
A Comparison of Nationalized and Private Banks' Strategic Human Resource Management Practices

DR MANJULA JAINH61

¹Department of Management, Teerthanker Mahaveer University, Moradabad, Uttar Pradesh, India
Email ID: manjula.management@tmu.ac.in

Abstract: The analysis of banking is as interesting because of its size and scope as ever. Development steady. Liberalization, fiscal and technical changes Modernization has pushed the banking industry to become competitive. The need for competitive people has been created by competition. Each bank has begun to take Decisions on human capital concerning their competing banks. It gave birth to the implementation of strategic control of human capital, where human resources are Strategies are formulated with the opponent in mind. The bank has become more of a bank today. The objective of the study is to make a comparison of Nationalized and Private Banks' Strategic Human Resource Management Practices. Conclusions drawn are generalizations reached by bearing in mind the goal and goals of the analysis from the outcomes that are related to hypotheses. The results and assumptions are focused on the primary and secondary interpretation of knowledge. An effort is made to shed light on the way and extent of execution of the plan by description and results. Suggestions are made based on these observations and assumptions to analyze banks for their previous success and conditions for potential improvement. Specific attempts are being made to achieve the goals of this study and to open up a new basis for future research and further studies in this field.

Keywords: Human Resource Management, Private Bank, Management, Guidelines, Job Rule, Modernization.

INTRODUCTION

Human resources applies to the persons who is involved in activity for a company or organization. It also administers for division of the company that is involve with any of the work that is directly or indirectly associated with the employee. Since it is encompassing with the employee-related work it has become important valuable assets of the company or organization amongst all in other available assets of the company. The term "human resources" was first invented in the year 1960s. During 1960s the importance of association with the labour began to invite attention, and concepts such as motivation, organizational attitudes, and hiring assessments began to take shape in a variety of work environments. A key motivation for banks turned out to be customer-centric and customer loyalty [1]. By having better-performing employees than the bank, the bank will fulfill this motive. A foe. A strategic edge based on strong leadership or on individuals It's impossible to mimic. The bank's challenge is to ensure that they have the opportunity to discover, consume, reward and retain the talented individuals they desire a strategic profit.

Therefore, human resource management works on a range of significant sectors, as mentioned below in Figure 1:

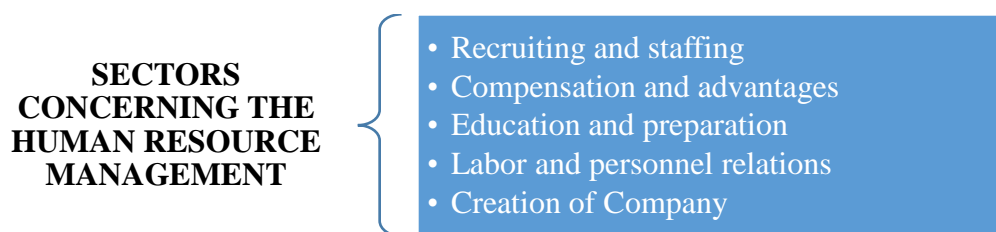


Fig.1: Sectors Concerning the Human Resource Management

Since human resource management has so many dimensions, it's common for professionals in this field to specialize in one or more of them. The specialist listed below in the table 01 is only one of the many similar work titles for HR professionals.

Table 1: List of Specialist in Training Development

EXPERT IN TRAINING GROWTH
Manager HR
Recruiter
Manager for preparation and development
Job management chief
Specialist on benefits and job research
Generalist in human capital
Benefits expert
Benefits Adviser
Personnel Consultant on Personnel

More Detailed Inspection of Human Resource (Hr) Management

HR management necessitates the introduction & administration of programmes aimed at increasing an institution's or company's efficiency. It involves the creation, regulation, and cultivation of the entire employer-employee relationship [2].

The HR department is responsible for most organizations, departments, and companies in the following ways:

- Managing worker's recruitment, allocation, and promotion
- Introducing and managing employee rewards and health services
- Promoting professional development of staff and job preparation
- Arranging induction programme for new employee
- Administering rules and procedure on administrative work
- Playing major role in accident and injuries during the working hour
- Developing, supporting and implementing staff practices

Agenda Analysis

According to a Forbes report, at present movement time it requires to give more emphasis and attention to the given five key areas for the HR leadership. They are as follows

Defining & aligning corporate purpose: To create a mission-driven, long-term, high-performing company, each and every worker in the organization must be competent enough to accurately explain that the how does it operates. Workers should have strong affection for their company that how their activity or operation will connect the vision and mission of the origination.

must also consider how their actions connect, or align, with the intent of the company [3].

By designing, promoting, and selling an Employee Value Proposition (EVP): It can be achieved by hiring the best talent: Misleading marketing and stereotypes regarding a company are few of the key motives that leads to the scuffle and encounter between employer and employee. To avoid confusing potential employees, companies must produce, advertise, and sell a genuine and accurate EVP [4].

Emphasis on employee strengths: Businesses should try to think about what candidates and employees do best in order to place them in favorable situation or condition so that they can work on their merit and give more output.

Brief Discussion

The Central Bank of India- RBI has rightly said that the banking sector of the India is well- administered and rising with the sufficient growth rate. Indian financial and economic conditions are much better than other nations. Due to the government's positive measures to spur industrial development in the region, the Indian banking industry is expected to show better growth prospects in 2015. Besides, RBI's latest steps will help a lot to restructure the domestic banking sector. In recent years, the customer base, branch network, and alternative distribution networks have been numerous [4][5]. The use of new technology such as the internet and mobile devices to carry out purchases and connect with the masses has led to globalization and accelerated growth of coverage of India's banking industry. The rising banking sector is seen to be a generator of market value through the introduction of information & communication technologies. Under the banking and finance industry, technology companies have great potential to exploit.

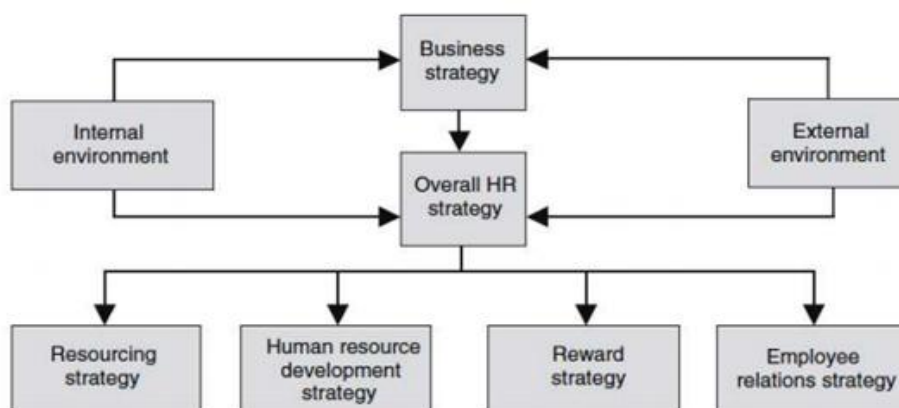
Strategic Human Resource Management is an approach that determines how, through HR methods and coordinated HR policies and processes, the aims of the enterprise can be accomplished through individuals. Strategic HRM deals with the organization's consideration of human capital as a strategic weapon for gaining competitive advantage [6]. Strategic HRM's fundamental aim is to create strategic capacity by guaranteeing that the company has the skilled, devoted & empowered individuals it requires to accomplish a sustainable competitive edge 8. Globalization and the emergence of emerging technologies have made shifts in the corporate climate mandatory for organizations to include HRM in the strategic decision-making process. Human

resources and corporate practices must be combined at the strategic level to maximize efficiency, competitiveness and accomplish customer experience and cost savings [7]. The Strategic Administration of Human Resources connects HR with the organization's other operating areas. Strategic HR finds individuals to be intangible properties in which the company should spend to achieve long-term benefits. People are considered as a means of competitive gain. The needs of all corporate operations are often considered by SHRM (Table 2).

Table 2: Human Resources Strategies Aim

AIM OF HUMAN RESOURCE STRATEGIES	
High-Performance Management Approach	High-performance management techniques engage in employee talents and strengths, design work to help workers overcome challenges and offer resources to inspire them by employee engagement, skill development and encouragement to make the best use of their efforts.
Information Management Strategy	The Knowledge Management Strategy produces, acquires, gathers, communicates and integrates knowledge inside and beyond the company to boost the employee's learning and success.
Learning and Development Strategy	The Learning and Development Plan creates a climate in which workers are motivated to become educated and improve their skills and to facilitate the accomplishment of corporate goals by encouraging the value of human resources.
Reward Management Plan	Strategy for reward management creates and applies methods to reasonably reward individuals.

HR's strategies aim to create a forum to address both business and human needs in the enterprise according to the organization's human resource management policies and practices.



(Source: Michael Armstrong, *Strategic Human Resource Management A Guide to Action* Page No- 36)

Fig.2: A Linear Strategic Human Resource Management Model

Figure 2 shows the linear strategic HR management model, management of human capital is critical for banks because banking is a service sector and two main issues facing banks are handling people and risk. The way individuals and risks are handled influences the performance of the banking sector [8]. Equal competition among banks was granted free rein by liberalization and economic reforms in 1991. Several new rivals, such as private banks, international banks, non-banking investment institutions, merchant bankers, mutual funds and insurance companies, have been profoundly competitive in the finance industry [9]. Indian banks originally encountered relatively little competition and operated in a secure market, but by the time well-computerized international banks began to compete actively with the nationalized Indian banks [10] [11]. The private sector banks of the current generation have also quickly expanded their activities by launching branches largely in metros and cities and supplying customers with state-of-the-art services and facilities. For several financings, the banks began to become a "one-stop-shop". Banking is a service sector; an increase in services, goods and growth is an integral aspect of it which is a continuing operation [12]. Banking for the next twenty years. Bank reforms are offering a wide variety of goods and services, but as if they were.

CONCLUSION

The needs of customers continue to evolve and grow, banks will have to come up with fresh to satisfy the needs of clients, goods on a diverse basis. Banks have, in that way, incorporated into the current world of events that are beyond imagination, adding broad. Under the banking fold with a varied clientele. While banks have shifted from brick and steel, People moved from cave-man to space-man, science and mortar to click banking, the desires, expectations and demands have passed from the ecological revolution to the gene revolution. Customers are now increasingly rising; banks are running as commercial supermarkets. Bazaars under a single roof provide a wide variety of services.

For the reason because of its depth and continuous growth, the study of banking remains as interesting as ever. Liberalization, structural changes and technical modernization have eventually pushed the financial industry to become competitive. This competition has produced a demand for competitive individuals. Every bank began to make human resource choices concerning its rival bank. This resulted in the introduction of competitive management of human capital, where plans for human resources are developed concerning the opponent. The bank has now become more customer-centered and it turns out that customer loyalty is a prime motivation for banks. By getting better performing individuals than the opponent, the bank will accomplish this motive. It is impossible to imitate the strategic edge based on successful management or people. The difficulty for the bank is to ensure that they have the resources to find, consume, reward and retain exceptional individuals they choose. Therefore, developments in human capital should be more localized. This study accomplished the objective of comparing and exploring Nationalized and Private Banks' Strategic HR Management Practices with regard to competition. The research focuses on nationalized and private banks' strategic human resource management activities.

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