

Human Resource Planning: Way to Internal and External Fitness in Banking Sector

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Abstract: *Planning of Human Resource is very important for the success of any organization including bank. In bank there is direct relation among customers and bank employees while in other companies there is no direct relationship of employees with their customers. Human Resource Planning (HRP) is really a way to external and internal fitness in the bank. This topic has been chosen to know that how HRP affects the internal and external fitness in the bank. These fitness will help to improve the work culture of bank and maintain pleasant working environment. This will lead to the satisfaction of the customers as well as employees. Employees will work enthusiastically and customers will invest more in the particular bank and ultimately this will help to increase the GDP of the country. This article is based on primary data as well as secondary data. Different internal and external issues are analyzed like insecurity of sustenance of job, link failure, interest rate, Available Minimum Balance, employee's behavior, security and concluded that some improvement in HRP process can remove all these issues and become the way to internal and external fitness in banking sector.*

Date of Submission: 10-01-2020

Date of Acceptance: 27-01-2020

I. Introduction

Human Resource Planning is very necessary for the success of any organization. Other resources are useless if there is no Human Resource. Human Resource is the backbone of any organization. HRP means planning of human power or distributing their work in different sectors according to their eligibility. In case of banking sector HRP plays a very important role because it works on the direct relationship among bank employees and customers. In any other companies customers are concerned with the product of company only. So there is no direct relation between company and customer. But in bank, bank employees deal directly with customers hence HRP play a very important role here. Human Resource Planning is a way to internal fitness means good HRP includes proper recruitment i.e. expert employees will be recruited, salary is adequate and on time. This provides satisfaction to the employees. Training is also necessary that upgrade and update the knowledge of the employees with new technologies. Performance appraisal is also the part of HRP. By appraising the performance of the employees, employer would be able to aware that where promotion is necessary, where rewards, training, transfer is necessary and according to need necessary action is taken. These all lead to belongings, honesty among employees towards the bank. If all these HRP is done in proper way, then these improves the employee-employee, employee-employer relation which leads to peaceful and pleasant working environment and it reduces absenteeism. Effective HRP reduces scarcity or surplus of employees in the bank which reduces work pressure of the employees and also reduces loss to the employer of the bank respectively. HRP is a way to external fitness means effective HRP helps to increase goodwill of the bank. Loyalty of customers towards the bank also increases. More candidates will be attracted to apply for the job of this bank. Proper HRP also increase the reliability of the bank to the customers. More customers will be attracted towards this bank which leads to increase of profit of the bank.

Objectives

- I.** To know the issues of bank employees (internal fitness)
- II.** To know the issues of demand of customers (external fitness)

Methodology

This article is based on both the primary as well as secondary data. For primary data collection, I have visited the banks i.e. SBI, Bank Of India, Bank Of Baroda, Canara Bank. Secondary data is collected through books, internet, journals etc.

Finding/ Analysis:--

The Issues Of Bank Employees (Internal Fitness) Includes:--

Table-1

<ul style="list-style-type: none"> • Insecurity of sustenance of job. • (NPA) • Failure of Link • Pending of retirement benefit • Work culture 	<ul style="list-style-type: none"> • Since nationalization, several banks are being merged. These mergers create insecurity among employees for the sustenance of their job. • Non-Performing Assets (NPA) or bad loans bring loss to the bank which ultimately creates work stress among the employees. • Link failure works as a bottleneck for the employees. It causes disturbance, irritation, wastage of time, delay of work of the employees working in the bank. • For the sustenance of life and fulfilling other requirements money is always needed. After retirement, pending of retirement benefit causes frustration among the employees • Different banks have different work culture. Satisfaction level of work culture of different banks is different.
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Table-2 The issue of demand of customer (External Fitness) in the bank includes—

<ul style="list-style-type: none"> • Number of branches in rural areas • Number of employees • Interest rate • Number of counter • Non-Maintenance Of Available Minimum Balance(AMB) • Link Problem • Security • Complaint Box Response • Employees Behaviour • Growing pressure of Politicians • Non-Performing-Assets (NPA) • Service Provided 	<ul style="list-style-type: none"> • The number of branches of different banks in rural areas is insufficient which causes rush of the customers. That takes more time for any banking work i.e. transaction or other work. • In many banks, number of employees is not sufficient as there's work load. Employees have to work more. It causes frustration among employees. • High interest rates on saving or F.D. account attract more number of customers to invest more in that bank. In comparison to private bank, the interest rate of public sector bank is less. • Number of counter (window) in the bank is not sufficient according to number of customer's services. • If someone does not maintain AMB, under the revised rules, the individual will be charged. • Link problem hamper the work of the customers because every work in the bank is based on the internet link. A link problem creates difficulties to the customers work. • Customers feel insecure in the particular bank because it is always heard that heavy amount is debited from the account by the hackers. • The complaint box response is not frequent which creates dissatisfaction to the customers. • Employees' behavior towards the customers is not familiar in many banks that creates dissatisfaction among the customers towards the bank. • Political Pressure creates a bottleneck in the normal functioning of bank • Non-Performing Assets (NPA) or bad loans means when a loan payment has not been done on time. NPA hinders the growth of the bank and creates obstacle in lending money to the customer • Different Services provided to the customer in nationalized bank is not better than Pvt. Bank. Hence customers diverts towards the Pvt. Bank.
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Table-3 Table Name-Number of Branches In Rural Areas

SBI	BOI	BOB	Canara Bank
8000	2000	2930	645
Sufficient	Less sufficient	Less sufficient	Less sufficient

SBI is having sufficient number of branches in rural areas. It is 8000 in number. While BOI, Bank Of Baroda, Canara Bank having less sufficient number of branches in rural areas.

Table-4 Table Name- Link Failure

SBI	BOI	BOB	Canara Bank
Less frequent	More frequent	Less frequent	More frequent

The figure indicates that the condition of link failure is less frequent in SBI and Bank Of Baroda and it is more frequent in Bank Of India and Canara Bank.

Table-5 Table Name- Banks ranked by Business size (March, 2019)

Banks Name	Business (Rs. Cr.)	Market Share (%)
SBI	52.05	22.5
PNB+OBC+United Bank	17.94	7.7
Bank of Baroda+VijayaBank+Dena Bank	16.13	7.0
CanaraBank+Syndicate Bank	15.20	6.6
Union Bank+Andhra Bank+ Corporation Bank	14.59	6.3
Bank of India	9.03	3.9
Indian Bank+ Allahabad Bank	8.08	3.5

Table-6 Table Name- Interest rate

SBI	BOI	BOB	Canara Bank
6.25% (FD) 6.75% (FD) for senior citizens	5.00% to 6.25% (FD)	4.75% to 6.55% (FD)	6.00% to 6.40% (FD)
3.25 % to 3.00% p.a.- Saving bank deposits	4.00% p.a.- saving bank deposits	5.00% to 6.80% saving bank deposit	3.50% to 4.00% p.a.- saving bank deposits
Private Bank HDFC Bank —3.5% to7.30(FD) 4% p.a.on saving account			

Table No-7 Table Name- Non maintenance of Average Monthly Balance (AMB)

AMB of Rs. 3000 at Metro and Urban Centre Branches Short fall<= 50% : Rs. 10 + GST Short fall> 50-75% : Rs. 12 + GST Short fall> 75% : Rs. 15 + GST
AMB of Rs. 2000 at Semi-Urban Centre Branches Short fall<= 50% : Rs. 7.50 + GST Short fall> 50-75% : Rs. 10 + GST Short fall> 75% : Rs. 12 + GST
AMB of Rs. 1000 at Rural Centre Branches Short fall<= 50% : Rs. 5 + GST Short fall> 50-75% : Rs. 7.50 + GST Short fall> 75% : Rs. 12 + GST

Table-8 Table Name- Employees behavior

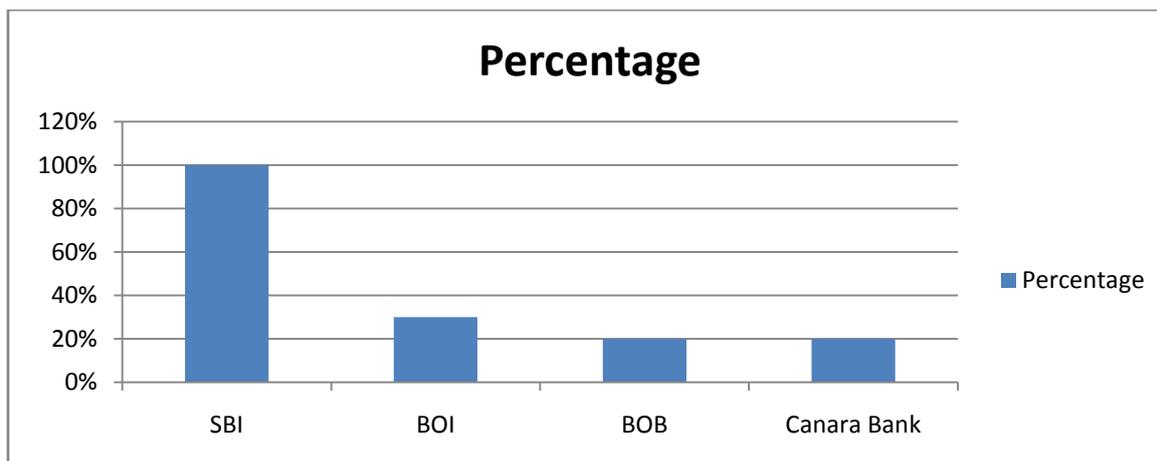
SBI	BOB	BOI	Canara Bank
Very Good	Very Good	Good	Good

The above data indicates that the behavior of employees of SBI and Bank Of Baroda towards customers is very good.

Table-9 Table Name-Employees are satisfied with the work culture

Name of Bank	Percentage
SBI	100%
BOI	30%
BOB	20%
Canara Bank	20%

The above data indicates that the satisfaction of employees with the work culture of SBI is 100%,in Bank Of Baroda it is 20%, in Bank Of India it is 30% and in Canara Bank it is 20%.



Graph No.-1

Table-10 Table Name- Number of counter

SBI	BOB	BOI	Canara Bank
Less Sufficient	Less Sufficient	Less Sufficient	Less Sufficient

The figure indicates that the number of counters of these all banks i.e. of State Bank Of India, Bank Of Baroda, Bank of India and Canara Bank are less. Hence it creates problem to the customer to get their work done.

II. Conclusion

In this study we saw different internal and external fitness in banking sector which is controlled by proper Human Resource Planning. HRP is really backbone of any organization. Different issues of bank employees (internal fitness) like NPAs, failure of link, insecurity of sustenance of job, work culture etc. and different issues of bank customers (external fitness) like interest rate, security, employees behavior towards customers, political pressure etc. are studied and concluded that all these issues can be removed if some improvement of planning of Human resource is done. There should not be condition of link failure. Retirement benefit should be given on time. Similarly number of employees should be sufficient in every branch of the bank. Because it reduces the work pressure. Interest rate should be more so that it attracts the customers more. Security in the banking services should be increased so that customers feel safe.

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Bushra Alam, et al. "Human Resource Planning: Way to Internal and External Fitness in Banking Sector" *IOSR Journal of Business and Management (IOSR-JBM)*, 22(1), 2020, pp. 07-10.