RELATIVE EMPLOYEE RELATIONS STRATEGY OF PUBLIC AND PRIVATE BANKS OF LATUR DISTRICT

Dr. Nishikant C. Warbhuwan

Asst. Professor, School of Management Sciences, S.RT.M.U.N. Sub centre, Latur, India.

Abstract

Employee relations strategy is about the better management of organization's relationships with employees and their trade unions through involvement practices and an employee relations climate which encourages commitment and cooperation with each other. Objective of employee relations strategy is to establish a healthy climate in the organization to maintain productive and harmonious relationships among employer, employees and trade unions. The study is about employee relations strategies implemented by public and private banks in Latur district. The study discloses difference between strategies implemented by both sectors. Inferences made based upon collected data using advanced statistical tools.

Keywords: Employee Relations Strategy, Strategic HRM, Industrial Relations

1 Introduction

It is anticipated that the expanding banking sector will hire 8.4 million new employees year based on the growth rate. In order to meet the estimated 4.2 million human resource requirements between 2008 and 2022, the banking industry will add 20,00000 new jobs over the course of the next five to ten years. The government and Reserve Bank of India working together to expand financial services into rural areas and grant new bank licenses could accelerate the trend of hiring in the banking industry. Additionally, the majority of bank workers are expected to retire in the near future; banks require new talent. The study focuses on the employee relations tactics used in the Latur district by both governmental and commercial banks. The analysis reveals the variations in the approaches taken by the two sectors. conclusions drawn from data that has been gathered utilizing sophisticated statistical methods.

1.1 Employee Engagement Strategy- An employee relations strategy is a way to maintain a balance between employers and employees by creating an environment conducive to each group's needs.

1.2 Objective of the Study- To understand the difference between Employee Relation Strategies incorporated at nationalized and private banks in Latur district.

1.3 Hypothesis- Employee Relation Strategies of nationalized and private banks in Latur district are equally executed

2 Research Design:

Ex post Facto descriptive type of method used for this research study. The study is a fact finding investigation with adequate interpretation. The area of study is Latur district. In the district 18 Public banks and 4 private banks are doing business. 8 Public and 4 private banks selected for the study. Simple random sampling used to get equal probability of selection. The simple random sampling technique used because a population of the study is for homogenous group (bank employees) and population is relatively small. The sample is 356 for the study; Out of it 178 employees from Public banks and 178 from the private banks are selected for unbiased analysis.

3 Data Analysis and Interpretation

A comparative study of nominal variables depicted in the table, respective count and percentages tabulated between types of banks and five alternatives of employee relations strategy, the table presents the responses of employees from nationalized and private banks. The responses were analyzed to see the degree of association between two nominal variables.

Table 5.8.1 Crosstab between Type of Bank and Employee Relations Strategy

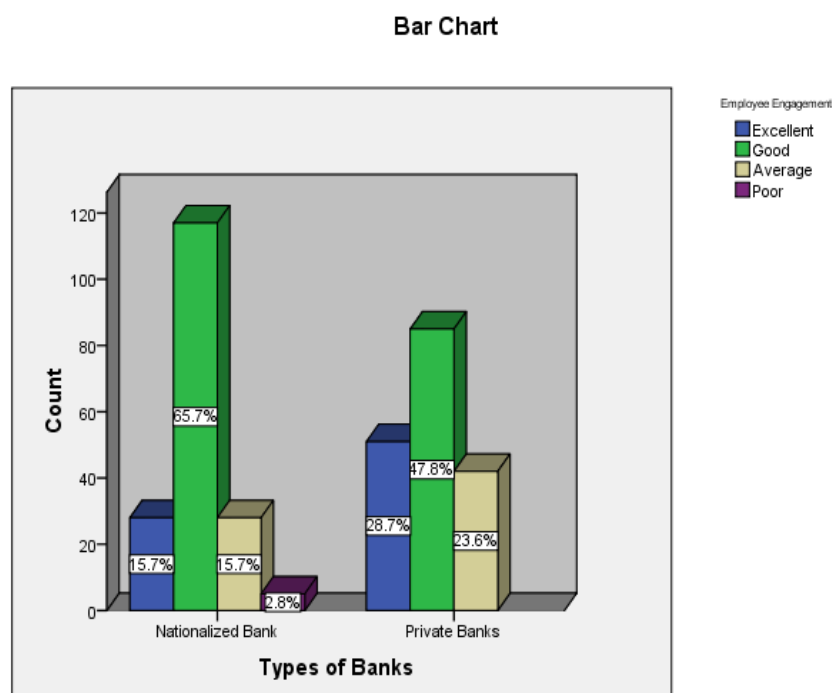| Type of Bank		Employee Relations Strategy							
		Excellent	Good	Average	Poor	Worst	Total	Mode	S.D.
Nationalized Bank	Count	28_a	117_b	$28_{a,b}$	5_b	0_b	178	2	0.6492
	%	15.8%	65.8%	15.8%	2.8%	0.0%	100%		
Private Bank	Count	51_a	85_b	$42_{a,b}$	0_b	0_b	178	2	0.7190
	%	28.6%	47.8%	23.6%	0.0%	0.0%	100%		
Total	Count	79	202	70	5	0	356		

Each subscript letter denotes a subset of Employee Relations categories whose column proportions do not differ significantly from each other at the .05 level.

The mode for above series is 2 (agree) hence maximum respondents in nationalized and private banks agreed about resourceful implementation of employee relations strategy. Variation of responses in private banks is wide since standard deviation of private banks (0.7190) is more than nationalized banks (0.6492)

The z test used here to indicate significant difference with APA-style formatting using subscript letters. There is a significant difference between column proportions of employee relations strategy in nationalized and private banks since each subscript in the count series displayed different subscript letter.

Graph 5.3.6 Employee Relations Strategy

To identify comparative percentage of responses over five alternatives of employee relations strategy namely excellent, good, average, poor and worst following graph formulated. The foremost piece of graph represents respective response percentage of nationalized banks and subsequent piece is of private banks.

Bar Chart

In nationalized bank 15.7 % respondents said excellent about implementation of employee relations strategy, whereas 65.7 % said good, 15.7 % said average, 12.9 and 2.8 % said worst. In private banks 28.7 % respondents said excellent whereas 47.8 % said 'good' and 23.6 % said average. The combined percentage of positive response for employee relations strategy found more in private banks.

5.8.1 Chi-Square Tests for Employee Relations Strategy

The table depicts chi square analysis for the examination of frequencies for two nominal variables types of banks and employee relations strategies. The table contains observed frequencies of nationalized and private bank employees, which are actual cell counts in the cross-tabulation table.

Table 5.8.2 Chi-Square Tests for Employee Relations Strategy

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.566[a]	3	.000
Likelihood Ratio	21.635	3	.000
Linear-by-Linear Association	2.130	1	.144
McNemar-Bowker Test	.	.	.[b]
N of Valid Cases	356		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is 2.50.

b. Computed only for a PxP table, where P must be greater than 1.

Rejected

The p-value for this table is .000 as shown in the significance (2 sided) which is below 0.05, the assumed level of significance (alpha) at 4 degree of freedom.

Since the chi square value is highly significant, the null hypothesis can be rejected. This means that there is enough evidence to conclude that "Employee Relation Strategies of nationalized and private banks in Latur district are equally executed"

5.8.2 Symmetric Measures for Employee Relations Strategy

The numbers of rows in cross tabulation are two and numbers of columns are four therefore for more than 2×2 table Cramer's V statistics is used in this case. The value of Cramer's V statistic using SPSS is given in the table

Table 5.8.3 Symmetric Measures for Employee Relations Strategy

		Value	Asymp. Std. Error[a]	Approx. T[b]	Approx. Sig.
Nominal by Nominal	Phi	.234			.000
	Cramer's V	.234			.000
Ordinal by Ordinal	Gamma	-.115	.091	-1.256	.209
	Spearman Correlation	-.067	.053	-1.266	.206[c]
Interval by Interval	Pearson's R	-.077	.052	-1.462	.145[c]
Measure of Agreement	Kappa	-.128	.035	-3.561	.000
N of Valid Cases		356			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

To determine the strength of relationship in two variables viz. type of bank and employee relations strategy; the lower limit of V is 0 since the value of chi-square is 0, and upper limit is 1.

In the present case, the value of V is 0.234 which implies that there is no strong relation between type of bank and employee relations strategy, or in other words it can be said that the association between nationalized bank with implementation of employee relations strategy and association between private banks with implementation of employee relations strategy is weak

4 Findings- The nationalized and private banks have same policy of building stable and cooperative relationships with employees and their trade unions. The private banks are achieving better employee relations through employee involvement and two way communication process than nationalized banks; but employee involvement policies are determined and legally enforced in nationalized banks.

It is observed that, training, placement, career advancement, rewards, development of healthy attitudes, work satisfaction and moral promotes healthy employee relations in banks.

5 Conclusions- The working environment of nationalized and private banks is different. The trade unions are active, aggressive and strong enough in nationalized banks where as in private banks the role of trade unions is insignificant. The tenure of employee to work in the same bank is also distinct in nationalized and private banks. The private bank employees are working for a very short time period in the same bank where as nationalized bank employee works for a long. And hence these two sectors have their distinct way to formulate, implement and evaluate the employee relations strategy in the distinct work environment. Hence it can be concluded to state that, Employee Relation Strategies of nationalized and private banks are not equally executed.

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