

# **HUMAN RESOURCE MANAGEMENT IN DISTRICT CO-OPERATIVE BANKS OF KERALA**

By

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## **THESIS**

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requirement for the degree*

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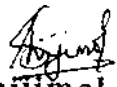
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I hereby declare that the thesis entitled “**Human Resource Management in District Co-operative Banks of Kerala**”, is a bonafide record of research work done by me during the course of research and that the thesis has not previously formed the basis for the award to me for any degree, diploma, associateship, fellowship or other similar title, of any other University or Society.

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***Certificate***

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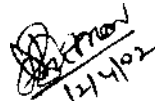
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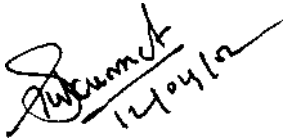
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**Shijimol, E.A**

***Dedicated***  
***To My***  
***Family Members***

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# ***Introduction***

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## **CHAPTER 1**

### **INTRODUCTION**

Human resource, which is also known as manpower in common parlance, constitutes the most vital and significant input in an organisation. Only through this resource other inputs are harnessed and utilised to accomplish the organisational objectives. Hence, management of human resource is a more difficult task in any organisation than managing its physical and financial assets. It is known from time immemorial that the human resources if properly managed, would achieve unlimited goals.

Human Resource Management (HRM) is an extension of general management, which develops or motivates every employee to make his fullest contribution to the organisation. Its objective is the maintenance of better human relations in the organisation by development, application and evaluation of policies and programmes, relating to individuals in the organisation<sup>1</sup>. According to Wayne (1989), "HRM is the planning, organising, directing and controlling of the procurement, development, compensation, integration and maintenance of people for the purpose of contributing the organisational, individual and societal goals"<sup>2</sup>.

The scope of HRM functions widened in the recent years for accomplishing professionalisation of management, application of behavioural approach to management, advancement in management techniques and the consequent need for training and development of managers. Management of human resources is of utmost importance looking from the point of view of the social, professional and the perspective of individuals in enterprises. From the social angle, it helps to maintain balance between jobs and jobholders in order to raise the living standards of the society. From the professional point of view, HRM can initiate motivation for effective teamwork, by providing desirable working conditions and policies, in order to facilitate an ethical use of human resources. Finally, it can create attitudes, which motivate the work force, to accept the special goals of the enterprise .

HRM faces several challenges in the era of liberalisation and globalisation of the economy. The emerging challenges will affect equally those employees already in employment and those who take up employment in the future. Equipping the work force to the rapidly changing technological innovations is a major challenge. Another one is the effective management of grievances in the highly volatile environment. Management experts predict sweeping changes in the industrial and other sectors during the current decade. There is an imperative

need to create awareness in order to prepare all concerned for meeting the challenges, which will have serious impact on wage and salary earners, their skills, their future employment prospects and so on .

### **1.1 HRM in Banks**

Banking, being a service-oriented and human intensive industry, manpower is its prime asset. HRM is of vital importance in providing good customer services in banks. The pattern in which the HRM is structured, determines the success or failure of the banking institutions, to a large extent. Besides these, human resources are significant as they allocate the other resources in right quality and proportion in order to achieve the objectives and aims of the banking industry.

People at the front office, as well as at the back office are the catalyst agents for their banks. Their efficiency or inefficiency in delivering services to the customers has a direct bearing on the organisational effectiveness. The customer's perception of the organisation is, therefore, largely based on the quality of service rendered by it. Banks, therefore, have to strive hard to keep their human resources fully tuned to the customer's needs through appropriately designed and implemented HRM practices. Only then the banks will be able to keep pace with rapid

changes in the banking system, adopting new technologies, and meet the growing expectations of the clientele.

The concept of Customer Relationship Management (CRM) has become 'the manthra' of all market-driven organisations, especially the banks. It is considered as a powerful tool for business development and to have an edge in the competition, on account of the universal trait of human behaviour. In order to adopt this, people working in the banks should have social and interactive relations. The effective implementation of CRM requires, employees at all levels, who are customer friendly and who serve voluntarily, who serve from the heart and satisfy the customer's requirements efficiently .

## **1.2 HRM in Co-operatives**

The importance of human resources in co-operatives in India was emphasised by Sir Frederic Nicholson's report in 1895. This monumental report which led to the introduction of co-operative movement in India, emphasised the importance of human resources in co-operatives and pointed out that "What is really wanted is the advent of men of zeal, enthusiasm, devotion, perseverance and labour to solve the difficulties and problems, not on paper but in actual practice" . Royal Commission on Agriculture in India (1928) had observed that the

future of co-operative movement depended on zeal and efficiency of honorary workers .

Unfortunately, till recently, only scant attention was paid to the personnel in cooperatives. Even after the co-operatives began to diversify and enter into more competitive fields of activities, the elected members, continued to believe that all functions devolving on the co-operatives could be managed by themselves with some assistance. The elected non-officials in co-operatives never thought seriously about the need to strengthen the management by imparting intensive training programmes for improving the skills or filling the gaps in knowledge and techniques of employees. Co-operatives have not pursued an effective policy of manpower planning and development and have always compromised when it came to recruiting people of right background. The service conditions in co-operatives were also not framed in such a way to attract qualified and competent people.

The significance of HRM in co-operative banking has been gaining momentum in recent years due to the vast improvements in their volume of business and employee strength. Since the co-operative banks are widely disbursed, they should have the potentiality to cover large number of clientele in providing their services. As majority of the co-operative banks are rural based, the personnel should have commitment and devotion to provide service to the weaker sections of the society.

Among the different co-operative credit institutions, District Co-operative Banks (DCBs) occupy a pivotal role, as they are the central organisations, connecting the primary societies at the grass root level and the apex institution at the state level. The DCBs being leader of the co-operative movement at the district level, have the responsibility to promote the co-operative movement in the district by undertaking, apart from banking and non-banking functions, educational programmes also for the benefit of the members. These multifarious functions could effectively be discharged only by qualified and competent work force.

The All India Rural Credit Review Committee (1969) in its report emphasised the need for assessment of staff requirements in credit co-operatives and taking steps in advance for their recruitment and training. Report of the Committee on Integration of Co-operative Credit Institutions (1976), pointed out the need for creation of special cadre of professionals to man the post of Chief Executives in co-operative banks. The Committee to Review Arrangement for Institutional Credit for Agriculture and Rural Development (1981) stressed the need for professionalisation of management of District Co-operative Banks". The Committee



advised to frame systematic recruitment policy for staff of various categories of societies and building up of a separate cadre for co-operative banks. Later in 1987, Committee on Co-operative Law (Ardhanareeswaran Committee) rightly made some valuable recommendations that the changing complexities of member management, human resource development and financial management have necessitated the availability of professional assistance to co-operatives through adequately trained and professionally paid staff on appropriate terms working under the general guidance of a democratically elected society. .

Even though the Government of India had made some efforts to identify the gaps and suggest policies for the better Human Resource Management, the initiatives to improve the system were only minimum. In the matter of recruiting staff and their training afterwards, a policy of adhocism was followed, which resulted in making the DCBs less efficient and ineffective. Ill-suited persons were given unsuited training, which did not serve the purpose of imparting knowledge or improving skills. Under such circumstances, neither any improvements in efficiency of management nor any positive change in the service and operations of institutions could be expected.

The studies conducted in DCBs in Tamil Nadu by Sivaprakasham (1993) and in Andhra Pradesh by Rameshkumar (1994) identified the absence of scientific system of manpower planning, recruitment and selection, training and development of employees working in the DCBs.

Performance of the DCBs in Kerala is well ahead of their counter parts in other states in India in the case of deposits and advances. There are 14 DCBs working in Kerala providing financial and supportive assistance to the primaries. They are rendering services to both individuals and institutions and have attained considerable improvement in all spheres of activity. Table 1.1 depicts the performance of 14 DCBs in Kerala with respect to volume of business and employee strength.

Table 1.1 Volume of business and number of employees of DCBs in Kerala during 1990-91 to 1998-99.

(Amount in Crore Rupees)

Year	Total Deposits	Total Advances	Volume of business	Total No. of Employee
1990-91	613.44	572.74	1186.18	3383
1991-92	700.93	670.94	1371.87	3872
1992-93	838.57	804.59	1643.16	3818
1993-94	973.55	948.47	1922.02	4016
1994-95	1284.87	1177.15	2462.02	3951
1995-96	1458.71	1490.33	2949.04	4125
1996-97	1647.66	1692.94	3340.60	4029
1997-98	2131.84	1770.80	3902.64	3946
1998-99	2774.14	1998.89	4773.03	3825
Annual average growth rate	39.13	27.67	33.60	1.44

Source : Compiled from Annual reports of DCBs in Kerala from 1990 - 1991 to 1998-1999

Note: Total Deposits denotes the aggregate of the outstanding amounts in Savings Bank, Fixed Deposits, Current Account and other Deposit Schemes

Total Advances denotes the aggregate of the outstanding amounts advanced through Short-term and Medium term loans

Volume of business denotes sum of total deposits and total advances

Table 1.1 reveals that the average annual growth of deposits, advances and volume of business in DCBs of Kerala during the period from 1990-91 to 1998-99 was 39.13 percent, 27.67 per cent, and 33.60 per cent respectively, whereas the number of employees recorded a growth of only 1.44 per cent. While considering the increase in the volume of business from Rs.1188 crores in 1990-91 to Rs. 4773 crore in 1999-00, the increase in the number of employees during the period was only negligible (3388 to 3825). According to the statistical report published by the Department of Co-operation, Government of Kerala (1998), more than 50 per cent of the Primary Agricultural Credit Societies, which are the members of DCBs were running in loss. Overdues to demand for loan were also very high in PACS. . Such a serious situation demands the need for qualified and skilled personnel in DCBs, for regulating and advising the primaries, as their financing bank.

Moreover, as a result of the liberalisation in banking sector, DCBs are facing stiff competition from private, public and new generation banks. Therefore, in order to meet these challenges, the employees should be tuned in such a way as to elicit the maximum from them. Among the different categories of

employees, branch managers are playing a key role in deciding the destiny and performance of banks. The management of human resources has a direct bearing on the job satisfaction and job performance of branch managers in DCBs.

Besides, in the liberalised banking era, the employees of DCBs have to do a lot in all spheres of their work. All public and private sector banks are adopting innovative schemes to motivate the employees to increase their business. The introduction of technological innovations in the banking sector underlines the need for proper human resource management practices in DCBs.

### **1.3 Objectives of the Study**

The study was conducted with the following objectives:

1. To examine the relationship between the Human Resource Management practices and job satisfaction levels of branch managers in District Co-operative Banks., and
2. To examine the job performance of the branch managers in DCBs.

#### **1.4 Scope of the Study**

The results of the study would highlight the strength and weakness of the HRM practices in DCBs and pave the way to modify the existing HRM practices in DCBs. It would also identify the areas to improve the job satisfaction level of employees in banks. The study further reveals the job performance level of the branch managers and the components of job performance, which they consider more important. These will help to adopt new mechanism to improve the efficiency of the employees. The methodology used in the study for examining the job satisfaction and performances could be adopted, with necessary modifications, by the banks.

#### **1.5 Limitations of the Study**

The major limitation of the study was that only one category of employees could be considered as respondents. Because of time constraints, only three banks were selected for the study out of 14 DCBs in Kerala. Even though maximum care was taken to minimise the reporting bias from the part of respondents, the self-rating mechanism may have its own limitations.

## 1.6 Chapterisation Scheme of the Study

The study is presented in six chapters. The first chapter describes Design of the study, which includes introduction, objectives, scope, and limitations of the study. Chapter two presents review of relevant literature related to the study. Materials and methods are explained in the third chapter. The results of the study are given in the fourth chapter. The fifth chapter discusses the inferences of the study. The last chapter gives the summary and findings.

# ***Review of Literature***



## **CHAPTER 2**

### **REVIEW OF LITERATURE**

Review of literature is the part and parcel of all scientific investigations, which would enable the researcher to understand research gap, which will justify the study. A brief review of available literature, on various topics related to the study is attempted in this chapter. The objective of the review is also to develop and establish a theoretical framework for the study based on the ideas and concepts expressed in the existing literature.

Studies on Human Resource Management (HRM) in co-operative sector were limited, especially those related to job satisfaction and performance. However, the available literature on HRM were briefly examined and presented under the following sub- headings.

2.1 Human Resource Management (HRM)

2.2 Job Satisfaction

2.3 Job performance

2.4 Relation between job satisfaction and performance.

## 2.1 Human Resource Management

Shah and Vaghul (1986) pointed out that the personnel policies were not viewed favourably by a significant number of employees of the bank. The promotion policy of the bank depended on how well the superior liked the subordinate and majority of the employees were dissatisfied with the performance appraisal system.

Sapru (1987) in his study on personnel management practices in Central Bank of India (CBI) revealed that, there was a separate department called personnel department at the Head Office, Zonal Offices and Regional Offices of CBI. These departments took care of recruitment, promotion, training, transfer, selection and other personnel matters. The CBI made use of employment exchanges and advertisement for the direct recruitment of employees in the bank.

Sharma (1987) pointed out in his study on Human Resource Management (HRM) practices in banks that the personnel policies and practices contribute to the creation of better HRM, which in turn, influences the employee behaviour. Salaries and other benefits of banking industry were extremely attractive and there was scope for improvement in the training and education.

Dhormani (1991) after his study on Human Resource Development (HRD) Climate in Syndicate Bank opined that Syndicate Bank was the first bank to recognise the importance of human resources and established a human resource division. This division was preparing and implementing the policies with regard to placements, promotion and training. The intake of human resources, was streamlined through, direct recruitment to Clerical and Officer cadre by the Banking Service Recruitment Board. The Bank had its own training colleges. Promotion policy of the Bank considered length of service, educational qualifications and professional qualification. Self-appraisal system was adopted at the officer's level. Bank had adopted the concept of Quality Circles to assure the quality of services.

Kilam and Chopra (1991) after their study on HRD climate of Punjab National Bank advocated that the Bank need to introduce need based training of staff, rationalisation of transfer policy, more objective promotional policy, performance appraisal and an effective grievance redressal machinery to meet the growing expectations of the Bank.

In their survey on the HRD climate in Punjab National Bank, Kurup *et al.* (1991) recommended that the organisation need a full fledged HRD department at the Head Office and Zonal levels

to give practical shape to its systems and revamp the existing loosely bound tools of HRD such as training, job rotation, promotion, career planning and placement.

Singh *et al.* (1991) conducted a study on the HRD in a Regional Rural Bank (RRB) and observed that the bank has no training centre of its own and was getting the training facilities from Banker's Institute of Rural Development (BIRD) and training Centre of Punjab National Bank. The bank assesses the impact of training by evaluating the performance of the employees. However, the employees were not satisfied with the motivational measures like appreciation letter, giving higher responsibility and announcement of names of good performers. Further they found that, the criterion for evaluating the performance has been standardised and forms have been designed accordingly.

Davara (1992) in his study of Tata Engineering and Locomotives Company Ltd., (TELCO) and Hindustan Lever Limited (HLL) observed that the personnel department in TELCO was responsible for the selection, promotion, transfer, increments, leave, welfare, enforcement of labour laws and industrial relations. This department was found to be an inevitable part of the organisation for the successful utilisation of human resources. The personnel policy of the TELCO had provided the employees, the

avenues for promotion and opportunities for advancement and self-development.

The study also revealed that the human resource planning in Hindustan Lever Limited (HLL) was properly integrated with financial planning of the institution. It was also noted that before integration, the human resource planning of the organisation systematically reviewed the internal sources and recruitment plans considering the future needs for expansion. HLL had a separate recruitment policy in which they recruit young graduates between the ages of twenty to twenty five years directly from the educational institutions under its Management Training Scheme.

Sivaprakasham (1993) in his study on Personnel Management Practices in Central Co-operative Banks (CCBs) of Tamil Nadu, made it clear that there was no separate personnel department in CCBs of Tamil Nadu and the establishment section carried out the functions related to HRM practices. This section was responsible for performing the functions of recruitment, selection, training, fixation of pay scales, sanction of increments, promotion, transfer, welfare measures, maintenance of employee record, employee grievances, disciplinary action and performance appraisal of employees of CCBs. The special officers were

appointed by the Registrar of Co-operative Societies, Tamil Nadu to implement the personnel policies of CCBs through the establishment section in each bank.

The study also showed that 80 per cent of the recruitment was direct recruitment, done by the bank itself, and other sources of recruitment were promotion, employee referrals and employment exchanges in Tamil Nadu. Seniority was the only consideration for the promotion of employees in CCBs of Tamil Nadu. It was also noted that there was no separate arrangement for training the selected employees in the bank.

There was a scientific performance appraisal system to appraise the performance of employees and there was no uniform salary structure in CCBs of Tamil Nadu. Thirunarayanan (1996) in his study of Kanpur District Central Co-operative Bank also had the same opinion with Sivaprakasham on the motivational packages of CCBs by providing several loan facilities and increments to its employees.

There was no effective grievance redressal system in CCBs. The Registrar of Co-operative Societies had framed regulations relating to the maintenance of discipline in the banks.

Rameshkumar (1994) in his study on the personnel management practices in Andhra Pradesh Central Co-operative Banks (APCCBs) revealed that, the Adhoc Committee of the Bank was responsible for all matters related to direct recruitment in the Bank.

Thirunarayanan (1996) conducted a study in Personnel Management Practices in Kanpur District Central Co-operative Bank and noticed that the modes of filling vacancies were direct recruitment and promotion. A notable difference identified here was that there was no practice of conducting written test, in the recruitment processes.

Muralikrish na (1998) in his study on Human Resource Development of Bharat Heavy Electricals Ltd. (BHEL), observed that human resource function has taken a prime position at the corporate level, there by having Director (personnel) and every unit have General Manager – (personnel) who looks after personnel, HRD and welfare matters. It was, however, observed that there was no linkage between identification of training needs and formulation of training programmes. Systematic performance appraisal system existed in BHEL and had no impact on salary or other benefits.

Rohmetra (1998) conducted a study on the HRD system of State Bank of India (SBI) and Jammu and Kashmir Bank (JKB), and reported that the HRD system in SBI was proactive, planned and a continuous process and an integral part of organisational development. The Bank has well formulated personnel policies enabling the individuals to acquire different capabilities. On the other hand the HRD mechanism in JKB was not satisfactory, as there were deficiencies in the performance appraisal system and training. The author recommended for strengthening of the performance appraisal system of both the banks.

Rao (1999) reported that the grievance redressal system of Central Bank of India (CBI) has been practicing the philosophy of "people building" as a pre-requisite for its excellence. The personnel appointed in various levels were adopting pragmatic and humane approach instead of an employee oriented approach, so as to eliminate the chances of allegation.

Rao *et al.* (2001) reported that data from HRD audits of 12 Indian organisations indicated that HRD functions are not well structured, inadequately differentiated, poorly staffed and fail to meet the requirements of the institutions.



## 2.2 Job Satisfaction

Sah (1986) in his study on the job satisfaction of employees in selected co-operatives revealed that supervisory method in co-operatives had given high satisfaction. But the role of co-operatives for the fulfilment of the needs of employees had provided relatively less satisfaction to them.

Sapru (1987) in his study on job satisfaction of employees of Central Bank of India highlighted that 65 per cent of the employees were satisfied with recruitment and selection, 40 per cent with training and development, 50 per cent with salary, 35 per cent with promotion and 50 per cent with motivational measures.

Mothilal (1988) observed in his study on the job efficiency of panchayath level officers of the Department of Agriculture in Kerala revealed that only 51 per cent of the respondents were having high efficiency and job satisfaction in their job.

Subbarao (1988) in his study on the job satisfaction level of bank employees of selected public, private and co-operative sector banks, revealed that there existed significant

difference in job satisfaction level of these employees who differ in family background, sex and education. Moreover, age had positive relation with job satisfaction whereas occupation had negative relation. The overall job satisfaction was highest among the employees of co-operative banks.

Choudhari *et al.* (1989) conducted a study on the job performance and job satisfaction of agricultural development officers, highlighted that age and education did not have any impact on the job satisfaction of employees.

Chithra (1990) pointed out in her study on job satisfaction of women employees of electronic industries that 90 per cent of the employees were having high level of satisfaction. She observed that age and job satisfaction were having positive relation and education and job satisfaction had got negative relation.

Kilam and Chopra (1991) in their study on the HRD climate of Punjab National Bank observed that 66 per cent of the employees were moderately satisfied about the HRD climate of the bank. So, they suggested setting up of a high power HRD committee at the corporate level, to carry out HRD surveys frequently.

Jayachandran (1992) in his study on job satisfaction and job performance of veterinary officers in Kerala revealed that length of service, training received, social participation, achievement motivation, work load and independence of work were having insignificant relation with job satisfaction but factors such as post graduation, technical competency, communication ability and organizational commitment were found to have significant relation to job satisfaction.

Sivaprakasham (1993) in his study on job satisfaction of employees of Central Co-operative Banks in Tamil Nadu pointed out that 65 per cent of employees were satisfied with recruitment policy, 84 per cent with training programme, 51 per cent with performance appraisal, 59 per cent with grievance redressal, 81 per cent with promotion, 40 per cent with transfer and 60 per cent with employee-employer relationship. The personnel variables such as age, educational qualification, and length of service in the bank, monthly salary and family income were found to have positive association with job satisfaction.

Mathew (1994) in his study on the job satisfaction of employees in the co-operative sector of Kerala, revealed that the level of satisfaction among the employees differs with respect to different variables. As regard to manpower planning in co-

operatives, only 40 per cent were satisfied. In the case of satisfaction of employees towards the recruitment, training, promotion, performance appraisal and compensation package, 60 per cent, 38 per cent, 50 per cent, 20 per cent and 40 per cent respectively were satisfied.

Rajasekhar (1996) in his study on the satisfaction of employees of District Co-operative Banks in Andhra Pradesh revealed that, the overall satisfaction of employees was only 37 per cent. The study further showed that among the employees, 31 per cent were satisfied with salary structure, 45 per cent with need fulfilment, 23 per cent with future prospect, 44 per cent with job security, 41 per cent with working conditions, 41 per cent with inter-personnel relations, 38 per cent with training and development, 38 per cent with motivation and 25 per cent with grievance redressal.

Thirunarayanan and Jayamohan (1997) conducted a study on job motivation level in District Co-operative Banks and found that majority of the executives were satisfied with job content factors and desired motivation. They further opined that the job motivation was to be regarded as an important and vital area for improving performance and satisfaction.

Vaid and Naresh (1997) in their study on job satisfaction among the industrial workers revealed that majority of the workers were satisfied with wages, working condition, job interest and inter-personnel relation with other workers. Relatively higher proportion of workers expressed dissatisfaction with respect to welfare measures, supervisory behaviour, personnel policies and promotional opportunities in the organisation.

Bhatia (1998) in his study pointed out that adaptability to the new environment, lack of leave facilities, working conditions, health, safety and salary matters were the factors of dissatisfaction to the employees and factors like nature of work, utilisation of ability, participation and advancement, job knowledge and attitude towards job had contributed to the satisfaction of employees.

Das and Bisnoi (1999) found that job status, prestige and income were the major factors, which contributed to the job satisfaction of the employees.

James (1999) in his study on job satisfaction among working executives observed that factors such as nature of work, supervision and control, remuneration, recognition, freedom from pressure, inter-personnel relationships, job security and

motivation had positive influence on the job satisfaction levels of the employees, whereas advancement and growth, company policies and administration had a negative influence.

### **2.3 Job Performance**

Harigopal and Madhu (1980) examined the relationship of age and job tenure with job performance, in their study on role conflict and role ambiguity in relation to job involvement, job performance, age and job tenure. The study revealed that there was positive relationship between job tenure and job performance. However, job performance was negatively correlated with age.

Rao and Sohal (1985) in their study on improving the performance of Veterinary Surgeons revealed that 65 per cent of them marked an average performance and there existed significant relation between age, family background and job performance.

Choudhari *et al.* (1989) conducted a study on job performance and job satisfaction of agricultural development officers, and made it clear that there was no association of age and length of service with job performance.

Kalavathy (1989) in her study on job satisfaction of agricultural graduates engaged in selected avenues of employment observed that the relation between age and job performance was very high and 50 per cent of them were having high performance.

Karim and Mahboob (1992) in their study on factors of job performance of subject matter officers of agricultural department in Andhra Pradesh identified that better academic achievement, more technical education and long service had contributed for the better job performance of the employees while job tenure, larger family size, extending work to home and increased travel had negatively contributed to the job performance of employees in the study region.

Jayasree (1993) while studying on role perception and role performance of the convenors of group farming committee of rice cultivation opined that the most influential variable in job performance was communication behaviour followed by knowledge and training.

Reddy *et al.* (1993) in the study of relationship between personal, socio-psychological characteristics of subject matter specialists in agricultural department in Karnataka and

their role expectation and role performance brought out that there was no significant relation between age, experience and role performance.

Rahad *et al.* (1996) conducted a study on job performance of village extension workers in training and visit system and observed that relatively high proportion of village extension workers were in the good and excellent performance group. There was no significant association of family background to the job performance of the respondents.

#### **2.4 Relationship Between Job Performance and Job Satisfaction**

Rao and Sohal (1985) observed while conducting the study on improving the performance of Veterinary Surgeons that job satisfaction is negatively correlated with job performance.

Sohi and Kherde (1985), Kalavathy (1989), Jayachandran (1992), and Babykumari *et.al* (1998), in their different studies opined that job performance is positively correlated with job satisfaction.

Choudhari *et al.* (1989) and Reddy *et al.* (1992) observed that there was no association between job satisfaction and job performance.



The review of the available literature revealed clearly the significance of Human Resource Management and job satisfaction on the performance of employees, which ultimately determines the success or failure of the organisation. Although, studies on Human Resource Management, job satisfaction and job performance of employees in the Commercial banks and other public and private enterprises were plenty, little attempt was made to conduct specific studies on these areas in the co-operative sector and in particular in the District Co-operative banks. The changing environment under the new economic policy – liberalisation, globalisation and privatisation demands efficiency and better performance in all sectors of the economy and co-operatives are no exception. The strategic plans for the improvement of the co-operatives could be designed only by reviewing the present situation of Human Resources Management, job satisfaction and job performance level of employees in co-operatives. The present study attempts to fill this gap.

# **Materials and Methods**

## CHAPTER 3 MATERIALS AND METHODS

This study is basically an examination of HRM practices of DCBs of Kerala. It makes an attempt to identify the factors influencing the satisfaction of branch managers towards HRM practices and the factors influencing job performance of branch managers. The present chapter explains how the study has been carried out. Appropriate tools and techniques were adopted after discussion with experts and review of relevant literature.

### **3.1 Sampling Design**

#### ***3.1.1 Selection of DCBs***

Multi-stage sampling technique was employed for selecting the sample banks. For the purpose of the study, all the 14 DCBs were ranked on the basis of average business per employee and average profit per employee during the reference period of ten years from 1990-91 to 1999-00. In order to give equal representation to DCBs with different scales of performance in respect of the stated variables, DCBs were divided into three groups namely; high performing, medium performing and low performing and one bank each was selected from the groups as sample banks on the basis of the composite ranks obtained by them. Method adopted for selecting the sample banks is outlined in Table 3.1.

Table 3.1 Average volume of business per employee and average profit per employee of 14 DCBs of Kerala for the period from 1990-91 to 1999-2000.

(Amount in lakhs rupees)

Name of DCB	Average volume of business/employee (Rs.)	Rank	Score	Average profit/employee (Rs.)	Rank	Score	Total scores	Final rank	Selected DCBs
Ernakulam	112.8	1	14	0.174	2	13	27	1	Ernakulam
Kannur	73.25	3	12	0.356	1	14	26	2	
Idukki	75.00	2	13	0.137	4	11	25	3	
Kottayam	68.11	5	10	0.159	3	12	22	4	
Thiruvananthapuram	63.83	6	9	0.133	5	10	19	5	Thiruvananthapuram
Kollam	63.53	7	8	0.125	8	6	14	6	
Palakkad	72.05	4	11	0.075	12	3	14	6	
Alappuzha	60.81	9	6	0.125	8	6	12	8	
Thrissur	62.21	8	7	0.121	10	5	12	8	
Kasargod	55.49	12	3	0.132	6	8	11	10	Kozhikode
Pathanamthitta	54.29	13	2	0.132	6	8	10	11	
Kozhikode	56.71	11	4	0.078	11	4	8	12	
Malappuram	56.80	10	5	0.06	13	2	7	13	
Wyanad	51.58	14	1	0.05	14	1	2	14	

Source: Compiled from annual reports and balance sheets of DCBs for the period from 1990-91 to 1999-2000

Note: Rank 1 to 4 - High Rank 5 to 10 - Medium Rank 11 to 14 - Low

### 3.1.2 Selection of Branches and Branch Managers

Table 3.2 reveals the number of branches of EDCB, TDCB and KDCB for the period from 1990-91 to 1999-2000. In order to study the job satisfaction and job performance of branch managers, 50 per cent of the branches of the selected DCBs were chosen. Those branches, which were in existence for 10 years and those managers with an experience of more than three years as branch managers, were only included in the sample.

Table 3.2 Number of branches of EDCB, TDCB and KDCB for the period 1990-91 to 1999-2000

Year	EDCB	TDCB	KDCB
1990-91	30	40	32
1991-92	30	40	34
1992-93	30	41	34
1993-94	31	41	34
1994-95	31	42	34
1995-96	31	43	34
1996-97	31	43	34
1997-98	34	44	34
1998-99	39	44	34
1999-2000	40	47	34

Source: Annual reports of DCBs

Note: EDCB - Ernakulam District Co-operative Bank

TDCB- Thiruvananthapuram District Co-operative Bank

KDCB - Kozhikode District Co-operative Bank

Accordingly 51 branch managers, comprising of 15 from EDCB, 20 from TDCB and 16 from TDCB, who were randomly selected, constituted the respondents of the study to assess the job satisfaction and job performance of branch managers.

### 3.2 Collection of Data

Two pre-tested structured schedules were employed for collecting data from selected banks and branch managers. In order to examine the HRM practises, data relating to the following variables were collected:

1. Human Resource Department
2. Human Resource Policy
3. Human Resource Planning
4. Recruitment and Selection
5. Training and Development
6. Performance Appraisal.
7. Promotion
8. Salary Administration
9. Transfer
10. Motivation
11. Grievance Redressal
12. Relationship with Trade Union
13. Employee Discipline

Socio-economic profile such as age, sex, family size, education, annual income, caste, type of family, rural/ urban background, length of service and training undergone were also

collected from selected branch managers. All the variables taken for examining the HRM practises, except human resource policy and human resource department were selected for examining the job satisfaction.

Job performance was studied with the help of the following variables.

1. Job knowledge
2. Initiation
3. Dependability
4. Relationship with public
5. Relationship with subordinates
6. Ability to supervise
7. Creativity
8. Managerial skill
9. Leadership quality
10. Relationship with superiors
11. Communication skill
12. Business capacity
13. Significant achievement
14. Problems

### **3.3 Method of Analysis**

#### ***3.3.1 HRM Practices***

Human Resource Management practices followed by the sample banks were analysed descriptively, based on the

information collected from the section heads of the selected DCBs using the survey schedule.

### *3.3.2 Analysis of Job Satisfaction*

Job satisfaction towards HRM practices was measured using a five-point scale ranging from five to one (Strongly Agree – 5, Agree – 4, No Opinion – 3, Disagree – 2, Strongly Disagree – 1). The variables used for analysing job satisfaction, the total number of statements representing each variable and their ranges are given in Table 3.3.

Table 3.3 Variables, number of statements and the range for job satisfaction

Sl. No	Variables	No. of statements	Range of scores
1.	Human resource planning	7	7 – 35
2.	Recruitment and selection	5	5 – 25
3.	Training and development	10	10 – 50
4.	Performance appraisal	7	7 – 35
5.	Promotion	5	5 – 25
6.	Transfer	4	4 – 20
7.	Motivation	7	7 – 35
8.	Grievance redressal	6	6 – 30
9.	Relationship with trade union	3	3 – 5
10.	Salary administration	6	6 – 30
	Total	60	60 – 300



On the basis of the score value, the level of satisfaction was rated using the following formula.

Low satisfaction	=	Below Mean - 1 Standard Deviation
Medium satisfaction	=	Between Mean $\pm$ 1 Standard Deviation
High satisfaction	=	Above Mean + 1 Standard Deviation

### ***3.3.3 Analysis of Job Performance***

#### ***a) Qualitative Analysis***

Performance variables, which are qualitative as well as quantitative in nature, were used for the analysis of job performance of branch managers in DCBs. Five-point scale was adopted to measure all qualitative variables of job performance except problems faced and it was measured with a three point scale.

The number of variables used, the total number of statements in each variable and their ranges are given in Table 3.4.

Table 3.4 Variables, total number of statements and the range of score, for job performance

Sl. No	Variable	No. of statements	Range of score
a)	Job knowledge	8	8 – 40
b)	Initiation	6	6 – 30
c)	Dependability	4	4 – 20
d)	Relationship with public	7	7 – 35
e)	Relationship with subordinates	5	5 – 25
f)	Ability to supervise	8	8 – 40
g)	Creativity	5	5 – 25
h)	Managerial skill	6	6 – 30
i)	Leadership quality	6	6 – 30
j)	Relationship with superiors	5	5 – 25
k)	Communication skill	7	7 – 35
	Total	67	67-325

As regards one variable (i.e., problems faced), a three-point scale could only be used, due to its distinct nature (More Frequent – 1, Rare - 2 and Never - 3). The total score in this case ranged from 15 to 45.

#### *b) Quantitative Analysis*

The performance of the branch managers was also measured by considering their contribution to the business of the branch.

i) Business Capacity

Data relating to deposit mobilisation (deposits collected during mobilisation period), total advances (sum of all types of loans given), total deposits (sum of all types of deposits collected), overdue situation (overdue position of branch on balance sheet date) and profit of branches (profit earned by the branch) for a period of three years (1997-98 to 1999-2000) were collected and analysed. Targets and achievements, in respect of the above mentioned variables were considered and the level of business capacity was estimated using the following scoring method:

<u>Level of achievement</u>		<u>Score</u>
Less than 50 % of achievement	-	1
50 – 75 % of achievement	-	2
75 – 100 % of achievement	-	3
100 – 125 % of achievement	-	4
Above 125 % of achievement	-	5

As regards overdues, the scores were given as follows:

<u>Level of achievement</u>		<u>Score</u>
0 – 10 % overdue	-	5
10 – 20 % overdue	-	4
20 – 30 % overdue	-	3
30 – 40 % overdue	-	2
Above 40 % overdue	-	1

Likewise the managers of profit making branches was assigned a score of 'one' and managers of loss making branches was given 'zero' score.

ii) Significant Achievement

The variable 'significant achievement' was estimated using outstanding achievement of the branch manager, with respect to the component of business capacity. In this regard, the components having a score value of 'five' was assigned a score of 'one' and all other scores were treated as 'zero'.

On the basis of the score value, the level of job performance was estimated using the following formula:

Low performance = Below Mean - 1 Standard Deviation

Moderate performance = Between Mean  $\pm$  1 Standard Deviation

High performance = Above Mean + 1 Standard Deviation

Scoring technique was adopted for analysing the socio-economic factors. Scores were given based on the information collected. Scoring technique for socio economic variables is shown in the Table 3.5.

Table 3.5 Method of assigning score value for socio-economic variables

Sl. No	Variables	Scores
1.	Age	30-40 - 1, 40-45 - 2, 45-50 - 3, 50-55 - 4, 55 and above - 5
2.	Sex	Male - 1, Female - 2
3.	Family size	2 members-1, 3 members-2, 4 members- 3, 5 members - 4, more than 5 - 5
4.	Qualification	SSLC - 1, Pre-degree - 2, Degree - 3, Post Graduation - 4
5.	Annual Income (Rs. in lakhs)	1-1.5-1, 1.5-2-2, 2-2.5-3, 2.5-3 - 4
6.	Caste	SC - 1, ST - 2, OBC - 3, FC - 4
7.	Family Type	Joint Family - 1, Nuclear family - 2
8.	Rural or urban background	Rural - 1, Urban - 2
9.	Length of service in DCB (years)	15-20 - 1, 20-25 - 2, 25-30 - 3, 30-35 - 4
10.	Experiences as branch manager (years)	3 - 1, 4 - 2, 5 - 3, 6 - 4, more than 6 - 5
11.	Training received (No. of training)	No training-0, 1 - 1, 2 - 2, 3 - 3, more than 3 - 4

### ***3.3.4 Statistical Tools Used***

Percentages, correlation and regression equations were estimated to analyse the data. The association between socio economic variables and job performance was examined by using correlation techniques. The cause and effect relationship of each variable to job satisfaction and job performance was estimated using regression equation.

### ***3.3.5 Concepts and Terms Used in the Study***

Human Resource Management: Human Resource Management is that organisational function which provides specialised concepts, methods and techniques for the integration and coordination of human resources in order to move effectively towards the desired objectives (Prasad, 1999).

Human resource Department: Human resource Department is the department which assists the top management in formulating human resource policies, developing and monitoring schemes and assists other departments in managing human resource function (Sivaprakasham, 1993).

Human resource Policy: Human resource Policy comprises the body of principles and rules of conduct, which governs the enterprise in its relationships, with the employees (B each, 1980).

Human resource planning: Human resource planning is designed to ensure that the human resource needs will be constantly and appropriately met, and is accomplished through analysis of internal and external environment (James, 1994).

Recruitment: Recruitment is a process of attracting qualified applicants to an organisation through different activities (Micheal, 1990).

Selection: Selection is the process of choosing from among the candidates, the one that best meets the position requirement (Koontz, 1990).

Training: Training refers to imparting specific skills for specific objectives (Dwivedi, 1988).

Performance Appraisal: Performance appraisal refers to all formal procedures used in the working of the organisation to

evaluate personalities and contribution and potentialities of group members (Ahuja, 1990).

Promotion: Promotion involves reassignments of an employee to a position of higher status, higher responsibility, more opportunity and increased benefits (Baldev and Sharma, 1988).

Transfer: Transfer means shifting an employee from one job to another, one unit to another without further change in salary (Ghoshroy, 1991).

Motivation: Motivation is the behavioural change or results of influence that alters an individual's performance (David, 1990).

Grievance redressal: Grievance redressal is the management action to enforce organizational standards (Chandan 1997).

Trade union: Trade union is an organisation of workers formed to promote, protect and improve through collective action, the social, economic and political interest of its members (Bhatia, 1988).



Salary administration: Salary administration is the management of compensation towards work done (Verma, 1988).

Job satisfaction: Job satisfaction is the satisfaction which one gets from his work or from performing it (Michael, 1985).

Job performance: Job performance implies how an individual actually performs in a position as distinct from how he is expected to perform (Davis, 1972).

Job knowledge: Job knowledge considers the extent of practical and technical knowledge as related to his/ her present job (Rao, 1986).

Initiation: Initiation is the ability to start and complete tasks by solving job related problems without leaving on others and without waiting for instruction (Ghoshroi, 1990).

Dependability: Dependability considers the reliability in carrying out assignments without the need of constant checking and rechecking (Parera, 1986).

Creativity: Creativity is the ability to come up with new practical ideas for improvement of system and operations, related to job (Ghoshroi, 1990).

Communication skill: Communication skill is the ability to convey messages (facts, ideas, attitudes and opinion) from one person to another (Flippo, 1985).

Relationship with public: Relationship with public is the ability to receive calls and give accurate information and behaviour with public (Rao, 1986).

Relationship with subordinates: Relationship with subordinates is the ability to identify strength and weakness of his/ her subordinates and their growth needs (Rao, 1986).

Ability to supervise: Ability to supervise is the ability to control the subordinates and the functions (Pareek, 1983).

Managerial skill: Managerial skill is the ability to manage all functions and problems in the organisation (Ghoshroi, 1990).

Leadership quality: Leadership quality is the ability to persuade others to seek defined objectives enthusiastically (Parera, 1986).

Relationship with superiors: Relationship with superiors is the mode of interaction, communication and behaviour of the manager with superiors (Ghoshroi, 1990).

# ***Results***

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## **CHAPTER 4**

### **RESULTS**

Human Resource Management (HRM) in any organisation could be assessed only with the responses of the employees in that organisation. The HRM practices in DCBs of Kerala were obtained from the heads of the section, which look after the matters related to personnel. The branch managers were the respondents for analysing job satisfaction and job performance. The results of the study are presented in this chapter under the following subheadings.

- 4.1 Human Resource Management practices in DCBs
- 4.2 Socio-economic profile of the selected branch managers
- 4.3 Job satisfaction of branch managers towards human resource management practices in DCBs.
- 4.4 Association of socio-economic variable with job satisfaction
- 4.5 Attributes of job satisfaction as perceived by the branch managers
- 4.6 Job performance of branch managers in DCBs
- 4.7 Association of socio-economic variables with job performance
- 4.8 Attributes of job performance as perceived by branch managers
- 4.9 Regression analysis of Job Satisfaction and job performance with Related Factors

## **4.1 Human Resource Management Practices in DCBs**

HRM is that process of management, which pertains to looking after all matters relating to employee development, compensation of personnel, provision of working conditions and welfare measures to maintain a good working force in the organisation. Accordingly, the variables covered under this study on HRM are Human Resource Department, Human Resource Policy, Human Resource Planning, Recruitment and Selection, Training and Development, Performance Appraisal, Transfer, Promotion, Motivation, Grievance Redressal, Salary Administration, Employee Discipline and Relationship with the Trade Unions.

### ***4.1.1 Human resource department***

There was no separate department exclusively for dealing with matters related to human resource in any of the sample banks. The personnel functions were carried out by the different departments. The Establishment Section of TDCB, Personnel and General Administration Section of EDCB and Personnel and General Section of KDCB were undertaking the personnel functions. These sections mainly handled placement, retirement, promotion, transfer, job rotation and maintenance of employee records of the banks. This department has the following

categories of employees such as superintendent, senior accountants/accountants, clerks and drivers.

The manpower inventory of each department of the bank, service book and service rules of employees were the type of information mostly kept in the section which deals with personnel matters. It was also noticed that there was no uniformity in the designation of heads of these departments in the sample banks. As far as infrastructure facilities are concerned, it was observed that, all the sample banks were functioning in their own building. These banks had embarked on plans for computerisation. The staff strength of the selected DCBs is given in Appendix II.

#### ***4.1.2 Human resource policy***

Human resource policy relates to the guidelines that streamline the activities of personnel management. It was observed that none of the banks had formulated any personnel policies of their own for the successful achievement of personnel goals. The service rules and guidelines for the functioning of DCBs were formulated and given by the Registrar of Co-operative Societies. The service rules of DCBs, specifies only such matters like the category of employees, qualifications, appointment, conditions of service, record of service, transfer, advances given to

employees, security, allowances, leave facilities, increment and fixation of pay, gratuity, conduct and discipline, penalty for misconduct, imposition of punishment, appeal against punishment, foreign service and training and refresher course. Section 80 of the Kerala State Co-operative Societies Act, 1969 deals with the appointment of personnel in DCBs. Registrar also issues guidelines from time to time for the different aspects in management of human resources in District Co-operative Banks. The latest amendment to the personnel policies of the banks was issued in 1998. It was with regard to change in promotion policy of DCBs. In order to communicate the policies and procedures related to Human resources, they were distributed to the employees by circulating copies to each employee.

#### ***4.1.3 Human Resource Planning***

It could be observed that the sample banks were not having the practice of framing any scientific human resource plans. They usually kept personnel information such as age, sex, length of service and educational qualification of each category of employees in the bank. In the case of KDCB even this information was not maintained.

The staff strength of each bank and branches were determined according to the provisions of the Kerala State Co-

operative Societies Rules, 1969. Normally, working capital, and the number of members (both the societies and individuals) in banks were the norms for fixing the staff strength. The norms applicable for fixing the staff strength of banks and branches in DCBs of Kerala are given in Appendix III.

Table 4.1 explains the shortage of number of employees in the sample banks. The table reveals that all the sample banks were having shortage of staff. The shortage of staff of TDCB, EDCB and KDCB were 98, 129 and 50 respectively.

Table 4.1 Shortage of employees in selected banks

Sl. No	Name of the DCB	Sanctioned	Recruited	Difference
1.	KDCB	358	260	98
2.	EDCB	396	267	129
3.	TDCB	528	478	50

Source: Compiled from primary data

#### ***4.1.4 Recruitment and Selection***

It was observed that all the sample banks were employing direct recruitment, promotion and deputation for meeting the requirement of personnel.



There was no recruitment in the sample DCBs during the period from 1995-96 to 1999-2000. The latest recruitment in EDCB was in 1989, in KDCB in 1995 and in TDCB in 1994. The vacancies, which arose due to the retirements, were filled by temporary hands through the employment exchanges.

Due to wide spread criticism about irregularities in the recruitment and selection of employees, the Kerala Co-operative Societies Act was amended to change the recruitment policy in 1995. As per the amended rules, the authority for recruitment was vested with Kerala Public Service Commission from 1998 onwards. Accordingly, 11 cadres were notified for direct recruitment in December 1999, which are given in Table 4.2.

Table 4.2 Category of posts called for according to the notification in December 1999

Sl. No.	Category of Post	Educational qualification
1.	Agricultural Officer	Bachelor's Degree in Agriculture or Horticulture
2.	Planning and Development Officer	1.B.E in Mechanical Engineering/B. Tech 2.M.B.A from a recognised university.
3.	Public Relations Officer	1. Bachelor's / Master's Degree in Public Relation or Master's Degree in English /Malayalam literature with not less than 50 per cent marks and Postgraduate Diploma in Public Relations and Journalism. 2. Three years experience in the same field

Sl. No.	Category of Post	Educational qualification
4.	Clerk/ Cashier	B.A./B.Sc./B.Com with H.D.C./J.D.C or B.Com with Co-operation /B.Sc. in Co-operation and Banking from Kerala Agricultural University
5.	Data Entry Officer	1. B.A./B.Sc./B.Com. 2. Certificate in Data Entry Operation from an Institution recognised by Central Government/ State Government. 3. One year experience in Data Entry Operation.
6.	Grade-1 Typist	1. S.S.L.C. with KGTE in typewriting English /MGTE 2. S.S.L.C. with typewriting Malayalam lower KGTE.
7.	Steno Typist	1.S.S.L.C. with typewriting higher KGTE/MGTE. 2. S.S.L.C. with Malayalam lower KGTE. 3. Shorthand English Higher KGTE/MGTE. 4. Shorthand Malayalam lower KGTE.
8.	Telephone Operator	S.S.L.C. with six months experience in telex operation.
9.	Lift Operator	A pass in Seventh standard with six months experience as a lift operator.
10.	Driver	A pass in Seventh standard with Light Duty Vehicle with a driver's badge of three years age.
11.	Peon	A pass in Seventh standard with knowledge of cycling. Women and handicapped are exempted.

Source: Government Notification. 1999. *Sahakaranaveethi*. 22, (9), 36-40

Among the 11 posts, the selection process has been set in mention only for the post of clerk/ cashier. The written test was conducted in June 2000 but the appointment has not been done yet.

The probation of employees was fixed as one year on duty within a continuous period of two years. His/her regularisation will be declared with regard to the ability to do work and his/her behaviour towards the superiors and subordinates. These criteria are same in all sample banks.

The post of General Manager, Deputy General Manager, Branch Manager, Inspector of branches, Chief Accountant, Superintendent, Senior Accountant and Accountant were filled up through promotion.

Managing committee of concerned bank was responsible for recruitment and selection till the passing of the amendment in 1999. DCBs used to conduct recruitment of staff through open selection by advertising through media and also through employment exchanges. The selection procedures prior to amendment in 1995 included application blank, written test and interview. The Joint Registrar (District Level) of the Co-operative Department prepared the question paper, conducted the test and

prepared the rank list. The interview for selection of candidate was conducted by the members of the board.

#### ***4.1.5 Training and Development***

Training is a tool to enhance the knowledge, skills and attitudes of the personnel. The need for professionalisation of co-operatives, made it imperative to provide training facilities to the employees of DCBs. All of the selected DCBs were availing training facilities from the organisations supporting the co-operative movement in India. They are;

1. Institute of Co-operative Management (ICM), Kannur and Thiruvananthapuram.
2. Agricultural Co-operative Staff Training Institute, (ACSTI), Monvila, Thiruvananthapuram.
3. National Bank for Agriculture and Rural Development (NABARAD).
4. College of Agricultural Banking (CAB), Pune.
5. Reserve Bank of India (RBI), Mumbai.
6. Banker's Institute for Rural Development (BIRD), Lucknow.
7. National Co-operative Development Corporation (NCDC), New Delhi.
8. Vaikunth Mehta National Institute of Co-operative Management (VAMNICOM), Pune

The training programmes conducted by these organisations for DCBs during the period from 1997-98 to 1999-2000 are given in the Table 4.3.

Table 4.3 Training programmes received by the employees of DCBs during the period from 1997-98 to 1999-2000

Sl. No	Topic of the training programme	Training Institution
	Deputy General Managers	
1.	Programme on financing to non-farm lending and Small Scale Industries (SSI)	RBI
2.	Programme of Non Farm Sector (NFS) lending	NABARD
3.	Management effectiveness	NABARD
	Executive Officers	
1.	Management effectiveness	ACSTI
2.	Programme on innovative banking	ICM, TVM
3.	Banker customer relation and gold appraisal	ICM, Kannur
4.	Self-help groups	NABARD
5.	Executive development programme	NABARD
6.	Orientation programme for middle level officers	ACSTI
	Managers/ Senior Accountants	
1.	Preparation of Development Action Plan	ACSTI
2.	Banking laws and other laws	NABARD
3.	Internal check and control	ACSTI
4.	Financing of rural industries	NABARD
5.	Management of Non-Performing Asset	NABARD
6.	Viability analysis of banks	NABARD

Sl. No	Topic of the training programme	Training Institution
7.	Animal husbandry development	ICM, Mangalore
8.	Computer training	ACSTI
9.	Programme on documentation and recovery management	ACSTI
10.	Recent changes in prudential norms and management of NPA	ACSTI
11.	Programme on domestic enquiry	ACSTI
12.	Banker customer relationship and gold appraisal	ICM
13.	Self-help groups	NABARD
14.	Self-help groups	NABARD
15.	Financing of rural industries	NABARD
16.	Self-help group	NABARD
17.	Loans and advances	ACSTI
18.	Strengthening of linkage between Primaries and DCBs	NCDC
19.	Financial management	ACSTI
20.	NFS lending	ACSTI
21.	Cash and fund management	ACSTI
	Clerk	
1.	Special training on cash and handling of gold	ACSTI
2.	General banking appraisal	ACSTI
	Total	
	Sub staff	
1.	Role of sub staff in development of DCBs	ACSTI

Source: Books and Records of DCBs

It was observed that all of the above cited training programmes were out house training programmes, except training on banker customer relationship and gold appraisal. The duration of the training programmes varied from two to five days.

The information regarding training programmes offered by various institutions received by the General Manager, are forwarded to the Planning and Development section. The Planning and Development section selects the employees for training, based on the seniority and convenience. The selected staff could not be sent for training on many occasions due to the shortage of staff. The Travelling Allowance and Dearness Allowance for the training were met by the concerned bank itself.

In this regard, it could be observed that TDCB has evolved a Training policy in 1999 in order to improve the productivity of the employees. Under this programme, seven employees of the bank were selected and sent for training in Kerala State Co-operative Union and became the training faculty.

#### ***4.1.6 Performance Appraisal***

The study revealed that no bank was following any performance appraisal method. They were not fixing and directing

Societies Act, 1969 was introduced regarding the recruitment of officers in DCBs. A ratio of 1:3 and 1:1 was fixed for direct recruitment and promotion for the post of Branch Manager and Deputy General Manager. Promotion for the employees was to be made on the basis of a written test conducted by the Central Board of Examination under the State Co-operative Union. The Registrar of Co-operative Societies is the ex-officio Chairman of the Board. A fee was fixed for the conduct of examination. The examination will be conducted on the standard of graduation. The subjects for the test include agriculture, rural development, co-operation, banking, accountancy, financial accounting, economics and computer awareness. The medium for the examination proposed was English. Even though the board had requested for the vacancy positions of all the DCBs in Kerala, it was observed that the banks had not given the necessary information, because of the severe protest from the existing employees. Hence, the promotion of employees based on the qualification and merit could not be implemented so far.

#### ***4.1.8 Salary Administration***

Uniform salary structure existed in all the DCBs of Kerala, from the year 1977 and pay revision is done in every five years.



Employees were dissatisfied with the salary structure as it was very low compared to other financial institutions. Hence, in 1996, Government of Kerala appointed Sri. C.V. Nair as a one-man commission to study the pay structure of employees of DCBs. The Commission submitted its report in 1998. Accordingly, the pay scales were revised on the basis of All India Consumer Price Index (AICPI) with retrospective effect from the year 1997. Appendix IV shows the Pre and Post revision of Pay scales of the employees. The minimum basic pay of every category of employee is higher in the post revision than the maximum of the pre revision scale.

#### *4.1.9 Transfer*

There was no scientific transfer policy in any of the sample banks studied. Inter department and inter branch transfers were allowed and in certain circumstances with the consent of the managing committees of the DCBs, inter bank transfer was also permitted in DCBs. As per the service rules, the Board of Directors are supposed to frame a set of norms to regulate the transfer, in consultation with the unions and the General Manager was the competent authority to order the transfer of employees. But it was observed that none of the sample banks had framed clear-cut norms for transfer of employees. Some of the transfers were made at the request of employees whereas a few transfers were done on disciplinary grounds also. However, considerations were given to women and local employees in order to place them conveniently.

#### 4.10 Motivation

It was observed that no work related special motivational measures were adopted to motivate employees in DCBs according to their performance. Every category of employee in DCBs was enjoying the leave facilities and statutory benefits provided by the bank, according to the job position. The existing package of leave facilities is given in the Table 4.4.

Table 4.4 Different types of leave facilities to the employees of DCBs in Kerala

Type of leave	Specifications
Casual Leave	All employees –not more than 20 days in the calendar year.
Earned Leave	Maximum period of earned leave that can be maintained in the credit of 180 days.
Maternity leave	Female employees-for three months.
Foreign Assignment leave	Leave on loss of pay for a period not exceeding five years.
Study leave	Leave without salary- not more than three years
Special Disability leave	Leave for disability caused during the period of official hours and leave sanctioned up to 24 months.
Half Pay leave	20 days for each completed years and will get half of the salary plus T.A and DA.

Source: Service Regulation of DCBs, G.O. (MS) No. 79/86/Co-op., TVM dated 30<sup>th</sup> September 1986.

In all the above leave facilities, applications are given to the General Manager through the superintendent of establishment section. The authority to sanction the leave facility is the General Manager.

Other benefits, which are given to the employees, are depicted in Table 4.5. They were also revised along with the pay revision.

Table 4.5 Other benefits to the employees of DCBs

(Amount in Rupees)

Other benefits	Pre revision	Post revision
1. Medical allowance	600	1000
2. Fixed travelling allowance		
a) Inspector	300	450
b) Executive officer	600	900
3. Clearing house allowance	60	120
4. Washing allowance	30	60
5. Risk allowance to cashier	75	125
6. Special allowance to steno typist	50	100
7. Special duty allowance		
a) Branch manager	80	150
b) Accountant	70	120
c) Clerk/ cashier/ typist	60	100
d) Sub staff	50	75
8. Allowance of lift operator/ duplication operator	40	75
9. Allowance to bill collector	35	60
10. Special allowance to driver	100	200
11. Allowance to gold appraiser	70	120
12. Allowance to computer operator	-	150
13. Allowance for buying spectacle	100	250
14. Special allowance to daffedar	-	60
15. Additional duty allowance to telex operator	-	50

Source: Government order, No. EM (1) 8202/98, Registrar's Office, TVM, dated 13.08.1999.

All the employees are eligible to get different benefits, with respect to the job category. In this case also, no specific criterion was followed to provide the benefits. The benefits were given to each employee up to the maximum amount permissible.

#### ***4.1.11 Grievance Redressal***

It was observed that major causes of grievances reported in the sample DCBs were related to salary, promotion and transfer. There was no formal mechanism for the settlement of the grievances. Whenever any discontent or dissatisfaction occurred, that was reported to the General Manager through trade union. The General Manager took a decision after holding discussion with the managing committee. A notable strike was launched by the employees of all DCBs of Kerala, in 1998 for the implementation of pay revision. As a result of this agitation, the Government of Kerala decided to implement the pay revision in 1999.

#### ***4.1.12 Management and Trade Union Relationship***

Three employees unions were functioning in the sample DCBs. They are affiliated to All India Bank Employees

Association, Bank Employees Federation of India and District Co-operative Bank Employees Conference.

As regards the relationship between the trade union and the management, there were no clear-cut agreements regarding any of the HRM functions. But as the management committees of all DCBs were having political affiliations, the employees unions supporting them had a better say in the case of transfer, leave sanctioning and selection of employees for training programmes. It was observed that all employees in the sample banks were members in one or other of the employees unions cited above.

#### ***4.1.13 Employee Discipline***

Any employee who violates the code of conduct is liable to disciplinary action. Disciplinary actions were taken according to the service rules of each bank.

Table 4.6 describes the behaviours considered as indiscipline and the respective punishments.

Table 4.6 Indisciplinary behaviours and the respective punishments

Indisciplinary behaviour	Punishment
a) Dishonesty	a) Barring of promotion
b) Fraud	b) Recovery from pay
c) Misappropriation or misapplication of fund	c) Reversion to lower grade
d) Engagement in trade or business	d) Compulsory retirement
e) Unauthorised disclosure of information	e) Dismissal
f) Willful damage	f) Censure
g) Gambling or betting	g) Withholding of annual increment
h) Punishments from court of law	h) Fine
i) Habitual indebtedness	

Source: Service regulation of DCBs, G.O. (MS) No. 79/86/Co-op., TVM dated 30<sup>th</sup> September 1986.

The punishments were awarded only after giving an opportunity to the employee to be heard. The award of punishments was recorded in the service book of each employee.

Table 4.7 shows the authority to give punishment under different circumstances.

Table 4.7 Competent authority to punish and to dispose of appeal under different punishments

Rank of employee	Censure, Fine and withholding of annual increments		Barring from promotion, recovery from pay, reversion to lower grade, compulsory retirement and dismissal	
	Authority to punish	Authority competent to dispose of appeal	Authority to punish	Authority competent to dispose of appeal
General Manager/ DGM/ Executive Officer/ Inspector of Branches/ Senior Branch Manager/ Branch Manager	President	Executive Committee	Executive committee	Board of Management
All other employees	General Manager	President	President	Executive Committee

Source: Service regulation of DCBs, G.O. (MS) No. 79/86/Co-op., TVM dated 30<sup>th</sup> September 1986.

Table 4.8 shows that the authority to punish is vested with President, General Manager and Executive Committee. The authorities competent to dispose of appeal are president, Executive Committee and Board of Directors.

## 4.2 Socio-Economic Profile of Branch Managers Selected for the Study

Personal information such as age, sex, family size, education, annual income, caste, family type, rural or urban background, length of service in DCB, experience as branch manager and training received by the branch manager were collected and analysed in this part.

### 4.2.1 Age-wise Classification

Table 4.8 shows the age-wise classification of selected branch managers

Table 4.8 Age group of selected branch managers

Age group	TDCB	EDCB	KDCB	Total
35-40	-	-	2 (12.5)	2 (3.9)
40-45	2 (10)	1 (6.6)	5 (31.25)	8 (15.7)
45-50	5 (25)	6 (40)	5 (31.25)	16 (31.4)
50-55	5 (25)	4 (26.7)	3 (18.75)	12 (23.5)
Above 55	8 (40)	4 (26.7)	1 (6.25)	13 (25.5)
Total	20 (100)	15 (100)	16 (100)	51 (100)

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total



Table 4.8 shows that more than 80 per cent of the branch managers belonged to the age group of 45 years and above. It may be noted that the number of branch managers above the age of 55 was more in TDCB (40 per cent) and less in KDCB (6.25 per cent).

#### 4.2.2 Sex

Sex-wise classification of the branch manager is given in Table 4.9.

Table 4.9 Sex wise distribution of selected branch managers

Classification	TDCB	EDCB	KDCB	Total
Male	12 (60)	10 (66.7)	7 (43.75)	29 (56.87)
Female	8 (40)	5 (33.3)	9 (56.25)	22 (43.13)
Total	20 (100)	15 (100)	16 (100)	51 (100)

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the selected branch managers (56.9 per cent) were males and the remaining 43.1 per cent were females. The number of women managers was more in KDCB.

### 4.2.3 Family Size

The family size of the branch managers is presented in Table 4.10.

Table 4.10 Family size of the selected branch managers

Family size	TDCB	EDCB	KDCB	Total
2		1 (6.7)	1 (6.25)	2 (3.9)
3	2 (10)	2 (13.3)	4 (25)	8 (15.7)
4	10 (50)	9 (60)	5 (31.25)	24 (47.1)
5	7 (35)	3 (20)	4 (25)	14 (27.45)
Above five	1 (5)	-	2 (12.5)	3 (5.88)
Total	20 (100)	15 (100)	16 (100)	51 (100)

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Majority (47.1 per cent) of the branch managers in the DCBs had a family size of four members. The percentage of branch managers with a family size of four was more in EDCB (60 per cent) and less in KDCB (31.25 per cent).

#### 4.2.4 Education

The education level of selected branch managers is given in Table 4.11.

Table 4.11 Education level of selected branch managers

Education level	TDCB	EDCB	KDCB	Total
S.S.L.C	2 (10)	2 (13.33)	3 (18.75)	7 (13.73)
Pre Degree	1 (5)	3 (20)	3 (18.75)	7 (17.73)
Degree	15 (75)	8 (53.34)	8 (50)	31 (60.79)
Post graduation	2 (10)	2 (13.33)	2 (12.5)	6 (11.77)
Total	20 (100)	15 (100)	16 (100)	51 (100)

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Above sixty per cent of the branch managers were degree holders, and 11.8 per cent were post-graduates. The percentage of degree holders was 75 in TDCB and 50 in KDCB.

### 4.2.5 Annual income

The annual income of the selected branch managers was calculated based on the occupational income of the selected branch managers and income of the family members. The annual income of the selected branch managers is presented in Table 4.12.

Table 4.12 Annual income of selected branch managers

(Rs. In lakhs)

Income class (Rs. in lakhs)	TDCB	EDCB	KDCB	Total
1-1.5	6 (30)	2 (13.3)	6 37.5)	14 (27.45)
1.5-2	8 (40)	6 (40)	4 (25)	18 (35.29)
2-2.5	4 (20)	5 (33.3)	4 (25)	13 (25.49)
2.5-3	2 (10)	2 (13.3)	2 (12.5)	6 (11.76)
Total	20 (100)	15 (100)	16 (100)	51 (100)

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Table 4.12 reveals that 35.3 per cent of the selected branch managers belonged to the income group of Rs. 1.5 to 2 lakhs and 27.45 per cent had a moderate income ranging from

Rs. 1 to 1.5 lakhs per annum. Another 25.49 per cent had an income of Rs. 2 to 2.5 lakhs. 40 per cent from EDCB and TDCB were falling in the income level of Rs. 1.5 – 2 lakhs while in KDCB 75.5 per cent were from the income level of Rs. 1-15 lakhs.

#### 4.2.6 Caste

Caste-wise distribution of selected branch managers is given in Table 4.13.

Table 4.13 Caste-wise distribution of selected branch managers

Caste	TDCB	EDCB	KDCB	Total
SC	3 (15)	3 (20)	4 (25)	10 (19.6)
ST	3 (15)	3 (20)	2 (12.5)	8 (15.68)
OBC	4 (20)	5 (33.3)	8 (50)	17 (33.3)
FC	10 (50)	4 (26.7)	2 (12.5)	16 (31.37)
Total	20 (100)	15 (100)	16 (100)	51 (100)

Source: Compiled from primary data

Note : 1) Figures in parenthesis indicate percentage to column total  
 2) SC - Scheduled Caste  
 ST - Scheduled Tribe  
 OBC - Other Backward Community  
 FC - Forward Caste

Among the selected branch managers the share of ST and SC was 15.68 per cent and 19.6 per cent respectively. The share of branch manager belonging to FC was maximum in TDCB whereas the share of SC and OBC was maximum in KDCB.

#### **4.2.7 Family Type**

The classification of the selected branch managers based on the family type is given in Table 4.14.

Table 4.14 Family type of selected branch managers

Type of family	TDCB	EDCB	KDCB	Total
Joint family	8 (40)	5 (33.30)	6 (37.5)	19 (37.25)
Nuclear family	12 (60)	10 (66.7)	10 (62.5)	32 (63.75)
Total	20 (100)	15 (100)	16 (100)	51 (100)

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Regarding the type of family of the selected branch managers, 62.75per cent of them were having nuclear family and 37.25per cent were having joint family. The share of branch

manager from nuclear family was high in EDCB while branch managers from joint family was high in TDCB.

#### ***4.2.8 Rural/Urban Background of Selected Branch Managers***

The rural/urban background of the selected branch managers is shown in Table 4.15.

Table 4.15 Rural/urban background of selected branch managers

Classification	TDCB	EDCB	KDCB	Total
Rural	10 (50)	7 (46.7)	8 (50)	25 (49)
Urban	10 (50)	8 (53.3)	8 (50)	26 (51)
Total	20 (100)	15 (100)	16 (100)	51 (100)

Source: Compiled from primary data

Note: Figures in parenthesis indicate percentage to column total

Out of the selected branch managers, 51 per cent were from urban area and 49 per cent were from rural area. The number of branch managers from urban area and rural area were the same in TDCB and KDCB.

#### ***4.2.9 Length of Service in DCB***

Details regarding the experience of the selected branch managers in DCBs is presented in Table 4.16.

Table 4.16 Experience of selected branch managers

Length of service (years)	TDCB	EDCB	KDCB	TOTAL
15-20	3 (15)	1 (6.7)	8 (50)	12 (23.5)
20-25	8 (40)	8 (53.3)	6 (37.5)	22 (43.1)
25-30	6 (30)	6 (40)	2 (12.5)	14 (27.5)
30-35	3 (15)	-	-	3 (5.9)
Total	20 (100)	15 (100)	16 (100)	51 (100)

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

With regard to experience, 43.1 per cent of the branch managers had 20 to 25 years of experience in DCBs while only 5.9 per cent had 30 to 35 years of experience. It was noted that only in TDCB, the branch managers had more than 30 years of experience. 40 per cent of the selected branch managers of EDCB was having experience between 25 to 30 years where as it was only 12.5 per cent in KDCB.

#### ***4.2.10 Experience as Branch Managers***

The experience of selected branch managers as branch managers is given in Table 4.17.



Table 4.17 Experience of selected branch managers as Branch Managers

Experience (years)	TDCB	EDCB	KDCB	Total
3	3 (15)	8 (53.3)	8 (50)	19 (37.3)
4	3 (15)	2 (13.3)	4 (25)	9 (17.7)
5	4 (20)	2 (13.3)	2 (12.5)	8 (15.7)
6	5 (25)	2 (13.3)	2 (12.5)	9 (17.6)
More than 6	5 (25)	1 (6.7)	-	6 (11.7)
Total	20 (100)	15 (100)	16 (100)	51 (100)

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the selected branch managers, 37.3 per cent had only three years of experience while 11.7 per cent had the experience of more than six years. There was no branch manager in KDCB who had an experience of more than six years. Out of the selected branch managers from TDCB, 50 per cent was having an experience of six years or more.

#### *4.2.11 Training Provided to Branch Managers*

Classification of branch managers according to training programmes attended is given in Table 4.18.

Table 4.18 Training programmes undergone by selected branch managers

Number of training programmes	TDCB	EDCB	KDCB	Total
No training	4 (20)	4 (26.7)	4 (25)	12 (23.5)
1	4 (20)	5 (33.3)	5 (31.3)	14 (27.5)
2	6 (30)	4 (26.7)	4 (25)	14 (28.5)
3	2 (10)	-	2 (12.5)	4 (7.8)
4 and above	4 (20)	2 (13.3)	1 (6.2)	7 (13.7)
<b>Total</b>	<b>20</b> <b>(100)</b>	<b>15</b> <b>(100)</b>	<b>16</b> <b>(100)</b>	<b>51</b> <b>(100)</b>

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Regarding the training received, 28.5 per cent of the selected branch managers had received two training programmes. At the same time 23.5 per cent of the selected branch managers had attended no training programmes. The share of branch managers who attended more than four training programmes, was higher in TDCB.

### 4.3 Job Satisfaction

Job satisfaction of the selected branch managers was measured on the basis of the responses given by them in respect of various variables related to human resource management practices.

#### 4.3.1 Human Resource Planning

The satisfaction level of the branch managers with respect to Human Resource Planning (HRP) is given in Table 4.19.

Table 4.19 Satisfaction level of selected branch managers with respect to HRP

Satisfaction level	TDCB	EDCB	KDCB	Total
Low	4 (20)	4 (26.7)	3 (18.9)	11 (21.6)
Medium	14 (70)	10 (66.7)	9 (56.3)	33 (64.7)
High	2 (10)	1 (6.7)	4 (28.6)	7 (13.7)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	7.60	4.8	4.6	5.9
Mean	20.25	21.38	20.9	20.9

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the selected branch managers 64.7 per cent recorded medium, 21.6 per cent low and 13.7 per cent high level of satisfaction regarding HRP of DCBs. In high satisfaction branch managers from KDCB indicated more, and less from EDCB regarding HRP.

#### **4.3.2 Recruitment and Selection**

The classification of selected branch managers according to the satisfaction towards recruitment and selection is presented in Table 4.20.

Table 4.20 Satisfaction of branch managers with respect to recruitment and selection

Satisfaction Level	TDCB	EDCB	KDCB	Total
Low	2 (20)	2 (13.3)	3 (18.8)	7 (13.7)
Medium	18 (90)	9 (60)	12 (75)	39 (76.4)
High	-	4 (26.6)	1 (6.2)	5 (9.9)
Total	20 (100)	1 5 (100)	16 (100)	51 (100)
SD	4.53	3.4	3.4	3.9
Mean	12.85	14.38	14.88	14.19

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the selected branch managers 76.4 per cent expressed medium level of satisfaction, 13.7 expressed low level of satisfaction and 9.9 per cent expressed high level of satisfaction towards recruitment and selection of employees in DCBs. High level of satisfaction was expressed more by branch managers of EDCB. It may be noted that none of the branch managers of TDCB expressed high level of satisfaction.

### ***4.3.3 Training and Development***

Table 4.21 depicts the satisfaction of branch managers with regard to training and development practices in DCBs.

Table 4.21 Satisfaction level of selected branch managers with respect to training and development in DCBs

Satisfaction Level	TDCB	EDCB	KDCB	Total
Low	3 (15)	3 (20)	4 (25)	10 (19.6)
Medium	13 (65)	9 (60)	10 (62.5)	32 (62.7)
High	4 (20)	3 (20)	2 (12.5)	9 (17.7)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	5.44	4.52	5.7	5.38
Mean	27.85	30.1	30.1	29.7

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Of the selected branch managers, 62.7 per cent expressed medium level of satisfaction and 19.7 per cent expressed low level of satisfaction while 17.7 per cent expressed high level of satisfaction towards training and development programmes in DCBs. The share of branch managers who expressed high-level satisfaction (20 per cent) in both TDCB and EDCB.

#### ***4.3.4 Performance Appraisal***

Level of satisfaction of branch managers towards performance appraisal system is given in Table 4.22.

Table 4.22 Satisfaction level of selected branch managers with respect to Performance Appraisal System

Satisfaction Level	TDCB	EDCB	KDCB	Total
Low	1 (5)	5 (33.3)	3 (18.75)	9 (17.6)
Medium	16 (80)	9 (60)	11 (68.75)	36 (70.6)
High	3 (15)	1 (6.7)	2 (12.5)	6 (11.8)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	6.17	4.35	2.8	4.7
Mean	17.8	17.23	17.81	17.76

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

It may be observed from the table that 70 per cent reported medium level of satisfaction, 17.6 per cent indicated low level of satisfaction and 11.8 per cent reported high level of satisfaction towards Performance Appraisal System in DCBs. The branch managers who expressed high level of satisfaction were more in TDCB where as those expressed low satisfaction were more in EDCB.

#### *4.3.5 Transfer*

The classification of selected branch managers according to the level of satisfaction towards transfer policy of DCBs, is given in Table 4.23.

Table 4.23 Satisfaction level of selected branch managers with respect to transfer policy

Satisfaction Level	TDCB	EDCB	KDCB	Total
Low	2 (10)	2 (13.3)	3 (18.8)	7 (13.7)
Medium	15 (75)	11 (73.4)	11 (68.7)	37 (72.6)
High	3 (15)	2 (13.3)	2 (12.5)	7 (13.7)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	2.43	2.32	2.94	2.67
Mean	10.68	11.81	12.63	11.71

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Majority of the selected branch managers (72.6 per cent) expressed medium level of satisfaction, when 13.7 per cent each expressed high and low level of satisfaction respectively towards transfer policy of DCBs. Bank wise observation reveals that 75 per cent from TDCB had medium level of satisfaction while it was 68.7 per cent for KDCB.

#### 4.3.6 Promotion

Table 4.24 expresses the classification of selected branch managers based on the level of satisfaction towards promotion policy of the DCBs.

Table 4.24 Satisfaction level of selected branch managers with respect to promotion policy

Satisfaction Level	TDCB	EDCB	KDCB	Total
Low	2 (10)	2 (13.3)	4 (25)	8 (15.7)
Medium	16 (80)	10 (66.7)	10 (62.5)	36 (70.5)
High	2 (10)	3 (20)	2 (12.5)	7 (13.8)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	2.98	1.83	2.82	3.33
Mean	11.8	15.28	16.31	14.37

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total



Among the selected branch managers, 70.5 per cent recorded medium level of satisfaction, 15.7 per cent showed low level of satisfaction and 13.8 per cent expressed high satisfaction level towards promotion policy. Inter bank comparison shows that, 80 per cent of branch managers in TDCB had medium level of satisfaction while it was only 62.5 per cent in KDCB.

#### **4.3.7 Motivation**

Satisfaction towards motivational measures in DCBs is given in Table 4.25.

**Table 4.25 Satisfaction level of selected branch managers with respect to motivational measures**

Satisfaction Level	TDCB	EDCB	KDCB	Total
Low	2 (10)	3 (20)	3 (18.8)	8 (15.7)
Medium	14 (70)	10 (66.7)	10 (62.4)	34 (66.7)
High	4 (20)	2 (13.3)	5 (18.8)	9 (17.6)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	5.34	4.26	5.44	5.20
Mean	16.05	18.26	19.31	17.86

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the selected branch managers 66.7 per cent reported medium level of satisfaction, while 17.6 per cent had high level of satisfaction and 15.7 per cent had low level of satisfaction with regard to motivational measures. Only 10 per cent of the selected branch managers from TDCB expressed low level of satisfaction regarding motivation whereas 20 per cent from EDCB indicated less satisfaction.

#### ***4.3.8 Relation with Trade Unions***

Table 4.26 explains the satisfaction towards the relationship with trade unions.

Table 4.26 Satisfaction level of selected branch managers with respect to relation with trade unions

Satisfaction Level	TDCB	EDCB	KDCB	Total
Low	3 (15)	3 (20)	4 (25)	10 (19.6)
Medium	17 (85)	10 (66.7)	10 (62.5)	37 (72.6)
High	-	2 (13.3)	2 (12.5)	4 (7.8)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	3.23	2.74	3.1	3
Mean	10.35	9.63	9.6	10

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Majority of the selected branch managers (76.6 per cent) expressed medium level of satisfaction, 19.6 per cent indicated low level of satisfaction and 7.8 per cent showed high level of satisfaction with respect to relationship with trade union and management. None of the branch managers from TDCB expressed high satisfaction with regard to the relationship with trade union and management.

#### **4.3.9 Salary Administration**

Table 4.27 depicts the satisfaction level of selected branch managers towards salary administration in DCBs.

Table 4.27 Satisfaction level of selected branch managers with respect to salary administration in DCBs

Satisfaction Level	TDCB	EDCB	KDCB	Total
Low	3 (15)	2 (13.3)	2 (12.5)	7 (13.7)
Medium	16 (80)	10 (66.7)	14 (87.5)	40 (78.4)
High	1 (5)	3 (20)	-	4 (7.9)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	2.2	2.7	3.54	2.20
Mean	23	21.7	21.9	22.49

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the selected branch managers, low level of satisfaction was expressed by 13.7 per cent, medium level of satisfaction by 78.4 per cent and high level of satisfaction by 7.9 per cent of selected branch managers regarding the salary administration in DCBs. It was noted that no respondent from KDCB expressed high level of satisfaction on salary administration. Majority of the selected branch managers expressed medium level of satisfaction, in the case of all selected DCBs.

#### ***4.3.10 Grievance Redressal***

Satisfaction towards grievance redressal procedures is given in Table 4.28.

Table 4.28 Satisfaction level of selected branch managers with respect to grievance redressal procedures

Satisfaction level	TDCB	EDCB	KDCB	Total
Low	4 (20)	3 (20)	4 (25)	11 (21.6)
Medium	14 (70)	10 (66.7)	11 (68.7)	35 (68.6)
High	2 (10)	2 (13.3)	1 (6.3)	5 (9.8)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	5	4	3	3
Mean	14	14	15	10

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Out of the selected branch managers 68.6 per cent expressed medium level of satisfaction whereas 21.6 per cent indicated low satisfaction and 9.8 per cent reported high level of satisfaction towards grievance redressal system in DCBs. Share of branch managers who expressed low level of satisfaction was equal (20 per cent) in the case of both TDCB and EDCB.

#### *4.3.11 Overall job satisfaction*

The overall satisfaction towards the Human Resource Management practices in selected DCBs is given in Table 4.29.

Table 4.29 Overall job satisfaction level

Satisfaction level	TDCB	EDCB	KDCB	Total
Low	1 (5)	2 (13.3)	3 (18.8)	6 (11.8)
Medium	17 (85)	9 (60)	10 (62.5)	36 (70.6)
High	2 (10)	4 (26.7)	3 (18.8)	9 (17.6)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	29.5	21.4	24.1	26.3
Mean	165	174	180	174

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Majority of the selected branch managers (70.6 per cent) indicated medium level of job satisfaction, 17.6 per cent expressed high level of satisfaction and 11.8 per cent reported low satisfaction towards the HRM practices in DCBs. While considering bank - wise observations, 85 per cent of branch managers from TDCB had medium level of satisfaction whereas 26.7 per cent from EDCB expressed high satisfaction and 18.8 per cent from KDCB had low level of satisfaction.

#### **4.4 Factors determining Job Satisfaction as perceived by the Branch Managers**

The factors leading to job satisfaction as perceived by the branch managers are given in Table 4.30. The factors were ranked based on the scores given by the selected branch managers.

Table 4.30 Factors determining of job satisfaction as perceived by branch managers

Sl. No.	Factors	Score obtained	Rank
1.	Salary administration	75.00	1
2.	Relationship with the trade unions	66.70	2
3.	Human resource planning	59.90	3
4.	Training and development	59.41	4
5.	Transfer	58.50	5
6.	Promotion	57.50	6
7.	Recruitment and selection	56.80	7
8.	Motivation	51.00	8
9.	Performance appraisal	50.80	9
10.	Grievance redressal	48.70	10

Source: Compiled from primary data

Note: Score was calculated by dividing total score for each item with number of selected branch managers

Among the ten factors leading to job satisfaction, salary administration was considered as most prominent by the branch managers with the highest score of 75. The least important factor was the grievance redressal system prevailing in DCBs. It is to be noted that factors like promotion, motivation and performance appraisal were given only least importance by the branch managers.

#### 4.5 Correlation Between Job Satisfaction and Socio Economic Variables

As job satisfaction is a state of mind of the employee, his socio economic background can influence the level of satisfaction. The correlation between socio economic variables and job satisfaction of selected branch managers is given in Table 4.31.

Table 4.31 Correlation of socio economic variables to job satisfaction

Sl. No.	Variables	Scores
1.	Age	-0.14
2.	Sex	-0.01
3.	Family size	0.12
4.	Annual income	-0.16
5.	Education	0.02
6.	Caste	-0.08
7.	Family type	0.07
8.	Family background	0.00
9.	Experience in DCB	-0.24
10.	Experience as branch manager	-0.37
11.	Training received	-0.04



A positive relation was found between the variables like size of family, family type and education with job satisfaction whereas family background indicated no relation and all other variables indicated negative relation.

#### **4.6 Job Performance**

The performance of branch managers of DCBs was analysed by using the variables such as job knowledge, initiation, dependability, communication skill, ability to supervise, creativity, relationship with subordinates, relationship with public, managerial skill, leadership quality, business capacity, significant achievements and problems faced.

##### ***4.6.1 Job Knowledge***

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The level of job knowledge of selected branch managers is given in Table 4.32.

Table 4.32 Job knowledge level of selected branch managers

Performance level	TDCB	EDCB	KDCB	Total
Poor	2 (10)	2 (13)	4 (25)	8 (16)
Moderate	14 (70)	11 (74)	10 (63)	35 (68)
High	4 (20)	2 (13)	2 (12)	8 (16)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	3.13	3.93	5.14	4.08
Mean	25.6	28.5	26.6	27.2

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the selected branch managers, 68 per cent possessed moderate level of job knowledge, 16 per cent had high level of job knowledge and the remaining 16 percent had only poor level of job knowledge. 25 per cent of the branch managers in KDCB had poor job knowledge group while 20 per cent of TDCB had high level of job knowledge.

#### **4.6.2 Initiation**

The initiation level of selected branch managers is given in Table 4.33.

Table 4.33 Initiation level of selected branch managers

Performance level	TDCB	EDCB	KDCB	Total
Poor	3 (15)	-	3 (18.8)	6 (12)
Moderate	14 (70)	12 (80)	11 (68.7)	37 (72)
High	3 (15)	3 (20)	2 (12.5)	8 (16)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	3.08	3.15	2.78	3.08
Mean	19.1	21.7	21.6	20.9

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

When majority of the selected branch managers (72 per cent) showed initiation, 12 per cent expressed poor initiation and 16 per cent, high level of initiation. There were no respondents in EDCB having poor level of initiation.

#### *4.6.3 Dependability*

The level of dependability of the selected branch managers is given in Table 4.34.

Table 4.34 Dependability level of selected branch managers

Performance level	TDCB	EDCB	KDCB	Total
Poor	1 (5)	1 (6.3)	3 (18.8)	5 (9.8)
Moderate	17 (85)	12 (80)	8 (50)	37 (72.5)
High	2 (10)	2 (13.3)	5 (31.2)	9 (17.6)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	2.42	2.61	2.63	2.58
Mean	14.00	16.10	15.1	15.2

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Majority of the selected branch managers (72.5 per cent) seemed to be moderately dependable, whereas 17.6 per cent were highly dependable and 9.8 per cent were poorly dependable. Eighty five per cent of selected branch manager from TDCB showed moderate dependability while 31.2 per cent from KDCB had high dependability.

#### **4.6.4 Communication skill**

Table 4.35 depicts the classification of selected branch managers based on the communication skill.

Table 4.35 Communication skill of selected branch managers

Performance level	TDCB	EDCB	KDCB	Total
Poor	1 (5)	2 (13.3)	3 (18.8)	6 (11.7)
Moderate	13 (65)	10 (66.7)	12 (75)	35 (68.7)
High	6 (30)	3 (20)	1 (6.2)	10 (19.6)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	3.52	4.43	2.99	3.75
Mean	23.5	26.8	26.6	25.8

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the total selected branch managers majority (68.7 per cent) were having moderate communication skill, while 11.7 per cent were poor in communication skill and 19.6 per cent possessed high level of communication skill. Inter bank comparison showed that, 30 per cent of the respondents had high communication skill in TDCB while only 6.2 per cent had in KDCB.

#### ***4.6.5 Ability to Supervise***

The ability of the selected branch managers to supervise is given in Table 4.36.

Table 4.36 Supervision ability of selected branch managers

Performance level	TDCB	EDCB	KDCB	Total
Poor	3 (15)	2 (13)	2 (13)	7 (14)
Moderate	13 (65)	10 (67)	12 (67)	34 (67)
High	4 (20)	3 (20)	3 (20)	10 (19)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	4.33	3.04	2.81	2.64
Mean	15.7	20.1	18.2	18.4

Source: Compiled from primary data

Note: Figures in parenthesis indicate percentage to column total

Among the total selected branch managers (67 per cent) possessed moderate level of supervision ability, 14 per cent were poor in supervising and 19 per cent had high level of ability in supervision. The share of branch managers having high level of ability to supervise was the same (20 per cent) in all the sample banks.

#### 4.6.6 Creativity

The level of creativity of selected branch managers is described in the Table 4.37.

Table 4.37 Creativity level of selected branch managers

Performance level	TDCB	EDCB	KDCB	Total
Poor	3 (15)	1 (7)	1 (6)	5 (10)
Moderate	14 (60)	12 (73)	12 (75)	37 (72)
High	3 (15)	3 (20)	3 (19)	9 (18)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	4.01	3.2	2.52	3.38
Mean	16	18.1	18.2	17.5

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Majority of the selected branch managers (72 per cent) possessed moderate creativity, 10 percent had high creativity and 18 per cent were with low creativity. When 75 per cent of the respondents from KDCB had moderate creativity only 20 per cent from EDCB had high creativity.

#### ***4.6.7 Relation With Subordinates***

The level of relationship of respondents with subordinates is depicted Table 4.38.

Table 4.38 Level of relationship of selected branch managers with subordinates

Performance level	TDCB	EDCB	KDCB	Total
Poor	7 (35)	5 (33)	2 (13)	12 (24)
Moderate	10 (50)	7 (46)	14 (74)	31 (60)
High	3 (15)	3 (21)	2 (13)	8 (16)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	2.17	2.72	2.52	2.82
Mean	15.2	15.9	18.1	15.7

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Level of relationship with subordinates was rated as moderate by 60 per cent of the selected branch managers, whereas 24 per cent of the selected branch managers showed poor level and 16 per cent showed high level of relationship with subordinates. Thirty five per cent of the respondents from TDCB had poor level of relationship while 74 per cent KDCB had moderate level of relationship.

#### ***4.6.8 Relationship With Public***

The level of relationship of the selected branch managers with public is given in Table 4.39.



Table 4.39 Level of relationship of selected branch managers with public

Performance level	TDCB	EDCB	KDCB	Total
Poor	2 (10)	2 (13)	2 (13)	6 (12)
Moderate	14 (70)	13 (87)	13 (80)	40 (78)
High	4 (20)	-	1 (7)	5 (10)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	2.11	3.48	2.48	2.64
Mean	17.30	18.7	18.6	18.4

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the selected branch managers, majority of them (78 per cent) possessed moderate ability to interact with public, whereas 12 per cent had poor in interaction with public and 10 per cent had high ability to interact with public. None of the respondents from EDCB had high level of relationship with public.

#### 4.6.9 Managerial skill

The managerial skill of the selected branch managers is given in Table 4.40.



Table 4.41 Level of leadership quality of selected branch managers

Performance level	TDCB	EDCB	KDCB	Total
Poor	2 (10)	2 (13)	4 (25)	8 (16)
Moderate	15 (75)	12 (81)	11 (69)	38 (74)
High	3 (15)	1 (6)	1 (6)	5 (10)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	4.63	4.72	2.27	4.12
Mean	20.4	22.3	21.8	21.7

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the selected branch managers, moderate leadership quality was expressed by 74 per cent of them. At the same time 16 per cent reported low leadership quality and only 10 per cent showed high level of leadership quality. The moderate level of leadership quality was high in EDCB while low level was high in KDCB.

#### ***4.6.11 Relationship With Superiors***

The relationship of selected branch managers with superiors is given in Table 4.42.

Table 4.42 Level of relationship of selected branch managers with superiors

Performance level	TDCB	EDCB	KDCB	Total
Poor	2 (10)	3 (20)	3 (19)	8 (16)
Moderate	15 (75)	9 (60)	12 (75)	36 (71)
High	3 (15)	3 (20)	1 (6)	7 (13)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	2.9	2.9	2.34	2.8
Mean	17.4	20.3	19.4	19.2

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Level of relationship with the superiors was reported to be moderate by 71 per cent of the selected branch managers. However 16 per cent expressed low level of relationship with superiors. The remaining 13 per cent expressed high level of relationship. Same level of relationship with superiors was reported by KDCB and TDCB.

#### ***4.6.12 Business Capacity***

The business capacity of selected branch managers is given in Table 4.43.

Table 4.43 Level of business capacity of selected branch managers

Performance level	TDCB	EDCB	KDCB	Total
Poor	2 (10)	3 (20)	2 (13)	7 (14)
Moderate	14 (70)	9 (60)	12 (74)	35 (69)
High	4 (20)	3 (20)	2 (13)	9 (17)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	4.45	5.99	4.93	5.03
Mean	42.7	43.6	45.2	44.5

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the selected branch managers, 69 per cent had moderate business capacity and 14 per cent had low level of business capacity, while 17 per cent showed high level of business capacity. The high level of business capacity was the same in TDCB and EDCB while 74 per cent from KDCB had moderate level.

#### ***4.6.13 Significant Achievement***

The level of significant achievement made by selected branch managers is given in Table 4.44.

Table 4.44 Level of significant achievement by the selected branch managers

Performance level	TDCB	EDCB	KDCB	Total
Poor	5 (25)	4 (27)	3 (18)	12 (23)
Moderate	11 (55)	10 (67)	10 (64)	31 (62)
High	4 (20)	1 (6)	3 (18)	8 (15)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	1.1	1.5	1.26	1.3
Mean	1.58	1.6	1.63	1.59

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

In the case of significant achievement, 23 per cent of the selected branch managers reported poor level, 62 per cent reported moderate level and 15 per cent showed high level of achievements. The moderate level of significant achievement was maximum in EDCB (67 per cent) and low in TDCB (55 per cent). However, high level of significant achievement was more in the case of TDCB.

#### **4.6.14 Problems Faced**

Classification of selected branch managers based on problems faced is given in Table 4.45.

Table 4.45 Level of problems faced by the selected branch managers

Performance level	TDCB	EDCB	KDCB	Total
Poor	2 (10)	2 (13)	2 (13)	6 (12)
Moderate	15 (75)	9 (60)	13 (81)	37 (73)
High	3 (15)	4 (27)	1 (6)	8 (15)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	4.7	5.37	5.87	5.48
Mean	32.2	37.5	33.7	34.8

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Majority of the selected branch managers (73 per cent) faced moderate level of problems and 12 per cent confronted poor level of problems whereas eight per cent had encountered high level of problems. Regarding the bank wise situation, 81 per cent from KDCB, 75 per cent from TDCB and 60 per cent from EDCB had faced moderate problems.

#### *a) Most Frequently Occurred Problems*

Most frequently encountered problems were ascertained and presented in Table 4.46. This was calculated by taking the percentage score obtained for each problem.

Table 4.46 Most frequently encountered problems by selected branch managers

Sl. No.	Problems	Percentage of most frequent occurrence
1.	Area of operation is too large	43.10
2.	Too much clerical work	39.12
3.	Lack of freedom in taking decisions	29.40
4.	Poor guidance from higher officials	27.50
5.	Undue delay in sanctioning of loan	27.50
6.	Salary is poor when compared to work load	21.60
7.	Frequent transfers	21.60
8.	Lack of sufficient supporting staff	21.60
9.	Lack of promotional opportunities	19.60
10.	Lack of planning	19.60
11.	Lack of conveyance facilities	19.60
12.	Lack of computerisation	17.60
13.	Lack of proper communication from head office	15.70
14.	Area of operation is too limited	13.70
15.	Lack of transportation facilities	13.70
16.	Lack of training facilities	11.80

Source: Compiled from primary data

The Table shows that, large area of operation was the most significant problem faced by branch managers, followed by too much clerical work. Lack of training facilities was rated as an insignificant problem with a score of only 11.8 per cent.

#### 4.6.15 Overall Job Performance

Table 4.47 explains the overall job performance of selected branch managers.

Table 4.47 Overall job performance of selected branch managers

Performance level	TDCB	EDCB	KDCB	Total
Poor	-	2 (13.3)	2 (12.5)	4 (7.8)
Moderate	15 (75)	9 (60)	11 (68.8)	35 (68.6)
High	5 (25)	4 (26.7)	3 (18.7)	12 (23.6)
Total	20 (100)	15 (100)	16 (100)	51 (100)
SD	28.3	24.9	24.8	27.1
Mean	280	312	305	302

Source: Compiled from primary data

Note : Figures in parenthesis indicate percentage to column total

Among the selected branch managers 68.6 per cent of the selected branch managers expressed moderate level of job performance, 7.8 per cent had poor level of job performance and 23.6 per cent showed high level in job performance. It was noted that none of the selected branch managers from TDCB had poor job performance and 26.7 per cent of selected branch managers from EDCB had high performance.



#### 4.7 Relationship Between Job Performance and Socio Economic Factors

The relationship of socio economic factors on job performance is given in Table 4.48.

Table 4.48 Relationship between job performance and socio-economic factors

Sl. No.	Variables	Scores
1.	Age	0.08
2.	Sex	-0.1
3.	Family size	-0.2
4.	Annual income	-0.2
5.	Education	0.21
6.	Caste	0.03
7.	Family type	0.31
8.	Rural/ urban background	-0.03
9.	Experience in DCB	0.13
10.	Experience as branch manager	-0.2
11.	Training received	-0.1

Source: Compiled from primary data

Note: Score denotes R values of each variables with job performance

Table 4.49 reveals that the variables such as age, education, caste, family type and experience in DCB were positively related to the job performance of branch managers in DCBs. However, variables like sex, family size, annual income, family

background, experience as branch manager and training received were negatively related to job performance.

#### 4.8 The Factors leading to the Job Performance as perceived by the Branch Managers

The factors as perceived by the branch managers were estimated based on the score obtained for each component effecting job performance, to the total score of each component. Ranks were given accordingly to each component. The Table 4.50 explains the components of job performance as perceived by the branch managers.

Table 4.49 Components of job performance

Sl. No.	Components	Score obtained	Rank
1.	Business capacity	87.30	1
2.	Relationship with public	78.70	2
3.	Problems faced	77.30	3
4.	Leadership quality	76.80	4
5.	Dependability	76.00	5
6.	Relationship with superiors	74.30	6
7.	Communication skill	73.80	7
8.	Managerial skill	72.30	8
9.	Creativity	72.00	9
10.	Ability to supervise	71.80	10
11.	Relationship with sub-ordinates	70.00	11
12.	Initiation	69.70	12
13.	Job knowledge	68.09	13
14.	Significant achievement	13.20	14

Source: Compiled from primary data

#### 4.9 Regression Analysis of Job Satisfaction and Job Performance with Related Factors

In the earlier sections we have just explained the various factors influencing job satisfaction and job performance. The literature on HRM has also identified certain conventional factors influencing job satisfaction and job performance. Hence, it will be appropriate to examine the influence of these factors on job satisfaction and job performance. The conventional tool for this purpose is factor analysis. But the variables job satisfaction and job performance are in one way the arithmetic summation of the listed parameters attributing perfect multicollinearity between the factors and hence factor analysis cannot be done. So single regression equation models were tried, considering each factor as one independent variable influencing job satisfaction or job performance.

The general models are

$$JS = \alpha + \beta x_i$$

Where 'i' can be any parameter from the list of parameters which includes:

1. Human resource planning
2. Recruitment and selection
3. Training and development
4. Performance appraisal
5. Promotion

6. Transfer
7. Motivation
8. Grievance redressal
9. Relationship with trade union
10. Salary administration

JS = Job satisfaction

Similarly,  $JP = \alpha + \beta w_i$

Where 'i' represents any of the listed parameter

1. Job knowledge
2. Initiation
3. Dependability
4. Communication skill
5. Relationship with public
6. Relationship with subordinates
7. Creativity
8. Ability to supervise
9. Managerial skill
10. Leadership quality
11. Relationship with superiors
12. Business capacity
13. Significant achievement
14. Problems faced

JP = Job performance

Regression output of job satisfaction is shown in Table 4.50.

Table 4.50 Result of simple regression analysis of job satisfaction

Sl. No.	Variables	Coefficient	t value	R square value
1.	Human resource planning	3.36	8.17	0.57
2.	Recruitment and selection	4.46	6.36	0.45
3.	Training and development	2.99	5.41	0.37
4.	Performance appraisal	4.06	5.05	0.53
5.	Promotion	4.61	7.43	0.34
6.	Transfer	5.69	4.98	0.33
7.	Motivation	4.32	11.58	0.73
8.	Grievance redressal	4.42	8.23	0.44
9.	Relationship with trade union	3.89	6.20	0.19
10.	Salary administration	1.76	2.03	0.35

From the Table it is seen that all the ten factors were significantly influencing job satisfaction since in all the cases the 't' values are statistically significant.

An attempt was also made to relate job performance with 14 selected variables. Regression analysis of job performance with related factors is depicted in Table 4.51.

Table 4.51 Result of simple regression analysis of job performance

Sl. No.	Variables	Coefficient	t value	R square value
1.	Job knowledge	3.79	4.89	0.32
2.	Initiation	6.25	7.09	0.50
3.	Dependability	7.86	7.92	0.56
4.	Communication skill	8.44	8.04	0.57
5.	Relationship with public	6.20	5.31	0.37
6.	Relationship with subordinates	5.74	5.23	0.36
7.	Creativity	5.83	7.43	0.53
8.	Ability to supervise	4.98	8.32	0.57
9.	Managerial skill	3.96	5.46	0.38
10.	Leadership quality	3.77	4.74	0.31
11.	Relationship with superiors	6.47	6.62	0.47
12.	Business capacity	1.83	2.53	0.11
13.	Significant achievement	3.35	1.14	N
14.	Problems faced	0.36	0.51	N

N – Negligible

The results validated the significant influence of 12 factors. In terms of  $R^2$ , the prominent factors are communication skill, dependability and creativity.

# ***Discussion***

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## **CHAPTER 5 DISCUSSION**

The interpretations and findings of the study deduced from the results are presented under the following subheadings:

- 5.1 Human Resource Management Practices in DCBs
- 5.2 The relationship of socio-economic variables with job satisfaction and job performance
- 5.3 Job Satisfaction of branch managers towards Human Resource Management practices of DCBs
- 5.4 Job performance of branch managers
- 5.5 Regression analysis of job satisfaction and job performance with related factors
- 5.6 The relationship between job performance and job satisfaction

### **5.1 Human Resource Management Practices in DCBs of Kerala**

The prevailing HRM practices were deciphered in the previous chapter. Hence an attempt is made to interpret the results obtained by the study.



### *5.1.1 Human Resource Department*

There was no separate department, which was assigned with the HRM functions exclusively, in any of the sample banks. The reason attributed to this situation was that decisions related to employee matters in DCBs were being taken as per the directions given by the Registrar of Co-operative Societies, Kerala in accordance with the service rules. The number of employees in a DCB in Kerala ranged between 200 and 250. Such an organisation having considerable number of employees needs a specialised department to look after employees' matters.

It was observed that the officer who looked after the HRM functions did not have any specific qualification in HRM, as DCBs were not prescribing this as a minimum qualification. An institution having a specialised HRM department manned by professionally qualified persons will be able to identify the needs and skills of the people and take appropriate measures. Hence it is only logical that there should be a separate Human Resource Development Department to develop the human resource for the attainment of the objectives of DCBs.

### *5.1.2 Human Resource Policy*

Human resource policies comprise of the body of principles and rules of conduct, which govern the enterprise in its

relationships with its employees. In DCBs, the human resource policies were specified in service rules and were formulated and directed by the Registrar of Co-operative Societies, Kerala. Service rules are framed in accordance with the Kerala State Co-operative Societies Act 1969. In these policies regarding personnel, many relevant aspects like transfer policy were absent. They give only a guideline for the HRM functions, and none of the sample banks have charted out clear-cut rules for smooth functioning. This will be possible only if there is a human resource department manned by persons with professional qualifications and expertise in HRM.

### ***5.1.3 Human Resource Planning***

It was observed that there was no scientific Human Resource planning in any of the sample banks. No attempt was made to forecast human resource needs or assessment of supply, in order to ensure right persons in right number at right time to work in DCBs. As DCBs are dynamic financial institutions, they need to take stock of their present and estimate the future manpower requirements.

The staff strength of a bank was a function of the volume of deposits and advances. However, there were no job description and work norms for each job positions. As a result of

this, most of the employees were not clear about their duties. The present working environment in the DCBs is such that the lazy employees are living at the expense of the hardworking. Therefore, in order to standardise the workload of every employee, specific standards need to be fixed for each job position. Thereby, the banks can increase the capabilities and skills of all categories of employees. Another problem due to the absence of Human Resource Planning is that all categories of employees are having the same qualification ranging from Clerk to General Manager. This was the reason for the lack of specialisation in different categories of jobs.

#### ***5.1.4 Recruitment and Selection***

The recruitment and selection of the required personnel, suitable for meeting the demands of the organisation are the vital functions of personnel management. The quality of the service rendered by the organisation depends upon the quality of the human resources. Therefore, a scientific recruitment and selection policy is inevitable for every organisation.

In the DCBs in Kerala, the recruitment and selection of employees to entry cadre is now carried out by the Kerala Public Service Commission. This was a major shift in the recruitment

policy of DCBs. However due to various reasons, Public Service Commission could not conduct priority for the recruitment of staff in DCBs.

Recruitment of staff of DCBs can be made more effective by entrusting these functions to the Co-operative Service Recruitment Board. Each of the sample banks was badly in need of more staff. So it is essential to identify an appropriate recruitment agency for DCBs, as the present system is very time consuming.

#### ***5.1.5 Training and Development***

Training is the process of improving the skill, knowledge and attitude of employees to achieve organisational objectives. The training programmes availed by the employees of DCBs were from external agencies only. The training programmes were only for a few days and they have failed to cover the up to date developments in co-operation and banking. The study revealed that none of the banks, except TDCB, had made internal arrangement for training their employees. As the banks were depending on external agencies for training programmes, the training and development in DCBs were not effective. This was because the training programmes for employees were not framed

considering the need of the employees. As they were formulated outside, the modules and timings of training programmes were not in conformity with bank's requirement and convenience.

Under this circumstance, the DCBs should think of their own training mechanism like the one started by TDCB. Trainers can be selected from among themselves or from experts in other banking institutions. But it is imperative that there should be an assessment of the training needs and also a post training evaluation by trainees regarding the training programmes. Training should be undertaken as an active mechanism for self-development through motivation and improved performance.

#### ***5.1.6 Performance Appraisal***

Performance appraisal is a systematic routine process of assessing the performance of employees in the task assigned to them. It was observed that there was no scientific performance appraisal system existing in any of the selected DCBs. Efforts to measure the performance of the employees are to be taken as its absence was creating discontent in the minds of employees. In the absence of performance appraisal mechanism or performance related punishments, the workload in the DCBs was concentrated to

a few people as there was no mechanism to direct the non-working employees.

The introduction of scientific performance appraisal system should succeed in fixing up of standards for each job. The quantity and quality of work done by the employees should be checked regularly within a specific period. Likewise the result of the performance evaluation should be communicated to the employees. The appraiser should take corrective measures also. This will lead to better harmony and co-operation among the employees.

As a banking institution, the performance standards for each job can be fixed according to the number of files moved, number of statements prepared, loans disbursed, deposits accepted etc. The officer, to whom the employees are reporting immediately, can become the appraiser. This mechanism will also help in the assessment of training needs and promotion.

#### ***5.1.7 Promotion***

Promotion is career advancement, which brings about positive change in the status, responsibility and monetary benefits of an employee. In DCBs of Kerala, seniority was the only criterion

adopted to promote an employee from a lower post to the next higher post. In actual practice, the promotions in DCBs were like stepping on a 'ladder'. It was not at all acting as a motivational measure to work hard or upgrade the skills and knowledge.

In 1999, an amendment was made to Sections 185 and 186 of the Co-operative Societies Act, 1969 to introduce written test for promotions and a ratio was being fixed between direct recruitment and promotion. But the amendment is yet to come to practice, as the banks have not implemented the policy of direct recruitment to the officer cadre and qualifying examination for promotion.

In the pursuit of professionalisation of management, to survive in the prevailing competitive environment the existing system of judging on the basis of seniority with little emphasis on performance and merit will be de-motivating. Therefore, it will be necessary to distinguish between performers and non-performers by giving adequate weightage to performance and qualification.

#### *5.1.8 Transfer*

There was no clearly laid down transfer policy in DCBs of Kerala. The service rules prescribe three years for a person to

work in one position. In actual practice this was not followed in letter and spirit.

In order to bring uniformity, a common transfer policy must be formulated for all DCBs. It should clearly specify the situations under which transfer occurs and on what all grounds. Because of the absence of the prescribed norms for transfer, some employees are transferred discriminately and at the same time some others are not transferred at all for a long period.

#### ***5.1.9 Motivation***

Motivation is regarded as a vital aspect for improving the performance and satisfaction on the employees. Besides the salary, leave facilities and other benefits, there were no performance-linked incentives existing in DCBs of Kerala. Each category of employees was getting certain monetary benefits. Since the amount was so negligible, the employees were not motivated to improve their performance. Rather than extending the monetary benefits to all employees, it can be linked to the performance of the employees. Thus, these monetary benefits should be linked to the performance appraisal system of banks.



In the case of non-monetary benefits, nothing of that sort was being practiced in the selected DCBs. In order to encourage the employees to work for the organisation, non-monetary measures can be adopted, such as an appreciation letter or publishing it on the notice board or praising the person in a meeting on his achievement.

#### ***5.1.10 Grievance Redressal***

Grievance can be defined as a discontent or dissatisfaction felt by an employee in any organisational matters. In the sample banks most of the grievances were about promotion and transfer. But these were not redressed promptly. If the individual grievance of the employees were not redressed in time, the same may amount to an industrial dispute, which may lead to unrest in the organisation. Hence an effective grievance redressal system is of utmost importance.

The sample banks had no system to redress the grievances of the employees. The dissatisfaction felt by the employees was not expressed anywhere. A progressive management has to adopt a participative style of functioning in the policies of the organisation. DCBs have to establish a grievance redressal committee or commission to reduce the

dissatisfaction of the employees. The person or persons who are engaging in the settlement of grievance should possess a right frame of mind to handle the grievances. The system should be capable of redressing the grievance timely, with justice and the procedures of grievance redressal should be simple and fair. Moreover, adoption of effective communication machinery will help to update the periodical feedback about the problems faced by the bank staff.

#### ***5.1.11 Employee Discipline***

Employee discipline is the force that prompts employees in the bank to observe the rules, regulations and procedures, which are deemed to be necessary for the effective functioning of the bank. In the selected banks there were cases of demotions and suspensions as disciplinary actions. In most of the cases the punishments were given by the managing committee. The absence of separate disciplinary committee, the political interests of the managing committee will guide the decisions. This may ultimately result in dissatisfaction among the employees. So if there is a special separate committee, on disciplinary action, comprising of employees and the managing committee, the decision will be more fair and just.

### ***5.1.12 Salary Administration***

One of the difficult tasks of the management of an organisation is fixation of compensation. A uniform salary structure has been implemented in all DCBs of Kerala. The pay revision, which was effected in 1999, helped the employees to get a comparable status with other financial institutions. After the pay revision, employees are more satisfied regarding the salary received by them.

### ***5.1.13 Relationship with Trade Union***

Trade unions in an organisation are formed to promote, protect and improve the status of employee through collective bargaining. The practice of signing agreement with trade unions regarding employee's matters does not exist in DCBs in Kerala. However, the trade union, having affiliation with the political party that supports the managing committee, influences majority of the decisions. This adversely affects the other employees. For the better functioning of the banks and for providing equal opportunity to all trade unions, there should be clear-cut guidelines regarding the role of the trade unions in the management decision-making process.

The employee unions can undertake many developmental activities for the employees. They can initiate human resource development programmes, communicate the developments in banking, to all employees, conduct counselling and initiate education and training programmes.

In the context of the DCBs playing a significant role in the rural and agricultural credit, proper management of its human resource becomes imperative. Analysis of HRM in DCBs revealed that there was ample scope for improvements in each of the aspects examined. Improvements could be achieved only if the needs of HRM are given adequate care by the Government, which is the policy-making agency for co-operative banking sector. In the context of liberalised banking era competition is increasing from the network of public, private, <sup>and</sup> new generation banks with many innovative products. Therefore, in order to survive in this dynamic environment, highly qualified and competent personnel are required in DCBs.

## **5.2 Relationship of Socio-Economic Factors to Job Satisfaction and Job Performance**

Among the branch managers majority belonged to the age group of 45-50 years. This was so because there was no direct

recruitment to the post of Branch managers. The study revealed that the declining job satisfaction might be due to the absence of challenges in the job and lack of concentration. The decrease in job performance support to the fact that the performance of branch managers is not only depends on experience but better functional skills.

Majority of the branch managers were having family size of four members and it was observed during the study that the family size had a positive relationship with job satisfaction and negative relationship with job performance. This may be due to the reason that the branch managers from the family having more number of members felt more satisfaction, whereas the job performance decreased, as they have to spare more time for family members.

Regarding the sex wise classification among the branch managers, 56 per cent were males and male branch managers reported more job satisfaction and better job performance. As the branch managers had to work extra time, male managers were able to spend more time and feel relaxed than the female branch managers. The management of a branch is an onerous job, as the work extended beyond normal working hours.

In the case of educational qualifications of branch managers, only 11.8 per cent of the branch managers were post-graduates. It was found that job satisfaction and job performance decreased with the increase in educational qualification. This may be due to the fact as employees with more qualification, expected more operational freedom which if the bank may be given. The work environment in DCBs was not adequate to give maximum efforts by the branch managers.

Majority of the branch managers belonged to the income group of Rs. 1.50 to Rs. 2.0 lakhs. The study also showed that the job satisfaction and job performance of the branch managers increased with increase in annual income. This may be due to the fact that with economic security, the employees feel better job satisfaction and are willing to perform more when they get higher reward for their work.

Among the selected branch managers almost equal number were from OBC and Forward Caste category. There was a direct relationship between caste and job satisfaction and job performance with the branch managers from Forward Caste being more satisfied and performing better.

Majority of the branch managers had nuclear families. The study made it explicit that those managers with nuclear family expressed more job satisfaction and better job performance.

Regarding the family background, 51 per cent of the branch managers were coming from urban area. There was no relation of family background with job satisfaction and there was negative relation with job performance. The former, may be due to the availability of uniform benefits to all branch managers irrespective of rural-urban background while the latter expressed the increased social interaction of branch manager from rural area thus results in better performance.

Majority of the branch managers had 20-25 years of experience in DCB and with the increase in length of service, the branch managers should diminishing level of job satisfaction and improvement in job performance. This may be due to the lack of enough promotional opportunities or delayed promotion while they were utilising their experience for the better performance.

In the case of length of service as branch managers, majority of the branch managers had three years of experience in the same position. It was further revealed that both job satisfaction and performance was decreasing with the increase in the length of service as branch manager. This may be due to the reason that the more experienced branch managers may be expecting more freedom and remuneration according to the work done by them.

Forty two per cent of the branch managers attended two training programmes. The job satisfaction and performance were found to be diminishing with the increase in the number of training programmes attended. The study revealed that the training programmes were in no way helping the branch managers to get more job satisfaction and in fact the training programmes were not need based and not effective for rendering better performance.

### **5.3 Job Satisfaction Towards Human Resource Management**

Job satisfaction was conceived as the net result of the satisfaction gained by the branch managers on different aspects of human resource management variables and the inferences derived from the results of the study areas as follows.

#### ***5.3.1 Human Resource Planning***

Among the branch managers, majority of them expressed moderate satisfaction due to lack of proper Human Resource Planning (HRP). Only few functions of HRP were undertaken and even that was in not in the correct form. HRP in DCBs was not helping the human resource functions, in a similar was it helps in other organisations.



### ***5.3.2 Recruitment and Selection***

Majority of branch managers expressed medium level of satisfaction towards recruitment and selection. Only 9.9 per cent of branch managers showed high level of satisfaction. This may be attributed to the fact that, even though a recruitment agency has been authorised to conduct the recruitment and selection employees of DCBs, the banks were still not able to get adequate numbers of staff. Table 4.1 would substantiate this point as the sample banks were facing the problem of inadequacy of staff. So, the existing employees are forced to over work. The satisfaction level would be improved only by the immediate appointment of all categories of staff to respective banks.

### ***5.3.3 Training and Development***

Sixty two per cent of the branch managers had only medium level of satisfaction regarding the training and development in DCBs. In strict sense, training is a tool to improve the knowledge, skill and abilities of the employees to perform a job. The practices of the banks were in such a way that, they were not preparing any programme for the employees and they were sending employees to other organisations. Here, it negated the idea of assessing the employee needs. It was unfortunate that, the

employees were at the receiving end to accept whatever programmes offered to them and they never had a say in the programmes. In order to enhance the satisfaction level of the employees with regard to the training and development, the training programmes should be need based and focused on the enhancement of the knowledge and skills of each job positions.

#### ***5.3.4 Performance Appraisal***

Among the branch managers, 70 per cent had only medium level of satisfaction towards performance appraisal system in DCBs. Reason might be the absence of performance standards for each job and delegation of jobs to the employers. This situation was leading to over burden to the working group and thus they felt dissatisfaction. It further led to the under utilization of available resources in the bank. A scientific performance appraisal system will help to understand the level of working of the employees and assist in corrective measures for the employees who were not working properly.

#### ***5.3.5 Promotion***

The majority of the branch managers, regarding promotion policy of the bank marked a moderate level of

satisfaction. The cause for moderate satisfaction level was mainly the lack of scientific criterion for the promotion policy and the present promotional policy was not able to provide the higher positions to eligible persons. Therefore, the satisfaction level would be improved only by a scientific promotion policy in which the able persons should get promoted.

#### ***5.3.6 Satisfaction Towards Transfer Policy***

Seventy two per cent of the branch managers belonged to the category of medium level of satisfaction towards the transfer policy of DCBs. Even though, the service rules tell that the maximum time for one person to be in the same position was three years, and most of the cases of transfer were performed beyond this norm. Hence, there should be written transfer policy in which specifications regarding the type of transfers purposes, and the occasions in which people will get transfers are specifically mentioned.

#### ***5.3.7 Satisfaction Towards Motivation Packages***

Only 17.6 per cent of the branch managers reported that they had high level of satisfaction regarding motivation package in DCBs and 66.7 per cent had only medium level of satisfaction. The reason for this was other than the statutory

benefits, no performance-based incentives were given to the employees. So it is imperative that, in order to increase the satisfaction level towards motivation packages in DCBs, they have to introduce an incentive system, based on the performance of the employees and activate a working environment in which superiors appreciates the achievements of the subordinates.

#### ***5.2.8 Satisfaction Towards Grievance Redressal System***

Majority of the branch managers had only medium level of satisfaction towards grievance redressal system of DCBs. The factors, which dealt with the medium satisfaction was the absence of prompt settlement of disputes. This was leading to a situation where the employees were not reporting their grievances. This would result in the situation where the employees felt to be dissatisfied and wanted to continue the same thus affecting the efficiency of the banks. If the redressal mechanism were active and prompt, employees would be able to settle their problem as early as possible and become more satisfied.

#### ***5.2.9 Satisfaction of Branch Managers Towards the Relationship of Trade Union***

A medium level of satisfaction was indicated by 72.6 per cent of the branch managers. The reason for this was, many of

the branch managers felt that the trade unions, which had the affiliation with the ruling political party of the management committee, had exorbitant powers in HRM practices. Even though there was no written agreement in the decision making regarding any of the HRM functions of the bank, the above said problem was existing in the banks. This can be eradicated only by the reduction of powers to political leaders in the HRM functions.

#### ***5.2.10 Satisfaction Towards the Salary Administration***

More than 78 per cent of the branch managers expressed they had only medium level of satisfaction towards the salary administration in DCBs. The reason for this was that though the workload was very high for the branch managers while comparing to branch managers in other financial institutions, they were not getting the remuneration competent to the work.

#### ***5.2.11 Job Satisfaction***

Majority of the branch managers had medium job satisfaction towards the different functions of human resource management. The high level of satisfaction was expressed more in EDCB. It denotes that the branch managers are satisfied by the HRM activities as the approach of the senior level officials were

more appreciable. While, TDCB was able to keep the moderate level of satisfaction high. But the officials of KDCB have to make more efforts to increase the job satisfaction level of employees.

According to the perception of the branch managers, among the components of job satisfaction, salary administration ranked first. Reason for this was that salary was the major concern for the employees to work in the organisation. They were least concerned about the grievance redressal mechanism on it was the least considered item of HRM in actual practice.

#### **5.4 Job Performance**

The performance of the branch managers was analysed using self-rating mechanism for qualitative variables and data collected for quantitative variables. The following is the discussion on different variables from the result obtained in the study.

##### ***5.4.1 Job Knowledge***

Majority of the branch managers showed only moderate job knowledge. This was due to the reason that, even though the branch managers had knowledge in traditional banking operations, they were not updating in tune with the advancement

in banking sector. Information regarding developments in deposit mobilisation, credit, human resources and physical assets management could increase the job knowledge of the branch managers. They can make use of journals and newspapers for updating the job knowledge. The training programmes of banks can also help in the enhancement of job knowledge of branch managers.

#### ***5.4.2 Initiation***

Among the total branch managers selected, 72 per cent had only moderate initiation capacity. Reason for this was the branch managers were afraid to go ahead in their position without much supervision. The ability to operate independently with confidence was less in the branch managers. Providing more responsibility and independent charges could increase the initiative capacity of the branch managers.

#### ***5.4.3 Dependability***

Majority of the branch managers had moderate dependability. It was attributed by the low capacity of the branch managers to finish the works within a fixed time frame. The branch manager was not given an opportunity to work in a time frame in any of the functional areas except for deposit

mobilisation. If all the activities of branch are formulated in a time frame the performance of branch manager also will be increased.

#### ***5.4.4 Communication skill***

Majority of the branch managers had only moderate communication skill. Many of the branch managers failed to share ideas with all concerned. As the communication skill was linked with educational qualifications to some extent, the reason for poor communication skill may be the same. Therefore, the communication of the branch managers can be improved by conducting more seminars or workshops in communication.

#### ***5.4.5 Ability to Supervise***

Sixty seven per cent of the branch managers had only moderate ability to supervise. They hardly took any interest to advise the subordinates and to improve the skills of the subordinates. In order to change this situation, the branch managers have to be given training programmes to improve their supervising skills.

#### ***5.4.6 Relationship With Public***

The relationship with public was only at a moderate level among 78 per cent of the branch managers. Though this



relationship helped them to increase the business of the branches, they were ignoring the fruits of good public relations. The branch managers were not up to the mark in handling the telephone calls of the customers and entertaining them when they visit the branch. As customer satisfaction on being the essence of any branch performance, it is imperative for a branch manager to set an example, in not only dealing with a customer but also to raise a level of awareness of its need in the bank. The need for good customer relationship should be convinced to the branch managers to improve their relationship.

#### ***5.4.7 Relationship With Subordinates***

Only 16 per cent of the branch managers showed the high level of relationship with subordinates. As the relationship with the subordinates helps to keep the internal environment of the branches, the branch managers have to take more interest in helping the subordinates. They should maintain a cordial relationship with them.

#### ***5.4.8 Creativity***

Majority of the branch managers possessed moderate level of creativity. They were not thinking differently from the conventional methods. At the same time, branch managers were

not encouraged to start innovative schemes separately for improvement of branches according to the working of DCBs.

#### ***5.4.9 Managerial skill***

Among the total branch managers majority had only a moderate managerial skill. The work culture prevailing in the bank was not inducing the managers to conduct the works successfully. Moreover, none of the branch managers were possessing an additional qualification in management.

#### ***5.4.10 Leadership quality***

With regard to the leadership quality, 75 per cent of the branch managers were having only moderate leadership quality. This is largely because of inadequacy in skills both in traditional areas of bank's operation as well as the new areas in which banks are moving. In fact, the branch manager is not only the official figurehead of the branch but also the leader of the team. He is expected to inspire and influence and his man to attain the goals of the bank.

#### ***5.4.11 Relationship With Superiors***

Among the total branch managers, 71 per cent of the branch managers had moderate level of interaction with superiors.

It reflected the reluctance of the branch managers to consult their superiors as and when any problem arose. Moreover, the branch manager has to ensure periodic and regular submission of all returns and statements required by higher authorities. He has to build up a regular effective communication between the branch and head office for the effective functioning of branch.

#### ***5.4.12 Business Capacity***

A moderate business capacity was expressed by majority of the branch managers. This was due to the inefficiency of the branch managers to achieve the fixed targets for them, in the case of deposit mobilisation, total deposits, total advances, overdue and profit/ loss. In order to achieve better business capacity, the branch manager has to plan in every aspects such as deposit mobilisation, total deposits, advances and profit or loss. For that it needed detailed marketing of the bank products focussing on the customers.

#### ***5.4.13 Significant Achievement***

Only 15 per cent. of branch managers had very significant achievement. This was due to the lack of motivation from the part of superiors in achieving higher goals.

#### ***5.4.14 Problems Faced***

Among the total branch managers, 73 per cent reported that they faced moderate level of problems. The problems identified had not created much problems in the functioning of many of the branch managers and hence they were not much worried about it.

Among the different problems identified, the most significant one was the large area of operation of the branch followed by too much clerical work and lack of *freedom in decisions*. As the area of operation was large the manager had to cover large number of customers and accounts. Due to the inadequacy of supporting staff the branch managers were over burdened. Lack of training facility was another problem felt by the managers. This is supported by the medium level of satisfaction of branch managers with respect to training and development.

#### ***5.4.15 Job Performance***

It was observed that 68.6 per cent of the managers belonged to the moderate performance group. While considering bank wise analysis, EDCB had more employees with high performance level followed by TDCB. It is supporting the idea that

performance of a bank depends upon the performance of the employees, hence EDCB was ranked first. Therefore KDCB has to take more initiative to increase the performance of employees in order to increase the overall performance of the bank.

The study reveals the need for a concerted effort on the part of the top management to enhance the performance level of branch managers. In order to increase the performance of branch managers focus should be on the result to be achieved. For that a specific plans and strategies should be put into implementation. This can be including training programmes-functional and conceptual, and it should be aimed at the overall development of the branch managers.

As far as the branch managers are concerned they felt that, business capacity was the most important determinant of job performance. As branch managers, they were concerned only with the deposit, advances, profit/ loss etc., and were not bothered about the qualitative variables of service. A branch manager has to develop business, give good service to customers in order to retain the business. See that the expenses at the branch are controlled, the books and accounts are balanced and the subordinates working under him were taken care of.

A modern branch manager expected to be a man at the forefront. He has to be a leader of his team, as well as an administrator. He is to be marketing manager for his bank's various schemes as well as a good communicator at four levels – with superiors, customers, peers and subordinates.

### **5.5 Regression analysis of Job Satisfaction and Job Performance with related factors**

Since the observations are recorded on a five-point scale the coefficient cannot be interpreted exactly like a regression coefficient is interpreted. However, as a rule of thumb if we considered the values of  $R^2$  as the magnitude of influence, the most important factor influencing job satisfaction is motivation followed by Human Resource Planning and performance appraisal. These validate the results of job satisfaction because it is almost consistent with the existing theories of Human Resource Management. For instance, according to Masslow's theory of motivation it is hypothesised that job satisfaction and motivation are significantly associated. The regression results, even though limited in validity supports the existing theory on job satisfaction.

In the regression analysis of job performance activity and communication skill are considered to be the conventional

factors influencing job performance. It is also seen that the  $R^2$  for job knowledge is not extremely high which broadly suggests that the job knowledge and job performance are not highly related. This leads to a very interesting observation that a person's creativity commitment and sincerity are more important rather than knowledge and skill. Two factors, as significant achievement and problem faced are found to be statistically insignificant. Since the notable achievements made by the branch managers are not very much related to job performance because in Indian condition, the job performance and consequently the promotions are not strictly based on the achievement made by the employee but on the basis of time bound service and other factors.

### **5.6 Correlation Between Job Performance and Job Satisfaction**

There was positive relationship between the job performance and job satisfaction of the branch managers ( $r = +.24$ ) in DCBs of Kerala. This is supporting the possibility of more satisfied bank managers performing more compared with the less satisfied branch managers. If service conditions such as recruitment, promotion, transfer and training facilities and salary structure are well appreciable, the branch manager would feel to utilise all his/ her abilities and knowledge for the success of the bank.

## 5.7 Conclusion

Proper Human Resource Management in every organisation is aimed at providing a comfortable working condition to employees working in them. As DCBs are prominent organisations among the co-operatives so also among banking institutions rendering service to rural areas, the employees working in them should have more commitment to the customers and to the organisation. There is an imperative need for restructuring the policies and programmes related to the Human resource management practices in DCBs.



***Summary of  
Findings and Conclusion***

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## CHAPTER 6 SUMMARY OF FINDINGS AND CONCLUSION

The new era of liberalisation attempted during the nineties in India led to the adoption of technological innovations in almost all organisations. This demands increased efficiency from the employees to achieve the organisational goals. This is especially true in an organisation like bank, where human resource determines the quality of services. Only a scientific and well thought out Human Resource Management policy will enable the management in the better utilisation of human resources there by ensuring better satisfaction to employees and deriving better performance from them. Compared to commercial banks, District Co-operative Banks (DCBs) have more social responsibilities besides business obligations. Therefore, the employees in the DCBs must possess professional skills coupled with ideological commitment and social devotion. In the light of this, there was a need to enquire into the Human Resource Management practices in DCBs of Kerala.

The objectives of the study were the following:

1. To examine the relationship between the Human Resource Management practices and job satisfaction levels of branch managers in District Co-operative Banks., and
2. To examine the job performance of the branch managers in DCBs.

The study was conducted in three DCBs of Kerala, selected on the basis of performance indicators. The sample respondents were chosen based on the number of years of existence of the branch and the length of service of the branch manager. The findings of the study are listed below:

1. There was no separate department to look after HRM functions exclusively in the selected DCBs.
2. When compared to other organisations, Human resource policies in DCBs were on the basis of service rules. Hence it lacks many of the important aspects of human resource policy. Each bank has to formulate its own personnel policy covering the aspects, which have not been covered under the service rules and circulars from the Registrar of Co-operative Societies.
3. Even though the recruitment authority has changed in DCBs, timely recruitment is not taking place in DCBs. It emphasises the need for a specific authority to conduct the recruitment of employees for DCBs or all types of co-operative banks, since co-operative banks are to play important role in agriculture and rural development. Moreover, the banks should formulate induction programme to orient the selected candidates with job as well as organisational environment.

4. The virtual absence of human resource planning is acting as a hindrance for the employee maintenance and development. Human resource planning, being the first step in the process of HRM, there is an urgent need for assessment of the work load, human resource needs, business expansion and turnover of employees for the successful functioning of HRM.
5. Training programmes were formulated and implemented by outside agencies without assessing the training needs of the employees. Appreciable step has been taken by the TDCB in this direction by starting a training faculty in the bank itself. Other banks can also follow this example by utilising the existing employees. Moreover, DCBs need to evaluate the training programmes in order to assess the impact of training in the improvement of skills and abilities of employees.
6. The performance appraisal system was totally inexistent in DCBs. The adoption of performance standards and evaluation will encourage the better utilisation of human resources. The appraisal system should be multifarious that it should provide information for a variety of purposes such as transfer, promotion, training needs, job placement and career planning.

7. The change in the promotion policy couldn't help the promotion spirits of employees in DCBs because the written examination for promotion is not implemented yet. Direct recruitment and promotion to the higher-level cadres will take care of the professionalisation of DCBs.
8. The prevailing transfer policy is not found to be comprehensive and fair, as the employees were not getting an equitable advantage of transfer.
9. The leave facilities and statutory benefits were the only motivational aspects in DCBs of Kerala. There was no special incentive scheme to the employees according to their work done.
10. The grievance redressal system was not functioning in the DCBs. With a view to maintain proper morale and satisfaction among the employees, there should be a proper grievance redressal system.
11. Employee disciplinary measures were found to be biased in DCBs as majority of the decisions were taken by the managing committee.
12. The pay revision implemented in 1999 helped the employees to receive compensation package with more satisfaction and status.

13. There was no written agreement between the trade unions and the management. As the managing committees in DCBs of Kerala are politically motivated, the trade union, which has support of that political party which controls the managing committee, can influence more in the HRM function. Trade unions can involve in more developmental activities for the better harmony among the employees and better functioning of the bank.
14. Majority of the respondents were in the age group of 45-50 and there was negative relation with the job satisfaction and age whereas positive relation was observed between age and job performance.
15. Majority of the respondents were coming from families with a size of four members and the study revealed a positive relation between family size and job satisfaction and a negative relation to job performance.
16. Majority of the respondents were males and male members exhibited higher satisfaction and job performance.
17. Most of the respondents were having an annual income of Rs. 1.50 lakhs to Rs. 2 lakhs. The education level had negative relation with job satisfaction and job performance. There was a positive relation expressed by the selected

branch managers with annual income on job satisfaction and performance.

18. Equal percent of the respondents were from OBC and forward caste and branch managers from higher caste expressed more satisfaction and performance.
19. Majority of the respondents were from nuclear families with urban background. The family type and family background had negative relationship with job satisfaction and job performance.
20. Most of the branch managers had 20-25 years of experience in DCB and three years of experience as branch managers. There was negative relation between experience and job satisfaction and positive relation on job performance. Besides, a negative relation was derived with the increase in experience as branch manager to job performance and satisfaction.
21. Majority of the branch managers (42 per cent) attended only two training programmes. The satisfaction and performance decreased with increase in the number of training programmes attended. That may be due to the fact that the training programme were not helping them much in increasing the performance.

22. Medium level of satisfaction was expressed by majority of the selected branch managers in every variables of Human Resource Management such as, human resource planning, recruitment and selection, training and development, performance appraisal, transfer, promotion, motivation, grievance redressal, salary administration and relationship with trade union.
23. The medium level of satisfaction was due to the absence of proper human resource planning in DCBs. In the case of recruitment and selection, result obtained supports the fact regarding the inability to recruit the employees at right time in right number. The satisfaction level in training and development can be improved by adopting need based training programmes. There is a need to introduce performance appraisal system, which can supplement other human resource functions like training, promotion and career planning. The promotion policy has to be reoriented to adopt qualification and merit as the criteria for promotion. In the case of transfer policy the branch managers want equitable advantage to every employees. The motivational package has to include the performance based monetary incentives and non-monetary incentives. The grievance redressal mechanism has to be introduced and it should be prompt and just. The



satisfaction level towards the relationship of trade union can be improved by reduction of power to the ruling political party of the management committee which has more say in HRM functions.

24. According to the perception of branch managers, salary administration was the most important function of HRM.
25. In the case of bank wise analysis, EDCB had the maximum number of employees with higher job satisfaction.
26. Majority of the selected branch managers showed moderate level of performance towards the variables of job performance such as job knowledge, initiation, dependability, communication skill, creativity, leadership quality, managerial skill, ability to supervise, relationship with public, relationship with subordinates, relationship with superiors, business capacity, significant achievements and problem faced.
27. The job knowledge level can be improved by updating the information from journals, newspapers etc., and if the bank provide right type of training. By providing more responsibilities and independent charges, the initiation capacity can be enhanced. Besides, more independent charges to operate can increase the dependability. Since

communication skill is a function of education and exposure, the branch managers are to be exposed to more seminar or workshops. There should be more training programmes on supervision ability of branch managers. As customer satisfaction is the essence of the performance of any branch, the idea of customer relationship should be convinced to the branch managers. In order to improve the relationship with subordinates, they have to maintain a cordial relationship with subordinates. The branch managers should be encouraged to start innovative schemes for increasing their creativity level. The managerial skill of the employees can be improved by providing awareness about the modern management practices. The branch managers are required to inspire and influence the staff of the branch to attain the goals. There should be an effective communication network between the head office and the branch. The business capacity of the branch manager can be improved by proper planning and monitoring the targets on deposits, advances and profit. As significant achievement is the outstanding performance, proper motivation has to be given to the branch managers. The branch managers were not concerned much on the problems, but were deliberately

carrying out their duties according to the directions from the Head Office.

28. Branch managers perceived that, business capacity was the most important component of job performance.
29. Inter bank analysis revealed that employees from EDCB were more in high performing group.
30. Regression out put of job satisfaction revealed that motivation was the most influencing factor in HRM. In the case of job performance, creativity and communication were having significant influence.
31. Major finding of this study was the existence of positive relation between job performance and job satisfaction. Moreover, the job satisfaction and job performance have direct bearing on the performance of banks.

The enhancement of the satisfaction and performance level can be achieved only through the proper planning and development of human resource management practices. That should be the key points to be kept in mind regarding HRM in DCBs of Kerala. In the present competitive banking scenario, DCBs are facing threat from other financial institutions in implementing strategic management programmes. It needs highly qualified staff

with more commitment and enthusiasm. Their aim should be to create good customer relations, thereby succeed in the marketing of banking services. If the policy makers are sticking onto the present HRM practices, the efficiency of the working class will deteriorate and the bank will not be able to attract qualified and skilled personnel.

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# ***Appendix***

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## 2. Organizational set up of Personal function

- 2.1 Title of your Department/section, which looks after personnel management function.
- 2.2 What are the information required for the effective function of your department?
- 2.3 What are the sources of that information?
- 2.4 In what form you collect the information?
- 2.5 What are the functions of that department/section?
- 2.6 What is the staffing pattern of the department

Cadre	Category of employees	Qualification	Average age of service	Number
a) Officer b) Clerical c) Sub staff				

- 2.7 Who is the Head of this Department /section?
- 2.8 What are his duties powers and responsibilities?
- 2.9 What are the infrastructure facilities of your bank?
- 2.10 What are the qualifications of the head of the department?

Qualifications	At the time of joining	After joining
a) Educational qualifications b) Training undergone c) Experience d) Additional qualifications		

## 3. Human Resource Policy

- 3.1 Do you have written Human Resource policy? Yes/No
- 3.2 If yes, who evolves the Human Resource policy?
- 3.3 How do you prepare Human Resource policy?
- 3.4 How is Human Resource communicated to the employees?
  - a) By distributing copies to each employee
  - b) By displaying on the notice board
  - c) By distributing copies to each section
  - d) By conducting meetings
  - e) Through Journals, bulletins, Magazines, House magazines
  - f) Any other (Specify)

#### 4. Human Resource Planning

4.1 Do you prepares a Human Resource Plan? Yes/No

4.2 What do you consider for the preparation of Human Resource Inventory (Give ✓ mark for the item consider)

- a) Age
- b) Sex
- c) Length of service
- d) Educational qualification
- e) Segmentation of employees
- f) Segmentation of performance level
- g) Segmentation of salary groups
- h) Any other (Specify)

Note: Schedule or form using

4.3 What is the criteria for fixing the staff strength of each section /department?

#### 5. Recruitment and selection

5.1 What is the recruitment policy of your bank?

- a) Direct recruitment
- b) Direct recruitment and promotion
- c) Direct recruitment, promotion and deputation from Govt./ State co-operative banks

5.2 Details of recruitment and selection during 1990-1999

Year	Cate- gory	Sanc- tioned	Educational Qualifi- cation	Method of recruitment		
				Direct recruitment	Promotion	Deputation
1990-91						
1991-92						
1992-93						
1993-94						
1994-95						
1995-96						
1996-97						
1997-98						
1998-99						

5.3 Which are the posts filled only through deputation from 1990

Sl. No.	Category of post	Parent organization

5.4 What are the qualifications specified for each posts through direct recruitment?

Sl. No.	Category	Age	Educational qualification	Experience	Training undergone

5.5 What are the recruitment sources you are using?

(Give ✓ mark for items you consider)

- a) Internal search
- b) Advertisement
- c) Employee referral
- d) Employment exchange
- e) Management consultants
- f) Campus recruitment
- g) Any other, (specify)

5.6 What is the selection procedures followed?

- a) Application blank
- b) Reference checking
- c) Performance test
- d) Intelligence test
- e) Aptitude test
- f) Personality test
- g) Business games
- h) Group discussion
- i) Interview
- j) Physical examination
- k) Selection decision

Note: Explain each of them.

5.7 Do you have the policy of preferential treatment in selection of employees? Yes/No

5.8 If yes, which of the following preferential treatments are considered in your organization?

- a) Son/Daughter of former employee who dies in service
- b) Former employees son or daughter
- c) Physically handicapped person
- d) Retired defence personnel
- e) Candidates belong to native district
- f) SC/ST and backward
- g) Orphans
- h) Any others, (specify)

Note: Give the Reservation Ratio

5.9 What is the probation period for each employee appointed?

- a) 1 year
- b) 2 year
- c) Any other, (specify)

5.10 How do you declare the Regularization?

## **6. Training and Development**

6.1 How do you select employees for the training programmes

- a) Based on performance
- b) Personal influence
- c) As a need for promotion
- d) Convenience
- e) Seniority
- f) Based on skill
- g) Any other (specify)

6.2 Which are the agencies providing training to the employees of your organization

- a) Institute of Cooperative Management (ICMs)
- b) National Bank for Agriculture and Rural Development (NABARD)
- c) Reserve Bank of India (RBI)
- d) College of Agricultural Banking (CAB)
- e) Agricultural Cooperative Staff Training Institute (ACSTI)
- f) Bank itself
- g) Any other (specify)

6.3 Among the below cited training methods which of these are you following?

- a) Induction training
- b) Class room lecture
- c) Vestibule training
- d) Games
- e) Role modelling
- f) Any other specify

6.4 Whether you are following the system of appraising the performance of the employee after training? Yes /No

6.5 If yes, what are the methods followed?

## **7. Performance appraisal**

7.1 Do you measure the performance of each category of employee? Yes/No

7.2 What are the methods adopted for assessing performance of the employees of your bank?

Sl. No.	Category of employees	Methods adopted

7.3 What are the specific items noted in the in the Service book of the employees?

## 8. Promotion

8.1 What are the types of promotion existing in your bank?

8.2 What is the criterion for promotion of an employee?

- a) Merit
- b) Seniority
- c) Merit cum seniority
- d) Any other, (specify

Note: Collect cases registered against the promotion  
: Explanation of criterion

8.3 If seniority is the only criterion for promotion, state the feeder categories and the number of services required for promotion.

Sl. No.	Category	Next position	Years of experience required	Minimum Qualification	
				Education	Training

8.4 If merit is the only consideration, how you will assess the merit?

- a) Conducting a test
- b) Discussion with the supervisor
- c) Observation
- d) Any other (specify

8.5 Do you have the cases of demotion? Yes/No

8.6 If yes what are the reasons for demotion?

- a) Adverse business condition
- b) To place the employees in right posts if they are incompetent after promotion
- c) Disciplinary measure
- d) Employee willingness
- e) Changes in technology
- f) Regrouping of jobs
- g) Any other (specify)

8.7 Do you have the policy of promotion cum transfer? Yes/No

8.8 Do you have the policy of dry promotion?

## 9. Salary administration

9.1 How is the salary being fixed?

9.2 Operational details of wage or salary settlement/ revision.

9.3 When was the latest pay revision taken place?

9.4 Give the pre revision and past revision details.

Sl. No.	Category of employee	Scale of pay	
		Pre revision	Past revision

### 10. Transfer

10.1 Do you have a written transfer policy? Yes/No

10.2 What is the transfer policy of your bank?

Types of transfer	Interval of transfer	Years of service
Interest of the organization		
Request of the employee		
Disciplinary action		
Any other, (specify)		

10.3 Do you transfer employees against general norms? Yes/No

10.4 What are the preferential treatment to the employees regarding transfer

- a) Arising from ill health or accident
- b) Consideration as woman
- c) Persons from same locality
- d) Consideration of family situation
- e) Influence of trade union

10.5 What are the types of transfers existing in your organization

- a) Inter branch transfer
- b) Inter departmental transfer
- c) Inter bank transfer
- d) Any other specify

Note: Collect explanation regarding each type of transfers

10.6 Number of employees transferred during 1990-2000

Year	Category of employee	Inter bank (No)	Inter branch (No)	Inter departmental (No)	No. of employees transferred

## 11. Motivation

11.1 What are the types of incentives given to the employees

- a) Monetary incentives
- b) Non monetary incentives
- c) No incentives
- d) Both

11.2 What are the allowances and benefits given to the employees?  
(Give ✓ for allowances you are given)

Sl. No.	Types of allowances	Amount
1.	Festival allowances	
2.	Cash credit	
3.	Quarters	
4.	HRA	
5.	Travelling allowance	
6.	Split duty allowance	
7.	Allowances for operating lift /duplicators	
	Uniform allowance	
8.	Chappell allowance	
9.	Recreation facilities	
10.	Duty allowance	
11.	Charge allowance	
12.	Different types of loans	
13.	Non monetary allowances	
14.	(Specify)	
15.	Any other allowance (specify)	

11.2 What are the non-monetary incentives given to the employees in your bank?

- a) Leave facilities
- b) Job enrichment
- c) Job enlargement
- d) Job rotation
- e) Any other (specify)

11.3 What are the types of leave facilities available in your bank?

Type of leave	No of days	Eligibility
Earned leave		
Casual leave		
Medical leave		
Half pay leave		
Commuted leave		

## 12. Grievance Redressal

12.1 What are the reasons for grievances in your organization?

Sl. No.	Nature of grievances	Year	No. Reported	Year	No. Settled
1.	Salary				
2.	Promotion				
3.	Transfer				
4.	Staff canteen				
5.	Rest room/lunch room				
6.	Medical facilities				
7.	Working hours				
8.	Training facilities				
9.	Retirement benefits				
10.	Incentive scheme				
11.	Leave facilities				
12.	Recovery of dues				
13.	Any other (specify)				

12.2 What are the arrangements made for redressing the grievances?

- a) Formal
- b) Informal

12.3 What are the procedures of grievance redressal?

12.4 Give a list of grievances reported during past ten years

Year	No. of grievances reported	No of grievances settled
1990-91		
1991-92		
1992-93		
1993-94		
1994-95		
1995-96		
1996-97		
1997-98		
1998-99		
1999-2000		



12.5 What are the major agitations launched by different unions for last five years?

Sl. No	Year	Types of demands	Methods of agitation	Man days lost	How they settled

### 13. Management and trade union relationship

13.1 Which are the various employees unions affiliated to your bank?

Sl. No.	Name	Year of registration	Political affiliation	No. of members

13.2 What are the areas where employees union has a role in decision-making?

Activities	Cadre of employee participated	Type of participation
Human resources planning Recruitment and selection Selection of employee for training Transfer Salary fixation Grievance settlement Any other (specify)		

### 14. Employee Discipline

14.1 What are the behaviours, which are considered as indiscipline?

14.2 What are the punishments, the management can give to the in disciplined employees?

14.3 How many cases were treated as indiscipline, how many were punished for the last five years from 1995-2000

Year	No. of cases of indiscipline reported	Reasons	Action taken
1995-96			
1996-97			
1997-98			
1998-99			
1999-00			

**SCHEDULE FOR JOB SATISFACTION AND JOB PERFORMANCE OF  
BRANCH MANAGERS OF DCBS**

**I. Personal information**

a) Name & address

Phone No.

b) Demographic Details (including the respondent)

Sl. No.	Name of the family members	Sex	Age	Relationship	Education	Employment	Annual income

c) SC/ST/OBC/FC

d) Joint family/Nuclear family

e) Rural/urban background

f) Length of service in DCB and positions held

SL.No.	Position held	Year

k) Training undergone

Sl.No	Area of training	Duration	Institution in which training held	Year

**II. Indicate your opinion about the following statements.**

(SA-Strongly Agree, A-Agree, NO- No Opinion, DA-Dis Agree, SDA- Strongly Dis Agree)

***1. Human resource planning (HRP)***

1.	Human resource planning in your organization helps to appoint right kind of people at right places at right time.	SA	A	NO	DA	SDA
2.	HRP in your organization helps to predict manpower requirement	SA	A	NO	DA	SDA
3.	The HRP in your organisation helps to control the manpower deployed in your bank and how they are utilized	SA	A	NO	DA	SDA
4.	HRP in your organisation helps to get information about the personal	SA	A	NO	DA	SDA
5.	HRP in your organisation helps to match the manpower with skills and abilities necessary for achieving its objectives.	SA	A	NO	DA	SDA
6	It helps the other functions of HRM like recruitment and selection training and development promotion performance appraisal etc	SA	A	NO	DA	SDA
7.	There is no under staffing or overstaffing in your organization.	SA	A	NO	DA	SDA

**II. Recruitment and selection**

1.	The recruitment policy of your bank helps to discover all probable sources of recruitment to meet the requirement of the staffing schedule	SA	A	NO	DA	SDA
2	The recruitment and selection policy of your bank attract most of the professionals and qualified personal	SA	A	NO	DA	SDA
3.	The change e in authority to recruit helps the DCB to abolish all malpractices existed in the recruitment and selection	SA	A	NO	DA	SDA
4.	Job description and job specification of your bank are appropriate for each job positions.	SA	A	NO	DA	SDA
5.	Preferential treatment followed in the selection process is well appreciable	SA	A	NO	DA	SDA

### III. Training and Development

1.	Training programmes conducted are helpful to acquire more knowledge and skill.	SA	A	NO	DA	SDA
2.	The existing training programmes in your bank helps to work with more efficiency.	SA	A	NO	DA	SDA
3.	The training programmes helps to enhance better human relations in your bank.	SA	A	NO	DA	SDA
4.	The training programmes are helping to increase morale of the employees	SA	A	NO	DA	SDA
5.	The training programmes reduce the supervision of each category of employees.	SA	A	NO	DA	SDA
6.	The training programmes in your bank is helping the employees to adopt with the changing environment	SA	A	NO	DA	SDA
7.	The employees are selected based on the requirement of the employees.	SA	A	NO	DA	SDA
8.	The training needs are identified and programmers are formulated accordingly	SA	A	NO	DA	SDA
9.	The training programmers enhance the motivation of the employees in full utilization of abilities	SA	A	NO	DA	SDA
10	The training packages include developments in cooperation banking and related subjects.	SA	A	NO	DA	SDA

### IV. Performance Appraisal

1.	Performance appraisal in your bank helps each employee to have a clear understanding of what is expected from him by his reporting officer.	SA	A	NO	DA	SDA
2.	It encourage the appraise and appraiser to have a common understanding of the factors affecting the performance and lines of development of appraise.	SA	A	NO	DA	SDA
3	It helps to gain more interest and insight into his strength and weakness.	SA	A	NO	DA	SDA
4.	Performance appraisal provides an opportunity to express his developmental needs.	SA	A	NO	DA	SDA
5.	It acts as a self motivation to develop further.	SA	A	NO	DA	SDA
6.	The PA helps to plan for effective utilization of the talents of subordinates.	SA	A	NO	DA	SDA
7.	It encourages the subordinates to accept more responsibilities and challenges.	SA	A	NO	DA	SDA

### V. Promotion

1.	The promotion policy of your bank provides better status to the employee.	SA	A	NO	DA	SDA
2.	The promotion policy of the bank gives more responsibility to the employees.	SA	A	NO	DA	SDA
3.	The promotion policy of your bank gives better pay and work environment to the employees.	SA	A	NO	DA	SDA
4.	The promotion policy of your bank acts as a motivational device to work hard.	SA	A	NO	DA	SDA
5.	Promotion policy is a mechanism to reward talented people	SA	A	NO	DA	SDA

### VI. Transfer

1.	The transfer policy helps to get knowledge of all activities in the bank.	SA	A	NO	DA	SDA
2.	The present transfer policy helps in get rid of from boredom of doing same job at same place.	SA	A	NO	DA	SDA
3.	Transfer is an appropriate tool for punishment.	SA	A	NO	DA	SDA
4.	The types of transfer are convenient for the employees	SA	A	NO	DA	SDA

### VII. Motivation

1.	Motivational measures in your bank measure lines of reward to specific behaviours.	SA	A	NO	DA	SDA
2.	The incentives given by the bank induces to work hard.	SA	A	NO	DA	SDA
3.	The motivational measures are adequate enough to cover entire working force.	SA	A	NO	DA	SDA
4.	Motivation policy analyses the factors, which motivate the employees in prevailing organisational environment	SA	A	NO	DA	SDA
5.	Superiors motivate the subordinates for the right type of behaviour.	SA	A	NO	DA	SDA
6.	The motivational system in your bank helps reduces absenteeism.	SA	A	NO	DA	SDA
7.	Motivation in your bank helps to accept organisational change	SA	A	NO	DA	SDA

### VIII. Grievance redressal

1.	The grievance redressal system in your organisation assures prompt settlements of disputes.	SA	A	NO	DA	SDA
2.	The grievance redressal procedures ensure justice to the employees.	SA	A	NO	DA	SDA
3.	The procedures are simple and easy.	SA	A	NO	DA	SDA
4.	The grievance s occurred in your bank are settled at the earliest.	SA	A	NO	DA	SDA
5.	The grievance settlements are based on the merit.	SA	A	NO	DA	SDA
6.	The grievance settlements are based on the mutual confidence and respect.	SA	A	NO	DA	SDA

### IX. Relationship with the trade union

1.	The relationship of management with trade union provides satisfactory services to the employees.	SA	A	NO	DA	SDA
2.	It protects promote and improve the bargaining capacity of the employees.	SA	A	NO	DA	SDA
3.	The relationship provides good working environment in the organization.	SA	A	NO	DA	SDA

### X. Salary Administration

1.	Salary structure of your bank is able to attract capable employees to the bank.	SA	A	NO	DA	SDA
2.	The salary structure in your bank is acting as a motivating device towards superior performance	SA	A	NO	DA	SDA
3.	The salary given by this bank helps to retain their services over an extended period of time.	SA	A	NO	DA	SDA
4.	The recent pay revision made the employees more satisfied.	SA	A	NO	DA	SDA
5.	The salary is well compared to the other financial institutions.	SA	A	NO	DA	SDA
6.	The salary structure is sufficient to sustain yourself and your dependents.	SA	A	NO	DA	SDA

### III. Indicate your opinion about the following statements

#### 1. Job Knowledge

(VG – Very Good, G – Good, F – Fair, P – Poor, VP – Very Poor)

1.	I have enough knowledge in Deposit management	VG	G	F	P	VP
2.	I have enough knowledge in Credit management	VG	G	F	P	VP
3.	I have enough knowledge in Human resources management	VG	G	F	P	VP
4.	I have adequate knowledge in recovery management	VG	G	F	P	VP
5.	I have adequate knowledge Management of physical assets	VG	G	F	P	VP
6.	I have adequate knowledge in Customer relations	VG	G	F	P	VP
7.	I am aware of Banking Regulation Act, Kerala State Co-operative Societies Act and all amendments	VG	G	F	P	VP
8.	I am a keen observer of changes taking place in the Co-operative and banking sector	VG	G	F	P	VP

#### 2. Initiation (A-Always, O- Often , S-Some times, R-Rare, N-Never)

1.	I have the capacity to go ahead with the job role without much instruction, supervision or guidance.	A	O	S	R	N
2.	I have the capacity to take lead in most difficult situation.	A	O	S	R	N
3.	I have the ability to operate independently with high confidence.	A	O	S	R	N
4.	I volunteers to work on a problem.	A	O	S	R	N
5.	I displays rigor in carrying out tasks.	A	O	S	R	N
6.	I am willing to assume responsibilities.	A	O	S	R	N

#### 3. Dependability

1.	I have the capacity to finish desired work up to expectations within the fixed timeframe.	A	O	S	R	N
2.	I have the ability to handle secret and confident	A	O	S	R	N
3.	I am consistent in meeting schedules and can do a given job well.	A	O	S	R	N
4.	I can complete the work without much supervision	A	O	S	R	N

#### **4. Communication ability**

1.	I can talk well and communicate effectively in meetings.	A	O	S	R	N
2.	I can win the confidence of the subordinates through effective explanation and clarifications.	A	O	S	R	N
3.	I can receive and conceive completely the directives issued by the office and NABARD.	A	O	S	R	N
4.	I am able to give and receive instructions accurately.	A	O	S	R	N
5.	I am able to make clear statements to the higher authorities.	A	O	S	R	N
6.	I am able to share information with all concerned	A	O	S	R	N
7.	I am able to present issues lucidly.	A	O	S	R	N

#### **5. Relationship with public**

1.	I am very tactful in handling visitors and telephone calls.	A	O	S	R	N
2.	I have cautious and pleasing manners.	A	O	S	R	N
3.	I welcome every persons coming to the bank without hesitation.	A	O	S	R	N
4.	I attend all public functions within the area of the branch.	A	O	S	R	N
5.	I make public speeches in social problems.	A	O	S	R	N

#### **6. Relationship with subordinates**

1.	I believe that all my subordinates are important and that they are treated humanly.	A	O	S	R	N
2.	I take active interest in helping subordinates.	A	O	S	R	N
3.	I make efforts to identify and utilize the potentials of the subordinates.	A	O	S	R	N
4.	I maintain good relations with my subordinates	A	O	S	R	N

#### **7. Creativity**

1.	I have the capacity to think differently out of routine, coming out with fresh and innovative ideas.	A	O	S	R	N
2.	I have resources in developing new and practical ideas, schemes, programmes with regard to both current operation and future possibilities	A	O	S	R	N
3.	I think about alternatives before taking up one action	A	O	S	R	N
4.	I suggests new solutions for each problem	A	O	S	R	N
5.	I raise helpful questions	A	O	S	R	N



### ***8. Ability to supervise***

1.	I give enough freedom to the subordinate and have faith in them.	A	O	S	R	N
2.	I treat the subordinates like constantly advising them and telling them what to do and what not to do.	A	O	S	R	N
3.	I appreciate my subordinate in their outstanding achievements.	A	O	S	R	N
4.	I take pain to see that my subordinates improve personal skills and chances of advancement.	A	O	S	R	N
5.	I understand the needs and styles of operations of my subordinates.	A	O	S	R	N

### ***9. Managerial Ability***

1.	I collect all information and data, even when those are not immediately needed or used	A	O	S	R	N
2.	I Think out (generate) many alternatives before adopting one for action	A	O	S	R	N
3.	I clearly prescribes standards of behaviour to be followed in the bank	A	O	S	R	N
4.	I encourage subordinates to come frequently to me and seek my advise and help	A	O	S	R	N
5.	Continuously search various resources from which needed information can be obtained to workout solutions to problems.	A	O	S	R	N
6.	Give clear cut instructions to your subordinates on what should or should not do	A	O	S	R	N

### ***10. Leadership Ability***

1.	I inspire and influence the staff to attain the branch goals	A	O	S	R	N
2.	I act as a change agent and visionary	A	O	S	R	N
3.	I motivate every staff members to contribute best efforts to the success of the branch.	A	O	S	R	N
4.	I motivate my staff members always with me.	A	O	S	R	N
5.	I try to influence the subordinates.	A	O	S	R	N
6.	I try to influence the subordinates to fulfil predetermined objectives.	A	O	S	R	N

### ***11. Relationship with superiors***

1.	I obey all the mattes directed by my superiors.	A	O	S	R	N
2.	I consult with my superiors when any problems arise	A	O	S	R	N
3.	I refer things to my superiors.	A	O	S	R	N
4.	I seek approval from the superiors	A	O	S	R	N
5.	I learn form my superiors.	A	O	S	R	N

### 12. Significant achievement & Business capacity

- a) Deposit mobilisation and number of societies operating under the branch.

Year	Deposit mobilization	
	Target	Achievement
1996-97		
1997-98		
1998-99		
1999-00		

- b) Fixed deposit, savings deposit current deposit & No of innovative schemes

Year	Deposits	
	Target	Achievement
1996-97		
1997-98		
1998-99		
1999-00		

- c) Short term loans, Medium term loans, Long term loans, Overdue and Profit/loss

Year	Loans and advances		Overdue	Profit/ Loss
	Target	Achievement		
1996-97				
1997-98				
1998-99				
1999-00				

### 13. Problems (Indicate the frequency of occurrence)

(F – More frequently, R – Rare, N – Never)

1.	Area of operation of the branch is too large	F	R	N
2.	Too much clerical work	F	R	N
3.	Salary is poor when compared to work load	F	R	N
4.	Lack of promotional opportunities	F	R	N
5.	Frequent transfers	F	R	N
6.	Lack of planning	F	R	N
7.	Lack of conveyance facilities	F	R	N
8.	Lack of proper communication from head office	F	R	N
9.	Poor guidance from higher officials	F	R	N
10.	Lack of sufficient supporting staff	F	R	N
11.	Delay in the sanctioning of loan	F	R	N
12.	Lack of freedom in taking decisions	F	R	N
13.	Area of operation is too limited	F	R	N
14.	Lack of computerization	F	R	N
15.	Lack of training facilities	F	R	N
16.	Lack of transportation facilities	F	R	N

**APPENDIX II**  
**STAFF STRENGTH OF SELECTED DCBS**

***A. The Ernakulam District Co-operative Bank Limited***

Sl. No.	Category	Sanctioned	Recruited	Deficit/ Excess
1.	General Manager	1	1	-
2.	Deputy General Manager	3	3	-
3.	Inspector of Branches/ Sr. Branch managers/ Executive officers/	19	16	3
4.	Branch Managers (section manager) Managers	40	36	4
5.	Senior Accountant/ Senior Inspector	65	61	4
6.	Junior Accountant/ Junior Inspector	63	61	2
7.	Clerk/Cashier	120	40	80
8.	Steno/Typist (English & Malayalam)	15	3	12
9.	Bill collectors	25	18	7
10.	Peons	35	21	14
11.	Drivers	10	6	4
12.	Agricultural Officer		1	
	Total	396	267	129

**B. The Thiruvananthapuram District Co-operative Bank**

Sl. No	Post	Sanctioned	Existing	Deficit/ Excess
1.	General Manager	1	-	1
2.	Deputy General Manager	3	3	-
3.	Inspector of Branches	5	5	-
4.	PA to president	1	-	1
5.	Executive officer/ Senior Branch Manager	24	21	3
6.	Branch Manager/ Superintendent	44	41	3
7.	Public relations officer	1	-	1
8.	Agricultural officer	1	-	1
9.	Data Entry Operator	1	-	1
10.	Sr. Accountant/ IMP	82	82	-
11.	Jr. Accountant	82	82	-
12.	Clerk/ Cashier	174	150	24
13.	Stenographer	1	-	
14.	Stenotypist (English & Malayalam)	3	7	1
15.	Typist/ Clerks	4		
16.	Telephone operator	1	1	-
17.	Daffedar	1	1	-
18.	Record keeper	1	1	-
19.	Caretaker/ Lift operator	2	2	-
20.	Driver	6	6	-
21.	Bill Collector	29	29	-
22.	Peons	56	47	9
23.	Guest room Boy	1	-	1
24.	Watchman	4	-	4
	Total	528	478	50

***C. The Kozhikode District Co-operative Bank Limited***

Sl. No.	Category	Sanctioned	Recruited	Deficit/ Excess
1.	General Manager	1	1	-
2.	Deputy General Manager	3	3	-
3.	Inspector of Branches/ Sr. Branch managers/ Executive officers/ P.A. to President	13	12	-1
4.	Branch Managers (section manager) Managers	39	40	+1
5.	Senior Accountant/ Senior Inspector/ Junior Accountant/ Junior Inspector	94	94	-
6.	Clerk/Cashier	119	42	-77
7.	Steno/Typist (English & Malayalam)	3	5	+2
8.	Typist Clerks	4	4	-
9.	Bill collectors	10	10	-
10.	Telephone Operator	1	1	-
11.	Daffedar	1	1	-
12.	Care taker	1	1	-
13.	Record keeper	1	1	-
14.	Peons	60	41	19
15.	Drivers	3	3	-
16.	Watcher	3	-	-3
17.	Lift Operator	1	-	-1
18.	Agricultural Officer	1	-	-1
19.	Dispatch Assistant	-	1	+1
	<b>Total</b>	<b>358</b>	<b>260</b>	<b>98</b>



(1)	(2)	(3)	(4)	(5)	(6)
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6. No. of member societies to which loans have been issued-Above 100

Note: The Banks should invariably satisfy the conditions regarding deposits and declaration of dividend and also any of the three in the remaining 4 conditions.

**B CLASS**

**STAFF IN SECTIONS**

		Accounts and Banking	Personnel & General	Planning Development	Loan and advances	Inspection	Internal Audit	Industrial & Housing	Total	As fixed by Government from time to time
1. Working Capital Rs. 35 to 60 Crores										
2. Total deposits Rs.25 to 45 Crores										
3. Total loans issued Rs. 30 to 45 Crores										
4. Of the total loans issued, percentage of loans issued at reduced rate of interest-atleast25%										
5. Declaration of dividend- At least once in the preceding 5 years										
6. No. of Member societies to which loans have been issued between 75 to 100	Planning & Development Agricultural officer Data Entry operator Manager Branch Manager Senior Accountant Junior Accountant Clerks	.. .. .. .. 1 2 2 1	.. .. .. .. 1 1 .. 3	1 1 1 .. .. 1 .. 1	.. .. .. .. 1 1 .. 2	.. .. .. .. 1 1 .. 1	.. .. .. .. 1 1 .. ..	.. .. .. .. 1 2 .. 3	1 1 1 .. 6 9 3 11	

- Note:- The Bank should invariably satisfy the conditions regarding deposits and declaration Dividend and also any of the 3 in the remaining 4 conditions.
1. If the total number of employees in the Bank is above 100. One additional post of Clerk.
  2. One additional post of Clerk in the Planning and Development Section for every 7 branches.
  3. For loans outstanding over Rs.15 Crores, for every additional Rs. 10 crores, one additional post of Clerk, in the Loans and Advance Section.
  4. One post of Junior Accountant in the internal Audit Section for every 5 branches

(1)	(2)	(3)	(4)	(5)	(6)
<b>C CLASS</b>					
		Those Banks which do not acquire the conditions to be satisfied for classification of either A or B will be classified as 'C'.	Personal Assistant To President In The Cadre Of Executive Officer	1	
			Executive Officer	1	As fixed by Government from time to time
			Public Relation Officer	1	
			Steno Typist (English)	2	
			Steno Typist (Malayalam)	1	
			Telephone Operator	1	
			Deffadar	1	
			Record Keeper	1	
			Caretaker	1	
			Peon	8	
			Watcher	4	
			Driver	1	each per vehicle
		*Class Bank one post of Stenographer will be additionally admissible.			
		In Banks where there are guest rooms and Auditorium one post of Guest Room Boy in the cadre of Peon is admissible.			
		One post of lift operator is admissible in the Banks where the facility for 'Lift' is provided.			
		Field Staff		1	For each Taluk
		1. Executive Officer		1	For every 8 Service Co-op. Banks
		2. Senior Inspector/Junior Inspector.			



(1)	(2)	(3)	(4)	(5)	(6)
<b>STAFF FOR BRANCHES</b>					
<b>Grade A</b>					
	Deposits (Individual deposits plus 25% of the societies deposits) above Rs. 3 crores and Amount of Loans issued to individuals is Rs.50 lakhs and above. (Gold Loans and Consumption loans to be included, but to exclude loans to societies and Industrial loans and housing loans to individuals) is below Rs.50 lakhs.	1. Senior Branch Manager in the cadre of Executive officer	1		
		2. Assistant Branch Manager in the cadre of Branch Manager	1		
		3. Senior Accountant			2
		4. Clerk	1		
		5. Cashier	1		As fixed by
		6. Peon	1		Government from time to time
<b>Grade B</b>					
	Deposits (Individual deposits and 25% of the societies deposits) above Rs. 2 crores and loans issued to individuals (Gold Loans and Consumption Loans to be included but to exclude loans to societies and Industrial loans and Housing loans to individuals) is below Rs. 50 lakhs.	1. Senior Branch Manager in the cadre of Executive Officer	1		
		2. Senior Accountant	1		do.
		3. Clerk	1		
		4. Cashier	1		
		5. Peon	1		
<b>Grade C</b>					
	Branches other than those coming under A and B Grades (Minimum Staff)	1. Branch Manager	1		
		2. Accountant (Junior/Senior)	1		do.
		3. Clerk	1		
		4. Cashier	1		
		5. Peon			

### ADDITIONAL POSTS FOR BRANCHES

1. Senior Accountant – If the average number of chalans/ vouchers/credit slip Debit slip etc. is over 300 per day one additional post is admissible.
2. In the Main Branch one additional post of Senior Accountant and one post of additional cashier in the cadre of Junior Accountant are admissible.
3. One post of Typist-Clerk in each Taluk Headquarters Branches.
4. One additional post of clerk when the deposits of individuals exceeds Rs.75 lakhs.
5. One more additional post of Clerk if.
  - (a) The number of Deposit accounts exceed 700, for every increase of individual deposits by Rs.25 lakhs over and above Rs.75 lakhs or
  - (b) The loan outstanding of individuals exceed Rs.15 lakhs or
  - (c) The average number of chalan/ voucher/ credit slip/debit slip exceeds 100 per day at the base level for every increase of 100 per day.If all the three conditions in (a), (b) and (c) above are satisfied in a branch, 2 more additional posts of clerks are also admissible.
6. One Bill Collector each for the Head quarters Branch and in the branches adjacent to Government Treasuries.
7. Additional one post of Peon for Taluk Headquarters Branch.
8. One additional post of Peon for every average daily 100 chalan/voucher/credit slips/debit slips in excess of the base level of 100.

## LEAVE RESERVE

- Clerks - 5 per cent of the total strength of non-supervisory Cadre (Senior Inspector, Senior Accountant, Junior Accountant, Junior Inspector, Clerk, Cashier, Typist, Steno, etc., excluding sub-staff).
- Peons - 10 per cent of the sub-staff.

- Notes:-*
1. The Banks may post Senior Accountant, Senior Inspector, Junior Accountant, Junior Inspector etc. in various posts according to necessity subject to the over all ratio of 1:1 between Senior Inspector/Junior Inspector and Senior Accountant/Junior Accountant.
  2. If in any bank any of the present posts are in excess of the for two years within which period such bank shall achieve the eligibility for the posts as per as per the revised norms.
  3. The Banks are permitted for the deployment of staff within the institution.
  4. Creation of additional posts based on the above norms will be examined and considered in each at the discretion of Registrar of the Co-operative Societies.
  5. The proposals for creation of additional posts will be examined and considered on a case basis at the discretion of Registrar for the Banks coming under A Class.

**APPENDIX IV**  
**PRE AND POST REVISION PAY SCALES OF EMPLOYEES OF DCBS**  
**WITH EFFECT FROM THE YEAR 1997**

Sl. No.	Category of employees	Pre revision	Post revision
1.	General Manager	3825-7550	8150-16150
2.	Deputy General Manager	3385-7050	7400-15375
3.	Executive Officer/Inspector of Branches/ Senior Branch Manager	3005-6375	6650-13900
4.	Branch Manager/ Superintendent/ Chief Accountant	2615-5775	6000-12850
5.	Senior inspector	2175-4085	5200-11600
6.	Accountant/ Inspector/ Grade I Typist	1975-4085	5000-9775
7.	Clerk/ Cashier/ Steno typist/ Typist cum Clerk/ Telephone/ Telex Operator	1665-3995	4200-9050
8.	Record Keeper /Bill Collector/ Daffedar	1500-2475	3600-7500
9.	Peon/ Watchman/ Lift operator	1450-2475	3250-5850

Source: Government Order, No. EM (1) 8202/98, Department of Co-operation, Registrar's Office, TVM, dated 13.08.1999.

# HUMAN RESOURCE MANAGEMENT IN DISTRICT CO-OPERATIVE BANKS OF KERALA

By

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## **ABSTRACT OF THE THESIS**

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## **ABSTRACT**

The study entitled “**Human Resource Management in District Co-operative Banks of Kerala**” was conducted with the following objectives:

1. To examine the relationship between the Human Resource Management practices and job satisfaction levels of branch managers in District Co-operative Banks., and
2. To examine the job performance of the branch managers in DCBs.

Multi-stage sampling technique was adopted to select the sample banks for the study. Three District Co-operative Banks (DCBs) out of 14 DCBs namely Ernakulam District Co-operative Bank (EDCB), Thiruvananthapuram District Co-operative Bank (TDCB) and Kozhikode District Co-operative Bank (KDCB) were selected based on the performance parameters. Fifty per cent of the branch managers were selected from the sample banks on the conditions that the branch had more than ten years existence and the branch manager had a minimum experience of three years. Statistical tools used for analysing the collected data include percentages, correlation and regression model.

The study revealed that the Human Resource Management (HRM) practices of the sample banks were almost similar because of the applicability of uniform rules and regulations governing co-operative banks. A scientifically based HRM practice was totally absent in DCBs of Kerala. Hence there is an imperative

the need for proper planning, development and maintenance of human resources.

Regarding job satisfaction in relation to human resource management, it was revealed that branch managers have medium level of satisfaction in all the three banks. Satisfaction level can be improved by adopting strategies for human resource planning, recruitment and selection, training and development, performance appraisal, transfer, promotion, motivation, grievance redressal, salary administration and relationship with trade unions. Bank wise analysis revealed that EDCB had the maximum number of employees with higher job satisfaction. According to the perception of the branch managers, salary administration was found to be the most important function of HRM.

The job performance level of branch managers in DCBs of Kerala showed moderate performance. The inter bank analysis revealed that EDCB had the maximum number of high performing branch managers. According to the branch managers, business capacity was the most important factor determining job performance. Variables like problems faced and significant achievements showed insignificant relations in job performance.

There was positive relation between job satisfaction and job performance. The estimation on the basis of regression equations also support that there was significant relation of the selected variables on job satisfaction.