

TALENT MANAGEMENT STRATEGIES FOLLOWED BY PUBLIC AND PRIVATE BANKS IN PUNE

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ABSTRACT

Talent management refers to the expectation of human resource for an organization and the planning to meet those needs. It covers recruitment, retention, development and performance. Talent management is science of strategic human resource planning. Talent management is linked with the strategies of an organization. Talent management is not only retaining or developing the employees in the organization but it is for formulating business strategies. In this background, the study need to understand recruitment and selection process, employee retention strategies, employee development, employee performance, talent Management strategies adopted by the private and public banks. The study is done by collecting primary data through questionnaire method from employees of private and public banks. Researcher plan is to know the different strategies take up for retaining and improving performance of employees. Sample of respondents is private banks (HDFC, Axis, ICICI, Deutsche) and public banks (SBI, Union Bank of India, Canara Bank, Bank of Maharashtra) where the Data is analyzed using tabulation and graphical method.

KEYWORDS: *Talent management, private sector banks, public sector banks, recruitment, retention, development, performance.*

I.INTRODUCTION

Talent in general refers to skills possessed in a particular field. It also refers to those people who have high potential, knowledge and skill who can productively bring about conversion and modification in the organization. Such individuals are usually required in the market and their contributions to the business add direct value to its strategic. Talent management is tool for human asset management. The major resource for any organization is human resource and not land, capital and any other tangible assets. Talent Management is to recruit employees, retain employees and try to create most talented employees in the organization. Talented employees help in covering the most critical area that are returns customer satisfaction, quality products, high productivity, reduce cost etc. This can happen when good entry, retention, development and performance is taken care in an organization. Having good talent management strategies is possible when one has good skills, knowledge and potential to do work. Getting qualified and capable people is not a difficult task to do, but to retain them and making them more knowledgeable is a big challenge for management.

II.LITERATURE REVIEW

K.Aswathappa describes elements of Recruitment process as “Recruitment involves attracting & obtaining as many applications as possible from eligible job seekers”. More clearly Training & Development may be understood as any attempt to improve current or future employee performance by increasing an employee’s ability to perform through learning usually by changing the employee’s attitude or increasing his or her own skills & knowledge. The need for training & development is determined by the employees performance deficiency computed as follows:

- Training & Development need= Standard Performance – Actual Performance

Performance appraisal is an objective assessment of an individual’s performance against well-defined bench mark. Remuneration is the compensation an employee receives in return for his or her contribution to the organization.

According to Garry Desler Training can be defined as the process of teaching new employees the basic skills they need to perform their job. Garry Desler also commented that Performance Management taking an integrated, goal-oriented approach to assigning, training, assessing and rewarding employees performance. Safdar Rahman (2012) has discussed that Employee retention is the tendency to keep daily wagger employee in service as a temporary housing facility beyond one year period. Various studies confirmed that employee turnover is the result of employee demographic characteristics, personal characteristics, job satisfaction, work environment, motivation, external characteristics etc., As per Robert Colman (2003) employee retention is the major challenges for corporate who want to compete on the basis of knowledge because employee in the only asset which contains knowledge and use them in proper way for the benefit of the company. Various veterans found that there is a positive co-relation between employee retention and organizational performance. Priti Jain (2006), has stated if any organization aspires to be growth oriented, people need to be trained, motivated, rewarded, recognized and empowered to perform to their optimum capabilities. Chakrabarty (2012) highlighted the major challenges Indian banking industry is facing are- 1) Management of Risk 2) Management of People. Management of people includes whole activities associated with the acquisition, development and retention of skilled workforce in highly dynamic working environment. Now these days Indian banking sector is facing various HR related problems, quoted by various researches (Kamath 2003, Bharati 2007). The major issues are leadership Gap and succession planning, high employee turnover, talent management (acquisition and development), staffing and promotions, compensation and incentives, performance appraisal etc. Altman, (2008) mentioned that every organization trying to set up their talent management process, because they are realizing their future prosperity depends not only natural and financial resources even it depends on human capital. Presently finding and developing talent is become a tougher challenge of all organizations. Talent management mostly focuses on developing and retaining good people and it has a better chance of recruits at all level of employees but that’s not only enough to get a success in the organization, real success comes when heart and minds of individuals are engaged. Individuals when they join any organization they need to feel that they are valued and their contribution for the organization makes them different, and that only possible if they rewarded for their good performance by the organization that will help employees to do their work with full enthusiasm.

Apart from that organization faces many challenges like identify and develop the next generation talent so we can say that now a day's war of talent becomes a serious issue of all organizations. According to White, (2009) the paradigm shift in the way of human resource which defines success and mission of every organization. Talent management in any organization drive by the human resource managers, paradigm shift is most important because its core is a fundamental change in organizational human resource talent management practices like how they recruit, develop, align, assess, retain and value the employees so it helps in optimising performance of employees in sectors both public and private. But in public sector needs redesigning and rethinking talent processes and also use new technologies for transforming and enhancing the performance of employees and also provide opportunity to talent at global level. Increasing skills deficiencies and talent shortages make talent management an imperative for organizations in all sectors because recruiting, developing and retaining high level of talent becomes a major challenge mainly in public sectors so they should take important step to design and implement an integrated talent development and management program and senior managers should focus on development of talent management because they play very crucial role in talent management activities. So we can say that talent management can serve as vital management tool for achieving goals of organization. Dr. Neha Sharma & Ms Avni Sharma (2016) highlighted Career and development opportunities are available to the employees in the bank. In public sector bank employees get training to do their work while in private sector bank employees get training and promotion after one year on the basis of performance. Karthikeyan, (2007) has reported any organization needs to have a vision and a well defined strategy on hiring for the further. We should have the right talent to attract and retain the best available talent for which a number of measures for Talent Management are required.

III. RESEARCH METHODOLOGY

This study is descriptive and exploratory in nature. Primary data is collected through Questionnaire method. Secondary data is collected through journals, books, news paper etc. Sample size 5 employees each of private banks (HDFC, Axis, ICICI, Deutsche) and public banks (SBI, Union Bank of India, Canara Bank, Bank of Maharashtra). Employees were selected using random sampling method. Total sample size is of 40 employees (20 Private sector employees and 20 public sector employees). Data is analyzed using tabulation and graphical method. The scope of the study is limited to private and public sector banks in Pune city only. The study findings are based upon the authenticity of responses given by the respondents. The findings of the study are not of representative nature.

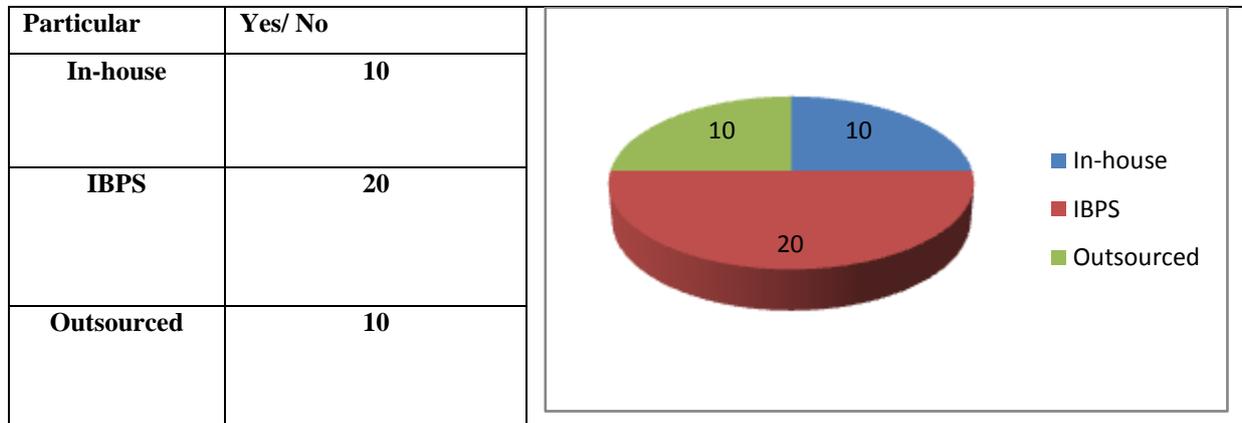
a. Objectives of the Study:

1. To understand recruitment and selection process in Public Sector and Private Banks.
2. To explore the employee retention strategies followed in Public Sector and Private Banks.
3. To explore employee development initiatives practiced in Public Sector and Private Banks.
4. To study employee performance Management tools and techniques used in Public Sector and Private Banks.
5. To compare Talent Management strategies followed in Public Sector and Private Banks.

b. Data Analysis:

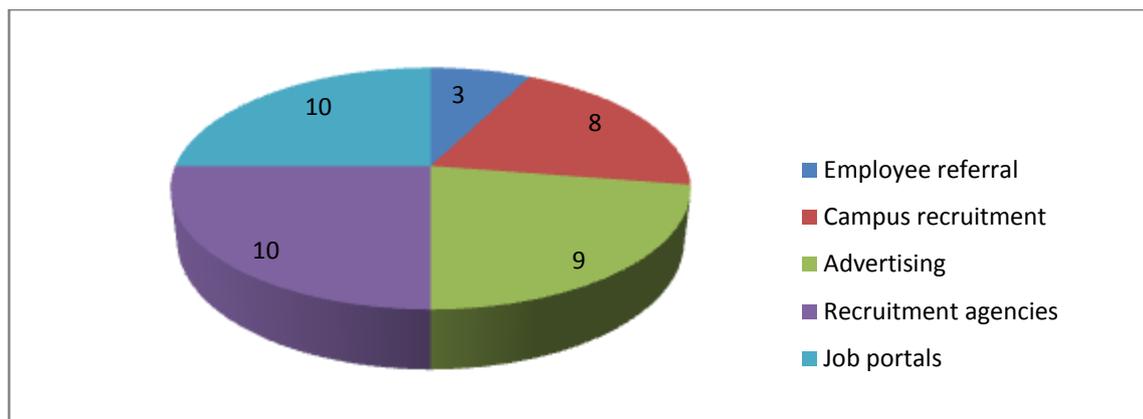
Part A Entry

Q1. Recruitment and selection process is:



Interpretation: The above table depicts that 25% of banks performs in house recruitment, 25% banks outsource their recruitment process. 50% (Public sector banks) banks go for IBPS.

Q2. What source you adopt to source candidates?



Interpretation: As per the above pie chart 25 % of banks go for Recruitment agencies for collecting the data of prospect employees. 25% banks collect prospect employee data from Job portals. 22.5% prefers Advertising, 20% prefers Campus recruitment process and 7.5% banks prefer Employee referral.

Q3. Which are the factors which are primarily considered while recruiting a Candidate?

As per the responses received following is the tabulated and Ranked data:

Sr. No.	Particulars	Ranking
1	Candidates Qualification Fit as per Vacant Position (Core Domain Knowledge)	1
2	Candidates Quantitative Aptitude	2
3	Candidates General Reasoning	3

4	Candidates General Awareness	4
5	Candidates Computer Knowledge	6
6	Candidates Communication Skills	5
7	Candidates Personality	8
8	Candidates Employee Reference	7

Interpretation: The above table depicts that major factors that a candidate should possess for successful selection in Banking sector are Basic Qualification, Quantitative aptitude, Reasoning, General awareness and communication skills.

Stages in Recruitment Process :		
Single stage	0	
Two stage	0	
Three stages	15	
More than 3 stages	25	

Interpretation: The above table shows that 62.5% banks rely on more than three stages in recruitment process and 37.5% banks go for three stage recruitment process.

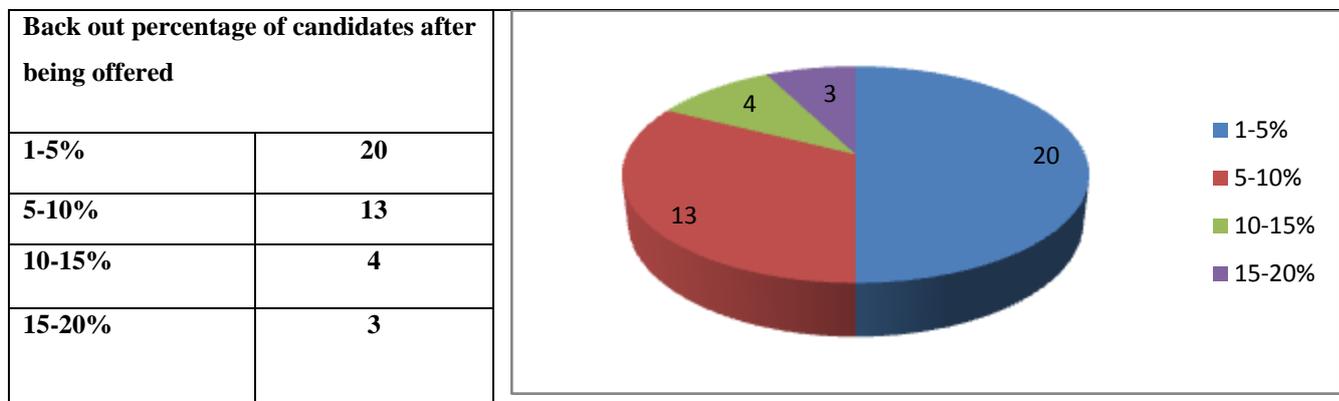
Q5. Do you follow different recruitment process for different grades of employees?

Different recruitment process for different grades of employees:		
Yes	30	
No	10	

Interpretation: The above table explains that 75% of respondents support that different recruitment process for different grades of employees and 25% responded saying that they have the same recruitment process for all levels.

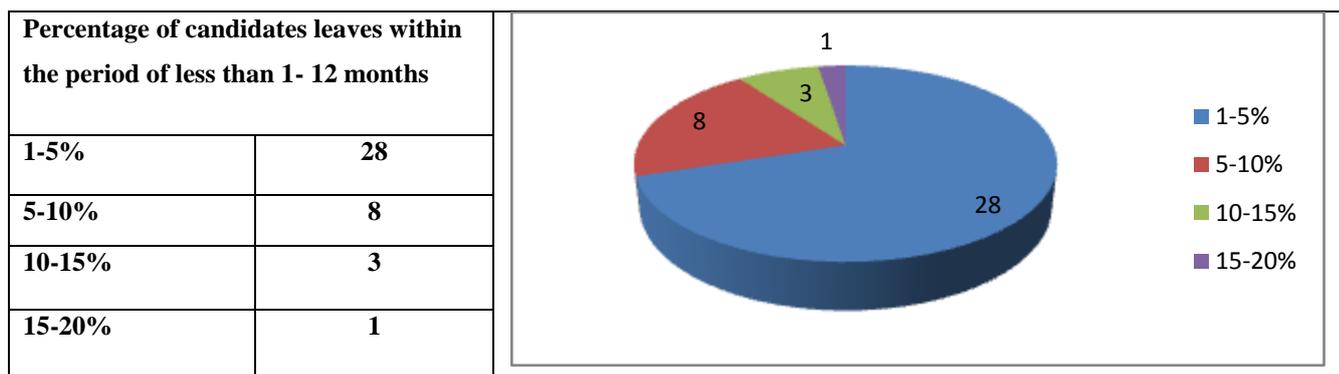
Part B Retention

Q6. What is the back out percentage of candidates after being offered?



Interpretation: The above table supports that 50% responded endorse that majorly 1-5% candidates back out after job is been offered and 32.5% respondents endorse that 5-10% candidates back out after job is been offered to them.

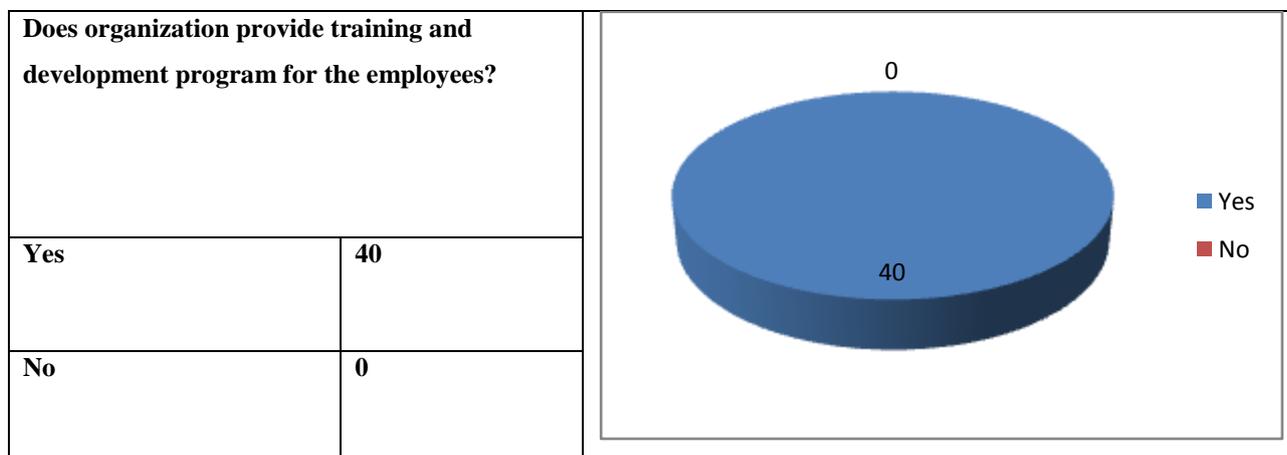
Q 07. What percentage of candidates leaves within the period of less than 1- 12 months?



Interpretation: The above table confirms that only 1-5% of selected candidates tend to leave job within the period of 1 to 12 months.

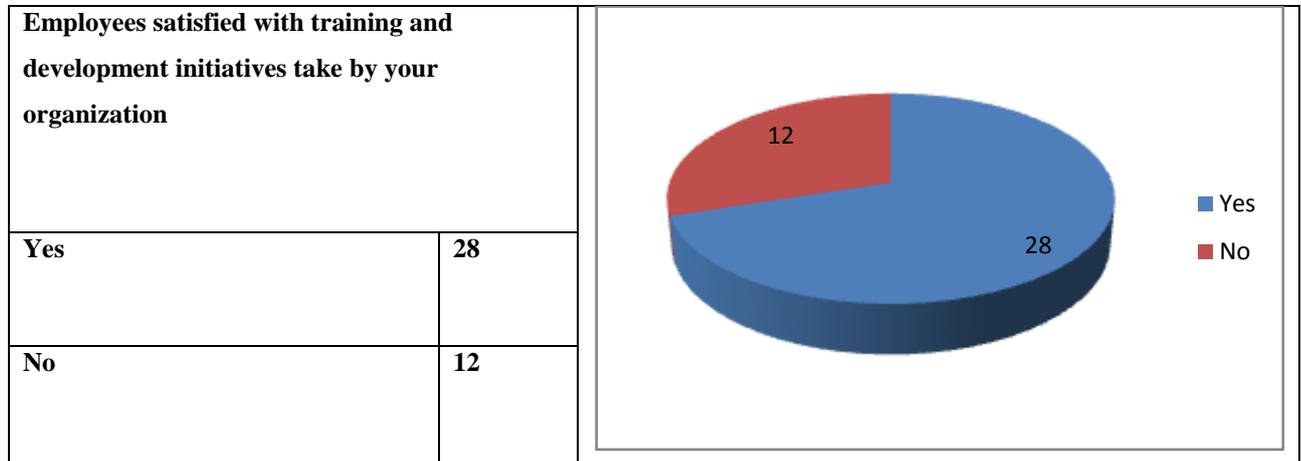
Part C Development

Q08. Does your organization provide training and development program for the employees?



Interpretation: The above table represent that all the Private and Public sector banks provide training and development programs for employees.

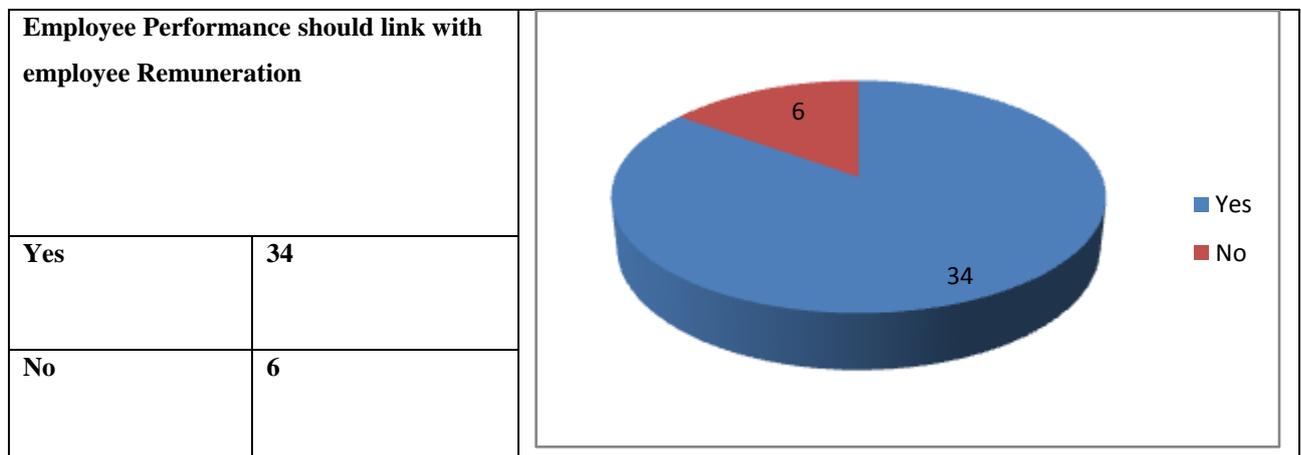
Q09. Are the employees satisfied with training and development initiatives take by your organization?



Interpretation: The above table endorses that 70% of Private and Public Sector bank employees are satisfied with training and with training and development initiatives taken by their organization.

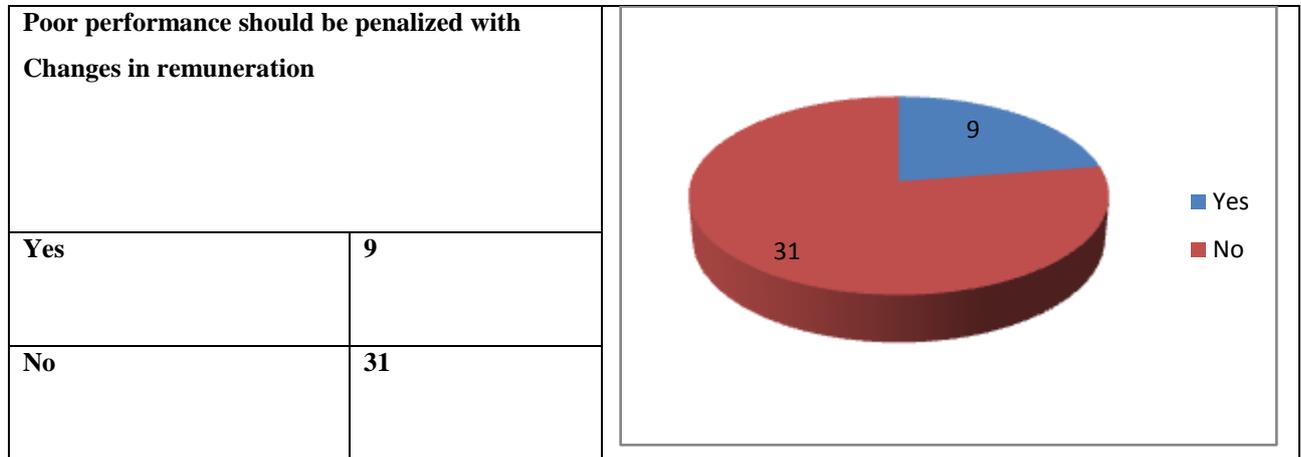
Part D Performance

Q10. Employee Performance should link with employee Remuneration.



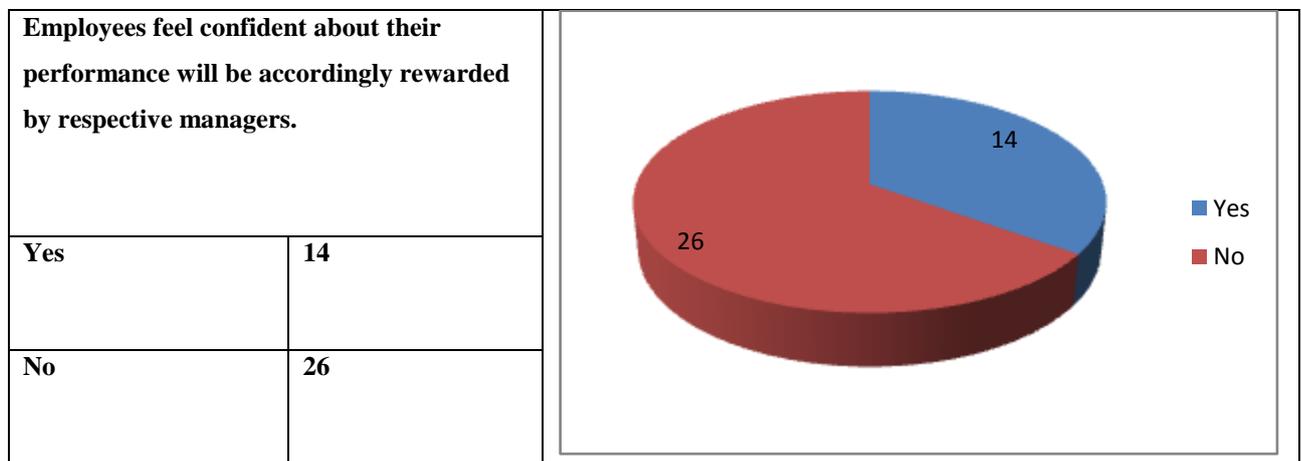
Interpretation: 85% of employees supports that pay should be linked with performance.

Q11. Poor performance should be penalized with Changes in remuneration.



Interpretation: 77.5% employees endorse that Poor performance should be penalized with Changes in remuneration.

Q12. Employees feel confident about their performance will be accordingly rewarded by respective managers.



Interpretation: 65% of respondents disagree and 35% respondents agree that they feel confident that their performance will be accordingly rewarded by respective managers.

IV.FINDINGS

1. For Recruitment majorly public sector bank banks depends upon IBPS recruitment process in Private bank completely varies from public sector as Private bank majorly depends upon In house recruitment and Outsourcing.

2. Private Banks gives major thrust for collecting prospect employee data through recruitment agencies, job portals, campus recruitment, employee referral and advertising. Whereas public sector banks majorly depends on Advertisement and recruitment agencies.
3. Banks believes that candidate should possess Basic Qualification, Quantitative aptitude, Reasoning, General awareness and communication skills for getting selected.
4. Both private and public sector banks needs employee those who can perform well. Therefore both private and public sector banks stringently test and verify candidates before selecting.
5. Banks rely on different recruitment process for different grades of employees.
6. Major turn out percentage of the candidates in both public and private banking sector after the job has been offered ranges from 1 to 10%.
7. Both in Public and private sector banks only 1-5% of selected candidates tend to leave job within the period of 1 to 12 months.
8. All the Private and Public sector banks provide training and development programs for employees.
9. Majority of employees are Private and Public Sector bank employees are satisfied with training and with training and development initiatives taken by their organization.
10. Majority of employees agrees that in both Private and Public sector banking sector pay should be linked with performance.
11. Majority of Private and Public banking sector employees agrees that Poor performance should be penalized with Changes in remuneration; instead proper training should be given to employees so as to enhance their performance.
12. Majority of respondents still have trust issues with the managers as they don't feel confident that their performance will be accordingly rewarded by respective managers.

V.CONCLUSIONS

There exist difference in selection process of Public and Private sector banks, but both sectors are keen on selecting candidates those who poses Basic Qualification, Quantitative aptitude, Reasoning, General awareness and communication skills, which reflects that both of Public and Private sector banks focus on quality of workforce. The study has also indicated that Banks has different selection procedures for different level of employees, which suggest that banks are well aware that what roles and responsibility each position. This is helpful to get desired candidate on roll. As only 1-10% of candidates opt out of the job immediately after selection, this indicates that there exist no major turn out percentage. Also merely 1-5% selected candidates may leave the job within 1-12 months of their services and these points that both public and private banks has stable workforce. The study also found that all the banks are providing training and development programs for their staff and majority of employees are satisfied with this initiative. Bank employee's supports that pay should be linked with performance, but they disagree that poor performance should be penalized. Instead reasons should be identified and proper training arrangements should be initiated. Moreover majority of respondents had trust

issues with managers as they did not feel confident that their performance will be accordingly rewarded by respective the managers, which indicates the need of proper bias free appraisal system.

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