

**STUDY OF STRATEGIC HUMAN RESOURCE
MANAGEMENT IN UNION BANK OF INDIA
DEHRADUN, UTTARAKHAND**

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Abstract

This paper presents the results of a study on the strategic human resource management in the Union Bank of India, Dehradun based on the perception of employees working in different branches/ offices ; across various levels ; having different qualifications; lengths of service and including both male and female respondents. The results have been analyzed so that these can be made use of by the bank to meet their objectives in a better way and to refine human resource management policies and approaches so that optimum results can be obtained for the benefit of society.

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INTRODUCTION

Strategic Human Resource Management is the process of developing practices, programmes and policies for management of human resources that help in achieving the organizational objectives. It is an effective way of organizing and managing human resources by adopting a well defined strategy of meeting the organizational goals. It is a new approach for managing human resources in an organization as compared to the traditional approach. (Aswathappa 2010 Mello 2002 and 2003) HRM needs to be aligned with the objectives, culture and strategy of the business organization. (Pfeffer 1994 and Rao 2005)

Commercial banks are playing a major role in the sustenance and growth of business in India, with Uttarakhand being one of the youngest states of the country. Dehradun, the capital of this state is a hub of commercial and developmental activity. Strategic Human Resource Management has an important role in functioning of the banks and other business organizations and it is important to understand the perception of the employees on SHRM for evolving this process which will help in better delivery of services and attaining the objectives.

NEED FOR THE STUDY

In today's fast changing business world, the role of commercial banks has become very important as they provide the mechanism for almost all financial transactions to take place. Amongst commercial banks, the public sector banks account for bulk of the transactions in India. (Negi 2013)

Thousands of employees of all levels working in commercial banks in India contribute significantly for meeting the long and short term objectives of the organization as a whole; also for industrial growth; rural development; growth of the small and medium scale sector and promoting entrepreneurship. Most of these employees are fairly well educated and trained, passing through a specified recruitment process which includes written test and interviews.

Strategic Human Resource Management has a major role to play in meeting the objectives of the commercial banks in India and the human resources available working in these banks can contribute significantly for focused delivery of banking services. Thus the need for

studying the perception of employees on SHRM so that recommendations may be drawn for focused outcomes. These help in attaining the long and short term goals for benefit for the society.

Perception of the employees on various issues including SHRM at multiple levels in a vital tool for evolving the overall SHRM policy and practices of the commercial banks in India. This is a major input for the bank management while formulating and implementing SHRM.

STUDY AREA

Dehradun city, the capital of the state of Uttarakhand, with a fast growing economy both in the urban and rural sector has been taken as the study area. The state of Uttarakhand comprises of rural and urban areas both in the mountainous and plains regions and Dehradun is the commercial as well as administrative capital of the state. After formation of the state in the year 2000, the banking sector in Dehradun has grown manifold.

The Union Bank of India has been taken as representative of the public sector commercial banks in Dehradun city for this study. Hence this study has been undertaken for bringing out valuable information which will help the bank to meet their objectives in a better way and to refine human resource management policies and approaches so that optimum results can be obtained for the benefit of society.

UNION BANK OF INDIA

Union Bank of India was established on 11th November 1919 with its head quarters in the city of Bombay now known as Mumbai. It is playing a very proactive role in the economic growth of India and its extending credits for the requirement of different sectors of economy. Industries, exports, trading, agriculture, infrastructure and the individual segments are the sectors in which the bank has deployed the credit to spur economic and to earn from a well diversified portfolio of assets.

RESEARCH METHODOLOGY

This research study on strategic human resource management in Union Bank of India, Dehradun based on the perception of employees was carried out by the author. The methodology adopted for this study has been outlined in brief in the following points:

1-Preliminary survey

A preliminary survey of various commercial banks in Dehradun was conducted for selecting the banks in which this study would be done. The selection criteria included banks located in the city centre, in suburban areas and those functioning in the premises of reputed institutions like the Forest Research Institute and Wadia Institute of Himalayan Geology Dehradun.

2-Selection of banks

The Union Bank of India was taken as representative of the public sector commercial banks in Dehradun. Five branches and one regional office of this bank were selected for the study on random basis but with a view to cover branches in diverse locations.

The following branches / offices were selected on random basis for this study for collection of data:

- Forest Research Institute Branch.
- Prem Nagar Branch.
- Patel Nagar Branch.
- Wadia Institute of Himalayan Geology Branch.
- Main Branch, Opposite Gandhi Park.
- Regional Office of UBI at Rajpur Road.

3-Introductory visits

Introductory visits were done in all the branches and regional offices of these banks listed above for familiarization and collection of preliminary data such as annual reports, number of employees and their levels, strategic human resource management practices and its role in functioning of these banks.

Preliminary discussions were carried out with the senior management at various branches and regional offices to facilitate the process of questionnaire formulation and other methods for data collection for the study.

4-Development of hypothesis

The following hypothesis has been developed:

- a- SHRM is important for achieving the objectives of the banks.
- b- SHRM should be the driving force for bank management and administration.
- c- SHRM needs to be strengthened in these banks.

5-Collection of primary data

Primary data for this study was collected mainly through questionnaires to study the employee's perception on SHRM in these banks through the selected branches and regional offices. These questionnaires were designed in consultation with experts of the FRI University so that all aspects of the perception on SHRM could be adequately brought out.

They were distributed randomly to senior and middle level employees and some lower level functionaries in these branches and regional offices and were requested to fill them. The purpose of the study was also explained to the respondents. The duly filled in questionnaires were collected usually on the next working day or in a few cases the same day.

Informal interviews with the employees have also generated primary data for this study and helped in understanding the perception of the employees and give suggestions for SHRM in these banks.

5-Collection of secondary data

Secondary data for this study has also been generated through the following sources-

- Published data such as annual reports.
- Unpublished reports.
- Web sites.

6-Data analysis

The data collected as a part of this research study has been analyzed by using standard statistical software and presented in the following chapter. Detailed conclusions have been arrived at on the basis of this and form part of the conclusions of this study. These would be of help to the banks in particular and management students in general for understanding SHRM processes and improving these for meeting the objectives of the organization.

SAMPLING PROCESS

The details of the sampling process adopted as a part of this study are:

- a- **Sampling method:** Convenience/ random sampling.
- b- **Sample size:** 71 respondents
- c- **Sampling units:** Senior and middle level employees of these banks and a few lower level functionaries.
- d- **Sample area:**
 - 5 branches
 - 1 regional office
- e- **Population details:** The population sampled comprised of senior and middle level employees and in a few cases lower level functionaries working in these branches and regional offices. The regional heads of the Union Bank of India and chief manager also formed part of the respondents for the questionnaires.

The respondents included:

- Female and male employees.
- Employees with different lengths of service in the bank
- Employees with different qualifications
- Employees posted in the branches and regional offices of these banks.

RESULTS AND CONCLUSIONS

Very interesting results have been generated on the basis of this study carried out in the Union Bank of India Dehradun.

Detailed results and conclusions based on the analysis of questionnaires and other data gathered from primary and secondary has been given in the following points.

1. A large proportion of the employees agree that Human Resource Management is important for day to day functioning of the bank and it is linked to the overall strategy of the Union Bank of India. This is true for both male and female employees; persons with different qualifications and lengths of service in the bank.
2. Most employees have responded positively that regular internal and external trainings are conducted in the bank. However, relatively more post-graduates and persons with less than 10 years service do not feel that this is true.
3. About half of the employees agree that there is participation of employees in the decision making process of the bank and employment or job security in the bank is linked to performance of individuals. Negative response is more amongst graduates and employees with less than 10 years of service.
4. The level of satisfaction of Performance Appraisal System is moderate with only about half of the employees agreeing that it is satisfactory and less than half agreeing that it is result oriented. More employees holding post-graduate qualifications and those with less than 10 years of service have positive response.
5. A considerable proportion of employees agree that internal career opportunities are available in the bank. Disagreement level is more amongst males; graduates and persons with less than 10 years of service.
6. Less than half of the employees covered feel that well designed work targets are assigned to the employees each year and career guidance is provided to them. More male employees, those with various qualifications and with less than 10 years service have responded negatively.

7. According to this study, less than the half employees agree that postings in the bank are linked to the knowledge, skills and abilities of the employees. More male employees, those with various qualifications including simple matriculates and those with less than 10 years service have responded negatively.
8. A large proportion of the employees agree that SHRM helps in achieving the objectives of the bank; employee motivation is important for improving the productivity; employee participation in decision making is important for increasing productivity and the business management needs of the bank have an effect on human resource policies and strategies. The disagreement levels are relatively lesser on these questions.
9. Less than half the employees feel that the bank provides enough HRM inputs for improving quality. There is relatively more disagreement amongst post graduates and those with less than 10 years of service.
10. The perception of most employees is that the bank management works with unions and associations in developing and implementing human resource strategies. The disagreement levels are relatively lesser under all categories.
11. It is felt by a majority of employees in the Bank that each branch of the bank does not have a separate Human Resource strategy. This view has been expressed by all categories.
12. The Human Resource Policy has changed over the last five years and bank employees are expected to be innovative and take risks. This perception has been expressed by majority of respondents in UBI.
13. Most of the employees of Union Bank of India agree that team work is encouraged in the bank
14. Majority of respondents feel that management gives importance to results rather than on processes and techniques. Male employees are dominant amongst those with negative response.
15. However, the perception of the employees of the Union Bank of India is that salary structure is not based on performance of the employees. The number of female employees who agree is more.

16. A larger proportion of employees of various backgrounds agree that human resource management strategies should be dynamic in nature.
17. An overwhelming proportion of employees of UBI feel that Human Resource Strategies should change from time to time.

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