

## Personnel relations in public sector banks

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### Abstract

Personnel relations refer to the interactions of people in all walks of life. When applied to a business or industries, it refers to the people employed in an enterprise generally termed as personnel relations. An organization whether formal or informal composed of personnel came from different walks of life who are different from one another in their psychological makeup. They are the sum total of inherent abilities, acquired knowledge and skills represented by the talents and aptitude of the employed. Public sector banks were no exceptions to it. Because by and large public sector banks consists of huge numbers of personnel working with them. This research paper focuses on some of the crucial aspects of personnel relations in public sector banks.

**Keywords:** Banks, Enterprise, Personnel Relations, Public sector

### Introduction

Modern management has been increasingly aware of the fact that personnel relations are the most important factor of all factors of productions. Many managers were of the opinion that the effectiveness of their organizations would be at list doubled if they could discover how to tap the unrealized potential present in their personnel. Knowledge of personnel, their urges and behavior is the first step in developing Personnel Relations. Personnel Relations is a systematic developing body of knowledge devoted to explaining the behavior of individuals in the working organizations. It is an approach to the theory of management and of organizations that emphasizes the individual worker need for satisfactory relationship with the other member of his work group and his need to participate in

decisions that affect his work. Personnel relations can also be viewed as a process of an effective motivation of individuals in a given situation in order to achieve balance objectives, which will yield maximum personnel relations and help to accomplish organizational goals.

### Personnel relations in public sector banks

The public sector banks are one of the most important industries as a purveyor of money on the one hand and provide employment opportunities to number of people on other. The general motives behind research are to examine the existence of personnel relations along with various aspects of personnel relations.



### Review of related literature

A.H. Chachadi, RBI, Mumbai, IBA bulletin Vol.25, No.3, 2003 titled "Human resource development as a strategic tool in organizational transformational of Indian banks" discussed various components of human resources and redefining of several objectives like building vision, organizational development, institutional building, developing mission such vital components is thoroughly discussed.

Dr. Bimal Jalan, Governor, RBI, Mumbai, IBA bulletin Vol.25, No.3, 2003 titled "Human Resources Development" has discussed on personnel policies and practices including element like institutional culture have to be integrated with the

business strategy. This involves developing the employee skills, knowledge and attitude on ongoing basic reading and maintaining learning environment and mainly focusing on management development and career planning.

K.V. Krushnamurthy, Chairman and managing director, BOI Mumbai, IBA bulletin, Vol. 25, No.3, 2003 titled "Human resource development in public sector banks" discuss various aspects about human power in banking industries. The author gave due emphasis on workforce and he further advocate when we take care of people, they will take care of organizations. It is our job to make it happen. The real challenge in today's environment is to restore the banking sector to its days of glory,

need to make human resources as our strategic partner in this initiative. The author gave strong emphasis on human resources development.

**Research Methodology**

**Research Problem**

Modern personnel management philosophy advocates the concept of personnel relations that creates personnel delight. This applies to all sectors of banking. In the banking field a unique ‘Relationship’ exists between the management and employees of the bank. But because of various reasons and apprehensions like financial burdens, risk of failure, etc., many banks are still following the traditional ways and only few banks are making attempts to adapt personnel centric approach. It is with this background, the researcher has made a modest attempt towards the idea that better personnel relations can be adapted uniformly in the banking industry for betterment of Banking.

**Importance of the study**

Amravati Districts has got an enviable history of banking. Amravati had to its credit a very conducive climate for banking development right from historical times. This research deals with personnel relations in public sector banks in Amravati District. Constant decrease in number of banks existence within the prevailing region forced researcher to look into matter whether proper application of personnel relations will improve their existing status or not. There is greater need for enhanced competitiveness for survival and growth. Personnel relation centric approaches are relevant here.

**Objectives of research**

1. To assess the nature and state of personnel relations in public sector banks.
2. To explore realistically the components and correlates of personnel relations.
3. To study the relations of personnel with the management.
4. To study the factors responsible for maintaining good personnel relations.
5. To suggest various measures to strengthen the personnel relations

**Hypotheses**

**H01:** As there is no application of personnel relations in public sector banks.

**H11:** There is a positive application of personnel relations in public sector banks.

**Universe and sample**

The present study deals with the various aspects of application

of personnel relations in public sector banking Industry. Since the universe of banking industries in Amravati district is 48 and their existing employees are quite large and unmanageable hence the researcher is forced to confine to take sample size of 48 branches and managers working with them and 252 employees from banks of different categories residing in Amravati districts of Maharashtra state. The respondents were segregated on the basis of different variables such as age, gender, marital status, qualification, and benefits offered by banks etc. For research purpose convenient simple random sampling method (CSRSM) is used.

**Statistical tools applied**

Statistical tools used for the study area are percentage method and Chi-square test.

**Data Source**

**Primary Data**

To make the study more practical in nature, primary data was collected through structured questionnaire and personal interviews of 300 employees (48 managers & 252 staff employees) of public sector banks respondents to know and judge their level of satisfaction and services offered by bank.

**Secondary Data**

Secondary data was collected from related research works, published books, and journals, annual reports of banking industries, government records, newspapers, business magazines, and websites.

**Scope of the study**

The present research will cover how; banks are looking towards their personnel by considering personnel relations strategy. The study will be able to reveal the basic needs, level banking services and satisfaction of the personnel regarding the banking services. It also helps banks to know whether the existing personnel relations strategies are offering satisfaction to the utmost level.

The scope of the study revolves around one prime focuses i.e. how to improve better personnel relation for the overall sustainable development.

**Limitations of the study**

1. The study is restricted to public sector banks of Amravati Districts of Maharashtra state only.

2. The study relies more heavily on primary as well as on secondary data.

3. The result arises from the research may or may not be applicable to other parts of the Districts or state or country.

**Result & Findings**

**Table 1:** Education

S. No.	Education	Managers	Staff	Total
1	Below Graduation	03(06.25%)	17(06.75%)	20(06.67%)
2	Graduation	16(33.33%)	89(35.32%)	105(35.00%)
3	Post-Graduation	24(50%)	118(46.83%)	142(47.33%)
4	Professional Qualification	05(10.42)	28(11.11%)	33(11.00%)
Total		48(100%)	252(100%)	300(100%)

Source: Primary Data

The above table depicts educational qualification of Managers and total staff in public sector banks. It was observed that 50% managers possess post-graduation qualification followed by 33.33% managers completed graduation, whereas as small as 10.42% observed to be with having professional qualification with them. Further it was noticed that 46.83% staff possess post-graduation qualification followed by 35.32% staff completed graduation, whereas as small as 11.11% observed to be with having professional qualification with them. From the above it was clearly noticed that both managers and staff possesses higher qualification which is a good prosperous sign for developing good personnel relations.

**Table 2:** Satisfaction drawn from salary

S. No.	Satisfaction	Managers	Staff	Total
1	Satisfied	41(85.42%)	221(87.70%)	262(87.33%)
2	Not Satisfied	07(14.58)	31(12.30%)	38(12.67%)
Total		48(100%)	252(100%)	300(100%)

Source: Primary Data

The above tables indicate satisfaction drawn from salary received by managers and staff in public sector banks. As high as 85.42% managers and 87.70% staff showed they are well satisfied with the salary offered with them but at the same a small portion of group shows dissatisfaction and concern regarding salary offered to them. They were of the strong opinion that salary should be match with the corporate banking sector salary.

**Table 5:** Recognition

S. No.	Recognition	Managers	Staff	Total
1	Recognized	31(64.58%)	183(72.62%)	214(71.33%)
2	Not recognized	17(35.42%)	69(27.38%)	86(28.67%)
Total		48(100%)	252(100%)	300(100%)

Source: Primary Data

During the course of survey it was noticed that serviced offered by the managers and staff were strongly recognized by the management. Management take due care in this regard and act accordingly.

**Table 6:** Motivation

S. No.	Motivation	Managers	Staff	Total
1	Financial	00	000	000
2	Non-Financial	48	252	300
Total		48(100%)	252(100%)	300(100%)

Source: Primary Data

As far as motivation is concern public sector banks lacks in financial motivation. In India financial motivation is still a biggest motivational factor for boosting their effort. As

**CHI Square Test**

S. No.	Factors	D.F.	T. V.	C <sup>2</sup>	Significant	Accepted/Rejected
01	Education	3	7.815	0.118	05	A
02	Salary Satisfaction	1	3.841	0.224	05	A
03	Job satisfaction	1	3.841	1.606	05	A
04	Privileges	1	3.841	5.483	05	R
05	Recognition	1	3.841	1.081	05	A
06	W.P.M.	1	3.841	0.794	05	A

**Table 3:** Job satisfaction

S. No.	Job Satisfaction	Managers	Staff	Total
1	Satisfied	37(77.08%)	213(84.52%)	250(83.33%)
2	Not Satisfied	11(22.92%)	39(15.48%)	50(16.67%)
Total		48(100%)	252(100%)	300(100%)

Source: Primary Data

The above table indicates job satisfaction received by the managers and staff of public sector banks. As high as 77.08% managers and 84.52% staff represents high level of job satisfaction in their working environment. But small group were not satisfied and expressed that we have to work within the boundary and frame work decided by the authorities and can't go beyond the frame work.

**Table 4:** Privileges

S. No.	Privileges	Managers	Staff	Total
1	Privileges given	39(81.25%)	164(65.08%)	203(67.67%)
2	Privileges not given	09(18.75%)	88(34.92%)	97(32.33%)
Total		48(100%)	252(100%)	300(100%)

Source: Primary Data

Maximum managers and staff expressed that public sector banks offered privileges but we have to work within the frame and policy decided by the higher authority.

corporate sector banks offers huge amount of financial benefits to their employees whereas public sector bank do not offer such things.

**Table 7:** Worker participation in management

S. No.	W.P.M.	Managers	Staff	Total
1	Yes	43(89.58%)	213(84.52%)	256(85.33%)
2	No	05(10.42%)	39(15.48%)	44(14.67%)
Total		48(100%)	252(100%)	300(100%)

Source: Primary Data

As high as 89.58% managers and 84.52% staff strongly expressed that worker participation is strongly observed in banks. Every year one representative from the employee participates in management for better upliftment of employees.

It is clearly identified from the above table that the calculated chi-square value is less than the table value in almost all the variables except privileges at 5% significant level therefore null hypotheses were rejected and alternate hypotheses accepted. Therefore it is concluded that there is a close relationship between the selected independent variables and personnel relations in public sector banks.

### Suggestions

Motivation plays an important role in improving the moral and productivity of the employees. Financial motivation to some extent must be provided to the public sector bank employee to improve morale and productivity. Job satisfaction is an important facet towards productivity and better personnel relations. Conducive and congenial environment, better working conditions and more stress free working must be offered for the better and upliftment of the employee. Interpersonal relations are the important facet research wants to suggest that it is necessary for both management to dilute their relations. Human are the important assets and rigidity amongst the relations must be removed for the cordiality of relations. Both management and employee must come and sit on one platform and try to understand the problems of each other and must work as a cohesive group.

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