

PUBLIC SECTOR BANKS IN INDIA ON RAPID HIRING SPREE: A COMPASSIONATE ANALYSIS WITH SPECIAL REFERENCE TO IDBI BANK

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ABSTRACT: *Banking sector in India has been experiencing the phase of ruthless competition since the new economic reforms initiated in the economy. Owing to aggressive strategies adopted by the private sector banks, the concern for the activation of the dictum 'perform or perish' in the industry, which might induce the Public Sector Banks (PSBs) in India to land into a highly perishable zone, has obligated them to come forward with a well equipped mode for providing a burly fight to their private counter parts. As a move in this regard, they are now in a rapid hiring spree. Although this strategy has primarily been designed for their own endurance, successful execution of the same would certainly benefit the economy as a whole in the form of higher income propagation, superior mobilization of funds and greater rate of employment generation. This paper is intended to analyze the urge and efficacy of the rapid hiring mode of the public sector banks, specifically IDBI Bank, in India.*

KEY WORDS: *expansion in banking sector; PSBs; manpower management; IDBI Bank*

JEL CLASSIFICATIONS: *G21*

1. INTRODUCTION

Since the origin of the Banking Sector in India, it has seen remarkable changes and to keep on with the rhythm of progress, it has successfully adopted the changes as well. India, also being accounted for the country having one of the highest populations in the world, there has always been a never-declining crave for funds to carry on their livelihood. Thus the onset of Banking Industry proved to be a boon for all the Indians.

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People got easy access to funds in order to fulfill their dreams and desires. From that time onwards, as the needs of the human grew, desire for more money also grew accordingly. Thus there was a need felt for more and more fund-raising institutions. As a consequence of such demand for funds, a number of Banks took their birth.

The period after 1970's saw rapid expansion of the banks in India under the control of the Government. It was the direct impact of the nationalization of the banking sector. This enabled each and every individual to steal the opportunity to have easy access to funds. This banking sector not only proved to be a source of funds but also new avenues of employment. It became a source of earning bread and butter for many people. In the mid 1990's, the liberalization of the economy led to the emergence of the private players in the existing scenario. This provided much better and easier accessibility of funds to the people. Their late arrival in the market enabled them the state-of-the-art technology. This helped them to work more effectively and efficiently in the market and thus outperformed their public sector counterparts. This helped the private sector banks to expand manifold.

This rapid expansion of the private sector banks proved to be a massive source of employment for thousands. In this run, public sector banks lost their charm. This proved to be a threat for them. PSBs found it difficult to compete with them. In order to compete they needed to implement in their bank the latest technology available as well as introduce the best Human Resource policies in order to regain their manpower strength and retain the talents which are already present with them.

IDBI Bank Limited, a public sector bank, accorded with the status of principal financial Institution for coordinating the working of institutions at national and state levels engaged in financing, promoting, and developing industries. Today it enjoys the position of the tenth largest development bank in the whole world. With a huge web of its network, IDBI is trying to shift from class banking to mass banking and from sellers' market to buyers' market and thus rank it as the fifth largest bank in India in the near future. It plans to reach as many customers as possible and provide financial solutions to one and all. It aims to take the bank to universal standards fulfilling the commitments made to the people in India. It is focusing on the customer satisfaction and their expectations regarding accuracy, security, transaction time, user friendliness, user involvement and conveniences which are the most important quality attributes in the perceived usefulness of banking services. In order to achieve these goals, the Human Resource Management plays a distinctive and significant role in collaborating with all such activities and making it successful.

The expansion of an organization followed by a recruitment spree doesn't make the all dreams come true. Even this process is associated with many intricacies which are to be dealt with and various activities which are imperative to be followed after such an aggressive hiring drive. Recruitment should be followed by a proper selection procedure. The new incumbents should be properly induced so as to make them understand the organization's vision, mission and objectives as well as the organization's policies and procedures. Afterwards they are required to be trained properly in their specialized work areas so that they excel in their field and give their best to the organization and prove to be its assets in near future.

The objective of this paper is to study the existing infrastructure and human resource policies of IDBI Bank Ltd. and the consequential benefits on further expansion - HR involvement, its proposed plan, phase-wise implementation and effectiveness specifically with respect to Job satisfaction of existing employees, Recruitment and Training by way of exploring the primary and secondary sources of information.

2. INDIAN BANKING SECTOR IN MODERN ERA

As far as the present scenario is concerned the Banking sector in India is going through a transitional phase. The Public Sector Banks (PSBs), which are the mainstay of the Banking sector in India account for more than 78 per cent of the total banking industry assets. Unfortunately they are burdened with excessive Non Performing assets (NPAs), excessive governmental equity and lack of modern technology, which in turn is the cause for unhappy employees of the organization. On the other hand the Private Sector Banks are making tremendous progress. They are forging ahead and rewriting the traditional banking business model by way of their sheer innovation and service. They have pioneered internet banking, phone banking, anywhere banking, mobile banking, debit cards, credit cards, Automatic Teller Machines (ATMs) and combined various other services and integrated them into the mainstream banking arena. As far as foreign banks are concerned they are likely to succeed in the Indian Banking Industry.

2.1. Expansionary Mode of PSBs

At present, the industry is in the makeover mode. The Public Sector Banks (PSBs) are in the midst of rejuvenation process by shedding their flab in terms of reducing the volume of Non Performing Assets (NPAs) and excessive governmental equity and at the same time adopting the new technological advancements in the banking sector and thus keep the workforce motivated to work for higher productivity. Looking into the possibility of increasing their number of branches as well as the number of employees, the public sector banks are in the expansion mode, i.e. willing to expand their number of branch networks and thus provide easy accessibility and comfort to their existing as well as prospective customers. They are, thus, gearing themselves for the fierce competition that is posed by the private banks. While the Private Sector Banks are in the consolidation mode by means of mergers and acquisitions.

The State Bank of India is planning to open 1,000 new branches across the country to cover 100,000 villages in the coming FY 2009-10, according to the bank Chairman, Mr. O P Bhatt. The bank had decided to rope in 300 new customers every year for each branch using initiatives. According to Mr. Bhatt, the bank could get a record US\$ 5.54 billion during December 2008, the highest amount collected by any bank in the country.

Bank of India is also on a branch network expansion spree. As stated by its Chairman and Managing Director, Mr. T.S. Narayanaswamy, the bank has obtained license for opening 130 branches this fiscal. They have inaugurated around 100 new

branches so far, taking the total branch network to 2,978. Another Public sector lender Allahabad Bank is on an expansion spree in South India in order to have a significant presence in all important business centers, this year. Bank's Chairman and Managing Director, K R Kamath said that the Bank has a network of over 2,230 branches in the country and an offshore branch at Hong Kong besides a representative office in China. It is now focusing on Karnataka and Kerala. The bank plans to open a zonal office in Bangalore and 10 more branches in Karnataka and two branches in Kerala.

During FY 2007-08, the IDBI Bank opened 44 branches as against an approval for opening 45 branches. The merger with United Western Bank had given a network of 232 branches and 16 extension centers primarily based in the western region. As stated by Mr. Yogesh Agarwal, CMD, IDBI Bank Ltd., this year, the bank has got the RBI license to open up 200 new branches all over India and also expand overseas. The Bank's branch network adequately covers the western and northern region. Accordingly, it will be expanding mainly in the south, east and north-east regions. It has launched the concept of city SME centers last year. Besides 200 new branches, it will have 24 city SME centers covering 143 branches across the country. Further, 100 branches will be specializing in agri-business. With the planned expansion in branch network and focus on building up the retail asset portfolio, it will also have 30 Retail Asset Centers (RACs) which will handle work relating to sales, credit, collections, operations etc. Each RAC will cover 10-12 branches. In parallel, our ATM network has successfully crossed the 900 mark and we will be crossing 1000 ATMs within few more days.

But expansion of the branch networks doesn't explain all the possibilities to come and raise its hands to zenith. Between 2004 and 2007, India's new private banks have grown their assets by 38% and their employee strength by 43%; for foreign banks, the assets have grown 27% and employee strength 22%. During this period, Indian public sector banks have seen their assets growing by 17% while the employee strength has actually gone down by 1%. According to an estimate of Indian Banks' Association, the country's premier banker body, between now and 2010 more than 63,000 public sector bank employees will retire and bulk of them are officers. Public sector banks, which collectively employ about 710,000 employees, need 500,000 new employees in next five years to maintain their growth.

The average age of a public sector banker is close to 50. In ICICI Bank Ltd, India's largest private lender, the average age of employees is 28. So, it must start recruiting new employees fast. But this is not an easy task for the bank management as it is not in a position to pay well to attract talent. Besides, the government policy on reservation comes in the way of talent hunt.

This period of the global financial crisis and domestic slowdown is the most opportune time for 28 public sector banks (PSBs) to regain the market share that they have lost. Since the tech savvy, new generation private sector banks and foreign banks have been allowed to enter the country, the public sector banks, though a dominant force in the Indian banking industry, have almost lost 30% of their market share. As on March 31, 2008, PSBs accounted for 69.9 % of the aggregate assets and 72.7 % of the aggregate advances of the scheduled commercial banking system. Today, they have a much better average capital adequacy ratio. The ratio, which was around 2% in 1997,

had increased to 13.08% as on March 31, 2008. The improvement in the capital adequacy ratio has come about despite significant growth in the aggregate asset of the banking system. With regard to the asset quality also, gross NPAs of the scheduled commercial banks, which were as high as 15.7% on end-March 1997, declined significantly to 2.4 % as on end-March 2008. The net NPAs of these banks during the same period declined from 8.1 % to 1.08 %

Several foreign banks are limiting their credit exposure, as their overseas parents face credit crunch and other problems at home following the global financial crisis. On being asked about the same issue on reluctance of foreign banks to provide credit to the industry, Deputy Chairman, Planning Commission, Mr. Montek Singh Ahluwalia pointed out that the Indian banks should venture into the areas hitherto dominated by foreign lenders. It is a wonderful opportunity for Indian banks to occupy the space. These fellows (foreign banks) are broke at home.

Pointing out that good clients were not facing any credit crunch, Mr. Ahluwalia also mentioned that it was the middle-segment borrowers who were finding it hard to secure funds from the banking sector. Good companies are now getting it (credit) normally. There are lots of companies in the middle segment so banks will be asked to lend them too. Mr. M V Nair, Chairman and Managing Director, Union Bank pointed out that the Public sector banks are in a better position to regain their position. For the first time, market share has not been lost since the beginning of the fiscal. With 100% core banking solutions, the Union Bank added 13.5 lacs customers during the third quarter of the current fiscal. It is getting huge business. Its core deposits have grown by 37% on year-on-year basis and therefore, it is very happy with its customer acquisition and growth.

2.2. Rapid Hiring Spree: A defensive Strategy of PSBs

Public sector banks in the country that account for about 70% of the industry are on a hiring spree to keep pace with their business expansion even as private banks are shrinking jobs. This year, hiring by public sector banks has been quite significant as currently about 12,000 supervisory and clerical vacancies are being filled up and many more vacancies are yet expected to come up. However, a few private banks are cautious about expansion, the recruitment outlook of the public sector banks remains healthy due to significant retirements and rural expansion plans.

Almost all the PSBs, including the country's largest lender, the State Bank of India (SBI), are in a brisk hiring mode, a move which is in sharp contrast to their global peers who have seen thousands of job-losses in the last one year. At present, SBI is in the way of recruiting 3,500 probationary officers. The SBI is hiring over 4,200 employees for its six associate banks - a development that comes within a few days of its plans to *recruit 25,000* people. The bank is also recruiting more than 1,300 customer relationship executives on contractual basis for itself and its associates. SBI is also hiring 1,200 customer relationship executives, while its associate banks are recruiting 140 executives. The various associate banks for which SBI is looking to recruit the staff include the State Bank of Bikaner and Jaipur (SBBJ), the State Bank of Hyderabad, the State Bank of Mysore, the State Bank of Indore, the State Bank of

Patiala and the State Bank of Travancore. There are over 1,000 vacancies each with State Bank of Hyderabad, State Bank of Patiala and State Bank of Travancore, between 240-440 employees would be recruited for each of State Bank of Bikaner and Jaipur, State Bank of Indore and State Bank of Mysore. As stated by the Chairman and Managing Director, Union Bank of India, Mr. M.V. Nair that this is true with most of the public sector banks. There is no recession in hiring. The PSBs are firming up plans to hire over 4,000 officers and 1,000 clerks this year.

Another PSU major, the Punjab National Bank (PNB), is hiring 377 managers and officers to support its expansion plans. The Delhi-based bank has invited applications for the posts of chief security officer, assistant general manager (treasury), chief manager (treasury) and other officers and managers.

IDBI Bank Ltd too has hired about 2,000 and is looking for another 3,000 while Bank of Baroda (BoB) wants to hire 3,000, including 1,000 officers, and Bank of India, 900, two-third of who are officers. Although most fresh recruitments are for Mumbai, they are not restricted to the city alone. In Chennai, Indian Overseas Bank will hire 2,300 and in Delhi, Punjab National Bank (PNB) will hire 600 officers in the next few months. Elsewhere, Andhra Bank in Hyderabad will hire more than 600 and the Mangalore-based Corporation Bank plans to hire about 900 clerks and officers in 2009-10. It has already recruited about 300 officers this year.

According to senior bankers, at least 40,000 have been hired by the public sector banks in the current fiscal and the figure will substantially go up next year. The number of people fired by private and foreign banks also runs in thousands. Many of them are direct sales agents (DSAs), who market credit cards, mortgages and personal loans. With the slump in demand for retail loans, banks are snapping ties with agencies that supply DSAs to them. A voluntary retirement scheme, introduced early this century, saw at least 11% of 870,000 bank employees marching out of public sector bank premises. Since then, banks have not recruited too many people while their assets have risen nearly three times, from Rs10.2 trillion in 2001 to Rs29 trillion in 2008. On top of that, a large number of employees have retired in past few years. They were recruited in early 1970s, after the nationalization of banks. At the end of fiscal 2008, public sector banks had about 720,000 employees on their pay rolls.

Some of the private banks that have aggressively grown their business, riding on the world's second fastest growing economy, are now shrinking their balance sheets while public sector banks are expanding by opening new branches across the country.

According to Anurag Khanna, CMD, Banknet India, a banking research company, new recruitments are to keep pace with the banks' expansion plans. The banks are adopting fast-track promotions to fill in any management gap. The Reserve Bank of India's emphasis on financial inclusion is also forcing public sector banks to hire more for rural areas and open branches there.

Another reason behind the sudden spurt in recruitment is the fact that unlike private banks, public sector banks cannot outsource many activities, including sourcing loans.

Apart from recruiting through a normal process of written examinations and interviews, banks are also going for campus recruitments and outright poaching—sometimes from fellow public sector banks. BoB and PNB also took officers on contract offering them higher pay packet by monetizing the perks available for officers

of similar grade but the system has been scrapped in the face of stiff resistance put up by unions. However, foreign banks have been mostly trimming their payrolls, with biggest of them, Citigroup, planning to trim down its headcount by over 50,000 employees across the world, which reportedly includes about 1,000 staff in India. Citigroup, which has already laid off over 25,000 people so far, plans to bring down its headcount to below 3,00,000 worldwide in the next few weeks, from more than 3,75,000 later on.

Despite low salary, many private sector employees are now approaching public sector banks looking for job security.

3. MANPOWER OF IDBI BANK LIMITED

Thriving organizations around the world are finding that one of the significant components to their success is building workforce excellence across cultures and job roles. They have recognized its key ingredient as the 'Outstanding human resources management'. IDBI has always focused on leveraging quality human capital and allowing employees to develop new ideas. It believes in providing excellent employee training and opportunities for employee growth. In addition, it supports human resources operations with efficient and effective IT systems that lets personnel spend time on banking instead of on paperwork.

In IDBI Bank Ltd., it was thought that the major challenge critical to both the transition and the merger, will be the element of human resources. As in any other major transition of this kind, several sensitive issues, ranging from pay packets to work culture, will have to be addressed. It later finalized that the SBU structure will, however, allow IDBI to retain the pay structure already prevalent at IDBI Bank. But the SBUs will be separate in every respect. They will be separately manned and will have separate compensation structures. Alongside, IDBI announced a voluntary retirement scheme (VRS) so that some of its 2,800 employees get a golden handshake designed on the pattern of the VRS which took place at the public sector banks recently. Since then, the IDBI game plan was aggressive. On the anvil was a move to expand beyond the shores of India and get into overseas markets. The Bank's CMD pointed out that without an overseas presence one cannot operate in the present environment if it's a bank of large size. One has to explore all avenues — joint ventures, subsidiaries and branches."

3.1. Organizational Structure

As an attestation of its customer-centric approach, IDBI Bank has effected enabling modifications in its organizational structure to make it adequately responsive to the financial requirements and goals of its clients. The earlier SBU-based operating model has been replaced with more effective and efficient "customer-focused vertical model" capable of delivering world class products and services. Entire spectrum of the Bank's business is now covered under six major business verticals, each focusing on distinct customer segments for achieving accelerated growth. Now each business

vertical is focused on a particular customer segment, three on the corporate side and three on the retail side.

The Corporate Banking Group has been reorganized into three verticals: Infrastructure Corporate Group (ICG), Large Corporate Group (LCG), and Mid-Corporate Group (MCG). Across the three Corporate Banking verticals, the Bank will follow a two-pronged strategy of growth through new customer acquisition and deepening of existing relationships with emphasis on fee income from products and services. The Retail Banking Group has been reorganized into three verticals: Personal Banking Group, SME Group, Agri-Business Group

Within the Retail Banking Group, the Personal Banking segment will focus on the personal banking needs of individuals, with emphasis on driving productivity improvements and rapidly building the network. SME is a new vertical within the Retail Banking Group that has been created to ensure that your Bank successfully taps into the opportunity provided by this high-growth segment. The Bank has developed an innovative credit delivery model for SMEs and has gradually been building up City SME Centers (CSCs). The CSCs would provide support in terms of loan processing of the proposals as also would undertake back office related activities to buttress the credit delivery mechanism. The dedicated SME Relationship Managers at branches would provide a single customer touch point to provide whole range of banking services with regard to SMEs. Similarly Agri-Business Group has also been created as a separate vertical to help your Bank profitably capture this emerging business opportunity while at the same time meeting its priority sector lending obligations.

With this organizational restructuring the Bank has attained complete organizational integration of all functional areas. Simultaneously, the internal systems and processes have been fine tuned to align with the changed structure for customer interface. This restructuring has been undertaken in keeping with our aspiration to be among the Top 5 banks by asset size & market capitalization in the next few years. This aspiration is backed by our cutting-edge technology platform and the skilled and dedicated workforce to efficiently deliver a wide array of products and services. Further, with a view to fructifying its aspirations, your Bank has consciously decided to adopt a Universal Banking model, pursue aggressive organic growth supported by acquisitions and leverage distinctive strengths vis-a-vis competition.

It is desired that the organizational restructuring would pay off in terms of profitability and business growth and thus enhance all the stakeholders' values. During the year 2007-08, the Bank increased its branch network by opening 67 more branches. In addition, a complete review was undertaken with regard to relocation of branches to more potential areas and 32 branches were effectively shifted to new locations. During the financial year 2008-09, the Bank has an ambitious plan for expansion of the network including its ATM network.

3.2. Employees

As on March 31, 2008, IDBI Bank had 8,989 employees, majority of who are professionals, holding degrees in management, accountancy, engineering, law, computer science, economics and banking. The relationships with the employees are

cordial and there are no staff unions IDBI Bank uses incentives in structuring compensation packages and has established a performance-based compensation system. A transparent system of performance measurement is in place. To encourage commitment to results and productivity, the Board of the Bank has approved an ESOS. Almost 50% of the employees are covered by the ESOS.

There is focus on training the employees on a continuous basis. The Bank has training Centre at Belapur near Mumbai where regular training programs are conducted and designed to impart the necessary skills to the employees including orientation sessions for new employees. Appropriate training is also provided outside the Bank's training Centre.

3.3. Workforce Management

Despite diverse customers, diverse colleagues, and instant messengers beeping in the background, companies around the world get the job done. The secret behind this is the 'Excellent human resources management'. High-performance organizations share common values that help them attract and retain people who can build their business. There are certain factors which help build excellent workforce. Some of them are:

- **Transparency coerces Success.** Employees want to work at places where their efforts will be valued. IDBI Limited is able to attract talent from India's top universities because of its record of success. As explained by O.V. Bundellu, executive director of the bank's human resources group, this Bank is one of the institutions that have contributed to the phenomenal industrial development of this country. Nevertheless, the bank's recruiting and retention strategy relies on more than just the bank's accomplishments. One of IDBI's core values is to leverage quality human capital. The company's human resources information system promotes transparency, which demonstrates that the institution respects employees. It is all based on merit. Employees know where they stand, what their goals are, and what they have to do for a promotion.
- **Potency Training.** High-performance work groups recognize that no one can be good at everything, so they give employees the opportunities to play their strengths. Training programs show that companies value learning and that effective training helps people develop their strengths. This offers a greater payoff than training that tries to turn weaknesses into strengths. Mr. Bundellu also said that many people approach IDBI for jobs, because there is extensive training. The bank's JNIDB, Hyderabad, trains company executives in finance and development. It also allows IDBI bankers to share their knowledge with their counterparts in nations that are behind India in the industrial development process. But that is not the only training opportunity available to bank staffers. The Bank also runs a lot of training programs on the intranet, on a self-service basis. This allows for ongoing training and testing in a range of competencies and creates a database of qualified employees to use for future promotion and placement opportunities.
- **Confiscating Opportunities.** All the emphasis on recruiting and training is of no use if the employees are not given the freedom to do their jobs. If smart people are

treated like they are smart, they will rise to the occasion. Knowledge workers want an assignment, a deadline, and a budget. Then they want to be freed up to do their job. An organization must allow the employees to do what they are best at. IDBI has been able to contribute to India's economic growth through a culture that allows people to take chances. The employees are free to operate as long as they are working in the best interests of the organization. Giving employees the latitude to develop new ideas has allowed the bank to grow with a lean staff. Employees are supported by a strong IT system that lets them spend time on banking instead of on paperwork. What generally takes months in an organization using normal processes takes only a few days at IDBI. IT is one of the tools that the Bank uses to become a valued financial conglomerate. They are creating one of the largest data centers in India to support banking. People hired by IDBI know they won't be pushing paper; instead, their work on modern IT systems will be part of India's ongoing industrial development.

- **Turning to be an Employer of Choice.** At IDBI the key to retention is the opportunities the company provides for people to become part of large, unique projects and to have avenues for learning. Not every organization can establish stock exchanges and launch an entire class of entrepreneurs, as IDBI has done, but excellent workplaces exist in every industry. As long as managers are willing to respect employees, build on strengths, and stay out of the way, companies will thrive.

4. ANALYZING AND INTERPRETING DATA

This section deals with only the demonstration of the results obtained with the help of various questionnaires. All the questions are not represented here, only the ones which are meant to be analyzed further are demonstrated below. This will help get a clear picture of the responses before anything can be interpreted or any kind of conclusion or recommendation can be given. This will provide a clear understanding of the responses which were given by the respondents. This representation of the data is done with the help of Microsoft Excel. The questionnaire consists mainly of three parts: Expansion of the Bank and Job satisfaction of existing employees; Recruitment; Training.

4.1. Expansion of the Bank and Job Satisfaction

The questionnaire on expansion of the Banking Sector and the Job Satisfaction of the existing employees of the Bank was designed for two categories of respondents. The first questionnaire was given to the general public to know about what they know about the IDBI Bank Limited and feel about its ongoing massive expansion drive. The second part of the questionnaire was given to existing employees of the Bank to know about the level of satisfaction the employees possess while working with IDBI Bank Limited. It was also to know what the existing employees feel about their own organization and whether they are in favor of the massive expansion drive undertaken by the Bank.

General Public. When the General Public was asked about whether they know about IDBI Bank Limited or not, 70% of the respondents answered positively that they know about the Bank. Therefore these 70% of the respondents were asked few more questions regarding the Bank to know about how much knowledge they possess regarding the IDBI Bank Limited. When these knowledgeable respondents were asked, 45% of them said that IDBI Bank Limited is a Private Sector Bank which is not the correct and up-to-date information. When IDBI Bank was not merged with IDBI and was a separate entity altogether, it was then a Private sector Bank but after it got merged the merged entity is a Public Sector Bank. It shows that the Bank has not taken proper initiatives to make the news public. Later when they were given a list of various services offered by the Bank and was instructed to mark whichever they know about the Bank; hardly anyone had the complete information of what all services are provided by the Bank. But when they were asked about if they have ever availed its any service(s), then 60% of them agreed that they have availed and among them each and every respondent was very much satisfied with the service as well as care they take while serving any customer. Everyone said that the kind of service they provide is highly appreciable.

The rest 30% of the respondents who were unaware of IDBI Bank Limited were asked to mention in which Bank they had their accounts and what all features they like about their respective Banks. They were then asked to resume filling the questionnaire from question five, where they were asked if all those services which they liked about their respective Banks would be made available at IDBI Bank Ltd. which will open near to their place, would they avail its service(s). 77% of the respondents of these respondents agreed that they would avail its service(s) if the Bank provides easy, faster and more efficient services than what their present Banks does.

Each and every respondent corresponding to the whole population comprising general public said that there is not enough number of branches and ATMs that IDBI Bank possess and considering that everyone was in the favor that the IDBI Bank should take certain initiatives to make the Bank more popular among masses. 92% of all the respondents said that the massive expansion drive undertaken by the Bank to add up more number of Bank Branches and ATMs is a good option to make the Bank more popular as well as prove to be a helping hand for all the citizens of India.

After all the questions were asked, all the respondents were told the correct answers to all the questions. This was done in order to make the respondents to gain a brief knowledge about IDBI bank Limited. This was a step taken in order to make the general public know about the services offered by the Bank and transmit the same to others as well.

Employees of the Bank. The employees of the Banks were introduced to questions corresponding to job satisfaction as well as on their implications after expansion of the Bank. First of all they were asked whether they were satisfied with the existing work culture of the Bank or not. 83% answered in favor of the work culture prevalent in the Bank. But almost each and every one i.e. 96% of the respondents said that further improvements are required regarding the same.

It was seen from the daily visit to the Bank as well as general interaction with the public as well as employees of the Bank that the General Public was not much

aware of the Personal Banking segment of the IDBI Bank Limited, that's why the employees of the Bank were asked if the public is very well aware of the Personal Banking service offered by their Bank. For this question 30% of the respondents agreed that the general public is not much aware about this segment. Therefore each and every respondent agreed that there should be some prompt initiatives to be taken by the Bank so that the people as soon as possible get to know about the Bank. Regarding the same 100% of the respondents said that expansion of the Bank i.e. adding more number of Bank Branches as well as ATMs is a very good option for making the Bank more popular among masses.

When they were asked about the benefits which they would receive if the number of Bank Branches as well as ATMs is increased, the respondents pointed out a lot of benefits viz., they will feel proud to work with such a big Bank, this will fulfill the Bank's primary objectives, this expansion will definitely prove to be a help to general public, some thought that further recruitment for the expanded branches would reduce the work load, few are with the opinion that they may get promoted or have a salary hike or may get transferred to a better branch which would be near to their home. Many were with the opinion that it will provide them with an opportunity to visit new places and meet new juniors.

The respondents also pointed out certain demerits of expansion such as increased internal conflicts, transfer to a remote branch, reduced quality of work load, will create family disturbance and environmental disturbance. Few also opined that this would make the employees travel far-off places as well as in some cases increase work load and more number of recruits may create a mess in the working place and more salaries to be paid by the Bank.

4.2. Recruitment

After going through responses from the questionnaire on the recruitment it is seen that at Branch level the recruitment is done mainly for the Grade-A (Assistant Manager) post. Those who have been working for more than five years with the Bank were recruited only through the Head Office Selection Process. But, since last 3-4 years the Bank is recruiting its employees mainly through campus selection. It can also be seen through the data collected which shows that 56.7% of the respondents are selected through campus recruitment drive while only 30% of the respondents are recruited through the Head Office Selection process. As the respondents mainly comprise of the fresh and new recruits, it confirms the fact. The data also shows that few new employees have also been selected through the All India P.O. Examination these days conducted by the individual Banks, which comprise of 13.3% of the total sampling population.

From these data it can be justified that after the Bank got merged in the year 2004, it is on its way ahead to fulfill its objective to become the fifth largest Bank. Therefore in order to acquire that esteemed position it is expanding its branch network and further to carry on the activities in the expanded branches also, it is on a massive recruiting spree. Therefore the best option available to acquire a bulk of the best talents is to recruit the candidates through campus selection.

But campus selection also has its own drawbacks.

- This kind of recruitment is both expensive and time-consuming.
- The recruitment to be done by approaching individual campuses wastes a lot of useful time.
- The schedules must be set well in advance as well as briefing program to be conducted before the students to make them aware of the organization also demands a lot of time.
- An employers' representative of the Bank has to spend a lot of time in the Campus itself to carry on the selection process which was meant to be spent in the Bank doing important assignments.
- Records of interview are meant to be kept.
- The recruiters are required to be trained well before going for recruitment. They need to know how to interview candidates, how to explain what the Bank has to offer and how to put candidates at ease.
- If any time the recruiter shows little interest towards a candidate or act superior, the Bank may lose a deserving candidate.
- The major drawback of campus selection is that it doesn't give equal chance to all the individuals as it is restricted to just that specific campus. The most deserving and talented candidate staying in a rural place, striving hard to earn livelihood may not get a chance to work with the organization.
- Taking the case of the Bank, as it is a PSB, the campus selection is done only at those Colleges/ Universities which are recognized by AICTE. Even there are top-class colleges which ranks much better in comparison and whose students are much more deserving but do not possess an AICTE recognition, are denied the opportunity to have such PSBs in their campuses for selection.
- There is less competition among the candidates for the vacant position in the case of campus selection as there are limited individuals struggling for the same post in comparison to All India Tests or P.O. Examinations.
- Proper review prior to selection of the College/University Campus must be done before approaching any.

Selection Procedure. Effective recruitment is very essential for any organization these days. It is not as simple as is thought of (Dessler, 2005). Similarly campus recruitment is not just about approaching any Institution or University, creating a pool of candidates, interviewing them equally in order to fill a large number of anticipated openings. The recruitment and selection procedure should be designed keeping in mind the requirements of the job, number of vacant positions to be filled, number of applicants that are to be called for the process, resources that are used and to be used in the entire process etc. Therefore it is very essential to carefully design the recruitment process and adopt the best measures to acquire the best talent.

Keeping in mind the above necessities, later, data regarding the method of selection procedure adopted by the Bank was taken into account. The data regarding the same was collected and it was seen that 57% of the employees have been selected by the process of Group Discussion followed by a Personal Interview. This group mainly forms the population of employees who have been recruited in their respective Campuses while 43% of the employees have been selected by the process of Written

Test followed by a Personal Interview and these are the employees who have been selected directly by the Head Office or through All India Bank P.O. Examination.

Satisfaction Level for Selection Procedure. When the same respondents were asked about their satisfaction level regarding the procedures adopted for the selection process, it was seen that 73% of the employees were dissatisfied by the selection procedure presently adopted by the Bank. When they were asked about their apprehensions regarding the selection process, they replied that it should be more challenging and various other skills essential for posts should also be given certain credentials in the selection process. According to the employees only Group Discussions, Written Tests or Interview cannot judge a person with the skills required for the particular job. As the competition is growing day by day, an organization at any point of time may have to face any kind of bizarre situation and this becomes the responsibility of the employees of that organization to tackle that situation tactfully. Bank being a service industry needs to be much more tough and on its toes to serve the customers anytime, anywhere. Therefore, its employees also need to be that much capable as to tackle any kind of situation that comes in way. So, from the very first step i.e. the recruitment itself proper selection of the deserving and potential candidates should be done and therefore they should be judged for various other skills as well besides knowledge and experience.

It was also acknowledged that particular skills are important for a particular kind of job so in the selection process, those skills particular for that particular vacant position should be considered while selecting a candidate. In a Bank, there are different kinds of work that are to be handled by different personals. Some are assigned only the paper work, some have to meet clients daily, some have to deal with the customers every moment, some have to deal with the staff of the Bank itself, etc. all these requires different skill sets in its employees. Therefore a GD or Written test or an Interview cannot judge all these skills and the parameters required for a specified job. Thus there is a need to understand and analyze the requirements of the vacant position and accordingly design a selection process which can help filter the most deserving and potential candidate amongst the huge mass.

Major Attractions for a Job at IDBI Bank Ltd. For recruitment and selection procedure to be a successful endeavor it not only depends on the effectiveness of the recruiters but also the choice of the candidates should be borne in mind. It should be first analyzed that why a candidate should choose to be an employee of your organization. It should also be analyzed that what is the need of the hour of any candidate who will be applying for your organization. Therefore it becomes the responsibility of the organization to show some positive and true pictures of itself to the candidates so that they get attracted to join the organization. But before that the organization should take pains to understand the needs of the prospective employees.

Keeping this aspect in mind the respondents of this research work i.e. the employees of the Bank where asked about the factors that motivated them to join this Bank. The respondents were given certain factors and were asked to rank them. This data showed that the major factor that attracted them was the job vacancy. It was the need of most of the employees presently working with the Bank. Therefore it becomes the thrust area where the Bank should shift its attention to. This factor can be attributed

to the economic scenario of the country. The private sector companies are in a bad shape due to the economic slowdown in the country. The private and foreign companies due to the great losses which they are incurring are busy consolidating themselves through mergers and acquisitions. Therefore the individuals working with those private sector companies are readily handed over with pink slips in order to leave that organization. So there is a hue and cry for job vacancy in the present scenario. Thus a job vacancy in any organization acts as a sign of relief for those individuals striving hard to earn bread and butter after getting a pink slip.

The next major factor that motivated the employees was the reputation of the Bank. Also another most important factor is that of the IDBI Bank being a Public Sector Bank attracts a large mass of candidates to apply for the job in this Bank. Getting a job in a reputed organization and that too in a public sector company is a great luck for any educated and knowledgeable candidate. Getting job in these kinds of organizations is a great luck because it gives job security to all the employees whoever is serving that organization and whatever the economic situation may be. Therefore in this bad economic scenario a job vacancy in a public sector organization serves much more of a God gift to any individual.

4.3. Training

As soon as a selected candidate keeps his first footstep into the organization, he becomes a responsibility of the organization. He now becomes a member of a new family. The elder members are required to nurture and spoon-feed the new member and that member, at the end, has to prove himself as an asset to that new family. That is the reason a new incumbent has to be well aware of the activities of his organization. He needs to be well versed with the Company's vision, mission, objectives and the policies adopted. He must also know his colleagues well so that he can learn from them as well as work with them effectively. Thus, it is required to induce to new incumbents properly.

According to the analysis done, it can be seen that the induction training at IDBI Bank is given importance as well as is well planned but the time duration for which it is conducted is not sufficient. Many respondents say that the duration of this training should be increased so that the new incumbents can learn the whole procedures of working as well as how, when, where, what to work. Basically, it is all about introducing the individual to his or her new colleagues, familiarizing the new employee with the work place and helping to reduce first-day jitters. It typically includes information on employee benefits, personal policies, the daily routine, company organization and operations and safety measures and regulations as well as facilities tour (Desler, 2005).

The importance of induction training should never be underestimated. Without basic knowledge about things like rules and policies, new employees may make time-consuming or even make dangerous errors. Their performance as well as the Company's performance may suffer. Furthermore, it is not just about rules. It is also about making the new person feel welcome and at home and part of the team, all potentially important if you want him or her to be productive. Therefore, it is "making

the new recruit feel a productive part of a team as soon as possible” (Charlotte, 2001). For all this sufficient time should also be allocated. According to the data received 70% of the total respondents say that the induction training is not of sufficient duration. When the respondents were interviewed they said that earlier it used to be a two weeks program but these days it has been shortened to just a week which according to them is a very short period to learn all the objecties and policies as well as intricacies involved in holding the responsibilities at a particular position. Thus, the duration of training program plays a very significant role in learning, grasping as well as applying the same into work.

Again the data reveals that 80% of the respondents are with the view that the senior management doesn't take interest and doesn't spend time with the new staff during induction training. Induction training is conducted so that the new joinees can adapt to the work culture of the organization as well as know their colleagues and their supervisors/seniors. This helps them to approach their seniors without any hesitation and when and where required to have a clear understanding of any problem areas faced by them. This inturn, would help them better understand the work and perform it as required.

70% of the respondents believe that the induction training is not properly evaluated and improved. As the time passing by, competition between organizations is increasing day by day. As a consequence of it, every new day various new kind of problems arise. Daily customers come with new kind of troubles. Therefore customers are to be dealt with very carefully and tactfully so as to fulfill all their needs and keep them satisfied as to make them lifetime customers of the Bank. In order to make the employees competent enough to handle all such kinds of situations they need to be trained accordingly adopting new measures. These training programs must be evaluated from time to time and must be improved accordingly so as to suit the desired requirements of the time. An outdated training program may not help the employees solve any problem instead may deplete the situation further more.

When the employees were asked if they are sponsored for training programmes on the basis of carefully identified developmental need, only 30% of the respondents agreed to the fact. Rest said that hardly any significance is given to the training needs of the employees. It is only that regular training programs according to the syllabus as per the schedule is given without any revision into it. This type of training implementation can just prove to be a sheer wastage of trainers' time, trainees' time, various resources utilized and not to forget money expended on such kind of training.

74% of the respondents say that they are hardly involved in determining the trainings they need. Again this kind of training without understanding the needs of the trainers is a sheer wastage. It is the trainees who need to get the benefit out of these training programs and without knowing their requirements nothing beneficial can be done nor any kind of value addition can be done.

Before any training is to be provided it becomes the responsibility of the trainees' supervisor to brief them about the training that on which area training is to be given to them, what is intended to be learned by them, what all is to be kept in mind etc. These guildlines help the trainees' to understand the need of the training well and learn exactly what is intended to be learnt out of that training. here, in the Bank, 80% of

the respondents say that HRD doesn't brief the employees before going for any training program. Such kind of training may not prove to be beneficial enough for the employees and may not give the desired results as is intended.

As the employees were asked whether they get enough and adequate time to reflect and plan improvements in the organization, 83% disagreed with the fact and said that the training programs are of such short durations i.e. for a week and even no time is given nor any debriefing session is conducted to know what is being learnt and implement the learnt stuffs while working. The real purpose of such trainings is missing. The main purpose of giving any training is to learn and implement the same while working so that the work can be easily, more effectively and efficiently and won't be any more a time-consuming process. If all this is not met, the reason for conducting training makes no sense at all. Even 57% of the respondents said that the external training programs are not carefully chosen after collecting enough information about their quality and suitability.

5. RECOMMENDATIONS

After analyzing the data, it has been seen that there are various positive aspects prevailing in the Bank. Along with these positive aspects there are a few negative too. Thus taking certain corrective measures in order to change the apprehensions of the employees regarding the existing recruitment and training policies will make everything perfect and according to the needs of hour. In order to make an organization successful it must take sufficient care of its most valuable asset i.e. the employees. This care should start from the very beginning i.e. from recruitment.

5.1. Recruitment

After the in-depth analysis of the data that has been collected it has been seen that the employees are not fully satisfied with the existing procedures of the Bank. Thus to have the best Human Resource base, there should not be any loopholes left. Therefore there are certain areas which if taken into consideration, the massive and rapid recruitment drive of the Bank could be made more effective and efficient.

- More number of All India Examinations should be conducted by the Mumbai Head Office. This examination was conducted once in January 2009. It should be made more frequent i.e. maybe twice in a year. This would help the Bank select its employees from a broader base and best talents may be screened from all over the nation. Every individual may get an equal chance to compete for a specified post.
- If campus selection is done to recruit the employees for posts in local branches, a list of best colleges must be prepared and later on approached to do the same.
- All recognized universities must be visited for campus selection. 'Recognition from AICTE' should not be made a criterion to select the colleges being approached for Campus selection. This kind of barrier may prevent the best talents to even compete in the race.
- The Bank representatives visiting the Campuses must be well prepared before approaching any campus.

- A good and well prepared presentation must be prepared depicting all the achievements and the positive reactions and attitudes of the employees working in the Bank as well as that of the new joiners' so that it creates an optimistic bent of mind of the fellow students of the respective campuses.
- As the present employees were not satisfied with the present selection methodology adopted by the Bank, therefore some new and challenging procedures must be adopted. Depending upon the vacant job and the description of the job to be performed by that employee, various simulation exercises can be given to the applicants. This would help judge the candidates' potential whether he/she will be capable to perform that job effectively and efficiently or not.
- Besides GD, Written tests and interviews, presentation skills should also be inculcated in the selection procedure as this skill has become a must for every person these days because every employee has to deal with others at any point of time during his service tenure.
- As the job vacancy is the major factor that attracts the candidates towards joining the Bank, therefore IDBI Bank should make sure that the job vacancy in the Bank is made known to the public at large. This can be done by giving well designed and planned advertisement in the Employment Newspaper as all job seekers refer that newspaper. As well as it must also publish its ads in the local dailies. It must also give the ads in various job web-portals viz. Naukri.com, FirstNaukri.com, TimesJobs.com, Jobstreet.com, MonsterIndia.com, etc.

5.2. Training

- The duration of induction training should be increased. As one week induction training program is not enough to suffice the training needs of the new incumbents. It should be made at least a fortnight program. After attending the induction training the new joiners' should be assessed for how they reflect the learnt knowledge into the work done by them.
- Senior management should be made to take interest in the induction training given to the new incumbents. This can be done making the trainees' fill a 'feedback form' containing the photographs of all the trainers'. The trainees' will be asked to write some description about each trainer and what they feel about that person. This would help get the best information about the capability of that trainer and as provide with an evaluation parameter on which the trainers' can be rated and judged accordingly.
- From time to time the induction training program must be evaluated and revised according to the needs of the situation and present scenario as an outdated training cannot help the new employees by any means rather it may prove to be counterproductive.
- Training given to any employee must first be screened as to how that training will benefit that particular employee. If it is not according to the desired needs of the employee or not relevant to the present work description of that employee or doesn't cater to the developmental needs of that employee, that kind of training doesn't make any sense for the employee as well as the organization. That will

only prove to be sure wastage of time as well as resources. Therefore before sending any employee for any training program, it must be first ensured that that training program will benefit the employee with one or the other aspect. It is very essential to consult that particular employee at his training needs before he/she is sent to any.

- Conducting briefing session before the employees go for training is very essential as they are required to go with a clear understanding of what they are supposed to learn in the training. They should be evaluated regarding the training program and the ratings given here must be added in the performance appraisal forms. This will make the trainees' more attentive towards the training programs and as a whole make the training program a successful one. This will also make the HR department serious about the proceedings as they will be responsible for evaluating the same and further recommending any changes if any.
- Any employee when rejoins the Bank after attending any training program, he/she must be made to write a report regarding the same, of what all things he/she has learnt in that training program and must be put in incubation for some time to reflect the same in his daily workings as well.

6. CONCLUSION

IDBI Bank's expansion will make it the most trusted financial conglomerate taking the care of both industrial development as well as the common man. This will lead to attracting a lot of prospective customers. As the Bank has divided itself into six verticals each serving different purposes, it will help create a revolutionary change in the whole of the economy. This expansion will bring a lot of development in the industrial, agriculture, small and medium scale sector etc. All these changes in the economy will definitely attract the man power base to be a part of this revival. But during the phase of expansion it should keep in mind certain things which would affect the common man as well as the existing employees of the Bank.

- Since many people are not aware of IDBI Bank Limited, so expansion will prove to be a good option to make the Bank popular. Besides that the Bank should take some more initiatives to make the public more knowledgeable about the Bank and the services offered by it.
- Since, it has only been a few years that it has become a public sector entity catering both industrial development as well as commercial banking, so it needs to make the general public aware of it. Thus, it should go for extensive marketing and advertising campaigns, so that people can come across such ads and know more about the Bank. It can go for many marketing strategies so that people see and remember about IDBI Bank Limited.
- Going for expansion is a good option as it will make the Bank more popular among masses, give employment opportunities to many, provide better facilities and accessibility to the public, provide loads of benefits to not only the public but also to the existing employees of the Bank.

IDBI Bank Limited desires to position itself as the fifth largest of all Banks, therefore to accomplish its desires it is expanding itself countrywide and in order to

carry on its activities it is on a massive recruitment drive. Thus, it will generate a lot of employment opportunities for the job seekers as well as those talents who have been handed a pink slip in their private/ foreign organization.

Expansion of the Banking Sector especially the Public Sector Banks will prove to be a revival of the whole Indian economy. Expansion of the public sector banks will provide the Government with the major chunk of the banking sector shares and therefore, the authority. This will provide a chance to the PSBs to come at par with the private and foreign players in terms of both technology as well as the man power base. These PSBs have the potential to provide the individuals of this country a sense of job security and the power to have their own say.

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