



E-ISSN: 2706-8927  
P-ISSN: 2706-8919  
IJAAS 2019; 1(2): 220-222  
Received: 22-08-2019  
Accepted: 29-09-2019

**Pratibha Kumari**  
Former Research Scholar, P.G.  
Department of Commerce &  
Business Administration,  
L.N.M.U., Darbhanga, Bihar,  
India

## Study of human resource management practices in commercial banks of India

**Pratibha Kumari**

### Abstract

In this paper, the Indian Banking industry must advance a human asset administration framework consistently and receive human asset improvement strategies that fit the requirements of the business. The Indian Banking industry must be overseen by saving money experts with a specific end goal to be focused and to get the products of the area in the global market. This paper concentrates a survey of HR administration hones in the saving money segment in India especially in Public Sector Banks with thought of five critical markers of managing an account segment, for example, work investigation, enlistment and determination, preparing and improvement, execution evaluation and pay. Therefore, the recommendations will bolster appropriate ramifications of HR administration hones in the Indian open division banks.

**Keywords:** Human resource, banks of India, Indian Banking industry

### Introduction

HR administration rehearses assume an extremely key part in accomplishing the association's objectives and keep up the upper hand. HRM hones allude to hierarchical exercises coordinated at dealing with the pool of human asset and guaranteeing that the assets are utilized towards the satisfaction of authoritative objectives. Human asset administration practices is the administration of individuals inside the interior condition of associations, contains the exercises, approaches, and hones required in arranging, getting, creating, using, assessing, keeping up, and holding the suitable numbers and expertise blend of workers to accomplish the association's destinations. By and by associations are contending through actualizing the one of a kind HRM rehearses and because of the globalization associations receive the most a la mode HRM hones with a specific end goal to finish the hierarchical objectives. Best HRM practices are beneficial for both worker and business; it assumes a vital part in helpful development of the association. Keeping in perspective of HRM practices, it is comprehended that the HRM did not has coordinate part in business improvement but rather was more worried with unified enlistment to staff. In this specific circumstance, the survey of the review covers the accompanying most essential pointers of HR practices, which were trailed by any open area bank.

Nowadays, Indian banking sector is facing wide variety of opportunities and the bright future circumstances. The changing economic circumstances, represented by swift process of globalization has brought out all the nations of the world together, without geographical boundaries for trade and commerce but with great amount of employment opportunities for individuals. Due to swift advancement in information technology and telecommunication in the recent years, the banking sector has been undergoing swift changes, reflecting a number of current reform processes. However, there are certain problems in the Indian Banking system, which require great awareness. Some of the major problems are:

- Poor Technical Infrastructure of public sector bank are major hurdle in swift progress of banks.
- Uninterrupted buildup of morass, which hampers the profitability of the banks.
- Public sector banks are also effected from the heavy over staffing, which reduces competency of the banks.

Above all these require a strong change in the HR Practices recruitment, training, placement and promotion policies of the banks. Thus, the main concern is how to remove legacies of the past and meet the demands and challenges of the new era.

**Corresponding Author:**  
**Pratibha Kumari**  
Former Research Scholar, P.G.  
Department of Commerce &  
Business Administration,  
L.N.M.U., Darbhanga, Bihar,  
India

Human Resources Management Practices: Human resources management practices play a very critical role in achieving the organization's goals and maintain the competitive advantage. HRM practices refer to organizational activities directed at managing the pool of human resource and ensuring that the resources are employed towards the fulfillment of organizational goals. Human resource management practices is the management of people within the internal environment of organizations, comprises the activities, policies, and practices involved in planning, obtaining, developing, utilizing, evaluating, maintaining, and retaining the appropriate numbers and skill mix of employees to achieve the organization's objectives. Presently organizations are competing through implementing the unique HRM practices and due to the globalization organizations adopt the most up-to-date HRM practices in order to achieve the organizational goals. Best HRM practices are valuable for both employee and employer; it plays an important role in supportive growth and competency of the organization. Keeping in view of HRM practices, it is understood that the HRM did not have direct role in business development but was more concerned with centralized recruitment to staff. In this context, the review of the study covers the following most important indicators of HRM practices, which were followed by any public sector bank

**(A) Job analysis:** Job analysis involves collecting information about the characteristics of a job using one of several methods: observation, interviewing, questionnaires, or more specialized job analysis methods such as position or functional analysis. Organizations sometimes use a combination of job analysis methods. All the Banking authorities reported that they follow a combination of several methods for job analysis of the employee.

**(B) Recruitment and selection:** Public Sector Banks follow systematic procedure in recruitment and selection activities. For Recruitment and Selection these banks follow some standard most of the cases. The practiced arrangement for selection and recruitment is the corporate decide what positions will have to fill and how to fill the immediate as well as future requirements. This total procedure is designed to cover all positions from bottom to top level.

Indian Public Sector Banks use both methods of recruitment i.e., internal and external markets. Usually, for clerical and officer posts, external market is used through advertising etc. On the other hand, the managerial/executive positions are filled up through promotions and transfers i.e., for higher positions the internal market is usually relied upon. In some of the PSBs in India, the practice of recruiting specialists such as technical employees, management trainees etc. directly from the reputed institutions through campus interviews have been started. Some banks are also utilizing the services of consultants and employment on contract basis.

**(c) Training and Development:** HRD as one of the major functional area in HRM. Continuing education and training programmes' are essential considerations to enrich their careers and excel their development. Banking activities and knowledge is ever changing. In order to cope up with these changes and to develop employees' careers all banks established their own training institute. Those institutes

organized different types of training and development programmes based on the employees need. Those needs are identified by need assessment activities.

Training is more in IPSBs because the training system in the banking industry has a strong structural base, and has capabilities to handle training in large numbers. The system has also developed several innovative activities in the training area such as on-location training, manager to messenger programmes. Further the IPSBs have a good support to training efforts from apex level training institutions such as National Institute of Bank Management and Bankers Training College. The IPSBs have more than three hundred individual bank level training colleges and training centers. Training is given emphasis by all banks, although not much systematic training need analysis is carried out. The training colleges conduct training programmes for relatively junior level bank staff. For most of the senior level training, banks depend on external agencies, especially foreign training organizations. Training establishments of some of the bigger banks complain of under utilization.

**(D) Performance Appraisal:** Performance appraisal is the systematic, periodic and an impartial rating of the employee's excellence in matters pertaining to his present job and of his potentialities for a better job. (Edwin B. Flipp). Public Sector Banks in India give more attention towards performance appraisal in the organizations. Performance appraisal based on quality of output, potential of the employee within the organization etc. need to be incorporated across all grade, cadres and levels. This will not only ensure maximizing productivity, but also go a long way in motivating star performers aligning with the longterm mission and vision of banks.

**(E) Compensation:** In general, the compensation in Public Sector banks is mostly based on seniority or work experience. The Indian public sector banks should reward their professionally qualified employees by scale upgradation and special increments besides motivating and encouraging them to acquire new knowledge. Common pay structures based on number of years of service with the bank put in etc need to be phased out in a planned manner. Indian public sector Banking System The Indian public sector Banking System includes the SBI and 7 its associate banks, and 19 Nationalized Banks. classified as:

**(1) Public Sector Banks:** (a) SBI (State Bank of India and its 7 Associate Banks) These banks function under the top monetary authority, viz., Reserve Bank of India. The names of these banks are as follows: Public sector banks are (a) State Bank of India and its seven Associates Banks (1) State Bank of Bikaner and Jaipur (2) State Bank of Hyderabad (3) State Bank of Indore (4) State Bank of Mysore (5) State Bank of Patiala (6) State Bank of Saurashtra (7) State Bank of Travancore. (b) 19 Nationalized Banks are (Out of 20 Banks, one Bank 'New Bank of India' merged with Punjab National Bank in 1992-93 resulting into 19 Nationalized Banks) (1) Allahabad Banks (2) Andhra Bank (3) Bank of Baroda (4) Bank of India (5) Bank of Maharashtra (6) Canara Bank (7) Central Bank of India (8) Corporation Bank (9) Dena Bank (10) Indian Bank (11) Indian Overseas Bank (12) Oriental Bank of Commerce (13) Punjab and Sind Bank (14) Punjab National Bank (15) Syndicate Bank

(16) UCO Bank (17) Union Bank of India (18) United Bank of India (19) Vijaya Bank

### Recommendations

On the premise of survey of this review the accompanying recommendations are improved for HRM hone in the Public part banks in India:

1. In the enlistment and determination procedure of representatives, the banks ought to offer need to the applicants who has graduate or more degrees in Information Technology, encounter, aptitudes, capabilities and so forth. It is likewise proposed that institutional preparing ought to give successful aptitudes to worker. Workers ought to be persuaded to use the material and libraries with the goal that competency hole would be decreased.
2. It is fundamental for rebuilding of pay to propel workers in especially openly segment banks.
3. To create HR, the bank ought to attempt diverse human asset advancement programs including proceeding with instruction and preparing, IT-introduction, vocation improvement, and so forth.
4. Banks can send brilliant representatives to another country on cooperation/grant for higher reviews and learn new innovation with a specific end goal to achieve fitness at worldwide level.
5. Banks ought to sort out classes, workshops, meetings, diverse short courses, and preparing programs on money related matters, current issues, programming up degree on consistent premise that would create educated labor, make mindfulness and change mental dispositions among the experts.
6. All banks ought to distribute adequate spending plan and sends capable workers to universal gatherings and workshops to set them up for the focused learning worldwide market.
7. Human Resource Department is basic to enable the office or divisions for dealing with various issues in HRM in banks. The divisions ought to be fused with efficient human asset data frameworks and present day data innovation offices.
8. Public division banks ought to every now and again welcome staff for recommendations and their dynamic interest in gatherings keeping in mind the end goal to empower and staff fulfillment.
9. The preparation universities direct preparing programs for generally junior level bank staff. For the majority of the senior level preparing, banks rely on upon outer offices, particularly remote preparing associations. It is to better to use of greater banks preparing foundations notwithstanding for senior level as opposed to relying upon outside offices or remote associations.
10. It is recommended that worker potential ought to be assessed in light of target evaluation however not on preference. Straightforwardness in assessment and advancement approach additionally recommended.

The achievement of banks to a great extent relies on upon the scholarly advancement of the representatives. Alongside scholarly advancement of the information laborer, specialized frameworks of the bank must be guaranteed to upgrade the adequacy of the worker and the bank. The Public division banks need to take start to change in their HRM approaches and rehearses, so as to contend with

private/outside banks in present situation. Bank ought to decentralize their HR exercises in all branches and create solid HR polices. Specialist and duty ought to be legitimately conveyed to all HR supervisors. Bank ought to give some huge power and part to HR chief so as to engage the HR divisions. This will select and keep up gifted, learned and very much performed workforce to meet present and future authoritative and also singular needs. From now on, people in general segment banks in India need to use numerous chances to meet certain difficulties under the changed situation. Considering the present element worldwide business condition, the present paper for the most part centered around the current framework in saving money area in India, open segment banks need to seek after more supported HRM hone.

### References

1. Mathivanan P. A study on HRM Practices in Public Sector Banks in Krishnagiri District, IOSR journals 2013;12:4.
2. Farid Hossain Talukder Md, Yahin Hossain Md, Nahin Hossai Md. HRM practice in commercial banks: A case study of Bangladesh, IOSR Journal of Business and Management 2014;16(2).
3. Garima Shrivastava, Gupta PK. HR Practices: A comparative study of public and private sector banks in Indore.
4. Muniraja B, Sekhar HR. Management in commercial Banks in India 2014;3:12.
5. Karishma Gulati, Shikha Khera N. Role of HR Practices and KM Tools in knowledge-sharing behavior of Internal Customers at Commercial Banks in Delhi, The IUP Journal of Bank Management 2013;XII:2.
6. Mangaleswaran T, Srinivasan PT. A Comparative Study of Human Resource Management Practices in Sri Lankan and Indian Public Sector Banks.
7. Vandana Gautam, Bhatia BS. Coperative Banks and Global Financial Crisis, Indian Streams Research Journal 2011;1:V.
8. [www.rbi.org](http://www.rbi.org)