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Title

**MANAGING HIGH PERFORMANCE IN BUSINESS
ORGANISATIONS: COMPONENTS OF EXCELLENCE**

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Abstract:

Performance is assuming crucial significance for success in business in the relatively volatile environment caused by the globalization, liberalization, and privatization. Further, new performance standards are required to manage new economy businesses centered on the high technology, telecommunications, information technology, and service- related businesses. These new developments and competitive environments demand productivity, efficiency, and growth through performance strategies. This paper argued for parameters of high performance for competing organizations.

Introduction:

Corporate face unprecedented changes taking place in the business environment, primarily caused by the unleashing of liberalization, privatization, globalization, information technology and the associated competition. Organisations today need to be in readiness to effectively take on challenges emerging from the market driven and customer focused external systems. To meet these challenges, organisations world over are becoming increasingly aware of the importance of performance in organisational effectiveness. Therefore, high performance assumes significance in the functioning of business organisations. Though performance management has always been a vital dimension but now it becomes an evitable for survival in the intense competitive environment. Organisations strive to achieve performance excellence to boost top- line, cost management, and bottom line. To ensure that corporate goals are being accomplished effectively and efficiently, high performance management processes are widely used by corporate. Components of these processes are always in flux and identification of new is never ending exercise in response to changes in business environment. An effective performance oriented culture constitutes these components, which is key to success. To build the culture requires defining and operationalizing the corporate business framework. Subsequently, organisations have to evolve routes to bring about excellence. The vital components of performing organisation are conceptualized and presented as follows:

Performing Vision

Productivity & Efficiency

Managing Growth & Expansion

Leading Change

Leadership for Performance

Linking Pay with Performance

Providing Excellent Career Opportunities

Building Performing Teams

Training & Development for Excellence

The routes on which organisations have to work to bring about corporate performances have been discussed here:

Performing Vision- Live wire for Cohesive Performance

Corporate needs to spell- out a vision to achieve a high performance. A vision has a future orientation. It serves as basic pillar to define policies and set the guidelines. Vision helps a Corporate to be focused on his overall needs and priorities. It gives clear objectives & goals and removes ambiguities related to what is high performance and what is under performance within the organisation. Effective vision stimulates an organisation- wide process of reflection, discussion, questioning, and often results in a redefining of the organisation's business models. Performing organisation creates a vision that gives meaning to employees. Singapore Airlines: "Concern for staff" is one of the core visions of the organisation. The vision states, "We value our staff and care for their well- being. We treat them with respect and dignity". Corporate mission and vision statements are explicitly included HR goals and objectives. Bank is not an exception. Each Bank has its own Mission & Vision towards business excellence. Punjab National Bank(PNB) has its Mission which reads "a leading, dynamic Filipino financial services group with a global presence committed to delivering a whole range of quality products and services that will create value and enrich the lives of our customers, employees, shareholders and the communities we serve". The long term Vision of PNB is- developing competitive advantage on a sustained basis by anticipating changes in customer's preferences and in the manner of doing business. Bank of India's Vision is "to become the bank of choice

for corporates, medium businesses and up market retail customers and to provide cost effective developmental banking for small business, mass market and rural markets". The vision statement of SBI is "Premier Indian financial services group with global perspective, world class standards of the efficiency and professionalism and core institutional values." Allahabad Bank's Vision is "To put the Bank on a higher growth path by building a Strong Customer-base through Talent Management, induction of State-of-the-art Technology and through Structural Re-organization". Therefore, Clarity of organisational goals and what constitutes a high performance through vision statement is essential for channeling for cohesive performance.

Productivity and Efficiency –Key Drivers for Superior Performance

The efficiency and productivity improvement process had been undertaken to enhance performance through continuous improvement in work process. Performing organization has always been interested in and receptive to ideas on how to improve productivity and efficiency. While improving the productivity and efficiency focus is on improving internal systems and processes, as well as those externally connected to suppliers and customers. HLL delivered performance through cost reduction and supply chain initiatives, a string of divestment of non-core businesses and tight rein on investments. Cost and capital efficiencies have larger role when demand conditions are poor. Productivity and efficiency improvement is an ongoing process. To stay ahead of intensifying competition, a company has to work constantly on improving productivity and efficiency. The improvement process is a sequence of steps, tasks, or activities that is linked with inputs, throughput, and output. The sequence of steps can be the activity of one person, or a department, or to entire organisation in order to provide added benefits to the organisation. Effective organizations efficiently utilize his capital. Service –oriented industries like Banks, therefore, focus on (i) to alter the unfavourable age profile of employees(ii)Induct young recruits.(iii) to Provide faster promotions to boost employee productivity.(iv) to Rapid infusion of technology would call for redeployment of staff.(v) to Provide for lateral entry of skilled workforce in areas in IT, Risk Management, Treasury, marketing, economic analysis etc. Therefore, in the present context Operational efficiency is most important for performance management in Banks.

Managing Growth and Expansion- Hall marks of Global Competitiveness

Performing organisations like Infosys carefully cultivated a reputation of correlating growth and profitability. Infosys attempts to grow its business in tough times and diversify into higher value added services such as IT consulting. To achieve performance excellence, an organisation must learn to create and excel in new growth and expansion opportunities. Growth and expansion means need to acquire business that would further strengthen those businesses that were already strong. It has innovated a new training product to cater to the fast growing IT- enabled services training segment. NIIT has made three acquisitions during 2002. These acquisitions will help the company to enter into new overseas markets. Organization tends to achieve growth & expansion through continuous revitalization of strategy, organisation, and people. Restatement of market and re- designing the organisation in terms of system, process, and structure supports the revitalization process to accommodate the growth & expansion. Growth often leads to business diversification. The diversification has to be built upon core- competencies. Globalization has offered tremendous opportunities for growth by geographical expansion. Managing high performance requires linking growth with efficiency initiatives. Emphasis on efficiency may lead to under performance if the organisation does not have the growth opportunities. Innovation plays a crucial role in growth-linked performance. Innovation capacity of growth-based organisation is four times more than other organisations. Corporate can take the path of growth by innovation, geographical expansions, diversification of business, and merger & acquisitions. Growth based organisations do not participate in markets but they define, redefine and extend markets in which other organisations do participate. Growth based organisations give new niche to industry. They exit and further begin to explore new growth opportunities as the niche becomes saturated. Another peculiar characteristic of growth is that organisation can learn to grow. Growth based organisation shows performance in terms of monetary gains. It further gives the strength to organisation to be agile in future growth and expansion plan. Growth follows a positive growth cycle. Growth successfully captures the advantages of their privileged positions for further growth and continues spiraling up. In this sense, growth and expansion provide a wide range of activities related to performance within the organization.

If we look at the Banking Industry in India we find that it is sufficiently capitalized and regulated. The economic and financial conditions here are better than in any other country.

Liquidity, credit, and market studies have proven Indian banks to be resilient. They have negotiated the downturn in the global economy well in 2008 and are also successfully negotiating the present global slowdown. Retail banking is when the bank deals with individual customers rather than corporations. Services offered by these banks are normal savings, personal loans, checking accounts, and debit/credit cards amongst others. This is also a growing sector as the drive for cashless transactions is growing. More people are opting for debit and credit cards. Private banking is where the personalized financial services are provided to individuals or corporations of high worth.

All these sectors are showing immense growth prospects. Internet banking is also gaining prominence. The phone banking sector is also gaining in popularity. Thus, the entire banking sector is growing and offers immense potential.

This is why foreign banks are increasingly establishing their base in India. JP Morgan, Standard Chartered, Bank of America, and many other international banks have established centers in India to tap its potential.

When regulators around the world were loosening their grasp over the banking and financial services industry, Reserve Bank of India (RBI) steadfastly held on to the strings that prevented banks in India from making risky investments and following highly aggressive business practices. Though some of the country's younger banks have fast growing asset management and insurance businesses, the industry's bread and butter is still industrial lending. The Indian banking industry is also well capitalized and capital ratios are above the global average. The average tier-1 capital adequacy ratio of the Indian banking industry is above 10%, when compared to the Basel III norm of 8.5% including the contingency buffer. The average total capital of banks in India stood at 14.5% as of March 31, 2010, compared to the Basel III requirement of 10.5%.

Many a Banks in India have embarked upon Business Process Re-engineering (BPR) with a view to achieve improvement in branch productivity on sales, best-in-class service levels for customer delight, redesign of processes and roles to reduce turnaround time and to simplify processes, reduction in operating costs, and training of employees to discharge their roles effectively ultimately leading to sustainability of change programme through capability building. Employees

would get the opportunity to discover new skills and chance to be a leader in their bank's transformation journey.

Managing Change – A Strategic Mantra to sustain High Performance

The greatest Challenge organizations face in managing performance is adjusting to non- stop change. Business organisations must be able to learn rapidly and continuously, innovate ceaselessly, and take on new strategic imperatives faster and more proactively for performance excellence. Market and competition change too rapidly, therefore, organisations have to align with these changes for high performance management. Constant change means organisations must create a healthy discomfort with the status quo, an agility to detect emerging trends quicker than the competition, and ability to make rapid decisions, and the agility to seek new ways of doing business. To thrive performance, companies will need to be in a never- ending state of transformation, creating fundamental and enduring change. Change initiative is needed to integrate the interplay among the environmental dynamics and corporate responses. Organisational performance is heightened when the fit between organisation and environment is achieved by a successful change effort. Change process aims at bringing in fit between organisation and environment; represents a response to peremptory organisational forces; it represents the way organisation must look and operate to satisfy environmental demands. With the changes in environment, organisations that do not change their business framework in terms of different strategic factors would be out of alignment with their environment, as a result performance to suffer. Studies have clearly indicated that reframing old and developing new business framework requires organisations to be receptive to external forces and to realign their strategies to the emerging trends in external realities. The high performing organisations have certain characteristics in common, out of which an important one is a constant willingness to learn. Learning organisations becomes the flexible organisation, and as a result converts into a high performing organisation. Learning organisation knows how to manage people's capacity to learn faster than their competitors. Learning facilitates both at individual and organisation level, to understand and adapt to change. Individuals are important element in success of change effort. Effective change program incorporates interventions to deal with individual. People are expected to continue learning throughout their working lives. Knowledge plays a critical part in individual

learning. Change effort in the direction of participative patterns facilitates performance. Change effort that matches the core- competence and that does not violate basic assumptions about the values and motives of individual has all probability of durability and sustainability. Indian business scenario has witnessed significant changes in recent past. Corporate performances are pervasively continued to influence by advent of globalization, liberalization, competitiveness, infotech revolution, customer focused and market driven paradigm, and other industry specific factors. Business model, thus, can take into the consideration of these factors while formulating their policies, procedures, and practices.

An innovative approach “**YADGAR**” approach for managing change may be adopted in banking industry today.

- **Young** Generation who have change in their DNA (Genetic)
- **Awareness** of the need for change (why).
- **Desire** to support and participate in the change (our choice).
- **Growth** as trigger for change about how to change (the learning process, knowledge of how to change).
- **Ability** to implement the change (turning knowledge into action).
- **Reinforcement** to sustain the change (celebrating success).

.Liberalisation and Deregulation have unleashed the competitive forces in the industry. Public sector banks no longer enjoy the protective cover of the government. Transformation ushers in change in employee behaviour and brings corresponding change in the organization context. It should make people change their attitudes and perspectives. Financial industry in general and Banking in particular is moving towards expanded activities, driven by Customer needs, Financial innovations, Technological change, Consolidation, Convergence, Competition.

To sustain high performance, business organizations particularly Public Sector Banks (PSBs) must build the capacity to learn and keep changing over time.

Leadership- Power of Transformation

Corporates battle to acquire bigger niche of market share is dependent upon effective leaders. Leadership makes a all difference in the performance of individuals, groups and organisations. It plays a vital role in managing high performance. It is most pivotal and paramount important task of leaders to create a sustainable high performance oriented culture. Building the productive, creative and high quality work is essence of the culture. In todays globalized, competitive, and changing information revolution environment to get out high performance from highly skilled and educated employee it would be insufficient for person who is at the helm by bureaucratic leadership. There are enough evidence to indicate empowering and delegation mode of leadership is effective in customer focused, market driven, globalized, and competitive environment. S. Raha, CMD, ONGC, wanted to make the organisation a more goal- oriented, accountable and responsive organisation. He ushered down- the- line empowerment of managers as well as higher accountability levels. ONGC has launched an internal Web site and CMD's forum asking the workers for their suggestions. It is giving employees the authority to decide and act on their own initiatives. In order to break down the traditional hierarchy and promote continuous learning and teamwork without formal supervision, he empowered to floor worker level. N. R. Narayana Murthy's integrity and values has made the Infosys tall. He is the soul that has nurtured the body of Infosys, a key attraction why people join and stay in the company, and the primary architect of Infosys's spectacular performance improvement. Murthy said, "If we are a group of middle class people with middle class values who started this organisation modesty and the high ethical standards". Narayan Murthy often traveled economy in domestic flights, lived in the same modest house he had moved into in the early days of the company, and drove a very ordinary car. Effective performance oriented organisations have realized the importance of ethical standards and values. Leadership based on excellence focus, human dignity, equity, justice and fairness, sensitivity to stakeholders, Corporate Social Responsibility (CSR) leads to performance.

Trust is a factor, which makes the leaders get the people to follow him. Colin Marshall, CEO, British Airways, identified the most important task was "Creating trust" in order to be the World's favorite Airline. Collectively, they have demonstrated the spirit, passion and moral commitment to build organizations.

Today, in banks one can see two distinct staff groups, viz. veterans and new entrants. To insure that these two groups work in harmony to attain the organizational goals would, no doubt, be a big challenge. Further, given the attrition rate and the fast changing and chaotic environment, it is imperative that banks must focus on attracting and retaining the talented and experienced staff.

The twenty first century managers need to be far more knowledgeable, dynamic, proactive and quick to bring radical changes and capable of leading themselves and their subordinates to embrace changes and put in extra efforts to meet ever increasing competition. Bank managers need to be transformed into leaders who can read the writings on the wall, challenge the status quo, and think innovatively and creatively in order to differentiate one bank from another bank and from so called 'non banks'. They are required to handle greater level of responsibility and uncertainty. They need to be more than merely managers but leaders who act as catalyst of change, who can bring significant changes in the work culture, become a role model with their values, beliefs, attitudes and inspire and motivate their followers to rise above self interest and work for the development of individual, group and organization as a whole so that threats are converted into challenges and challenges into opportunities in the midst of major transformations. The attributes needed in a leader are quite different than those needed in a manager. However the transition from a manager to an effective leader is quite possible, though difficult.

Evolution of Corporate Governance being adopted by banks, particularly those who have gone public, will have to meet global standards over a period of time. In future, Corporate Governance will guide the way Banks are to be run. Good Corporate Governance is about promoting corporate fairness, transparency and accountability. Transformation of Bank of Baroda (BOB) into one of the most valuable brands in Indian banking under the leadership of Dr. Anil K. Khandelwal is a testimony to this phenomenon.

Linking pay with performance – A strategic HRD Intervention to ensure Excellence in Performance

A study of innovative reward programme in Fortune 100 companies reported each practice to be “successful” or “very successful” in late 1980 and early 1990. Methods of rewarding good performance depend upon topologies of organisations. Piece rate, commissions, merit pay, and

bonuses are well known systems of disbursing pay. Most recent phenomena are variable or incentive pay. European companies are also rapidly increasing their variable pay. According to the Hewitt Associates, in India, top management recorded the highest merit increases (the component that needs to be earned through performance. According to Hewitt, base salary increases for the top management group range between 18.1 and 18.8 percent, while merit increases are higher still at 18.6- 21.3 per cent. Types of variable pay have a wide range that include profit sharing, gain sharing, incentives, skill-based pay, rewarding employee's acquisition of new skills, and competency based pay. Nokia was giving bonuses based on both company and individual performance. Corporate performance based bonuses is tied to the value of the company's stock and is extended to every person in the organisation. Individual performance based bonuses are awarded through an incentive system with set targets against which results are measured. Toyota provides cash bonuses twice a year. The average total amount, which is equivalent to six months of an employee's salary, depends on the performance of the company; the exact amount is based on evaluations of individual performance. Many of the new economy best companies follow a competitive approach. They offer lower side in basic pay but add higher side on compensation through performance-based bonuses and variable pay. Compensation when linked to business strategies can have a positive influence, especially in forging stronger links between employees and their organisation performance. In Banking, the focus should be on the following aspects:

- Link performance with reward
- Handle the large workforce comprising performers and non-performers in a balanced manner
- Provide challenging work environment
- Evolve a clear policy on mobility of staff
- Adopt innovative approach to sustain motivation among employees
- Put in place comprehensive, yet simple performance appraisal system
- Key Performance Areas (KPA's) should be linked to organisational goals
- Adopt 360 degree feedback system

- This should help in differentiating high performers from average performers.

Hence, government appointed a committee under the leadership of Dr. A.K.Khandelwal, ex-CMD of Bank of Baroda which suggested to do away with industry-level wage settlements. There cannot be one-size-fits-all solutions, whether it be for remuneration, incentives, welfare etc.. The Khandelwal committee report has come up with a slew of reform measures aimed at transforming the current status-quo standard policy framework to a performance-driven, bank-level, policy framework. The focus of the report is on performance management, irrespective of the categories. Every staff, including banking associate (clerical cadre), will be covered under the performance management system. There is clear departure towards performance management, succession planning and leadership. To sustain a high-performance culture in PSBs, the Khandelwal committee report has proposed 2 per cent of net profit to be allocated for incentives and rewards. The committee has also recommended employee stock option plans (ESOPs) to 15 per cent top performers.

Career Growth – A Critical factor in Performance Management

Career advancement is one of the critical factors in performance management. Providing employees with avenues for career growth throughout their service career is one of the significant contributors for maintaining high motivation, which is very essential for a successful organisation. An organisation can view career development as a key business strategy. It helps to survive in an increasingly competitive and global business environment. In the information age, companies compete more on their worker's knowledge, skill, and innovation levels. Career development plays a key role in ensuring a competitive work force. Employees have goals and aspirations. Lack of progress toward the goals and aspirations can have a strongly negative effect on performance. At the same time, giving employees opportunities for career growth can ensure high performance. If organisation formalizes career growth policies, it will also help the organisation to retain employees. Employees leave the organizations because their job lacks growth opportunity. Career growth opportunities, if, are timely available in the same organisation then there would be less job-hopping and talent would remain within the organisation. The feelings of job entrapment, stagnation and a sense that a career goal will probably not be achieved can negatively affect job performance. If a career does not have future

growth opportunities it makes the career monotonous and less attractive. If employees do not find challenge in their jobs, they will leave for a place where they do. Therefore, there is a constant search for greener pastures. It is critically important to provide enough career challenge to prevent stagnation. This requires job enrichment or job rotation. Providing higher growth opportunities means set higher targets, allow more independent functioning, and find the right way to incentives taking initiatives Erickson advocated a career growth with greater emphasis on esteem- related factors such as recognition, respect. Career development is an ongoing effort that recognizes people as a vital organisational resource and focuses on developing enriched and more capable workers. Performing organisation provide equal opportunities to every employee to aspires for career development in the quickest possible time. IBM and Infosys are proud to be an equal opportunities employer. They are the high performer organisations also. It is, therefore, necessary to have an objective, transparent, fair, and result oriented promotion policy to maintain positive performance culture. Promotion policy requires such an emphasis wherein good work is rewarded and employees strive to earn their promotion through hard work. Organisational goals and individual career needs can be linked to create a successful career development program. The organisation is creating a pool of internal talent. Career management has become more so essential for organisations in view of organisational restructuring, resulting in fewer hierarchical levels and fewer promotional opportunities.

The Finance Ministry has decided to adopt a standardized approach among PSBs for promotion of Assistant General Managers to the next rank. The Ministry is of the view that assistant general managers are a vital cog in the wheel considering that these officers have the potential to head banks. A standardized approach could lead to a level playing field for chief managers who are in race for the AGM post.

During last one & two years, we have experienced that the rate of attrition is increasing due to various reasons and almost all PSBs are facing some degree of uncertainties in their humane base planning due to this attrition behavior prevalent in the market. Attrition not only cost us in the form of time and money but also affects the momentum of our business growth.

Career planning and Development should be treated as an important HR subsystem in Banking industry. Though career planning is individual-centred, yet the organisation needs to play a supportive role. Banks/RBI need to focus on this area to improve motivational levels of employees. Career planning is a continuous exercise and would require constant review. Hiring the right skilled persons will be a challenge. Talent management will come to the fore. Banks/RBI would have to come up with a “HR Value Proposition” .HR function should be able to deliver value to the stakeholders.

Managing Teams – Inspiring through Togetherness Quotient

Teams and work groups are considered to be fundamental units of organisations and also key leverage points for improving the functioning of the organisation. Organisational performance is better accomplished through work team culture. This reflects the assumption that in today’s organisations much of the work is accomplished directly or indirectly through teams. This also reflects the assumption that the work team culture exerts a significant influence on the individual’s behaviour. Organisations are best conceived as systems of interlocking groups. These workgroups are connected through linking pins. Individuals occupy memberships in two groups (as a subordinate in one group and a boss in the other) in linking pins. It is through these interlocking groups that the work of the organisation gets done. The key reality seems to be that individual in organisation function not so much as individuals alone but as members of groups or teams. For an individual to function effectively, a prerequisite is that the team must be functioning effectively. Another key reality is that individual behaviour usually reflects the work team culture. Parts of the total organisational tasks are assigned to teams; and then that team assignment is broken down and assigned to individuals. Individual members are interdependently related to each other and coordinate and integrate individual efforts in order to achieve successful task accomplishment. A group of individuals, each with specific skills, knowledge, and interests, that enable member to contribute to the accomplishment of a common purpose. Performance oriented organisations, delegate authority to teams to decide and act on their own initiatives. Teams are more freely acting on ideas that lead to process improvement, often interacting with other teams when solutions affect other processes. Various organisations are using self- directed cross-functional teams. They are responsible for delivering a complete product. The team has

authority to completely own and manage their activities. A critical role of the team leader is to help each team member translate the team's goal into meaningful initiative and activities. It is not enough for Branch Head to be a great team player, but it is equally important that he inspires others in the team with his brilliance and *Togetherness Quotient*.

If team is not performing upto mark, team leader requires rushing the team training and development. Organisational climate helps in team functioning in terms of management purpose, processes, and people. Effective teams discuss inadequate performance by team members. They confront and resolve issues associated with inadequate performance. They are action- oriented and deal immediately with problems related to performance in a constructive way.

To develop an effective team there is a need to have the right amount of both competence and competency, and the necessary tools of rewarding system, positive work climate, training and development to reach the objective in the shifting the culture from individualistic to collective.

Training and Development – Enhancing Knowledge, Skill and Attitude (KSA Model) for Business Excellence

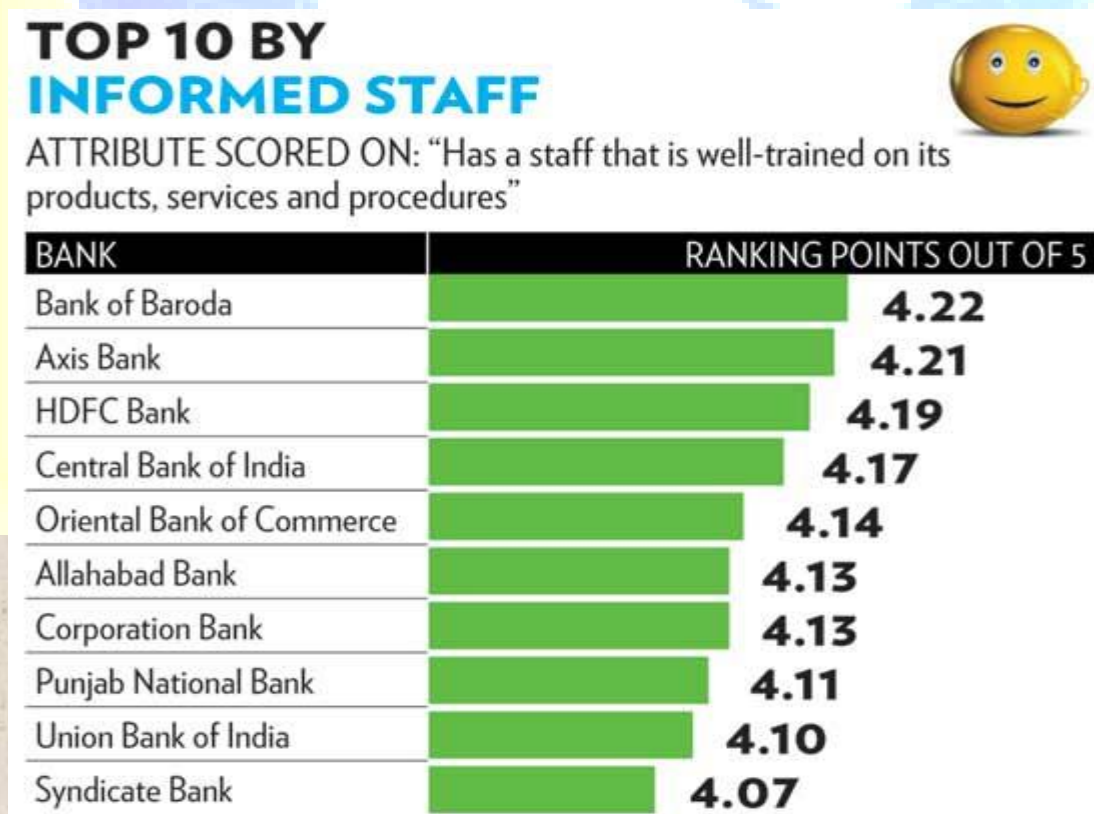
Commercial banks, at the time of nationalization, do not have the centers for training to their employees. Today each and every commercial bank whether it is public or private has their well equipped and state- of – art – staff training centers. Various studies have shown the association between training and performance. It indicates that training and development are much needed to perform in today's business environment. According to N. R. Narayana Murthy, "In our business the only constant is change. Training is hugely important as it is the only way one can keep in touch with contemporary issues." A training and development is necessary because knowledge and information are always in a state of transition. Training and development is essential for employees to acquire more knowledge, skill, and competencies. Training and development is imperative because of global business environment is constantly evolving. In this environment, with its increasing number and variety of competitors the need to perform has become a greater imperative. Training and development is pre- requisite to perform. More and more companies are realizing the value- creating power of training and development. All the best companies believe strongly in the value of training and development, and each has a wide range of programs

designed to provide employee with the knowledge and skills to carry out their work correctly, efficiently, and productively. Training helps in filling the gap between actual and potential competencies of individual and thus for the company. Thus, training and development processes facilitate individual in enhancing knowledge, skills, and attitude. It helps the organisation in achieving excellence.

Human Resources Development would be another key factor defining the characteristics of a successful banking institution. Employing and retaining skilled workers and specialists, re-training the existing workforce and promoting a culture of continuous learning would be a challenge for the banking institutions

Focus of training in Banks should be to build the relevant skill sets as dictated by changes in business environment. Considering the large manpower to be trained, banks need to adopt technology-based training delivery systems (distance education, e-learning). Unlike earlier when training was seen as “necessary overhead” it should be viewed as “investment in people”.

A study conducted jointly by Outlook Money and TNS reveals the following



(Source : Study conducted jointly by Outlook Money and TNS, April 2011)

PSBs need to fundamentally strengthen institutional skill levels especially in sales and marketing, service operations, risk management and overall organizational performance ethics. The last, i.e., strengthening human capital will be the single biggest challenge. Old private banks also have the need to fundamentally strengthen skill levels. New private banks could reach the next level of their growth in the Indian banking sector by continuing to innovate and develop differentiated business models to profitably serve segments like the rural/low income and affluent/HNI segments; actively adopting acquisitions as a means to grow and reaching the next level of performance in their service platforms. Attracting, developing and retaining more leadership capacity would be key to achieving this and pose the biggest challenge. Maintaining a fundamentally long-term value creation mindset will be the greatest challenge for foreign banks.

Conclusion:

As is apparent from the foregoing discussion, building performing organization involves more than just making isolated changes in organizational purpose and people, or making certain changes in organizational processes. Since a performing organisation aims at creating and fostering a culture, an organization can succeed in doing so only by making certain assumptions related to individual, group, and organizational processes. Only then can it create and participate in the efficiency, productivity, and growth of performance. In global environment, the rate and complexity of competition will only go on increasing, which requires radical efforts in performance improvement. Thus, the greatest challenge in the future will be to develop the capabilities for building high performance culture to acquire larger slice of market niche. Those that will be able to do so, emerge as the performing organizations.

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