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A Study on Human Resource Management Practices in Public Sector Banks in Tamil Nadu

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ABSTRACT: Purpose: The purpose of the study is to explore the Human Resource Management procedures in public sector banks in Tamil Nadu and to measure the attitudes of employees on the primary HRM practices. The type of research used in this study is descriptive. The primary data has been acquired from the bank personnel using structured questionnaire and secondary data has been collected from books, journals and publications. Data analysis is performed via percentage analysis, t-test and ANOVA. The research shows the impact of HRM practices on employee satisfaction and organisational effectiveness. Training, performance appraisal, remuneration and employee welfare are key features of HRM procedures in public sector banks.

INTRODUCTION

Human Resource Management (HRM) is a vital function of every organization as people are the key resources accountable for fulfilling organisational goals. Effective HRM practices help organizations attract the right people, enhance their abilities, boost performance and retain employee happiness. The banking industry is one in which HRM practices are very significant, since the employees are actively involved in serving the customers and the overall operation of the bank.

The Public sector banks in Tamil Nadu have huge number of individuals working in different jobs and they need to manage personnel with diverse talents, responsibilities and experience. Recruitment and selection, training and development, performance appraisal, salary, promotion and employee welfare are such practices that promote effective employee management. When correctly implemented, these techniques can improve employee motivation, satisfaction and productivity. the changing environment in banking, technology innovations and increased consumer expectations have generated new demands on the human resource management. Thus, there is a need for public sector banks to improve their HRM procedures so as to facilitate staff growth and organisational performance. In this backdrop, the present study attempts to investigate the Human Resource Management techniques being followed in the public sector banks in Tamil Nadu and to evaluate the employees' opinion toward these methods.

REVIEW OF LITERATURE

Saleem, I. et al., (2024) studied the effect of Human Resource Management methods on organisational performance in the Indian banking industry. The study was carried out on 325 workers of four banks and structural equation modeling was employed for analysis. The results demonstrated that training and development, performance appraisal and employee involvement had positive and significant impact on organisational performance, but recruiting and selection had positive but negligible impact. The report emphasizes the relevance of good HRM practices in enhancing the performance of Indian banks.

Salman, M. et al., (2023) investigated the association between Human Resource Management methods and employee capabilities in the Indian banking business. Data were collected from 325 banking workers and the study focused on recruiting and selection, training and development, employee involvement and performance review. The results showed that some HRM practices were positively significantly related to employee competences while other practices were insignificantly related.

Agarwal S et al., (2022) studied the influence of HR practices in Indian banking industry. The study examined the major aspects of HRM such as recruiting and selection, training and development, salary, performance appraisal, employee

engagement and work satisfaction. The results indicate that effective HR practices are contributing to employee productivity, engagement and work satisfaction and this suggests the importance of systematic HRM in banking organizations.

Raza B et al., (2020) evaluated the Indian banking sector in terms of organisational virtuousness, psychological capital and employee performance. The study was done on employees of public and private sector banks and concluded that organisational virtuousness and psychological capital had favorable effects on employee performance. The findings of the study reveal that positive organisational policies can improve the performance of employees in the banking sector. The study pointed out the necessity of good HRM practices in increasing the capabilities of employees in banks.

Gupta D, et al., (2019) this study Human Resource Development Climate and career planning in Indian public sector banks. The study was conducted among junior and middle level managers and revealed that majority of respondents were satisfied with the HRD climate. The study has underlined the significance of HRD culture and career planning in growth of personnel development and organisational development in public sector banks.

Statement of the Problem

The public sector banks are going through changes in technology, customer expectations and work duties, and so the effective Human Resource Management methods have become more important. Employees may have difficulties on training, performance appraisal, promotion, salary, and job load and welfare measures. Variations in HRM practices effect employee happiness and performance. Hence the present study is aimed at analyzing the existing Human Resource Management procedures in the public sector banks in Tamil Nadu and to understand the perception of the employees toward the Human Resource Management practices.

Scope of the Study

The present study is concerned with Human Resource Management methods in few public sector banks in Tamil Nadu. It covers important areas of HRM including recruiting and selection, training and development, performance appraisal, remuneration, promotion and employee welfare. The study looks at the attitudes of employees about these practices and their contribution to employee satisfaction and performance. The findings may assist public sector banks in identifying areas for improvement in their HRM procedures and staff development.

OBJECTIVE OF THE STUDY

1. To examine the Human Resource Management practices followed in public sector banks in Tamil Nadu.

Research Methodology

The study is descriptive research design to study Human Resource Management practices in public sector banks in Tamil Nadu. The primary data was acquired from the workers of selected public sector banks through a standardized questionnaire. Secondary data has been acquired from books, journals, research publications, bank reports and relevant websites. The obtained data are analyses by using Percentage analysis, mean, standard deviation, t-test and one-way ANOVA.

Sources of Data

Primary Data: The primary data was acquired from the workers of selected public sector banks in Tamil Nadu through a standardized questionnaire. **Secondary Data:** Secondary data were gathered from books, journals, research articles, bank reports, government publications and associated websites concerning Human Resource Management and banking.

Table 1 Designation of the Respondents

Designation	No. of Respondents	Percentage
Manager	18	15.0
Officer	42	35.0
Clerk	36	30.0
Subordinate Staff	24	20.0
Total	120	100.0

Source: Computed From Primary Data

Table 1 shows that of the 120 respondents, 42 (35.0%) are Officers, 36 (30.0%) are Clerks, 24 (20.0%) are Subordinate Staff and 18 (15.0%) are Managers. Therefore, the highest number of responders is Officers and the lowest number of respondents is Managers.

Table 2 Family Type of the Respondents

Family Type	No. of Respondents	Percentage
Nuclear Family	71	59.2
Joint Family	49	40.8
Total	120	100.0

Source: Computed From Primary Data

Table 2 shows that 71 respondents (59.2%) belong to nuclear families and 49 respondents (40.8%) belong to joint families. Thus, 70% of the responses are from nuclear households.

Table 3 Family Members of the Respondents

Family Members	No. of Respondents	Percentage
Up to 2 members	24	20.00
3 to 4 members	60	50.00
More than 4 members	36	30.00
Total	120	100.00

Source: Computed From Primary Data

From the table 3 indicate that 60 respondents (50.0%) were 3-4 family members, 36 respondents (30.0%) were more than 4 members and 24 respondents (20.0%) were up to 2 members. So, half of the responses are from a family of 3-4 persons.

H_{01} There is no significant difference between demographic variables and Human Resource Management Practices

Table. 4 Human Resource Management Practices

Variables	SA	A	N	DA	SDA	Total
The bank follows fair and transparent recruitment and selection practices.	12	29	36	24	19	120
	10.00	24.17	30.00	20.00	15.83	100
The bank provides adequate training and development opportunities to employees.	18	26	36	24	16	120
	15.00	21.67	30.00	20.00	13.33	100
The bank follows a fair and systematic performance appraisal system.	18	23	36	24	19	120
	15.00	19.17	30.00	20.00	15.83	100
The bank provides satisfactory compensation and reward benefits to employees.	18	28	36	24	14	120
	15.00	23.33	30.00	20.00	11.67	100
The bank provides adequate welfare facilities and benefits to employees.	18	35	30	24	13	120
	15.00	29.17	25.00	20.00	10.83	100

Source: Computed From Primary Data

Table 4 shows that the employees hold mixed perceptions regarding HRM methods as the neutral replies are quite high for all the five assertions. The biggest overall positive answer, 44.17%, is for welfare facilities and benefits. Recruitment and selection methods have a significantly lower response positive.

One way ANOVA has been used to test the significant difference between Designation and Human Resource Management Practices

To test for any significant difference in Human Resource Management Practices relative to employees with different designations, one-way ANOVA is performed. The test shows if the designation has a statistically significant affect on the perception of HRM procedures of employees.

One-way ANOVA finds the significant difference between Designation and Human Resource Management Practices

$H_01(a)$ There is no significant difference between Designation and Human Resource Management Practices

Table 5 Designation and Human Resource Management Practices

Variables	Designation	N	Mean	S.D.	F Value	Sig.
The bank follows fair and transparent recruitment and selection practices.	Manager	18	2.33	1.94	8.423	0.001*
	Officer	42	2.92	1.40		
	Clerk	36	3.00	0.00		
	Subordinate Staff	24	4.00	0.00		
	Total	120	3.07	1.21		
The bank provides adequate training and development opportunities to employees.	Manager	18	1.00	0.00	41.883	0.001*
	Officer	42	3.14	1.47		
	Clerk	36	3.00	0.00		
	Subordinate Staff	24	4.00	0.00		
	Total	120	2.95	1.24		
The bank follows a fair and systematic performance appraisal system.	Manager	18	1.00	0.00	41.821	0.001*
	Officer	42	3.35	1.51		
	Clerk	36	3.00	0.00		
	Subordinate Staff	24	4.00	0.00		
	Total	120	3.02	1.27		
The bank provides satisfactory compensation and reward benefits to employees.	Manager	18	1.00	0.00	43.638	0.001*
	Officer	42	3.00	1.43		
	Clerk	36	3.00	0.00		
	Subordinate Staff	24	4.00	0.00		
	Total	120	2.90	1.22		
	Manager	18	1.00	0.00	56.973	0.001*

The bank provides adequate welfare facilities and benefits to employees.	Officer	42	2.50	1.59		
	Clerk	36	3.33	0.93		
	Subordinate Staff	24	4.00	0.00		
	Total	120	2.82	1.57		

Source: Computed From Primary Data

Table 5 shows that a substantial difference between Designation and HRM Practices as per the One-Way ANOVA results. Recruitment and selection ($F=8.42$), training and development ($F=41.88$), performance appraisal ($F=41.82$), remuneration and awards ($F=43.63$), and welfare facilities ($F=56.97$) are significant at $p=0.001$ (<0.05). The null hypothesis is rejected.

One way ANOVA has been used to test the significant difference between Family Members and Human Resource Management Practices

One Way ANOVA is used to test whether there is significant difference in Human Resource Management Practices in relation to the number of family members of employees. The test examines if the views of HRM practices of employees significantly differ between family-size groups.

One-way ANOVA finds the significant difference between Family Members and Human Resource Management Practices

$H_0(a)$ There is no significant difference between Family Members and Human Resource Management Practices

Table 6 Family Member s and Human Resource Management Practices

Variables	Family Members	N	Mean	S.D.	F Value	Sig.
The bank follows fair and transparent recruitment and selection practices.	Up to 2 members	24	3.00	2.04	7.812	0.001*
	3 to 4 members	59	2.71	0.91		
	More than 4 members	36	3.66	0.47		
	Total	119	3.05	1.20		
The bank provides adequate training and development opportunities to employees.	Up to 2 members	24	1.25	0.44	57.905	0.001*
	3 to 4 members	59	3.16	1.16		
	More than 4 members	36	3.66	0.47		
	Total	119	2.93	1.24		
The bank follows a fair and systematic performance appraisal system.	Up to 2 members	24	1.25	0.44	58.421	0.001*
	3 to 4 members	59	3.37	1.20		
	More than 4 members	36	3.66	0.47		
	Total	119	3.03	1.28		
The bank provides satisfactory compensation and reward benefits to employees.	Up to 2 members	24	1.25	0.44	54.093	0.001*
	3 to 4 members	59	3.11	1.14		
	More than 4 members	36	3.66	0.47		
	Total	119	2.90	1.22		

The bank provides adequate welfare facilities and benefits to employees.	Up to 2 members	24	1.25	0.44	53.093	0.001*
	3 to 4 members	59	2.9661	1.17		
	More than 4 members	36	3.6667	0.47		
	Total	119	2.8319	1.23		

Source: Computed From Primary Data

Table 6 result of One Way ANOVA showed that there is a significant difference between Family Members and HRM Practices as all the variables have $p=0.001$ (<0.05). The relative F-values are 7.81, 57.95, 58.42, 54.09 and 53.03, null hypothesis has been rejected.

T-test has been used to test the significant difference between Family Members and Human Resource Management Practices

This study the significant difference in Human Resource Management Practices depending on Family Members, t-test is utilised. It assesses whether the mean perceptions of HRM practices are significantly different between the two family-member groups.

$H_01(a)$ There is no significant difference between Family Type and Human Resource Management Practices

Table 7 Family Type and Human Resource Management Practices

Source: Computed From Primary Data

Variables	Family Type	N	Mean	S.D	P value	Sig.
The bank follows fair and transparent recruitment and selection practices.	Nuclear Family	71	2.78	1.46	49.127	0.002*
	Joint Family	49	3.48	0.50		
The bank provides adequate training and development opportunities to employees.	Nuclear Family	71	2.57	1.46	41.420	0.002*
	Joint Family	49	3.48	0.50		
The bank follows a fair and systematic performance appraisal system.	Nuclear Family	71	2.70	1.53	56.166	0.002*
	Joint Family	49	3.48	0.50		
The bank provides satisfactory compensation and reward benefits to employees.	Nuclear Family	71	2.49	1.40	32.056	0.002*
	Joint Family	49	3.48	0.50		
The bank provides adequate welfare facilities and benefits to employees.	Nuclear Family	71	2.36	1.36	20.328	0.002*
	Joint Family	49	3.48	0.50		

The t-test results in table 7 reveal a significant difference between Family Type and HRM Practices as the p-value of all the items is 0.002 (<0.05). All five HRM practices have higher mean scores for joint-family employees than nuclear-family employees. So null hypothesis is rejected

Reliability Analysis

The internal consistency and reliability of the items used to measure the Human Resource Management Practices is done by using reliability analysis.

Table 8 Reliability Analysis

Variables	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items
Human Resource Management Practices	0.711	0.701
The bank provides satisfactory compensation and reward benefits to employees	0.709	0.702
The bank provides adequate welfare facilities and benefits to employees.	0.700	0.703

Source: Computed From Primary Data

Table 8 shows that Human Resource Management Practices for the above Reliability factors the Cronbach's Alpha value is 0.711 and the standardized Alpha is 0.710. This implies a good level of internal consistency and dependability of the scale.

Findings

1. Majority of responses are Officers (35.0%) followed by clerks (30.0%).The smallest share of respondents are managers (15.0%).Most of the respondents (59.2%) belong to nuclear families. Most of the respondents (50.0%) have 3–4 family relatives.
2. The study indicates that employees are moderately satisfied with HRM methods. Welfare facilities and perks are considered to be more beneficial than the 5 practices. Fair recruiting and selection methods require more effort. There is a significant difference between designation and all the selected HRM practices ($F=8.423-56.973$; $p=0.001$).Significant difference is detected in the welfare facilities ($F=56.973$) followed by compensation and rewards ($F=43.638$).
3. There is substantial difference between family members and recruiting, training, performance appraisal, remuneration and welfare methods ($p=0.001$ for all variables).The maximum variation is found in performance appraisal ($F=58.421$) followed by training and development ($F=57.905$).
4. There is a substantial difference in recruiting ($P=49.127$, $p=0.002$), training ($P=41.420$, $p=0.002$), performance appraisal ($P=56.166$, $p=0.002$), compensation ($P=32.056$, $p=0.002$) and welfare facilities ($P=20.328$, $p=0.002$).The reported mean scores of the employees belonging to joint family (3.4898) was higher than the nuclear family employees across all the HRM practices. The HRM Practices scale is made up of 5 items and achieved a reliability rating of 0.711 meaning that the items consistently measure the intended construct.

Suggestions

1. The respondents are from different designations, with more number of Officers and Clerks in the survey. The survey suggests that the respondents are more likely to be from nuclear families. The study showed that most respondents are members of medium-sized households.
2. Banks have to make their recruitment and performance appraisal procedures more fair and transparent and give greater training and development opportunities. Management also needs to improve the remuneration, rewards and welfare benefits for employees to increase their happiness. The results of the study show that the perception of employees on HRM methods is significantly different on the basis of designation. Designation is very important in the perception of employees toward recruitment, training, assessment, compensation and welfare activities.
3. The number of family members has a substantial impact on the opinion of HRM practices by employees. Family size has a substantial association with employee impression on recruiting, training, appraisal, remuneration and welfare practices.
4. The HRM practices views among employees considerably vary with family type. The results show that employees from joint families have relatively better perception about recruiting, training, assessment, and compensation and welfare procedures. The scale is regarded valid and suitable for further statistical research. The resulting Alpha value shows that the five HRM practice items have adequate internal consistency.

CONCLUSION

The article concludes that good human resource management methods are crucial to improve employee satisfaction, performance, and organisational effectiveness in public sector banks in Tamil Nadu. Better management of employees is the result of practices like as recruitment, training and development, performance appraisal, compensation and employee welfare. Better development of these practices can help in the development of employees and to increase the overall effectiveness of the public sector banks.

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