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## **HRD Policies of Regional Rural Banks in Haryana**

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**Abstract:**

*Personnel policies exist in every organization. The extent to which they are written, communicated and consistently applied may differ from organization to organization. Organization interested in maintaining the trust and confidence of their employees strives to score high on this count. The HRD policies include policies on the working conditions, wage policy, recruitment and promotion policy, training policy, policy on termination and retirement, welfare and industrial relation, etc. Objectives of the Study are :1.To examine the Employees' Views towards Management of Gramin Banks in Haryana.2. To evaluate Employees' Perception with Regard to the Attitude of Management Regarding Personnel policies. To achieve these objectives convenience sampling has been used and a field study was conducted by using a structured interview schedule filling by two hundred employees of Haryana Gramin Banks out of 1129 total employees and two hundred employees from Gurgaon Gramin Bank out of 1155 total employees. It was concluded that HRD policies are very important for effective functioning of RRBs. HRD policies provide guidelines for top management in recruitment, selection, promotion, development, compensation, organization, leadership and direction of human resources so that appropriate results and all-round development of the employees can be achieved.*

**Keywords:** Regional rural banks, human resource development policies, Haryana gram in banks, Gurgaon gram in bank

### **1. Concepts of Human Resource Development Policies**

In the organizational context, Human Resource Development may be defined as a continuous process to ensure the development of employee competencies, dynamism, motivation and effectiveness in a systematic and planned way. HRD is a process concerned with an organized series of learning activities designed to produce behavioral changes in the human resources in such a way that they acquire desired level of competence for present and future roles. In the words, HRD brings about 'all-round development' of the people so that they can contribute their best to the organization, society and the nation. (Chhabra, 2006)<sup>1</sup>

A policy is a plan of action. It is a statement of intention committing the management to a general course of action. When the management drafts a policy statement to cover some features of its personnel programmers, the statement may often contain an expression of philosophy and principle as well. Although it is perfectly legitimate for an organization to include its philosophy, principles and policy expression. Organizations need to evolve HR policies as they ensure consistency and uniformity while treating people. HR Policies help motivate and build loyalty and become benchmarks to compare and evaluate performance. (Aswathappa, 2009)<sup>2</sup>

Human resource development (HRD) policies concern the quality of the labour force and the regulation of the labour market. Quality in turn is a function of basic and higher education, training programmes and the overall health of the population. The quality and adaptability of the labour force is a key driver in creating a favourable environment for an organisation.

#### *1.1. Human Resources Policy and Planning (Nature of Human Resources Policy)*

Human resources policy provides guidelines for varied employment relationship, embracing intentions of top management in recruitment, selection, promotion, development, compensation, organization, leadership and direction of human resources. It becomes imperative in organizations involving several decision centers in view of their large size, situations demanding frequent decisions and requirements of record of decision-making criteria. In circumstances where there is no such policy, we may come across different decisions on similar personnel or industrial relations problems in different units of the same organization. (Dwivedi, 2009)<sup>3</sup>

<sup>1</sup> Chhabra, T.N. (2006). Human Resource Management. New Delhi: Dhanpat Rai and Company (P) Ltd. Publisher.

<sup>2</sup> Aswathappa, K. (2009). Human Resource Management. New Delhi: Tata Mcgraw-Hill Publishing Company Limited.

<sup>3</sup> Dwivedi, R.S. (2009). Human Resource Management. New Delhi: Vikas Publishing House Pvt.Ltd.

### 1.2. Indian Perspective on Human Resources Policy

In India, there are varied formal and informal human resources policies. Formally, the human resources policy seeks to create and evolve conditions which would lead to employee satisfaction, motivation and development as individuals. It also aims at recognizing the men and women working in an organization not as management and labour, but as human beings engaged in a common endeavor that are entitled to mutual faith and respect. High productivity is viewed as an outcome and not the aim of human resource policy. (Kalsi, 1977)<sup>4</sup>

### 1.3. Need and Significance of HRD

HRD plays a vital role in the success and growth of an organization in the following ways:

1. HRD improves the capabilities of people by making them better aware of the skills required for job performance and by improving clarity about performance standards. HRD strengthens executive skills.
2. HRD improves communication system in the organization. Every member better understands the expectations of other members from his role.
3. HRD helps an organization in procuring the right people at the right time and in making their effective use. For the development of rural economy different approaches were spelt out and different government programmes started since the inception of planning in 1951. The main thrust of these programmes was to strengthen the socio-economic development in the rural areas, alleviating rural poverty generating employment opportunities and reducing regional disparities.
4. HRD improves employee commitment to the organization due to greater objectivity in the administration of rewards. Contributions of employee through succession planning in a better way.
5. HRD provides an opportunity for continuous and all round growth of employee through succession planning and career planning.
6. HRD improves collaboration and teamwork. Employees become more open and trust each other.
7. HRD improves problem solving and adaptation skills of employees. They become more innovative, proactive and risk taking. Resistance to change is reduced.
8. HRD generates a lot of useful data which facilitate human resource planning and control. (Gupta, C.B, 2003)<sup>5</sup>

### 1.4. HRD Policies in RRBs of Haryana

Personnel policies exist in every organization. The extent to which they are written, communicated and consistently applied may differ from organization to organization. Organization interested in maintaining the trust and confidence of their employees strives to score high on this count. The HRD policies include policies on the working conditions, wage policy, recruitment and promotion policy, the training policy, policy on termination and retirement, welfare and industrial relation, etc., Important aspects of personnel policies of RRBs in Haryana have been explained in the following paragraphs.

## 2. Objectives of the Study

1. To examine the Employees' Views towards Management of Gramin Banks in Haryana.
2. To evaluate Employees' Perception with Regard to the Attitude of Management Regarding Personnel policies.

## 3. Methodology of the Study

A research design is a plan according to which observations are made and data is assembled. It provides the empirical and logical basis for drawing conclusions and gaining knowledge. For accomplishing the objectives of the study both secondary and primary data have been utilized. The study is mainly based on secondary data collected from various sources.

### 3.1. Primary Data

The primary data has been collected through structured interview schedule conducted with officials and employees of the various RRBs. In order to evaluate the employees' satisfaction with regard to existing personnel policies, a field study was conducted. The respondents were personally interviewed and information was collected from employees and other official of the banks in order to collect first hand information. This has been followed by a discussion and personal interviews of the informal nature at the head office and branches of both of the banks. In total, 400 employees working all over the state were selected by using convenience sampling<sup>6</sup>. Two hundred employees were taken from Haryana Gramin Banks out of 1129 total employees and two hundred employees were taken from Gurgaon Gramin Bank out of 1155 total employees.

The structured interview schedule was aimed at collecting data pertaining to employee satisfaction with regard to different aspects of HRD policies, i.e. training system, promotion policy, recruitment system, organizational climate, salary structure, etc. and for analyzing all the above said aspects of HRD policies by using a 5 point scale and 7 point scale.

<sup>4</sup> Kalsi, B.S. (1997). Personnel Management-The Indian Scene. Bhonsle, Y.B. (Eds.), New Delhi: S.Chand and Company Pvt. Ltd.

<sup>5</sup> Gupta, C.B (2003). Human Resource Management. New Delhi: Sultan Chand and Sons Educational Publisher.

<sup>6</sup> Convenience Sampling: In this type of non-probability sampling, the choice of the sample is left completely to the judgment of the researcher. The researcher obtains the sample according to his convenience.

#### 4. Detail Explanation of the Concept

Sr. No.	Statements	To very high extent	To high extent	To some extent	Not at all	Do not know	Total
1	The members of management committee are honest	192 (48%)	130 (32%)	26 (7%)	44 (11%)	8 (2%)	400
2	They take timely decision	128 (32%)	168 (42%)	72 (18%)	16 (4%)	16 (4%)	400
3	They are action oriented.	108 (27%)	204 (51%)	48 (12%)	4 (1%)	36 (9%)	400
4	They exercise proper supervision on the overall activities of the bank.	116 (29%)	112 (28%)	144 (36%)	16 (4%)	12 (3%)	400
5	They are conversant with both the principles & bye- laws	84 (21%)	208 (52%)	80 (20%)	16 (4%)	12 (3%)	400
6	The members of management committee are well aware about their roles & responsibilities	148 (37%)	168 (42%)	60 (15%)	16 (4%)	8 (2%)	400

Table 1: Accepted Employees' Views towards Management of Gramin Banks in Haryana

Note: - Figures in parentheses indicate the percentage of row total

- Employees' opinion pertaining to management committee was shown in above table which depicted that 48 per cent of the respondents were of the view that members of the management committee were honest "to very high extent", 32 per cent of the respondents expressed their views for "to high extent", 7 per cent "to some extent", 11 per cent have opined in favour of "not at all" and very few i.e. 2 per cent of the respondents did not express their opinion.
- As far as the management capabilities to take timely decision is concerned, 128 respondents constituting 32 per cent have opined "To very high extent", 168 respondents constituting 42 per cent in favour of "To high extent", whereas 18 per cent and 4 per cent of the respondents expressed their view in favour of "To some extent" and "not at all" respectively. A small number of respondents i.e. 4 per cent did not express their opinion.
- Numbers of respondents who have expressed their views members regarding the management committee are action oriented. Out of the total 400 respondents, 48 representing 12 per cent were in favour of "to some extent" 108 respondents constituting 27 percent and 204 respondents constituting 51 per cent were in favour of "to very high extent" and "to high extent" respectively & only 9 per cent of the respondents did not express their opinion.
- Employees' opinion pertaining to management committee was exercise proper supervision on the overall activities of the bank. 116 respondents constituting 29 per cent were in favour of "to very high extent", 112 respondents constituting 28 per cent were in favour of "to high extent", 144 respondents constituting 36 per cent were in favour of "to some extent", 16 respondents constituting only 4 per cent were in favour of "not at all" and 3 per cent did not express their opinion.
- A large number of respondents, 208 i.e. 52 per cent were of the view that members of the management committee are conversant with both the principles and bye-laws of the bank up "to a high extent" while 84 respondents, i.e.21 per cent and 80 respondents, i.e. 20% percent expressed their views up "to very high extent" and "to some extent" respectively.
- As far as the awareness about the role & responsibilities of the members of committee are concerned, 148(37%) and 168(42%) of the respondents narrated that they are aware about their roles & responsibilities up "to a very high extent" & "to high extent" and 60 (15%) percent up "to some extent". However, 2 per cent did not express their opinion.

Sr. No.	Variables	-3	-2	-1	0	1	2	3
1	Training	14	18	24	25	110	122	87
2	Job rotation	15	26	30	32	119	90	88
3	Man power planning	10	36	31	35	127	108	53
4	Recruitment & selection	10	19	23	25	89	110	124
5	Motivation	9	23	20	31	122	129	66
6	Healthy work atmosphere	24	21	23	35	117	87	93
7	Transfer policies	55	60	82	16	59	58	70
8	Promotion policy	45	120	116	22	34	23	40
9	Employer employee Relationship	28	20	26	6	115	110	95
10	Salary structure	16	49	33	11	60	135	96
11	Welfare facilities	19	35	32	22	168	56	68

Table 2: Employees' Perception with Regard to the Attitude of Management Regarding Personnel policies

Note:

- (-3) Highly Negative
- (-2) Moderately Negative
- (-1) Slightly Negative
- (0) Undecided
- (1) Slightly positive
- (2) Moderately Positive
- (3) Highly positive

#### *4.1. Training*

Above table shows that majority of respondents opined that the management is moderately positive towards training. So, it can be said that positive attitude of the management towards training will definitely play a vital role in enhancing the standard of training.

#### *4.2. Job rotation*

Above table shows that job rotation was seen as positive as large numbers of respondents have viewed accordingly. It may be concluded that the management should develop positive thinking on job rotation to increase the level of satisfaction of employees for producing better results which will enhance the performance of bank significantly.

#### *4.3. Manpower Planning*

Above table shows that management is slightly positive with regard to manpower planning meaning thereby that allocation of right man for the right job. Further, it can be said that management must be highly positive with regard to manpower planning so that encouraging results can be achieved and ultimately improving the operational efficiency of the bank.

#### *4.4. Recruitment and Selection*

Above table shows that majority of employees have opined a highly positive attitude of management towards recruitment and selection, so it may be concluded that positive attitude of management towards recruitment and selection will play a crucial role in enhancing employees' satisfaction over the recruitment and selection system.

#### *4.5. Motivation*

The above table shows that most of the employees have expressed their satisfaction pertaining to the management attitude towards motivation among the employees which is viewed as slightly & moderately positive. Hence, one can say that management must develop a thinking of positive attitude towards motivation among the employees so that a healthy work culture would be established.

#### *4.6. Healthy Work Atmosphere*

Above table shows that the management is slightly positive toward a healthy work atmosphere in the bank. So, it can be said that management may create a positive attitude which may be a contributing factor in increasing the level of satisfaction among the employees.

#### *4.7. Transfer policies*

Most of the employees have not expressed their satisfaction pertaining to the management attitude towards transfer Policies.

#### *4.8. Promotion Policy*

Above table shows that almost all the respondents have observed a highly negative attitude of the management towards promotion policy.

#### *4.9. Employer-Employees Relationship*

A majority of employees were of the view that the management is moderately and slightly positive with regard to maintenance of employer-employee relationship.

#### *4.10. Salary Structure*

Above table shows that majority of employees have observed that the management has a highly positive attitude towards salary structure. It can be concluded that this positive attitude will play a crucial role in enhancing the performance of employees and increase the employees' satisfaction over existing salary structure.

#### *4.11. Welfare Facilities*

Above table shows that most of the employees have expressed a positive attitude of management towards welfare facilities provided by the bank. It can be inferred that the positive thinking of management towards welfare facilities may increase the level of satisfaction among employees, which will further enhance the performance of the bank significantly.

At last, it may be concluded that HRD policies are very important for effective functioning of RRBs. HRD policies provide guidelines for top management in recruitment, selection, promotion, development, compensation, organization, leadership and direction of human resources so that appropriate results and all-round development of the employees can be achieved. HRD policies generate a system and process involving organized series of learning activities designed to produce behavioral changes in human beings in such a way that they acquire the desired level of competence for present or future role. HRD is a process, not merely a set of mechanisms and techniques. The technique like performance appraisal, counseling, training and organization development is used to initiate facilities and promote this process. The process has no limit and, therefore, the techniques have to be reviewed and revised periodically.

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## Part-B

**Employees' attitude towards management regarding performance, evaluation in respect of:  
Please give your fair view by ticking any one on 7 point scale.**

a)	Training	-3	-2	-1	0	1	2	3
b)	Job Rotation	-3	-2	-1	0	1	2	3
c)	Man Power Planning	-3	-2	-1	0	1	2	3
d)	Recruitment, Selection and Placement	-3	-2	-1	0	1	2	3
e)	Motivation	-3	-2	-1	0	1	2	3
f)	Healthy Work Atmosphere	-3	-2	-1	0	1	2	3
g)	Transfer policy	-3	-2	-1	0	1	2	3
h)	Promotion Policy	-3	-2	-1	0	1	2	3
i)	Employer/Employee Relationship	-3	-2	-1	0	1	2	3
j)	Salary structure	-3	-2	-1	0	1	2	3
k)	Welfare facilities	-3	-2	-1	0	1	2	3

Table 2

Note:

- (-3) Highly Negative
- (-2) Moderately Negative
- (-1) Slightly Negative
- (0) Undecided
- (1) Slightly positive
- (2) Moderately Positive
- (3) Highly positive