

EXAMINE EFFECTIVENESS OF HRM INITIATIVES ON SELECTED BANKING PERSONNEL

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ABSTRACT

The banking industry in India plays a significant part in the expansion of the country's economy, and the efficient management of human resources (HR) is essential to the sector's continued success in reaching its full potential. The primary objective of this review article is to concentrate on the ways in which human resource management (HRM) efforts influence the level of satisfaction experienced by workers. During the course of the investigation, it was discovered that HR practices had a considerable impact on the success rate of workers. The procedures pertaining to human resources need to be properly executed. The purpose of this study was to present an illustration of a banking transaction that is highly dependent on the efforts of its clients. The persons who utilize their facilities are the only clients they have, and the quality of those amenities is what determines the quality of those facilities.

Keywords: Human Resource, Banking, Customers, Training, Satisfaction

I. INTRODUCTION

Globalization, liberalization, and the transnational invasion have all contributed to a more complicated and unpredictable business climate in the modern period, posing huge problems for companies. To thrive in today's cutthroat business environment, effective management of human resources is crucial. Organizational actions aimed at managing human resources and making sure those resources are used to achieve organizational objectives are known as HRM practices. Human resource management mostly focuses on the following: planning, recruiting the best candidates, keeping them, helping them grow, and handling their departure. So, every company's biggest problem is figuring out how to manage its people resources so that they're employed in the correct positions. One result of innovation is a decrease in operational costs. Profitability increases and people's quality of life improves as a consequence.

Whether it's a company, a bank, or an office, developing human resources is crucial for efficient and successful operation, and HRD has taken on significant relevance in recent years. As a growing economy works to improve the quality of life for its citizens, it must invest in its people so it can take on the greater and more complex problems that lie ahead.

Generally speaking, human resource development (HRD) aims to raise human quality. More specifically, it focuses on raising human standards, abilities, understandings, and applications in the context of production organizations. Consequently, HRD has grown into a crucial initiative for all types of businesses, with the dual goals of raising production efficiency and productivity and bettering the lives of employees at all levels.

Banking is no different from any other industry when it comes to the importance of human resource management. Since banking is a service industry, the vast majority of its participants are regular people. The effectiveness and efficiency of banks' human resources are crucial to the success of the banking company. Staff members' friendliness and professionalism may go a long way in making clients happy with the service they get from banks. The past 30 years have seen a metamorphosis in this industry's approach to human resource management. Additionally, the role of the HR department in this industry has grown in significance over time. The three most difficult things to do in the contemporary workplace are find qualified candidates, educate them, and keep them around. Many studies have examined various facets of HRM in the banking industry, with a focus on the Indian setting.

To keep up with the demands of a contemporary economy and global environment, the banking sector in India has been expanding in size and complexity in recent years. Transforming HR practices and implementing certain new age ideas called "innovations" is now the high time. If the banking industry is to become more productive and competitive, new thinking is required. Now is the perfect moment

to let go of the past and make bold moves. Workers' demands have also reached unprecedented levels, driven in part by labor unions and other outside forces. So, HRM advances are crucial for banks right now.

II. REVIEW OF LITERATURE

Ray, Shimul et al., (2021) An integral part of any economy is the banking industry. Staff members that are enthusiastic, knowledgeable, and gifted will play a significant role in the banks' success. An organization's ability to reach its long-term objectives is directly correlated to the quality of its human resource management system. The study's overarching goal is to investigate HRM strategies used by commercial banks in Bangladesh. Existing human resource management operations of selected commercial banks are examined and compared in this research. The activities include job analysis, recruiting and selection, training and development, compensation, motivation and incentives, maintenance of employee relations, and safety and security programs. The data used in this study came from secondary sources. Journal articles, books, official papers, yearly reports, and online data all had a role in making this research a reality. Private banks use a wider variety of HRM strategies, whilst public sector commercial banks adhere to the standard approach. While private banks seem to have superior job designs, training and development programs, and workplace safety, workers are unhappy with the compensation structure, lack of job stability, and excessive work pressure. According to the research, private banks should pay more attention to wage and salary structures, job security, and employer demands, while state-owned commercial banks should prioritize job design, training, and development, and employee security.

Suresh, P. & Reddy, T.Narayana (2020) When workers are happy in their jobs, it benefits the company and the workers themselves. Productivity in the workplace will rise as a consequence of happy workers. Understanding the impact of HRM practices in the banking industry is the primary goal of the current research. Primary and secondary data were used to compile this study's findings, which examine HRM practices and employee satisfaction at banks in the Chittoor area. The study's overarching goal is to deduce how human resource management strategies influence workers' opinions of their respective employers. Findings from the research indicate that HRM practices significantly affect workers' happiness on the job.

Siong-Choy Chong and Wasantha Kalyani (2018) With a focus on the banking sector, this study seeks to provide a theoretical framework on the relationship between Strategic Human Resource Management (SHRM) and the performance of firms. This research builds a new framework for the banking industry after reviewing current ones using the systematic review approach. For the purpose of outlining the connections between SHRM practices and bank performance, many prominent theories were examined, including the resource-based perspective and meta-theory. The analysis proposes fourteen SHRM practices that are applicable to the financial industry. Included in this category are activities such as hiring, developing, training, designing work, evaluating performance, paying and benefits, promoting, encouraging, communicating strategically, participating in management, handling grievances, facilitating teamwork, and improving quality. The argument here is that these activities have a disproportionate impact on how well banks do. Much of what is known about SHRM pertains to conventional manufacturing companies, whereas service-based organizations have received comparatively little study. Banks may better compete in this competitive climate by knowing and appropriately using SHRM practices, which are known to improve banking sector performance. Additionally, the findings may be used by banking professionals to assess their own performance in relation to the SHRM standards. There hasn't been research that looks at the relationship between SHRM practices and bank performance quite like this one. To back up the claims about the practices the banking sector should prioritize to boost performance, an empirical study will be conducted.

Kishan, Satya & Scholar, Research (2018) Human resources, or HR, is the backbone of any company or, more accurately, a modern catchall word for the administration and growth of any company's staff. The underlying idea behind human resource management is to ensure that an organization's most valuable asset—its employees—are happy and productive. Human resource management (HRM) is crucial because it influences employee growth, motivation at work, and loyalty to the company via a variety of activities, such as pay and performance reviews. Management of one's career, as well as incentives, recognition, and training. The primary goal of the research is to determine how HRM

practices affect workers' productivity on the workplace. Human resources policies and practices have an effect on workers' productivity, according to the research. In order to achieve goals, it is necessary to develop an appropriate HR policy.

Sultana Siddika et al., (2017) The banking industry in Bangladesh, particularly the commercial private banking sector, has seen significant expansion in recent times. By now, this industry has succeeded in capturing the imagination of younger generations and generating a great deal of enthusiasm among them to become bankers themselves. The growth and success of this industry in the future are dependent on HRM best practices. Nonetheless, HRM's adoption has not been well-received by current and future workers in this industry. Finding out how HRM methods have affected the sector's workers' perceptions is the driving force for this research. Human resource management methods that are within the purview of managers and workers have been the focus of this research. Two tiers of participants used it to compile and evaluate results from a self-administered survey, and it also included interviews with managers and workers. The survey was designed to gather information on HRM practices those workers have direct influence over. This study's findings suggest a favourable correlation between HRM practices and employee happiness in Bangladesh's private banking industry. In order to comprehend the patterns of satisfaction level in this industry, some statistical parameters were run. In this part of the nation, there just aren't enough studies. Researchers in Bangladesh may use this study's results as a guide for their own work in the future.

Mustafi, Mohitul et al., (2016) Human resource management strategies in Bangladesh's private commercial banking industry are the focus of this research. Human resource management strategies in the banking industry are the focus of the current investigation. It takes a look at nine different commercial banks and analyzes and contrasts their current HR practices, including things like job analysis, talent acquisition, training and development, performance evaluation, remuneration, and industrial relations. One hundred bank workers are chosen at random from among seven different banks to participate in this study. The response rate is 91%, meaning that 91 out of 100 workers gave correct answers. Questions on seven different aspects of human resource management make up the survey. Using a five-point Likert scale, the surveys were created. Factor analysis and structural equation modeling were among the inferential and descriptive statistics tools used to examine the gathered data. The SEM findings showed that in the private commercial banking sectors of Bangladesh, there is a strong and positive association between overall human resource practices and job analysis, HR planning, training and development, remuneration, and industrial relations.

A.K.M. Masum (2015) Human resource management (HRM) practices are included as a quality component in this paper's data envelopment analysis, which assesses bank performance. This is the first time that the banking industry has used the suggested technique to study how HRM practices affect conventional measures of bank performance. In order to get four efficiency ratings, we use the Malmquist index to break down the performance scores. The empirical findings are based on panel data collected from 48 banks in Bangladesh between 2004 and 2013. According to the findings, international banks are still far behind their domestic counterparts when it comes to achieving scale efficiency. When looking at HRM practices as a quality indicator, however, international banks advanced 2.6% per year whereas domestic banks fell 17.1% per year during the research period. Consequently, the findings indicate that, while local banks have satisfactory operational performance, they need to enhance their HRM practices to cope with competition and the modernization of banks. The findings hold up under the unique scrutiny of variables, statistical test, and national banking convergence. There is an examination of the policy implications and limitations.

Abdul Kader Jilani, Munshi Muhammad (2015) There are 56 banks in Bangladesh's rapidly expanding banking industry, each with its own unique strategy for providing financial services and an insatiable appetite for staff performance-based bonuses. Achieving organizational objectives and identifying individual contributions to those goals are both greatly aided by performance evaluation. This study aims to assess the impact of HR policies and procedures on the productivity of bank employees in Bangladesh. A convenience sample of around 328 bank executives from various regions in Bangladesh was surveyed for this study. The designed banks' HR departments (independent variables) and staff performance (dependent variable) were studied using a structured questionnaire. The topics covered included institutional commitment and motivation, employee relations, compensation, physical work environment, training and development, job satisfaction, and promotion.

According to the research, all human resource strategies significantly affect employee performance in Bangladesh's banking business, with the exception of salary and training and development. Banking practitioners and policymakers may use the study's results as a road map to improve employee performance and ultimately reach the organization's goals.

Azad, Md et al., (2011) Human resource strategies are crucial for firms to boost employee performance in the present situation. The study's overarching goal is to provide light on the connections between how managers pay their employees, how they evaluate their performance, and how they promote from within. This research aims to shed light on the routine, day-to-day operations of an organization and the repetitive tasks that make them up. The key is to base HR decisions on how employees are seen to be doing, both in terms of actual and potential performance. To make these procedures better, Perceived employee performance is strongly correlated with HR procedures, according to the study. According to the research, if businesses in Bangladesh increase their employment rate, workers there would be more invested in their jobs. Both the company and its workers stand to gain from this HR strategy, which has the potential to boost productivity. Bank systems have an effect on Bangladeshi organizations. In order to boost staff performance and foster favorable customer behavior, it is crucial to implement certain HR practices in the banking industry. These methods may help organizations, and we should use them in Bangladesh's banking industry.

III. RESEARCH METHODOLOGY

Researchers used primary and secondary resources to compile their findings. The primary data came from Kolkata workers, while the secondary data came from publicly accessible sites. Using simple random selection, 220 participants were contacted for this research. Out of the 180 forms collected, only 145 were deemed suitable for analysis. It was originally planned to gather first data using an 8-question structured questionnaire with a 5-point Likert scale.

IV. DATA ANALYSIS AND INTERPRETATION

Table 1: Type of Banks

Particulars	Percentage
Public Banks	65.0%
Private Banks	35.0%

Public sector banks employed the most respondents (65%), followed by private sector banks (35%), according to Table 1's banking sector analysis.

Table 2: Gender

Gender	Percentage
Male	30.0%
Female	70.0%

In Table 2, we can see that out of the total number of respondents, 70% were female. This finding is supported by the gender analysis. The research only included a small number of male participants (30%).

Table 3: Descriptive Statistics

HRM Practices	Minimum	Maximum	Mean	Std. Deviation
Training	1	5	1.29	.462
Development	1	5	1.33	.457
Employee Compensation	1	5	4.47	.708
Human Resource Planning	1	5	4.27	.814
Work Environment	1	5	4.24	.919

Employee Satisfaction	1	5	4.20	.850
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"Human resource planning" (Mean=4.27 and standard deviation=.814) and "Employee compensation" (Mean=4.47 and standard deviation=.708) were found to be the most common HRM activities in the banking industry, according to Table 3's analysis of the descriptive data. Out of all the HRM activities observed in the banking industry, "training" had the lowest prevalence (Mean=1.29 and standard deviation=.462).

Table 4: One-Sample Statistics

	Mean	Std. Deviation	Std. Error Mean
Training	1.29	.462	.018
Development	1.33	.457	.018
Employee Compensation	4.47	.708	.026
Human Resource Planning	4.27	.814	.040
Work Environment	4.24	.919	.038
Employee Satisfaction	4.20	.850	.033

The banking sector's most prevalent HRM practices are "Employee compensation" (Mean=4.47 with standard deviation=.708 and standard error=.026) and "Human resource planning" (Mean=4.27 with standard deviation=.814 and standard error=.040), according to Table 4's analysis of the one-sample statistics. Among the HRM activities prevalent in the banking industry, "training" had the lowest mean, standard deviation, and standard error (mean=1.29, standard error=.018).

Table 5: One-Sample Test

Test Value = 0					
	T	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
Training	63.299	.000	1.305	1.30	1.37
Development	63.311	.000	1.308	1.24	1.39
Employee Compensation	139.370	.000	4.450	4.40	4.48
Human Resource Planning	131.050	.000	4.307	4.26	4.41
Work Environment	103.578	.000	4.271	4.22	4.37
Employee Satisfaction	119.341	.000	4.350	4.30	4.36

The most common human resource management techniques in the banking industry are "Employee compensation" (t=139.370) and "Human resource planning" (t=131.050), according to Table 5's analysis of the t test results. The banking sector's "training" HRM practice ranked lowest (t=63.299).

V. CONCLUSION

Developing countries like India's are particularly hard hit by the current global talent constraint and skill shortfall, which is wreaking havoc on the banking industry. In light of these developments, financial institutions now see their internal customers as just as vital as their external ones. As a result, every bank is attempting to come up with novel HR methods in order to recruit top talent and provide them with a pleasant workplace in which to remain. The backbone of India's economy is its banking industry. While the current state of innovation implementation may not be ideal, the good news is that it has begun, and the banks will soon see the positive effects on productivity, which will highlight the importance of these innovations to their development. Research shows that banks may get a competitive edge in the global market by integrating methods from new and innovative HR sectors. To keep up with the ever-changing corporate landscape, these creative approaches are essential in this area.

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