



## Influence of HR practices on the banking sector of Bilaspur Chhattisgarh

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### Abstract

Human Resources (HR) are vital to the success of any business, forming the foundation of the organization. Human Resource Management (HRM) involves managing an organization's workforce to benefit both employees and the business. In the banking sector, HRM is crucial for enhancing employee engagement, productivity, job satisfaction, and talent retention. This review paper explores the impact of HRM initiatives on employee satisfaction within large Indian banks, with a focus on Bilaspur, Chhattisgarh. The study examines HR practices in areas such as recruitment, training, compensation, performance appraisal, employee engagement, and job satisfaction. The findings highlight the significant role HR practices play in the success of banking operations, emphasizing the need for effective HR processes. The study concludes that employee well-being is a key factor in organizational success, and HRM practices are essential for maintaining a competitive advantage.

**Keywords:** Human resources, hrm, banking sector, employee satisfaction

### Introduction

Human Resource Development (HRD) has gained increasing importance in recent years, particularly as businesses strive to meet the evolving demands of a global economy. HRD is crucial for enhancing productivity and efficiency by fostering continuous learning and innovation in the workplace (Lakshmi & Nagaraju, 2019). For the banking sector, which is primarily a service industry, effective HRD practices are vital as the sector's success hinges on the quality and productivity of its human capital. In financial institutions, the attitude and skills of employees directly impact customer satisfaction and retention. Over the past three decades, the role of Human Resource Management (HRM) in banking has evolved significantly, with a growing emphasis on employee engagement and talent retention (Awwad Al-Shammari *et al.*, 2022). The Indian banking sector, including the region of Bilaspur, Chhattisgarh, serves as a critical case study for examining the influence of HRM practices on organizational success. Research from various perspectives has consistently shown a positive correlation between effective HRM strategies and improved organizational outcomes, particularly in the banking industry (Ahmad, 2015). In the contemporary context of 2024, the efficiency and productivity of financial institutions are more crucial than ever for the economic and social development of regions like Bilaspur. This study aims to explore how HR practices in the banking sector of Bilaspur, Chhattisgarh, contribute to organizational efficiency and employee satisfaction, drawing on recent data and trends.

### Public sector banks

Public sector banks are financial institutions owned and operated by the government. In India, the government nationalized 20 banks in 1969 and 1980 to ensure these banks focus on serving the public good. These banks

include nationalized banks, the State Bank of India (SBI), and its affiliates. Currently, there are 19 government-owned banks, along with 8 subsidiaries and affiliates of SBI. Public sector banks dominate India's banking landscape, holding a significant share of deposits and contributing to the growth of the financial sector. These institutions are further classified into three categories: The State Bank of India, Nationalized Banks, and Regional Rural Banks (Sapna & Gupta, 2021).

### Private sector banks

Private sector banks are owned and managed by private individuals or entities, with ownership typically determined by the number of shares held. These banks emerged to complement the public sector banks and to meet the growing demands of the economy. Unlike public sector banks, which are government-owned and often focus on broader social objectives, private sector banks operate with a profit-driven approach. However, private banks must obtain approval from the Reserve Bank of India (RBI) for any changes in interest rates or other regulations, while public banks have more flexibility in these areas. This study, focused on Bilaspur, Chhattisgarh in 2024, will examine the role and impact of both public and private sector banks in the region's financial development.

### Literature review

Research on the impact of HR practices in the banking sector, particularly in Bilaspur, Chhattisgarh, remains limited. While extensive studies have explored employee satisfaction in public sector banks globally, there is a notable gap in research focusing on the private sector within India's banking industry (Ali, 2024). This review aims to fill this gap by examining HRM practices and their effects on employee satisfaction and organizational efficiency in Bilaspur's banking sector in 2024 (Joyce & Vijai, 2024).

Studies indicate that private sector bank employees often report higher satisfaction related to salary, social opportunities, and career growth, while public sector employees value job security more (aditya, 2024). Key HRM practices such as training, performance evaluations, and competitive compensation are identified as critical to improving organizational effectiveness (Sharma, 2024). Further, HRM initiatives have been shown to significantly enhance employees' willingness to learn, underscoring the importance of fostering a learning culture in banks (Madaan & Singh, 2024). However, mergers and acquisitions pose challenges, with some public sector banks experiencing declines in efficiency due to inadequate HRM practices and poor employee relations (Renwick 2024). This review highlights the need for ongoing research into the unique HR challenges and opportunities within Bilaspur's banking sector, emphasizing the critical role of effective HR management in driving employee satisfaction and organizational success.

**Objectives of the study**

1. To explore the HRM practices prevailing in the banking sector of Bilaspur, Chhattisgarh.
2. To quantitatively measure the HRM practices in the banking sector of Bilaspur, Chhattisgarh.

**Hypothesis of the study**

**H01:** There are no significant HRM practices prevailing in the banking sector in Bilaspur, Chhattisgarh.

**Ha1:** There are significant HRM practices prevailing in the banking sector in Bilaspur, Chhattisgarh.

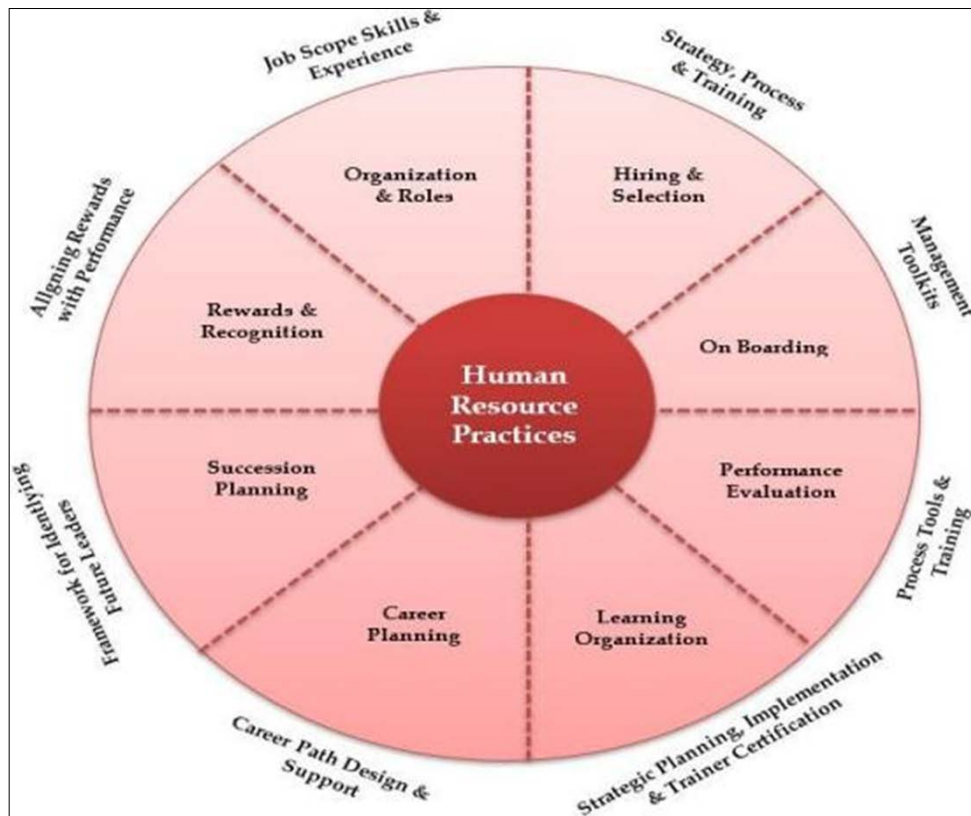
**H02:** There is no significant quantitative measure of HRM practices prevailing in the banking sector in Bilaspur, Chhattisgarh.

**Ha2:** There is a significant quantitative measure of HRM practices prevailing in the banking sector in Bilaspur, Chhattisgarh.

**Research methodology**

This study utilized both primary and secondary data sources. Secondary data was obtained from publicly available resources, while primary data was collected from employees working in bilaspur, chhattisgarh, india. A simple random sampling method was employed to select 500 respondents. Out of these, 472 completed the survey, with 387 responses deemed suitable for analysis.

A structured questionnaire was designed, featuring 8 questions and utilizing a 5-point likert scale to assess various aspects of hr practices and employee satisfaction. The conceptual model for this study was developed to align with the research objectives and to guide the analysis of the collected data.



**Data analysis and interpretation**

**Table 1**

Banking Sector	Frequency	Percentage
Public bank	261	67.44%
Private bank	126	32.5%

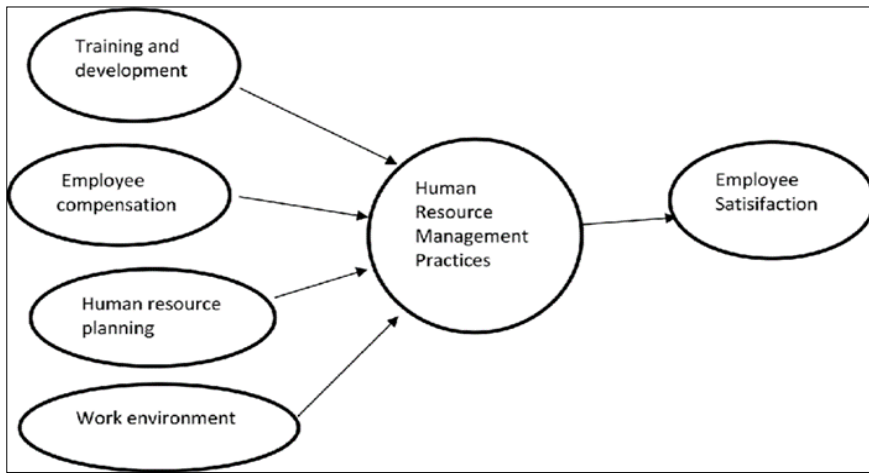
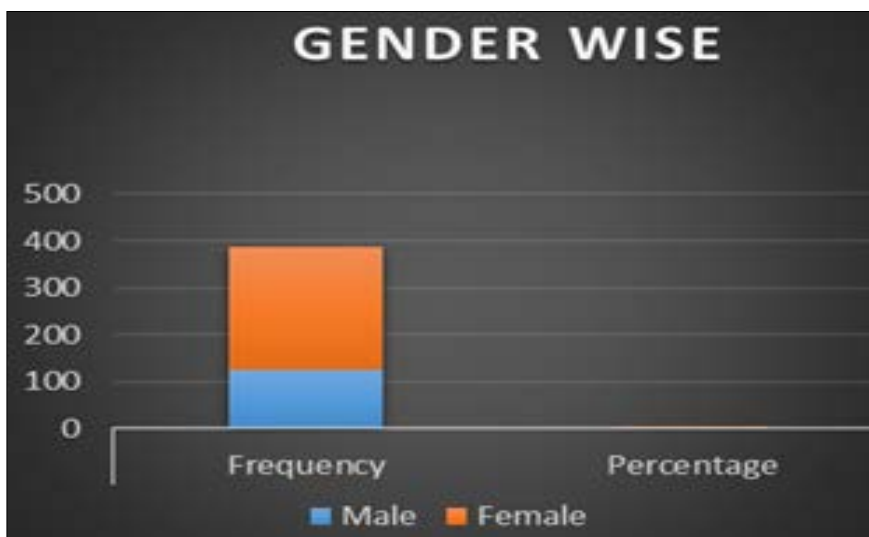
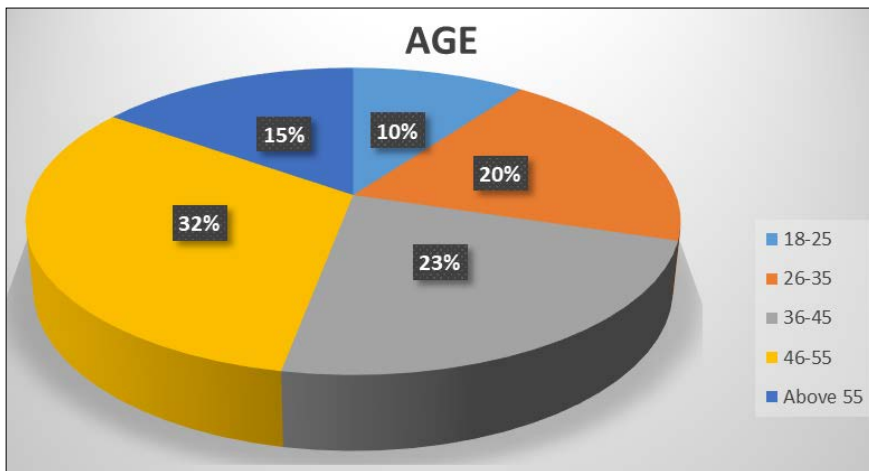


Fig 1: Proposed Model of the study

Table 2: Age wise

Age	Frequency	Percentage
18-25	39	10.07%
26-35	76	19.63%
36-45	90	23.25%
46-55	123	31.78%
Above 55	59	15.24%

Table 2 stated the age distribution analysis and documented that the majority of employees working the organisations were of the age of 46-55 years (n=123, 31.78%) followed by 36-45 years (n=90, 23.25%). The employees above 55 years of age (n=59, 15.24%) are found to be least in the study.



**Table 3:** Gender Wise

Gender	Frequency	Percentage
Male	126	32.55%
Female	261	67.44%

Table 3 found the gender analysis and documented that majority of respondents in the study were Female (n=261, 67.44%). Only male participated in the study were few (n=126, 32.55%).

**Table 4:** Marital Status-Wise

Marital Status	Frequency	Percentage
Single	117	30.23%
Married	150	38.75%
Others	120	31%

Table 4 documented the marital status and stated that majority of respondents were married (n=150, 38.75%) followed by single (n=117, 30.23%). Others found to be least (n=120, 31%) in the study.

**Table 5:** Annual income of respondents

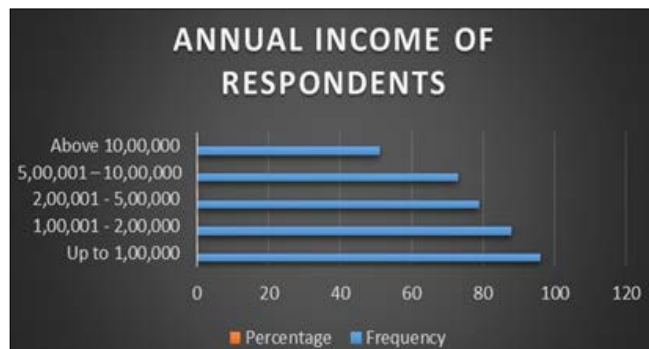
Annual income	Frequency	Percentage
Up to 1,00,000	96	24.80%
1,00,001 - 2,00,000	88	22.73%
2,00,001 - 5,00,000	79	20.41%
5,00,001 – 10,00,000	73	18.86%
Above 10,00,000	51	13%

essential for employee satisfaction and customer retention.

- The study highlights the significant evolution of HR practices in Bilaspur's banking sector, with private banks demonstrating more progressive approaches than public banks.
- As the service sector grows, HR practices in Bilaspur's banks must adapt to new challenges, with strategic alignment of human capital management crucial for long-term success.

**References**

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**Conclusion and findings**

- Human resources are critical to organizational success, forming the foundation for achieving business objectives.
- Effective HR strategies, including performance evaluations, fair compensation, and robust training, are