

Analytical Study of Competency Mapping and Employees Effectiveness of Private Banks in Urban Jhansi

Aiman Fatma^{1*} Dr. Manoj Kumar Mishra²

¹ Research Scholar, P. K. University, Shivpuri, MP

² Professor, Department of Management and Commerce, P. K. University, Shivpuri, MP

Abstract – Technological innovation lays down several changes which can affect the functioning of the human resource and make it simpler and faster than earlier. Human resource management has always played a very important role in improving and enhancing the performance of organization. HR is the most valuable assets of an organization which never depreciate. Build people to build the organization to build business is an accepted truth. The use of Information and Communication Technologies (ICT) facilitates the innovative ways of carrying on HR work. E-Personel management may be most powerful driving force for achieving organizational effectiveness. EHRM has made few buzzword like automation, transparency, empowerment, paperless office with least human interference, a reality which was once supposed the panacea for all the ills of workplace.

Keywords: Banking, Services, Technology

-----X-----

INTRODUCTION

With increasing competition and the banks giving importance to cost cutting which has posed challenge on minimizing expenditure not compromising on productivity. The banks adopt several IT tools for performing their HR functions such as e-recruitment, e-selection, e-training, e-compensation, etc. Personnel management provides the information required to manage HR process. The E-Personnel management provides the portal that enables employees, managers, HR professionals to view extract or alter information which is necessary for managing the HR of the organization and for making decisions quickly. An endeavor through this paper is been taken to reflect the role of e-hrm in performing the HR activities in private sector banks.

The field of HR was first evolved in 18th century Europe by Robert Owen and Charles Babbage during the Industrial revolution. They described that well-being of employee's leads to perfect work. In India also the major change in HR practice was started industrial revolution.

The practice of HR in India was started about 90 years back when the first HR department was established in 1920. With the change in scenario there has been constant change in the function as well as role of HR from record keeping to strategic partner. Industrial revolution was the transmission

phase which give rise to new manufacturing process in prior from 1820 & 1840. This phase included going from hand production method to machine production method. This leads to increase in production which require more work forces and require more new policies to be adopted by the manager to regulate work environment. In 1903 the first concept of Personnel management was established which was given by Frederick Winslow Taylor as a „Shop Management“. In 1911, the concept of Scientific Management was introduced by F.W Taylor. In his concept, he mentioned that the workers have to be used as machines for increasing the level of output. Taylor ignores social aspect of the human behaviour which was realized in late 1920 and early 1930. During the era, the visualization toward the organization has changed and Behavioral Applied Science forms the basis of HR practice. These changes give rise to Personnel Management. With the development in technology, economics and management, the shifting of Personnel Management began to Personnel management in 1960 to 1970.

Human Resource Development has assumed considerable importance in the recent years, be it business organization or a bank or an office, the development of human resource is necessary for its efficient and effective working. In an evolutionary process when developing economy struggles to attain higher levels of living it can

hardly overlook the need of developing its human resources to meet the bigger and new challenges of raising the quality of the life of masses. The concept of HRD deals with the improvement of human quality in general and development of human skills, standards, comprehensions and application in the production enterprises in particular. As such, HRD has become an important programme of all organizations not only for enhancing the production efficiency/ productivity but also to bring about qualitative improvement among the workers at different levels.

COMPENTENCY MAPPING AND EMPLOYEES EFFECTIVENESS OF PRIVATE BANKS

Human resource management is the back born of any organisation and banking sector is not exception to it. Banking being a service sector is primarily dominated by people or customers. The success of the banking business more or less depends upon the effective and efficient human resource of the banks. The service quality and customers satisfaction can be enhanced by the behaviour and hospitality of the banking employees. This sector has undergone a metaphoric change during the last three decade with respect to their human resources management practices. Further, the importance of HR department in this sector also has increased over the years. Employee recruitment, training and retention are considered to be most challenging task of modern time. There are many studies have been made covering different aspects of human resource management in banking sector more specifically in Indian context. A close review of those dispersed efforts at research field is attempted in the following paragraphs.

Training & benefits, performance appraisal policies, selection process, HR planning & recruitment approaches were found to be the significant Personnel management practices followed by insurance firms in India. Additionally, workforce diversity and competitive compensation policies were also found to be among the important Personnel management practices followed by the insurance firms.

A case study approach was used to analyse the Personnel management practices employed by two different banks in India (one private sector bank and one private sector bank). The analysis indicated that in the case of the private sector bank, the Personnel management practices and proactive communications were not efficiently followed leading to a decrease in organizational performance.

Job satisfaction was considered as the dependent variable while training, performance appraisal, team work, employee participation and compensation were employed as independent variables. Results of regression analysis indicated that except

performance appraisal, all the other independent variables exhibited a significant impact on job satisfaction of employees.

The study of Personnel management policies, practices and trends in private banks has been made mainly on the basis of secondary data. The policies and practices with respect to recruitment, selection and promotion, compensation, training and development have been studied for private and private sector private banks. There are 26 private banks operating in the private sector in India. SBI and its 5 Associate banks, 19 nationalized banks and IDBI Bank appear under the private sector. Out of 21 private sector private banks, 14 appear under old private sector banks, while the remaining 7 are grouped under new private sector banks. The data regarding all these banks and banking sectors has been gathered from different sources like the published documents, such as annual reports of the banks, manuals, office records of different Training Institutes, divisional offices and head offices of the sample banks and from other available published sources like various annual and monthly publications of Indian Banks' Association.

Public sector banks still adhere to an industry-wide wage settlement, brokered by IBA once every five years. The salary structure of all private sector banks was uniform but ideally, it has not been linked to the profitability, on the lines of private and foreign banks. Public as well as private sector bank employees and officers call for better compensation package. Comparative analysis of Personnel management policies and practices of private and private sector private banks has been done through content analysis. On the whole, thirty different Personnel management areas with respect to recruitment, selection and promotion, compensation, training and development policies of private and private private banks have been identified and compared through content analysis.

DISCUSSION

In the present competitive world, the banking sector, especially of the developing economies like India, is facing lot of tough competition, talent crunch, and skill shortage. All these have made the banks feel that the internal customer is also more important equally with external customers, so every bank is trying to devise innovative HR practices to attract best talent and give them comfortable environment to work with, that enables the banks to retain talents. The overall opinion of the employees of private sector banks is more positive towards training practices than the privately managed sectors. It is interpreted that the private sector banks is focusing much on training and thus a positive opinion is developed among the employees towards training.

Performance appraisal is done to provide better compensation and promotion to employees on the basis of their appraisal. It is observed that the system of performance appraisal is quite poor in private sector banks in comparison to public sector banks. An important aspect of all employment relations is continuity. The continuity of an employee in an organization promotes a sense of commitment and loyalty toward the organization, ultimately leading to the growth. But, it is clear from the above chart that the employees are not satisfied with the retention policy of the banks. Recruitment is a vital component of HR department of an organization. Public sector and private sector employees both agreed that recruitment is a vital component of HR department in an organization.

Training, Job-satisfaction, and Recruitment have greater positive influence on the competitive advantage of the private sector banking organization, whereas, Jobsatisfaction, Performance, Recruitment and Retention have greater positive influence on the competitive advantage of the public sector banking organization. Factor analysis for Public sector banks explores four important factors such as Justice (F1), Career growth (F2), Reward (F3), Benefits (F4) and it explores five important factors such as Compensation (F1), Recruitment and Reward (F2), Incentives and values (F3), Career Growth (F4) and Qualification (F4) for private sector banks.

Technological developments, particularly in the area of Information Technology is revolutionizing the way the banking is done. Indian banks, utilizing the latest developments in the technology, are poised for a huge growth in the world of electronic banking. It is said to be the age of E-banking, which is one of the truly widespread avatars of E-commerce the world over. E-Banking, a combination of two words, Electronic technology and Banking, is a process by which a customer performs banking transactions electronically without visiting a brick-and-mortar banking institution. It involves an extensive use of Information technology that eliminates the need for direct recourse to the bank by the customer as an umbrella term, it encompasses a number of products and services under its ambit which include ATM, debit/credit cards, phone/mobile banking and PC/Internet banking etc.

Banking, which is defined as the automated delivery of new and traditional banking products and services directly to customers through electronic channels, includes the systems that enable financial institutional customers, individuals or businesses, to access accounts, transact business, or obtain information on financial products and services through a private or public network, including the Internet. Customers access e-banking services using an intelligent electronic device, such as a Personal Computer (PC), Personal Digital Assistant (PDA), Automated Teller Machine (ATM), kiosk, or Touch Tone telephones.

CONCLUSION

Therefore, the study concludes with an analysis and suggestion on various factors affecting Mobile banking namely giving importance and taking immediate measures on security issues so that the customer shall not face the factor such as incomplete transaction and problem of network, awareness and training to customers regarding the technical aspects, and make them feel confident in adapting the mobile banking in their daily life. Since there are number of other studies that have suggested that this particular delivery channel is yet to grow towards its potential, the financial sector particularly the banks has to make the system much faster, mobility access and convenience to customers so that it reaches to all the citizens of the country.

REFERENCES

1. Daniel, Elizabeth (2010). The provision of electronic banking services in the UK and Scandinavia. *Journal of Financial Services Marketing*, 4(4), pp. 319–330.
2. Keen.P and Mackintosh.R (2011) The freedom economy Gaining the M-Commerce edge in the era of wireless internet Osborne/Mcgraw-Hill, Berkeley; CA, USA
3. Forrester Research group [Xonline] www.forrester.com, access date on 2014.
4. Hibberd, M. (2014) Put your message here, *Mobile Communication International*, pp. 40 - 44.
5. Peterson, Marcus, (2012). "A Brief History of Internet Banking", *Ezine Articles*
6. Wang, Y., Wang, Y., Lin, H., & Tang, T. (2013). Determinants of user acceptance of internet banking: an empirical study. *International Journal of Bank Marketing*, 14 (5), pp. 501-519.
7. Ashta, A. (2010). *Evolution of Mobile Banking Regulations*

Corresponding Author

Aiman Fatma*

Research Scholar, P. K. University, Shivpuri, MP