five years. Regarding the educational qualifications about fifty six per cent of the total respondents are completed graduation, twenty percent are degree holders and twenty four percent are having the technical qualifications. The job experience of respondents reveals that out of the total respondents 47 per cent have less than 5 years of experience, 33 per cent of respondents are having below ten years of experience and the remaining few respondents having above ten and fifteen years of experience. The monthly earning of the respondents are concerned, thirty four per cent of the respondents are drawing the salary of below twenty thousand rupees, 27 per cent of respondents are drawing below thirty thousand rupees and sixteen per cent of respondents drawing the salary of above forty thousand rupees.

**Table – 2: One Way ANOVA between Study Variables with Experience**

Variables	Sum of Squares	Df	Mean Square	F	Sig.
Structure	14.248	3	4.749	3.628	.015*
Performance Appraisal	13.014	3	4.338	3.877	.011*
Potential Appraisal	3.314	3	1.105	1.104	.350
Feedback & Counseling	31.186	3	10.395	7.991	.000*
Training & Development	7.833	3	2.611	1.824	.146
Career Planning	14.343	3	4.781	2.746	.046*
Participation in Managerial Decision Making	18.114	3	6.038	3.435	.019*
Grievance Mechanism	6.171	3	2.057	1.346	.262
Organizational Development	3.962	3	1.321	.775	.510
Communication Policies & Practice	27.033	3	9.011	5.711	.001*
Freedom at work	6.133	3	2.044	1.112	.347
Organizational Commitment	2.533	3	.844	.573	.634

Source : Primary Data. Dependent variable: Experience. Significant at 0.05

From the above analysis, various dimensions which influence the Human Recourse Development Climate in the banks are showing their significance and the satisfaction of employees. It is clear that the major portion of the variables is highly significant at 0.05 per cent. Where the calculated value of “F”, is above the table value in the variables i.e. Structure , Performance Appraisal, Feedback and Counselling, Career Planning, Participation in Managerial Decision Making, Communication Policies and Practices at  $F < 0.05$  per cent . The difference is considered as significant (which means the samples could not have come from the same universe) and so it is clear that there exists differences in the opinions of the respondents regarding the HRD implementation in banks.

Where some variables i.e. Potential Appraisal, Training and Development, Grievance Mechanism, Organizational Development, Organizational Commitment, Freedom at Work are not significant because the calculated F value is less than the table value  $F > 0.05$  per cent level with  $df$  being  $vi=3$  and  $v2=131$  and hence could have arisen due to chance. This analysis supports the null hypothesis of no difference in sample means. We may, therefore, conclude that the difference in respondents’ duo to experience is insignificant and is just a matter of chance.

**Table - 3: Mean, Standard Deviation and Inter-Correlation among study variables**

Variable	Mean	Std. Dev.	1	2	3	4	5	6	7	8	9	10	11	12
Structure	3.44	1.207	1											
Performance Appraisal	2.80	1.091	.132	1										
Potential Appraisal	3.60	1.001	.516**	-.135	1									
Feedback and Counseling	3.13	1.227	-.265**	.070	-.284**	1								
Training and Development	3.84	1.177	-.093	.204*	.130	-.237**	1							
Career Planning	2.93	1.345	-.049	-.055	.196*	.128	.129	1						
Participation in Managerial Decision Making	3.40	1.362	.221*	.084	.299**	.035	.204*	.320**	1					
Grievance Mechanism	3.07	1.241	-.131	.274**	-.014	-.021	-.125	.284**	-.109	1				
Organizational Development	3.78	1.303	.430**	-.094	.360**	-.402**	.177*	-.085	.189*	-.143	1			
Communication Policies and Practices	3.04	1.321	-.168	.068	.149	-.087	.240**	.254**	.413**	-.002	.318**	1		
Freedom at Work	3.36	1.357	.161	.260**	-.059	-.069	.176*	-.257**	.237**	-.439**	.501**	.228**	1	
Organizational Commitment	3.51	1.209	.387**	-.092	.448**	-.243**	-.141	.159	.378**	-.068	.499**	.308**	.257**	1

\*\* Correlation is significant at the 0.01 level (2-tailed). \* Correlation is significant at the 0.05 level (2-tailed).

The mean scores computed in Table 3 are based on weighted average method. The mean values represent somewhat positive level of human resource development practices in the banks. Among all the factors the Training and Development has got highest mean value of 3.84 ( $c1=1.177$ ). This means respondents are highly satisfied with the training and development in the banks. The notable point is that despite the higher mean value, T&D has no significant correlation with organizational development. This might be due to the lack of sufficient large number of samples undertaken in the study.

From the characteristics of the data, it is observed that the data of performance appraisal (1.1=2.80, 1.091) and career planning (1.1=2.93, 1.345) are highly deviated from the mean among all other factors. This statistical evidence implies that these two factors involved in the practice of the entire banks are not adequately designed for all the respondents. Thus the banks could revise their human resource development practices. On the other hand, the data of organizational development ( $p=3.78$ , 1.303) and organisation commitment ( $=3.51$ , 1.209) have been found less deviated from the mean. This statistics that the banks has been successfully maintaining good feedback and structure of the HRD dept. and potential appraisal will be helpful to maximize employee development. In the Table, a significant and strong correlation was found for the freedom at work and organizational development ( $r=.501$ ,  $<.01$ ) and organizational commitment with organizational development ( $r=.499$ ,  $<.01$ ) and organisational commitment with potential appraisal ( $r=.448$ ,  $<.01$ ). This significant correlation indicates that these factors have strong influence on human resource development in the organisation. Moreover, a positive and strong correlation was found among communication policies and grievance procedure fit which implies the organisation should develop and adopt a policy that has complete synchronization among those factors.

#### CONCLUSION:

It is well established today that it is not just financial and technological capital that provide banks with the competitive edge, but people, or human capital. Without attracting and retaining the right people, in the right jobs, with the right skills and training, private sector banks cannot succeed. The factors sustaining divergence are argued to drive from a number of sources including varying political, social, economic, cultural and regulatory regimes. Within the discussions of convergence, a distinction is made between directional convergence and final conservatism (Mayrhofer, Morley and Brewster 2004). It is critical to hone the competencies of people in the HR function to meet the challenges met out by the constant change in internal and external factors affecting the ability of an organization to successfully achieve its goals. It indicates the significance of people as the strategic resources of the organization and the need to nurture this resource with utmost care and attention to retain them for long term perspective and get best out of them while giving best to them. Therefore, it is suggested that for foster employee commitment by embedding positive HRD culture of Openness, Confrontation, Trust, Autonomy, Pro-action, Authenticity and Collaboration (OCTAPAC) into their organizational culture.

#### Limitations and Future Scope of the Study:

There are certain limitations of the study that must be acknowledged. First the sample selected for the study involves only the employees and there no involvement of management. Secondly, when compared to employees of male the female percentage is very low. Thirdly, the sample size 135 is very low. The data collected from the respondents is through convenient sampling which restricts the generalization of findings to other groups. In future the study may involve more number of management participants, and employees of different age groups and different education background and involvement of equal number of female employees.

#### REFERENCES

- [1] Surat Kumari and Balagar Jyoti, "HRD Climate of CanaraBank" study of Gulbarg Circle Officer Southern Economist, July 15, 2012, Vol. 51. No.6 pp 8-10
- [2] Krishnamachari & Shireesha "HRD Practices in IT Industry" Business Vision, October –December 2012. Vol. 8 No. 4 pp 98-99
- [3] Zafar Ul Hassan Almas "Role of Effective HRD policies for Economic Development in South Asia" SAARC journal of HRD December 2012, Vol. 8, No. 1. pp 1-16
- [4] Aryasri, A.R. & Aijaz "Managing diversity to create a High Performing Organization" Business vision, April-June 2013. Vol 9, No., 2 pp 96-97.
- [5] Nazeer "HRD in public sector enterprises, HRD Times January 2013. Vol.15, No. 1. pp 28-29.
- [6] Prof. Rajesham Ch, and Devender V. "HRD Practices in Singareni Colleries Company Limited Journal of Business vision, July-September, 2013. Vol. 9 No. 3. pp 45-53.
- [7] Avantika Tomar and Amit Dhiman "Exploring the role of HRD in service delivery in Healthcare Organizations: A study of an Indian Hospital, Vikalpa April-June 2013. Vol. 38. No. 2. pp 21-38.
- [8] Dr Radha P "HRD TODAY" HRD Times June 2012, Vol. no pp 17-18.
- [9] Kothari C R, (2000), Research Methodology, Wishwa Prakasham, New Delhi.
- [10] Leonard Nadler, Corporate Human Resource Development, Van Nostran, New York.
- [11] Rao, T.V. & Abraham, E. (1990). The HRD Climate Survey, In J.W. Pfeiffer (Ed.). The 1990 annual Developing Human Resources. San Diego, CA: University Associates.
- [12] T. Venkateswara Rao, (1986) Integrated human resource development systems in T.V. Rao and D.F. Pereira, Recent experiences in human resource development, Oxford & IBH Publishing Co. Pvt. Ltd., New Delhi.

\*\*\*\*\*