NATIONAL BANK

A DESKTOP CASE

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II. EXHIBITS-FORMS, FORMATS, REPORTS & MANUALS	

COMMON ABBREVIATIONS USED

360 DF: 360 Degree Feedback

AOP: Actual Organizational Performance

AP: Actual Performance

CBI: Competency-Based Interviewing

CEO: Chief Executive officer

CHRO: Chief Human Resource Officer

CIO: Chief Information Officer

CMO: Chief Marketing Officer

EOP: Expected Organizational Performance

GM: General Manager

HOD: Head of the department

HR: Human Resource

HRD: Human Resource Development

KPA: Key Performance Area

KRA: Key Result Area

LM: Line Manager

MGMT: Management

OD: Organization Development

PD: Performance Discrepancy

PLG: Planning

PMS: Performance Management Systems

PRD: Performance Review Discussion

T&D: Training and Development

TNA: Training Need Analysis

TNI: Training Need Identification

THE NATIONAL BANK

(This case has been specially designed for facilitating an understanding of the concepts and application of HRD Audit and hence bears no resemblance to actual names, data, and figures.)

OVERVIEW

In the year 1930, three Bangalore based merchants involved in trading came up with the idea of starting a bank. They and many other businessmen in Karnataka were struggling to get the necessary capital for running their business as Indian businessmen were a low priority for British banks. They also felt a social obligation to do something to help others enjoy financial security and independence.

On 24th April 1941, '**National Bank Limited**' was incorporated with an authorized capital of INR 5000. They initially operated within the then Mysore region and slowly began expanding to the northern parts of the state like Dharwad, Belegavi, etc. The bank was renamed **The National Bank Limited** on 2 December 1952, after completing the formalities of the Banking Regulation Act, 1949.

In the year 1980, The National Bank became a scheduled commercial bank. It came out with its initial public offering in 1986. Today, with Bangalore as its headquarters it has become a major commercial bank in the private sector with a presence in 20 States, Delhi NCT, and 2 Union Territories. The bank is also listed on BSE, NSE, and London Stock Exchange. The National Bank offers its customers, a variety of services & products like Credit cards, Consumer banking, Corporate Banking, Finance, and Insurance, Mortgage loans, Private banking, Wealth Management, Investment banking, Internet banking, Mobile banking, online bill payment, online fee collection, Cash Management Services, etc. as a part of its strategy to position itself as a financial supermarket and to enhance customer convenience.

VISION & MISSION

The bank's vision is
To be the 'BANK OF CHOICE' through our reputation and performance for all our employees, customers, and shareholders by setting standards of excellence in customer satisfaction, employee engagement, social responsibility, and shareholder value while building successful societies.

Mission
To provide secure, personalized, efficient, and competitively priced financial services and to implement sound policies that will benefit our customers, staff, shareholders, and the communities we serve.

This translates to:
For Customers-Offer convenience and premier financial services of great value
For Staff-A positive work environment that is value-driven and opportunities for growth and achievement
For Shareholders-Superior financial returns that increase the stakeholder value,
For the Community-Economic growth

THE BANKS PERFORMANCE

The Business per employee of the National Bank during FY 2019-20 stood at Rs.14.43 Cr, and the profit per employee of the Bank stood at Rs.6.99 Lakh during the fiscal year. The average age of the employees at the bank is 38 years with a male to female ratio of 58: 42.

Few details of the bank's operations are as given below:

No. of Employees	14,642
No. of Customers	100,62,542
No. of branches	1506
No. of ATMs	2049
Total Business (Deposits + Advances)	2,11,342.10 crore
Total assets (As per the balance sheet)	173,247.62 crore

The Bank professes a set of values that are being nurtured over the years and these have become the principles of the organization. Keeping the goal of all-round prosperity of all the stakeholders-customers, shareholders, employees, and associates, the bank entered into strategic alliances and diversification paths. This also contributed to making sure that the bank's standards were that of a world-class bank.

The bank always took pride in its innovation and committed workforce, without which such growth would not have been possible. The management is keen to continue making investments for developing talent and upgrading technology.

THE NATIONAL BANK-OPERATIONS TODAY

As on 31st March 2021, The National Bank had a total employee strength of 14,642 across 7 scales (Scale I to VII). The bank has many unions out of which the most active unions are the Award Staff Employees Union and the Clerical Staff unions. Details of the employee strength and designations are indicated below:

Scale	Total Number of Employees	Designations
VI and VII-Senior Executives	86	GMs, Additional GM, Deputy GMs, CHRO, Chief Risk and Operations Officer
IV and V-Executives	2,540	Assistant GMs, Regional Heads, Branch Heads, Chief Manager, Sr. Manager, etc.
I to III-Officers	12,016	Officers, Clerks, and Sub Staff (Award Staff)
TOTAL EMPLOYEE STRENGTH	14,642	Spread across Zones, Regions and 20 states, and 2 union territories

Exhibit 1	The National Bank Organizational Structure
	Forms, Formats, Reports & Manuals

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                              ┌──────────┐
                              │   CEO    │
                              └────┬─────┘
                   ┌───────────────┼───────────────┐
              ┌────┴────┐                     ┌─────┴──────┐
              │  Risk   │                     │ Compliance │
              └─────────┘                     └────────────┘
```

Head-Information/IT (CIO)

- GM-Research Department
- GM-Investment Department

Head-Retail Banking

- GM-Mobile Banking
- GM-Self Service Banking, ATM
- GM-Internet
- GM-Retail-All Zones

Head-Marketing (CMO)

- GM-Market Planning Department
- GM-Product Development
- GM-Call Center

Head HR (CHRO)

- GM (HR) Zones
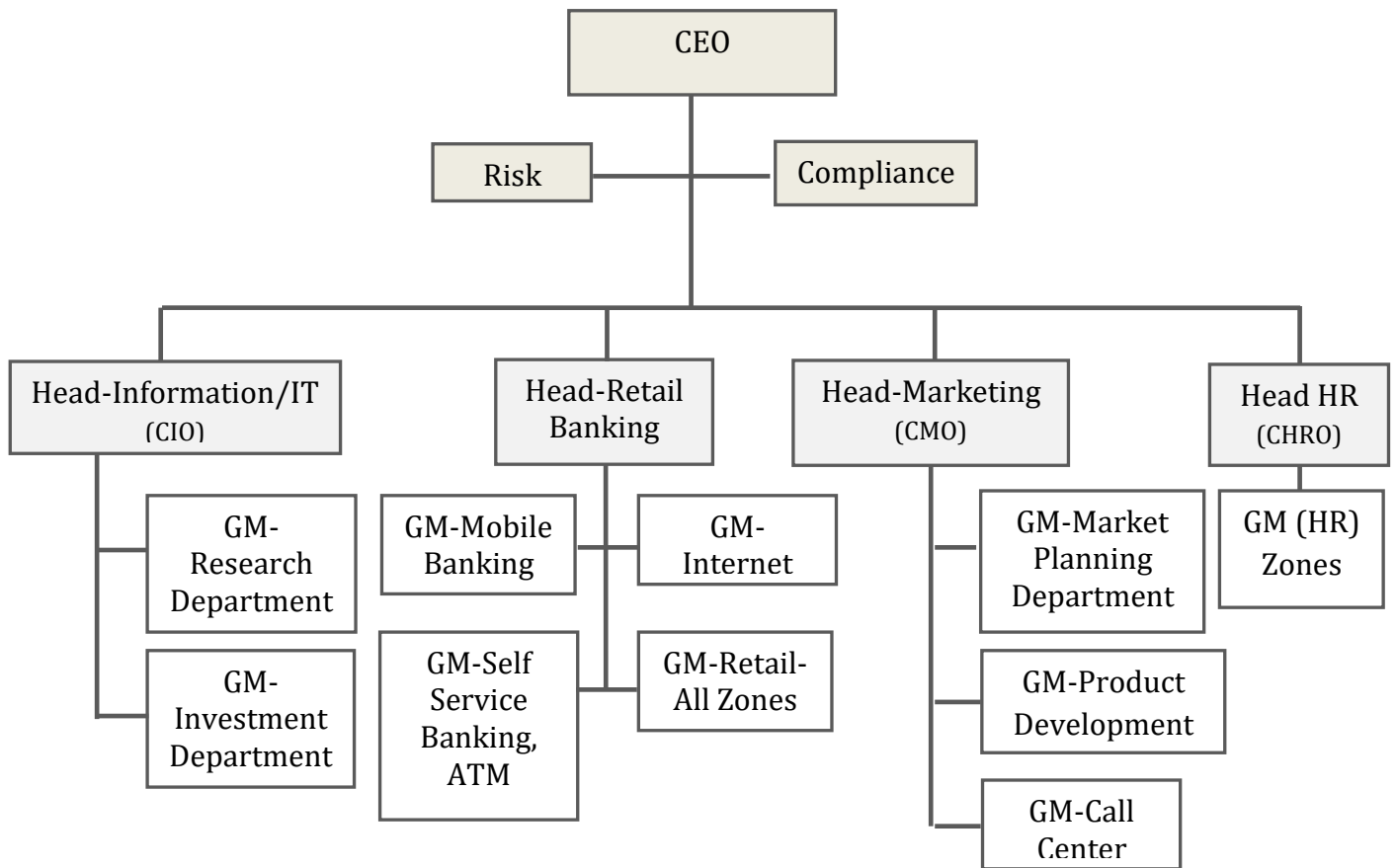
Other information on the Bank's operations:

No.	Unit	Number
I.	No. of Zonal Offices	8
II.	No. of Regional Offices	41
III.	Average No. of Regional Offices under each Zone	5
IV.	Average No. of Branches under each region	36

The Task on Hand

The National Bank felt the need to develop '*people*' as its competitive advantage to materialize its Vision and Mission. As a prelude to building a competency-based culture, the management decided to Audit the existing HRD Systems and practices within the Organization. The details of the functioning of HR departments and systems are given later in this case.

The top management of The National Bank has approached your consulting firm comprising you and your team to conduct an HRD audit at The National Bank. Based on your preliminary inputs, internal surveys or 'Management Surveys' were conducted to capture feedback on various HR systems like PMS, Recruitment, and Selection, Training, and Development, Competencies of HR employees, Learning Orientation of managers, etc. The outcomes of all these surveys have been provided to you for the audit.

> The Management survey was administered in November 2020 using an online platform. Using random sampling, 50% of the bank's employees were invited to take the survey. The survey was closed in Mid-December 2020 and the results were shared with the management.
> Out of a total of 6578 employees invited to take the survey, a total of 3197 employees responded to the survey as per the breakup given below
> Scale I-III: 2068
> Scale IV & V: 1090
> Scale VI and VII: 39
> A few sections like the Leadership styles, Competencies of the HR team, etc. were filled only by employees from Scale III and above. Few surveys on the Learning orientation of Supervisory staff were filled only by employees from Scale I-III.

You may work with your team to audit the HRD functioning and HRD Systems & Practices in the organization. While presenting the findings of the audit, you are also expected to give suggestions or recommendations to the Top Management.

Please Note:

- While auditing the components of HRD, you may like to go through the reports of various 'Management surveys' conducted in the organization to get a wider perspective on the components.
- Copies of many forms, formats, manuals, and previously conducted surveys have also been shared with you for additional information that you may like to extract from such secondary data. You may find them as Exhibits (or annexures) provided as a part of this document.
- If you could not find details that qualify the indicators given in the HRD Score Card book, kindly assume that it is nonexistent in the organization.
- Please assume all the data given as interviews, survey group data, and other documents to be true and are well substantiated.

HRD at The National Bank

The National Bank has an HR department (it does not have a dedicated HRD department) headed by a CHRO. The General Manager (GM) HR is given the responsibility of fulfilling all the HRD objectives.

Eight GMs take care of the eight zones-South 1, 2, and 3, North 1 &2, West 1 & 2, and East 1. Apart from their other responsibilities, the GMs also take care of employee competency development, employee motivation development, and organizational climate development.

All the General Manager-HRs report to the Chief Human Resource Officer, who in turn reports to the CEO of the Organization. The HR Structure is explained below.

Exhibit 2	HRD Structure
	Forms, Formats, Reports & Manuals
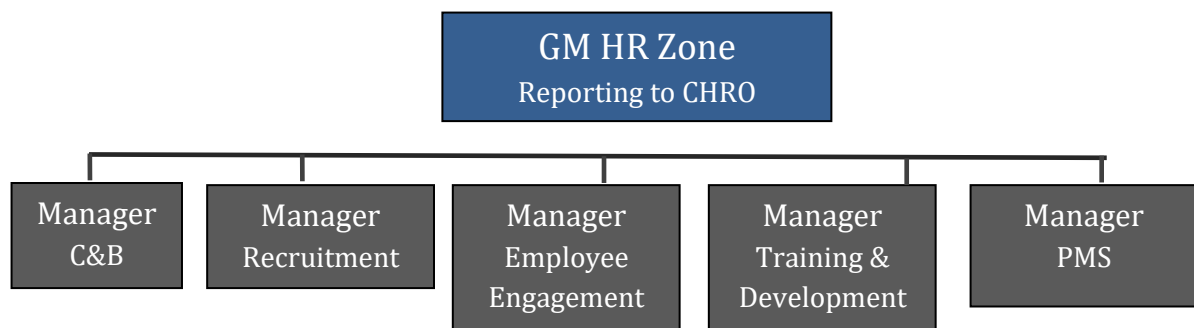
Each function is headed by a Manager, supported by a team of 1-2 executives. A small summary of each of the functions is given below.

- **Recruitment**: The purpose of this function is to attract the talent pool with the required competencies and skills. This function also takes care of the selection process. In the next few years, the Bank expects to grow @ 20% annually in terms of its personnel and 40% or more in terms of its financials. The Bank, therefore, must recruit around 400 to 500 staff every year for different locations.

- **Employee Engagement**: Employee engagement is the level of commitment and involvement an employee has towards their organization and its values. The purpose of this function is to improve employee engagement through role efficacy, role clarity, Quality of working relationships with peers, superiors, and subordinates, transparent policies, and communication. This function also conducts programs and initiatives to improve employee engagement.

- **Training and Development (T&D)**: The principal objective of the training and development function is to ensure the availability of a skilled and willing workforce for the bank. It ensures that all new employees are inducted appropriately into the bank. It also assists employees in achieving their personal goals, organizational objectives, and societal objectives i.e. organization is ethically and socially responsible to the needs and challenges of society. The Bank has four training centers in Delhi, Mumbai, Calcutta, and Hyderabad and a Corporate Management training center in Bangalore.

- **Compensation and Benefits (Comp & Ben):** The purpose is to give each employee a salary at par with industry standards and following all legal obligations. It takes care of the entire monetary aspects of the job like salary, wages, incentives, bonus, ESOPs, insurance, etc.

- **Performance Management System (PMS):** The goal of this department is to maximize the performance of an individual, team, and thereby the organization. The main objective of the department is the effective implementation of the PMS and its review and continuous evolution in the organization.

The overall employee strength of the HR Department is approximately 20-23 per zone. This includes a few HR representatives located in the regional offices. The managers of the departments are professionally qualified and acquired most of the skills on the job and through short term training programs. Few of the existing HR employees have moved from Branches or regional offices from core banking roles to HR as part of job rotation.

SECTION 1

HRD Systems & Subsystems at The National Bank

Performance Management System

The Performance Management System of the entire zone is looked after by the PMS division of that zone. The PMS was designed in the organization twenty years back. Only slight changes have been made over the years. Recently, a diagnostic study was conducted in the PMS division to ascertain the effectiveness of Performance Management in the organization. The team closely worked with the line managers and has made some observations in the written form, videos, audio clips of conversations between staff and managers, etc. A Sample Copy of the PMS template is also given as an exhibit. Based on their diagnostic report, the team also recommended a new format for PMS incorporating the competencies assumed to be needed by every officer of the Bank. This is also given as an appendix.

Executive Summary of the Diagnostic Report:

The objective of the initiative	- To understand the current PMS at The National Bank - To capture the perceptions of employees and their expectations from this system. - Use the inputs to suggest changes in the current PMS process.
Current system	- The Business Score Card & Goal sheet is finalized at the beginning of the Annual Business Plan cycle - Weightages are assigned for each deliverable based on time, effort & Business Impact - Metrics and performance standards are defined for each objective - The Mid-year review is conducted to provide feedback on performance to employees, to identify the Gap between Plan Vs Actual, and also fine-tune the deliverables for the balance period - Annual Performance Assessment encapsulates performance on Goal achievement and L & D - Moderation & Normalization on the performance score in line with the Corporate guidelines to arrive at the final rating - The Compensation revision in line with performance rating, grade & overall bank performance is worked out - Formalize the Performance Improvement Plan for the low performers for 6 months with interim review in the 3rd month
Summary	Very task-oriented and does not give scope for the employees to discuss the difficulties being faced by them. It is more of a form filling exercise that is not taken very seriously

THE CHALLENGES	
Goal Setting	▪ Clear vision-but no appropriate cascading to lower levels ▪ No uniformity in the way goals are set-some set unilaterally and some based on a dialogue with reportees making this process Manager dependent ▪ An in-depth understanding of KRA may need to be improved. Managers need to explain the connection between KRAs and goals ▪ KRA sheet is getting complex-KRAs should be to the point and few to ensure focus. They must be top-down and bottom-up. It has to be specific on quantitative deliverables and upfront. ▪ KRA system needs to be consistent and not changed often ▪ Some support functions do not have clear cut KRAs ▪ Adherence to timelines is not uniform
Performance Analysis	▪ This step was missing in the PMS
Performance Review Discussion	▪ Reviews take place-however, they lack rigor and are not formal ▪ There is no continuous feedback mechanism. No standard frequency of giving feedback even though it is mandated ▪ The review is not focused on development or on how to bring about improvements-it is more quantitative with a significant amount of time being spent on rating and appraisal. The importance given to feedback on 'improvements' is manager dependant-uniformity is therefore questionable ▪ Feedback to senior-level employees is not up to the mark and automatic. A fair amount of follow up is needed with the manager for feedback ▪ Managers asked to give feedback for team members who have been with him/her only for a short time ▪ There are no meetings between the reporting Manager and team member to understand each other-HR to guide/facilitate the managers to give feedback ▪ PMS is not contributing to the development of the next line ▪ Many employees leave due to lack of development. ▪ Mentoring efforts for middle management are insufficient impacting improvements (Delivery function has better mentoring) ▪ Identifying training needs as a part of PMS is not taking place

	post the review or at the beginning of the performance period
Performance Appraisal	- Some employees were not clear on how the final rating was arrived at. A need was felt for more transparency on ratings and their calculations-what results in a good or bad rating. If one is not satisfied with the rating, then there is a process of escalation, but the query may not be answered to complete satisfaction. - Feeling that there was significant subjectivity in ratings leading to surprises - People ignore quarterly rating as they perceive that it is not linked to anything - Huge confusion on bell curve/rating. Normalization done in the past seems to have created a loss of trust in PMS and the KRA system.
Linkages to ratings and rewards	- The promotion was perceived to be complicated-varied criteria and not clear - There was some amount of ambiguity on how employees were being promoted at The National Bank due to frequent policy changes - Perception by few that PMS was a more mathematically oriented Promotion process - Feeling that the existing confidentiality of people getting promoted raised suspicion amongst employees. Official promotion news was not shared. Only when employees approach managers, the manager follows up on the promotion

Other open-ended comments during the survey (only those made by a significantly noticeable number of line managers are included here, and stray comments are excluded)

- Implementation is lacking
- More theoretical and not followed rigorously
- KRA is filled at the end of the year in many cases.
- Taking care of PMS for those who are transferred is an issue that needs to be clarified.
- Overworked and burdened managers leading to lack of time for doing PMS
- Subjectivity continues in appraisals done for promotions
- Lack of time resulting in subjectivity
- No feedback is given, and no dialogue takes place
- More discussions should be encouraged
- Guidelines on how to do the appraisal are important
- Differences are many between raters-and hence good ratings are based on the individual managers
- Should make everyone scientifically set targets
- Every employee to get feedback on the strengths/weakness of his performance
- Define a scientific way to establish goals for a branch (take into consideration the working environment, manpower available, past performance of branch and manager)
- More transparency is required-rating system should be clear and transparent
- The candidate should know his past performance rating so that he is prepared and can work on his performance
- Communicate strength and improvement areas
- Targets should be set at the beginning of the year
- Goal setting is happening at only the branch manager level
- There is less transparency in the system and most officers don't know the rating given by the boss
- Targets need to be given as per the section the person is working in
- The company should make sure to retain employees in one section for the entire performance period without rotating the job.
- Appraisal is more of a form-filling exercise. It is not scientific and is not appropriate for a bank
- Rating is based on the last 3 months' observations and not the performance during the entire year.
- The targets are set-theoretically at the beginning of the year and lack goal setting-too much focus on the output, but input is not appreciated

Performance **M**anagement **S**ystem **S**core Management Survey Findings

Please answer the following items on a 5-point scale by.

        0 =Items that you think are totally false for your organization

        1 =Items that are only slightly true or true to a little extent (25% true and 75% false)

        2 =Items that are somewhat true (50% and 50% false)

        3 =Items that are mostly true (75%) and

        4 =Items that are completely true

Q.NO.	Performance Management System	Score
	PART 1	
1	The performance appraisal system in my bank provides an opportunity for each appraise to have a clear understanding of what is expected from him/her by his or her reporting officer during the performance year	1.95
2	The appraisal system helps each appraise and appraiser to have a clear and joint understanding of each appraisee's job	1.88
3	The appraisal system helps managers to plan their performance well	1.86
4	The appraisal system provides an opportunity for each appraise to communicate the support (s)he needs from his or her superiors to perform the job well	1.90
5	The appraisal system provides an opportunity for self-review and reflection	1.69
6	The appraisal system encourages the appraiser and appraise to have a common understanding of the factors affecting the performance of the appraise	1.94
7	The appraisal system provides an opportunity for discussion between the appraiser and appraise on the expectations, achievements, failures, constraints, and improvements required	2.89
8	The appraisal system has scope for reflection and assessment of each appraise on the personality factors and attributes required for the current job of the assessee	1.78
9	The appraisal system encourages open communication between each appraiser-appraisee pair through performance review discussions	2.12
10	The appraisal system provides an opportunity for each appraise to express his or her developmental needs	2.22
11	The appraisal system has scope for correcting the biases of the reporting officer through a review process	1.97

12	The appraisal system aims at strengthening appraiser-appraisee relationships through mutuality and trust	2.00
13	The appraisal system helps interested appraises to gain more insights into their strengths and weaknesses	1.96
14	The appraisal system has scope for helping each employee discover his or her potential	1.92
15	The appraisal system has scope for communicating the plans of the top management and the business goals to the staff	3.15
PART 2		
16	The objectives of the appraisal system are clear to all the employees	2.45
17	Periodic orientation programs are conducted to explain the objectives and other details of the appraisal system	1.50
18	Line Managers generally spend time with their subordinates and discuss their performance	1.76
19	Reporting officers help their appraisees to plan their performance at the beginning of the year	1.71
20	Discussions on KPAs/KRAs/tasks/targets between appraiser-appraisee pairs are very educative to both the appraises and appraisers	1.13
21	The managers take the performance appraisal seriously	1.98
22	Executives do a thorough job on self-appraisal in terms of reviewing, reflecting, and analyzing the factors affecting their performance	1.90
23	Performance review discussions are taken seriously by the managers and they devote sufficient time to participate in them	1.89
24	Performance review discussions are of high quality and are conducted with care	1.34
25	The appraisers make special efforts to be objective in their appraisals	2.31
26	The HRD department follows up seriously on the training needs identified during the appraisals	2.54
27	The appraisal data are used by the HRD department for each other development decisions like job rotation, job enrichment, and the like	1.67
28	The appraisal data are used as inputs for recognition and encouragement of high performers and desirable behaviors	2.32
29	The reviewing officers take the appraisals seriously and educate their subordinates to overcome their personal biases and favoritism	2.90
30	The HRD department actively reviews each appraisal and discusses them with the line managers	1.99

31	The HRD department provides adequate feedback to the line managers on their rating behavior and the decisions taken on their ratings	2.16
32	The Performance review committees do a thorough job in reviewing and using the appraisal data	2.75
33	The appraisals facilitate growth and learning of both appraisers and appraisers in this organization	2.52

Exhibit **3**	**Proposed New Performance Management System by the Internal Team**
	Forms, Formats, Reports & Manuals

PERFORMANCE REVIEW, APPRAISAL & DEVELOPMENT FORM: A NEW PROPOSED FORMAT

Objectives of the PRA&D:

1. To bring role clarity for employees working in NB
2. To foster objectivity & transparency in the performance evaluation process
3. To analyze and develop performance year on year at all levels
4. To promote a performance culture by recognizing, rewarding & developing performance

The PMS is divided into four sections.

Section A deals with actual work (roles & responsibilities performed by the employee)

Section B deals with leadership competencies or qualities/personality traits required to be shown on the job. 60% weightage is assigned to section A & 40% weightage is assigned to section B.

Section C deals with performance analysis, training needs, and development actions.

Section D deals with the final assessment by the review committee for personnel decisions and recommendations.

SECTION A: (KEY PERFORMANCE AREAS)

(TO BE FILLED BY THE APPRAISEE AFTER DISCUSSION WITH REPORTING OFFICER AT THE BEGINNING OF THE YEAR)

Sr. No.	Key Performance Areas (KPAs)	Points (Assign a total of 60% points among KPAs)	Expectations/ Performance Standards / Key Indicators
1			
2			
3			
4			
5			
6			
7			
Total		**60 Points**	

Name of Appraisee   **Name of Reporting Officer**

Signature   **Signature**

OVERALL ASSESSMENT FOR THE YEAR (To be filled by the reporting officer in consultation with the appraisee)

Sr. No.	Key Performance Areas (KPAs)	Points assigned for KPAs)	Actual Achievement (Reporting Officer in consultation with appraisee)	Final Rating & remarks by Reporting Officer
1				
2				
3				
4				
5				
6				
7				
	Total	**60 Points**	**Aggregate KPA Achievement Score**	

Total of   60 Marks   Aggregate KPA Achievement Score

SECTION B: (NATIONAL BANK LEADERSHIP COMPETENCIES & QUALITIES)

This section consists of 40 Points.

The role set members of the employee consisting of his superiors, subordinates, peers, internal & external colleagues will rate the appraisee using the below-given rating scale on each of the below stated NB leadership competencies & qualities.

The Rating Scale to be followed:

4= Excellent - Performance mostly exceeds expectation and is consistently outstanding.

3= Very Good - Performance meets expectation and at times is beyond expectation.

2 = Average - Performance consistently fulfills and regularly meets expectations.

1 = Below Average - Performance does not consistently meet expectation and performance improvement is desired

NB- LEADERSHIP COMPETENCIES & QUALITIES

Rating by Role set member (Name):

------1. **Interpersonal skills & sensitivity** - Interact, maintain & build a good relationship with customers, peers, superiors & subordinates

------2. **Team Spirit & Team Building skills** – participates willingly & co0operates wholeheartedly with the other members of the team, delivers effectively & motivates team members to raise performance. Skill in handling & resolving conflict & promoting open & constructive relationships with all.

------3. **Integrity -** demonstrates an uncompromising adherence to a code of moral or other values-utter sincerity, honesty & candor; maintains an honest & just approach in all his dealings

------4. **Domain expertise / Job Knowledge in Banking** – Demonstrates knowledge in the area of work, applies knowledge to practical situations & remains up to date.

------5. **Planning & organizing** - Able to forecast & make realistic & effective plans, anticipate uncertainties, problems & take effective measures accordingly for the achievement of organizational goals & objectives

------6. **Flexibility/Adaptability** – the ability to respond effectively to different people, changing environment & situations

------7. **Communication skills** - can convey thoughts & feelings accurately and convincingly to customers all stakeholders. Good t verbal and written communications

------8. **Initiative Taking** - Comes up with new ideas, ways of doing things, self-starter, initiates new activities without having to be told, acts independently, does no look for someone to lean on & volunteers to shoulder extra responsibility.

- ------9. **Leadership** - Influences the thinking of seniors, juniors, internal & external customers & all others. Makes impact and manages a VUCA world well without losing track and carries others as a leader.

- ------10. **Agility, Resilience, and Self-confidence** – has confidence in his/her power of judgment, efforts & abilities; & exercises independence of action when the need arises. Meets emergencies confidently.

Total (NB Leadership Competencies & Qualities Score)

OVERALL ASSESSMENT for the year (To be calculated & filled in by the reviewing officer/reviewing committee)

Total Score: (Aggregate KPA Achievement Score + NB Leadership Competencies & Qualities Score)

Signature of Reviewing Officer _____

SECTION C: (DEVELOPMENTAL NEEDS)

This section is assisting the employee and the Bank to develop in the areas needing improvement for enhanced performance & career development, please mention the areas in which training is required.   To be filled by the reporting officer after discussion with the appraisee & reviewing officer/committee. KPAs / Qualities for which more developmental inputs are needed (Knowledge, Skill, Attitude) Training needs requirement (State in terms of Knowledge, Skill, Attitude to be developed) Training programs suggested. Also, indicate other developmental actions to b initiated by the Bank to facilitate effective performance in next years

KPAs/Competency	What helped the candidate to perform well	What Prevented the candidate from doing better	Developmental actions proposed by the candidate and/the Bank
1			
2			
3			
4			
5			
6			

Section D: FINAL ASSESSMENT & RECOMMENDATION BY THE REVIEW COMMITTEE

Assessment   Recommendation

MID-TERM REVIEW DISCUSSION

Name of the appraisee_____ ___

Appraisal Period – From _Jan 1, 2021_____ to ____June 31, 2021___

Date of discussion _____

Status of Achievement for KPAs Indicate reasons if KPAs are not achieved. Changes in KPAs set / Any additional Responsibility with the weightages allocated

1

2

3

4

5

6

7

Assessment & Feedback (To be filled in by the reporting officer)

Name of Appraisee   Name of Reporting Officer

Signature   Signature

Competency Mapping Systems

Keeping abreast with the competency movement around the globe, The National Bank decided to develop/reorient all HR systems in the Bank like manpower planning, recruitment, induction, performance management, training, career and succession planning, promotions and transfers, etc. to competency mapping. After much debate, The National Bank decide to hire external consultants who would map a few roles and thereafter train a group of internal competency mappers within the bank to scientifically map competencies. The key objective of the initiative was to make NB a competency-based organization and benchmarked by the rest of the Banks.

To do this, a task force comprising 8 members from The National Bank was constituted. Four were drawn from operations representing Branch, Regions, Credit and Head office, one senior manager for Risk department and two from HR and one from IT.

The Main Objectives of the Taskforce undertaking the competency mapping project:

1. To learn the scientific way of mapping competencies and identify an internal team to undertake the competency mapping exercise.
2. Map competencies for all field-based operational roles in stage 1 and all those in Head Office in stage 2 and the remaining specialist roles etc. in stage 3.
3. To develop a competency framework for various functions in the bank and the Bank as a whole.

Methodology:

The task force will first get trained. They will then examine the best practices being followed in the country and chose a team of internal competency mappers from the bank. The so chosen internal competency mappers will be trained and will carry out competency mapping for all the jobs and positions in the bank. It is estimated that there are about 300 different positions in the bank, many of them being in the HO.

Details of the task force progress report are shared in Exhibit 3.

Exhibit **4**	**Competency Mapping Project at The National Bank**
	Forms, Formats, Reports & Manuals

Internal Task Force Progress report

1. The task force got trained by TVRLS (A leading Indian consulting company known for its expertise in competency mapping).

2. The task force decided to adopt the following framework for the future competency mapping work:

    a. Competency Mapping is the process of identification of the competencies required to perform successfully a given job or role or a set of tasks, keeping the current goals as well as the future vision of the organization in mind. It consists of breaking a given role or job into its constituent tasks or activities and identifying the competencies (technical and behavioral etc.) needed to perform the same successfully.

    b. The competency mapping initiative being spearheaded at BOM will form the foundation for all future Human Resource decisions like competency-based selection, induction, performance management, potential assessment, career planning, and development-thus resulting in Competency-Based Human Resource Management and Development.

    c. It will **provide a framework** for hiring and retaining competent employees and consciously developing distinguished competencies (like Profit orientation, Marketing Focus, etc.) required by the bank keeping its future growth and vision in mind.

    d. **Competency Profiles or Role Directory:** In the recent past, Competency Profiles or Role Directories have replaced job descriptions. A 'Role' represents the dynamic nature of the job and most organizations prefer this term rather than job descriptions. A role directory is a Directory that describes all the roles performed in the organization. It gives details of the roles, responsibilities, tasks, and competencies required to perform these tasks. It is only when the roles and responsibilities are clear, reporting relationships are established, competencies known, that all other personnel decisions are possible. A Clear Organizational Structure is a Prerequisite for a Role Directory.

    e. **The procedure followed** by TVRLS and BOM HR for preparing Competency Profiles or Role Directory for various roles: TVRLS used a modified version of its 'Role Set Based Competency Mapping (RSBCM©)' methodology to map the competencies for all roles at various levels in the bank. The process followed was:

        i. **Understanding the context:** TVRLS consultants spent time with the senior management team at BOM to get a deeper understanding of the current business scenario, vision of BOM, business challenges, etc. to establish the content of the initiative.

        ii. **Half-day competency mapping appreciation workshop:** TVRLS conducted a half-day orientation cum appreciation workshop for all the role holders who were participating in the competency mapping exercise. The participants undertook an exercise where they did competency mapping for a sample role, which was unrelated to their work. Thereafter, the role holders were asked to

provide preliminary data on their respective roles, in a specially designed format. As a part of the initiation workshop, the participants were also asked to identify the set of role holders that they interacted with, as a part of the role. The initiation workshop conducted had 2 key objectives: (a) Get the necessary buy-in from all the participants and ensure cooperation throughout the process of competency mapping (b). Gather preliminary data on the role-holder's role.

iii. Interview with the role holder: After the completion of the workshop, TVRLS consultants conducted a detailed focus interview with the role holder. In addition to the focused interviews, TVRLS also used the existing data from their goal sheets as a part of their Performance Management System for the current year.

iv. Interviews with other role set members: TVRLS also conducted short interviews with the superior of the role holder, whose role was being mapped, and 1 or 2 peers and/or subordinates of the role holder.

v. Finalizing the List of Competencies: Based on all the interactions with the role holder and his role set members, TVRLS arrived at a comprehensive list of competencies (Technical and Behavioral) required to perform effectively in the roles chosen for profiling. The competencies were thereafter converted to behavioral indicators or observable behaviors for the desired assessment. This profile was then sent to the role holder for any modifications and thereafter finalized.

f. An internal team of 24 people has been identified and trained for competency mapping work. They are currently doing the mapping for various roles and it is estimated that it will need another six months to complete the work.

g. In all, competency mapping has been done for 65 roles in the Bank and it is being finalized.

Exhibit **5**	**Questionnaire used for Competency Mapping**
	Forms, Formats, Reports & Manuals

Name: _____

Your designation: _____

Department: _____

Follow the steps given below:

1. **Main Purpose or Objective of your role:** (State below the main purpose of your role? What does not get done if this role is not there? What is the single most reason for this role to exist?)

   _____
   _____
   _____
   _____

2. **Role Set members** (State below all your role set members. Please indicate the designation of the role set members and not the names of the persons. For example, for the reporting manager you can put DGM or GM Marketing, for a Head marketing role that is being mapped)

   Reporting to: _____

   Reviewing manager: _____

   Direct Reports:

   ▶ _____
   ▶ _____
   ▶ _____
   ▶ _____

   Internal Customers:

   ▶ _____
   ▶ _____
   ▶ _____
   ▶ _____

   External Customers: (Those who are not from the bank)

   ▶ _____
   ▶ _____

3. Fill in the 2-Column table given below.

COLUMN A: **Key Performance Areas: These are 6-7 broad areas or functions that you are required to contribute to like customer satisfaction, deposit mobilization, NPA, etc. Use the existing or last year's Performance Management System.**

COLUMN B: **List all critical activities associated with each KPA. For each KPA, list all the critical activities you or an excellent performer in this role is expected to do. Keep an excellent performer or excellent level of performance in mind while listing the activities. Also, list all activities needed to be done in the future to remain competitive.**

Questions to answer:
What exactly do you do under this KPA?
How do you spend your time?
What exactly do you do which is different from what your juniors or seniors do?
How much of your time goes into this activity?
What is the level of significance of this activity?
What more activities may be needed in the future for performing this role excellently?

Column A KPA (Targets/Goals)	Column B List of Activities

4. **What are the required qualifications and experience that are necessary to hold this position and perform it successfully?**

_____

_____

_____

_____

_____

_____

5. **Competency Listing: List all the competencies (Technical/Functional and Behavioral/Managerial Competencies) required for performing each KPA well.**

   Technical/Functional:
   1. .
   2. .
   3. .
   4. .
   5. .
   6. .
   7. .
   8. .
   9. .
   10. .
   11. ..
   12.

   Managerial/Behavioral:
   1. .
   2. .
   3. .
   4. .
   5. .
   6. .
   7. .
   8. .
   9. .
   10. .

ROLE: Branch Head-Scale IV role

PURPOSE OF THE ROLE:

▸ To realize the bank's targets (Deposits, advances, profit, and NPAs) by getting additional business through the existing customers and bringing new business through new customers.

▸ To develop good contacts with the local community, participate in select local events, and take up appropriate measures to improve customer satisfaction and the image of the bank.

▸ To take responsibility to develop, motivate and foster teamwork among the employees to improve the productivity of the branch and develop talent

ROLE SET MEMBERS

Internal (on the company rolls)

▸ Reports to: Regional Head
Reviewing Manager: Zonal Head

▸ Direct Reports:
1. Chief Managers (2 nos. for high-value advances)
2. Senior Manager (Mid Value Advances)
3. Manager Administration (3 team members for Retail Advances, Deposits, and NPAs)

▸ Internal Customers:
1. DGM (Credit Monitoring)
2. GM (Asset Recovery)

External (not on company rolls):
1. Corporate Clients
2. SME Clients
3. Retail Clients
4. Agricultural Clients
5. NRIs
6. Institutions
7. Individuals
8. Other banks and their officials
9. Various local associations

KPAs AND ACTIVITIES

1. Achievement of Branch targets (SB, CA, Retail, NRE, and other deposits)

- Study the market and competitor activities and spot opportunities.
- Get additional business through providing quality service to the existing customers
- Bring in new customers to the Bank's fold.
- Increase the CASA accounts
- Keep in touch with the customers through periodic communication
- Compliance with regulations and timely submission of reports to higher levels.
- Give competitive interest rates to the existing clients to retain them with the branch.
- Bring in new advance customers to the Bank's fold
- Take speedy decisions at the branch and higher levels to meet the customer's expectations.
- Give suitable financial advice to the customers so that they remain loyal and comfortable with the Bank.
- Try to lure the customers of other banks.
- Pay particular attention to corporate customers to increase the volume of business
- Involve all the officers in sourcing new advance proposals.

2. NPA Management, Profitability, and Fee income

- Closely watch and monitor waitlisted accounts
- Follow up closely with existing NPA accounts and take maximum effort to get the accounts out of NPA.
- Initiate recovery steps in all eligible cases and follow it up closely.
- Take up compromise proposals wherever possible
- Increase the sale of third-party products such as insurance, gold-related loans, and mutual funds to increase 'Fee' income.
- Reduce overhead expenses considerably.
- Increase low-cost deposits.
- Maintain some balance while granting concessions
- Comply with various regulations and submit reports timely to higher levels.

3. Customer Satisfaction

- Ensure the customers are met regularly by one of the officers of the bank and ensure interaction with the high-value customers by the branch head.
- Monitor customer perceptions regularly.
- Be watchful of the customers leaving the bank and ascertain the reasons for leaving.
- Be watchful of the developments in the other banks' offerings and market opportunities and take suitable actions.
- Be attentive to the desires/ wishes of the customers.
- Develop good infrastructure and maintain good upkeep of the bank.
- Evolve suitable indicators to measure and improve customer satisfaction.

4. Subordinate and Self Development

- Place the employees in the right jobs.
- Rotate the employees on different jobs
- Bring in bondage within the team and with the bank by suitable measures.
- Find out the training needs of each employee in consultation with the subordinates and depute them to suitable internal training programs/ external training programs conducted by various institutions.
- Use the Performance Management System (PMS) to assign measurable targets and conduct periodic reviews.
- Appreciate the good work done and give constructive feedback on the areas of improvement.
- Provide on the job training wherever required.
- Motivate the clerical staff to strive for higher positions.
- Keep in touch with the news on economic development, growth in various sectors, and competitors' activities and participate in local events and seminars conducted by professional bodies.
- Attend training programs, and also take membership in a professional body.

COMPETENCY LISTING
Technical:

Knowledge of the Banking Industry	‣ Thorough knowledge of the Banking Industry-credit, deposits, and general banking skills ‣ Rules and regulations of the industry-International and Domestic ‣ The process to be followed in the banking industry
Knowledge related to the function	‣ Knowledge of various product offerings. ‣ Knowledge of the systems and procedures of the bank. ‣ Awareness and compliance of various regulations. ‣ Knowledge of banking operations ‣ Knowledge of relevant laws and compliances ‣ Knowledge of credit analysis/approval ‣ Knowledge of Foreign Exchange ‣ Knowledge of statutory rules ‣ Knowledge of regulatory requirements
Market knowledge	‣ Updated with all the economic and likely market trends in India and abroad as well
Computer skills	‣ Working knowledge of Excel, PowerPoint, and Word ‣ Knowledge of the FedNet and other portals ‣ Knowledge of internet banking
Desired qualifications to perform this role well	‣ Graduate/ postgraduate ‣ Minimum 15 years experience in the branch/credit hubs/ HO

Critical Managerial/ Behavioral Competencies:

1. Business Acumen
2. Customer Orientation
3. Subordinate Development
4. Communication and Interpersonal Skills
5. Result Orientation
6. Process and Systems Orientation

BEHAVIOR INDICATORS FOR CRITICAL COMPETENCIES

1. Business Acumen
- Demonstrates in-depth knowledge of the industry
- Undertakes a detailed analysis of business-related data (key business drivers, costs, ROI, etc) and takes decisions based on the inferences drawn.
- Analyzes data and draws useful inferences keeping the business interest in mind.
- Constantly evaluates various avenues to enhance profitability (by measuring service efficiencies, costs, quality, savings, ROI, etc).
- Keeps in mind the emerging trends both in local and global markets to anticipate business requirements.
- Keeps track of opportunities/ threats in the external environment and explores ways to stay competitive (new service offerings, value-added services, relooking vendor contracts, competition, etc).

2. Customer Orientation
- Strives to build rapport and confidence with various customers and clients (through interactions, dialogues, regular visits, etc.).
- Seeks to understand the expectations of the customers through constant engagements
- Shows responsiveness by promptly addressing customer needs, dissatisfactions, complaints, etc. (thus reducing/ controlling escalations).
- Seeks regular customer feedback for continuous improvements
- Explores ways and means to understand and retain customers better (background, meetings, analysis of data, etc.)

3. Subordinate Development
- Develops team members by giving objective feedback at periodic intervals (on performance gaps, customer expectations, etc.)
- Ensures learning & development needs of the team members are addressed (through training need analysis and organizing suitable intervention to meet the needs)
- Encourages team members to take on higher responsibilities (through delegation, coaching, providing relevant exposure, etc.)
- Motivates team members by recognizing and encouraging high performance.

4. Communication and Interpersonal Skills

- Communicates convincingly in different forums (huddles, meetings) by using facts effectively
- Demonstrates clarity and conciseness in all written communications across varied mediums (e-mails, reports, SMS, ppts).
- Is sensitive, respectful and responds with urgency to meet the needs of all the stakeholders (internal and external)
- Uses own knowledge and understanding to influence the authorities concerned and stakeholders.
- Is an active networker-makes effort to cultivate relationships with different categories of people

5. Result Orientation
- Sets high standards of performance for self and others-encourages others to contribute
- Plans, prioritizes, and organizes events/ tasks and resources to ensure timely completion of targets
- Takes ownership of the responsibilities and drives tasks to timely closure.
- Actively follows up to ensure tasks are completed within set timelines.
- Strives to honor commitments through timely delivery and high quality.

6. Process and Systems Orientation
- Monitors and reviews operations (w.r.t Quality, Costs, Savings, etc.) periodically to streamline efficiencies (people and processes) and deliver results.
- Ensures compliance on all statutory norms impacting business.
- Develops systems to increase uniformity in the process and improve the quality of work
- Is quick to spot any deviation by team members in the set processes and takes immediate remedial action.
- Sets up mechanisms to ensure that the team adheres to set policies, processes, and systems

Induction

The induction process for the new employees is carried out by the employee engagement function of that zone. The comprehensive induction process for all new staff is broken down into four stages:

▸ **Pre-read (Induction Booklet):** This booklet covers the entire information about the company, its values, vision, mission, etc. The book also contains details about various financial products, markets, etc. Success stories of the organization, accolades, and awards received, Leadership parables, and quotes are also included. Apart from this booklet, the employee will be given a department-specific manual, which contains the structure of the same, key people, the flow of work, reporting relationships, etc.

▸ **Central Induction (1 day at the Corporate office)**: All the newly selected employees will be called to the Corporate office or headquarters. The new employees will be addressed by the CEO, Chief Human Resource Officer, and other Top management leaders. This is a one-day program. This one-day program is done level-wise (Senior, Middle, and Junior Management) irrespective of their entrance (from college or university, internal Promotions, Lateral Placements, etc)

▸ **Local Induction**: The employees will undergo induction at their respective local departments. This process will last for several weeks. This covers the working of the department, why it exists, how specific role contributes to departmental objectives, the role set members, acquaintance with role set members, expectation sharing, handing over of the Job description, and KPA details. The program ends with the sharing of the induction experience of the candidate and his/her suggestions to improve.

▸ **Structured Course (at the Corporate Office):** As part of the selection, employees will undergo a series of training episodes to acquire the necessary knowledge, skills, and confidence for performing his/her out roles. The complexity of the role, current knowledge, and skill of the candidate, experience, etc. determine the number of days required to complete the training.

After the induction program, the department heads collect feedback from the new joinees and send it to the Manager-Employee Engagement.

A summary of the feedback report for the current year is given below. This is based on the feedback of almost all new inductees.

STRENGTHS	WEAKNESS
▪ Good process ranging from 6-10 days ▪ Good focus on studying and going further ahead-focus on career growth ▪ On the job training ▪ Family culture ▪ The recruit gets some time to settle down ▪ There is some training on the job ▪ Sometimes it is better to deploy the person on the job for 3 months and then send for training	▪ There is no process to make sure recruits are connected, a sense of belonging is missing, so there is unnecessary interference from higher levels, there is no clarity in this process, ▪ Systematic, on-the-job training before allowing the person to begin work ▪ Exposure to various types of branches (rural, size of the branch, etc.) ▪ Send other managers to share their experiences in addition to training faculty ▪ Take care of all arrangements for individuals when they are sent for posting ▪ Very weak induction process ▪ The amount of training before actual posting is not adequate (must have training in Forex etc.) ▪ The balance between career and need of branch needs to be kept in mind ▪ Uniformity in the implementation of training is important ▪ Rotation between branches should be undertaken-again relying on practices and not policies ▪ Treat the probation period as an induction period (exception of specialized functions) ▪ The current induction process focuses more on giving an overview. One must include customer service, bringing new business, etc. ▪ The design should be holistic and motivate a person to stay in The National bank ▪ Train them for crossover/transition and then give the technical training ▪ Help them with mental change and preparation for office life

	- Senior executives to meet new joiners and motivate them, share success stories - There is no real welcome given to recruits in the branch, they are directly put into areas where there is a lack of staff - Branch officers are so overloaded with work that they are not able to train and induct the newcomer on the job (most of the time, the probationer does not know what to do and officers just dictate what to do and how to post vouchers) - Often a newcomer is felt to be a burden in the branch-as no one has time to train them on the job and they are not aware of what they need to do. They may land up feeling out of place and may leave - On the job training is extremely weak - Neither classroom training nor managers have time to train, thus the recruit keeps making mistakes - Give field training to new joiners before he/she is posted-the exposure makes the person capable to independently manage branches - Systematic classroom training needs to be provided - Senior managers should also spend time with recruits - Induction to be oriented towards work-life

Induction System Score Page

Indicate the extent to which each of the following items is true in your organization using the 5 – point scale given as follows.

> 0 =not at all true
> 1 =little true
> 2 =somewhat true
> 3 =true to a great extent and
> 4 =very true

Q.No.	Induction	Score
1	Induction training is given adequate importance in this organization	2.67
2	Induction training is well planned	2.90
3	Induction training is of sufficient duration	2.89
4	Induction training provides an excellent opportunity for newcomers to learn comprehensively about this organization	3.00
5	The norms and values of this company are clearly explained to the new employees during induction	2.50
6	Senior executives/officers take interest and spend time with the new staff during induction training	2.01
7	The recruits find induction training very useful in this organization	2.75
8	Our induction training is periodically evaluated and improved	2.09

Manpower Planning, Recruitment and Selection Function

Each zone has a Recruitment head and 2-3 executives under him/her. The recruitment process is done once a year after ascertaining the manpower requirement for the zone for the entire year. Apart from recruiting and selecting the right candidate, the recruitment head is also responsible for Manpower Planning. While the system is very fair, transparent, and merit-based, manpower planning is not happening systematically. There is no policy/document on how to do manpower planning. The speed of recruitment and vacancy filling is weak. For senior-level positions, promotions and placements are not based on the competency needs of the jobs. Whenever a vacancy arises at senior levels, a list of seniors most executives is taken up and their performance appraisals are examined. The person who has the best scores and does not have any adverse remarks on integrity is placed. As there is no clear-cut study of the manpower requirements, some of the branches are overstaffed and a few of them are grossly understaffed. There is a perpetual fight between HR executives and senior line managers. The seniors consider the manpower Planning section to be insensitive and irresponsible at times.

Following is the summary of responses received during the interview with CHRO, the Recruitment Head, and some of the line managers.

Going well	Needs Improvement
1. Fair and transparent recruitment process	1. Manpower planning is not adequate-keeping business growth in mind is missing
2. Merit-based recruitment	2. There is a shortage of manpower-recruitment is not proper (strength of award staff 4 years back is same as today even though the size of the business has grown)
3. Highly qualified people entering	
4. Good geographical presence	
5. Competent people are recruited	
6. Qualified people recruited	3. Adhocism in manpower planning-those who put more pressure is likely to benefit
7. Scientifically done	
8. The process of recruitment is transparent and fair	4. No available benchmarks for manpower planning
	5. Need well-documented manpower policy, PMS, and career planning taking into account Strength and weakness of bank
9. Recruitment /qualifications were never compromised. No back-door entry and transparent	
10. Cream of talent is recruited	6. Scientific manpower forecast should be undertaken based on specific departments/functions, existing resources and gaps to be filled with external recruitment
11. Loyalty is very high, thus the number of resignations are less	
	7. Internal talent and internal movements to be looked at
	8. Placements need to be well-matched
	9. People are not forecasting because of lack of action-

	managers get tired of requesting manpower
	10. There is no scientific 'manpower' planning keeping future requirement (planning is done for today and by the time we get talent, the business has grown so much that we need additional manpower), the scale of business, leave, maternity leave, etc.
	11. Performance Budgeting takes place in the months of Jan-March, but the manpower planning takes place only in June–July, there is a big lag which never gets covered
	12. Manpower Planning and Performance. Budgeting should be synchronized in advance and then recruitment should happen
	13. Recruitment needs to be more rigorous in testing commitment
	14. Recruiting for experience-where they may not be very effective in the previous org.
	15. Should look at the possibility of use of psychometric testing-this may help
	16. Should be continuous and not cyclical - commensurate with the growth of the business
	17. Speedy recruitment-One has to wait long, this burdens the branch manager
	18. Explore rural level recruitment to avoid attrition
	19. Retention led recruitment (qualification, location, etc.) reset the marks allocation
	20. More conventional setup-can look at more campus recruitment and innovative methods like intranet etc.
	21. More specialized recruitment can be taken (credit etc.)
	22. Salaries not assisting in attracting new talent
	23. Keep waiting/buffer resources to ensure staff is always available
	24. There is no response from higher-ups only reassurances
	25. Overqualified people are being taken-the strategy needs to be changed (we need to take qualified employees for specialization and introduce bonds)
	26. Treat specialized services separately

	27. No functional specialization and no career planning
	28. Conventional method of recruitment
	29. Talent retention
	30. Non-movement of clerical staff from branches
	31. Lack of mobility
	32. Due to restrictions in salaries even if the cream talent is recruited, they tend to move out due to opportunities from other private section banks, after 1-2. Either we should restructure the salary or the recruitment process.
	33. Recruits use this as a training ground/stop-gap arrangement and then move to other banks
	34. Loyalty amongst recruits is not working, what is working is only monetary benefits
	35. Due to high attrition, there is a reduction in staff strength, and it takes almost 2 years to get replacements (sometimes even deputation is not happening)
	36. The recruitment process is very long-it can take 6 months.
	37. Providing probationers is double work for existing employees as they have to be taught and officers have no time.
	38. Due to the lack of timely replacements, officers have to do the work of officer and clerical staff
	39. There should be a concept of taking some reserve staff for new branches
	40. Moving trained staff from existing banks which are already short-staffed to new banks creates an additional workload
	41. Growth based recruitment is missing
	42. Process of recruitment is not happening uniformly and consistently- it is a bit ad-hoc
	43. The ratio of no. of employees who are made offers vs. those is very less.
	44. The cost of recruitment is very high.
	45. In Bangalore, the number of resignations has increased because of the increased opportunities-best talent goes to IT/ITES and the second rung of talent comes here.

	46. The concept of joining a bank is not looked at in a very dignified manner any more
	47. The flow of customers is more and increasing, but the number of people to deal with them is very less
	48. To attract new customers and retain old ones, skilled manpower is needed, who can convince them of the products offered by the bank, but that kind of manpower is not available.
	49. Need to attract talent from all over the country need to project a positive image of the bank
	50. Employer Branding to be undertaken
	51. Rather than focusing on taking the best, take average people at least they will stay with the bank for a longer period
	52. Proper deployment is not there (MBA Marketing will be doing a clerical job, there is no benefit taken out of his skills)

Manpower **P**lanning, **R**ecruitment and **S**election **S**ystem

Please assess the extent to which each statement describes your organization using the following five-point rating scale.

5 = Very much true (90-100 percent)

4 = Mostly true (75 percent)

3 = Somewhat true (50 percent)

2 = Not true, most of the time (25 percent)

1 = Not at all true and perhaps the opposite may be true (0-10 percent)

Q.No.	Manpower Planning, Recruitment and Selection	Score
1	Manpower requirements of each department/work unit are identified well in advance	2.98
2	Manpower planning and business plans are closely linked	3.64
3	Retirements and vacancies form a part of manpower planning	3.27
4	Manpower plans are prepared for 3-5 years	2.03
5	Departments send manpower requirements in advance to the personnel or HR department	3.36
6	Capabilities of employees are utilized well here	2.55
7	The selection process is objective and ensures that competent people are recruited	4.45
8	Valid and standardized tests are used for recruitment	4.50
9	Line Managers are involved in manpower planning	4.24
10	Line Managers are trained in interviewing and other selection techniques	4.15
11	Candidates are given adequate information about the company during recruitment	4.40
12	Candidates are given the opportunity to visit the company before they are finally selected	1.00

Training and Development Function

The learning and development function seems to be doing a good job in terms of developing the capabilities of the employees by providing relevant training. The CEO of the company has given an unlimited budget to this function. The flowchart of training needs analysis followed by the department is given below.

Exhibit 7	TNA Flow Chart
	Forms, Formats, Reports & Manuals

Organizational Analysis

TRIGGER

Actual Organizational Performance (AOP) **<** Expected Organizational Performance (EOP)

Departmental Analysis

- Expected performance (EP)

Individual /Team Analysis

- Actual Performance (AP)

Identify Performance Discrepancy (PD)

$$PD = EP - AP$$

And

Causes of PD

Training Needs

Non training needs
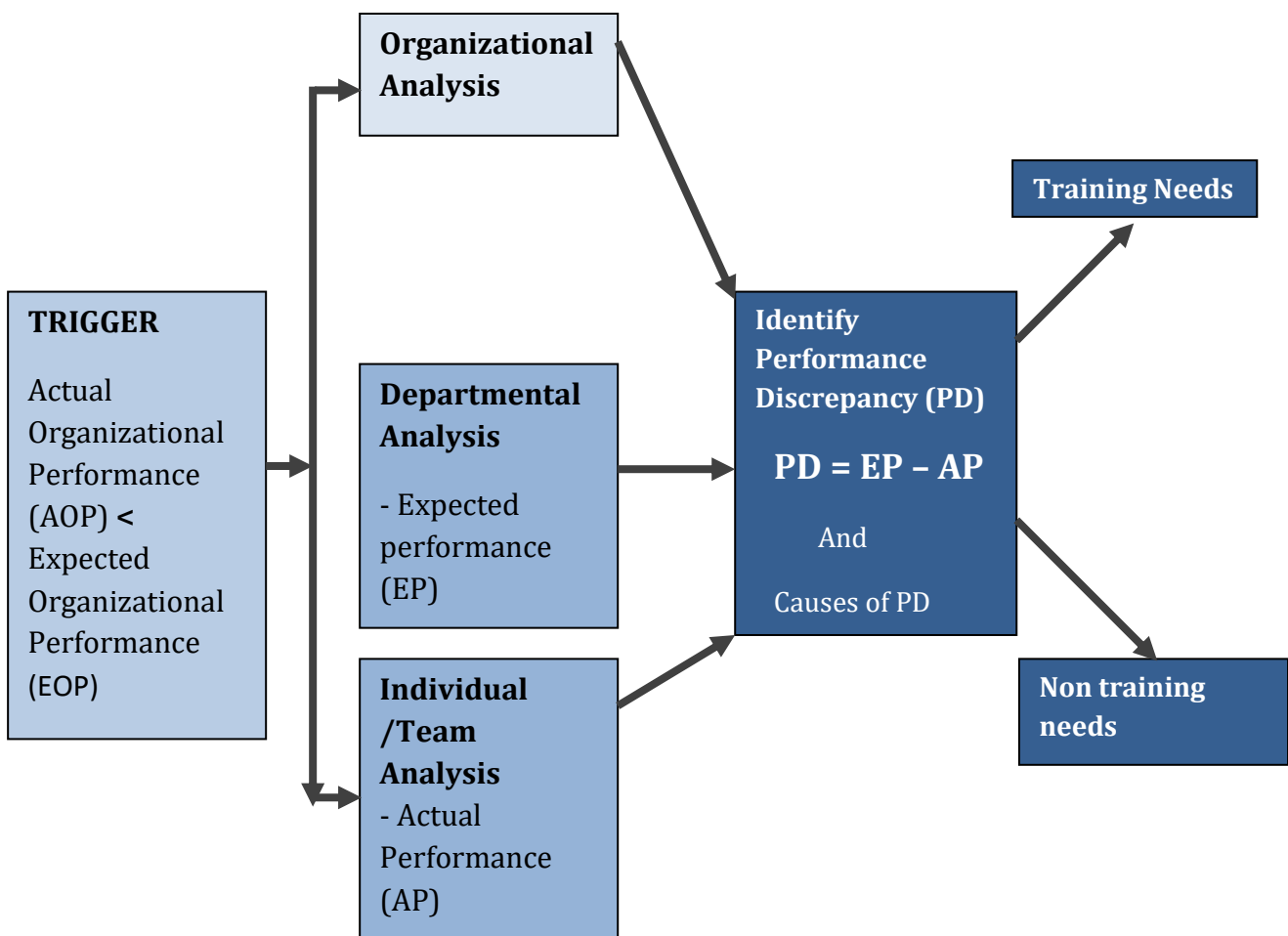
Trigger for L&D (as per the policy of L&D at NB)

- When existence level of performance, behavior, and attitude of employees is not contributing to the success of the organization.
- When the level of motivation and morale is low among the employees in the organization.
- When there is a special need due to some technological innovation in the organization like the introduction of ISO Quality
- When employees themselves convey to the organization through management about the key areas in which they are not much competent
- When there is a need for updating the knowledge of employees as per the industry scenario. This is especially the case in relation to the market scenario and legislation.
- When the organization takes a special interest in some employee, thereby intending his development, for promotion or succession purposes.
- When a business plan or business strategy demands new orientation in knowledge, skills, attitude, or behavioral orientation.
- When there is a change in policies, system, priorities, procedure, management expectations and focus in the organization.
- When external changes have an impact on the organization

The methodology involved in ascertaining the training needs

- Meetings with department heads, team leaders to identify the learning needs of the department.
- Questionnaire survey for individuals.
- Job and task analysis
- Inputs from Manpower planning report- Recruitment, promotions, retirements, etc.
- Inputs from Performance Management System, climate survey, training and skills audit, etc.
- Inputs from department skill matrix (not existing for all departments)

Firming up the training calendar

- The training calendar is firmed up and shared with the department head and the individuals.
- The training will be classified into behavioral and technical training.
- Apart from the identified training needs of the individual, the individual can nominate themselves for one additional program which he/she feels that will benefit them in the long run.
- Department heads are reminded through emails one month ahead of the commencement of the training program. This will enable them to plan for relieving employees for training.
- Details of schedule, course contents, faculty, etc. will be shared with participants in advance. While selecting the external consultants, the deliverables are clarified and documented. They are selected on a variety of criteria- quality, reputation, methodology, track record, references, reliability, post-training support, etc.
- Training for the needs identified during the beginning of the year is given priority while scheduling.

The following table gives some views expressed by employees in response to a training audit recently carried out by a consultant:

Most frequently mentioned POSITIVES	Most frequently mentioned IMPROVEMENTS SUGGESTED
- Relevant training is given - Good coverage of subjects - Good training facilities - Good food and accommodation - There is communication between the branch office and the corporate office, and the branch office nominates - Competent and experienced trainers. - Involvement of employees in identifying their training needs. - Helps us understand why training is given. - Timely communication to us to plan our work - Need-based training - Training given is not redundant - Good mix of methodologies and well designed - Sharing knowledge with others is mandated by the line managers.	- For specialist officers training to be done by external faculty or sent to good institutions in the same field - Adequate training support is Lacking for senior levels - Look at new areas of training (soft skills, language, manners & Etiquettes, cultural sensitivity). These may be neglected due to the low demand for the same. But we need them. - Relook at the travel arrangements when we come for training-have a travel desk - Training based on competency gaps and more focused - Training can be better linked with career planning - People are not recommended for training due to manpower shortage - There is no time for training-first we must reduce the workload and then only think about training. In the current scenario, Training circulars create tension - Due to time factors, the officer/manager is not able to give training to his direct reports - Action plans for us to be dove-tailed to business. This will help us justify training. - Support after training can be further improved in terms of coaching from superiors, resources (books, articles), etc. - Implement 360 DF and Assessment Centers for identifying future training needs is recommended. - Data from the training needs can be used for planning organization-wide initiatives (OD interventions)

TRAINING AND DEVELOPMENT Management Survey Findings

Please assess the extent to which each statement describes your organization using the following five-point rating scale.

5 = Very much true (90-100%)

4 = Mostly true (75%)

3 = Somewhat true (50%)

2 = Not true, most of the time (25%)

1 = Not at all true and perhaps the opposite may be true (0-10%)

Q.No.	Training and Development	Score
1	The employees are helped to acquire technical knowledge and skills through training	4.00
2	There is an adequate emphasis on developing the managerial capabilities of management staff through training	2.18
3	Human Relations competencies are adequately developed in this organization through training in human skills	2.06
4	Training of workers is given due importance in this organization	1.90
5	Employees are sponsored for training programs based on carefully identified developmental needs	3.59
6	Those who are sponsored for training programs take the training seriously	3.67
7	Employees in this organization participate in determining the training they need	4.12
8	Employees sponsored for training go with a clear understanding of the knowledge and skills they are expected to acquire from training	3.46
9	The HRD department conducts briefing and debriefing sessions for employees sponsored for training	1.78
10	In-company programs are handled by competent faculty	4.69
11	The quality of in-company programs in this organization is excellent	3.70
12	Senior line managers are eager to help their juniors develop through training	2.34
13	Employees returning from training are given adequate free time to reflect and plan improvements in the organization	2.10
14	Line Managers provide the right kind of climate to implement new ideas and methods acquired by their juniors through training	2.98
15	Line Managers in this organization utilize and benefit from the training programs	2.43

16	External training programs are carefully chosen after collecting enough information about their quality and suitability	1.78
17	There is a well-designed and widely shared training policy in the company	2.89

Exhibit **8**	**Training and Skills Audit Questionnaire** (Recommended by consultants and is yet to be implemented)

Name of the staff member: _____

Section: _____

General

1.   Are you a new employee or a long-standing employee of the company?

_____

_____

2.   How long have you been in your present job? _____

Confirmation of Current Job Description

3.   Do you have a Job Description for your job? _____Yes _____No

4.   Is your job accurately described in the manual? _____Yes_____No

5.A   If no, what extra duties do you do that need to be added to your duty statement?

_____

_____

_____

_____

5.B   What duties are no longer part of your job and can be deleted from your duty statement?

_____

_____

_____

Job Analysis

6.   Describe the tasks you regularly perform that are critical to carrying out your job effectively.

_____

_____

_____

7.   Describe the type of software and any other technical equipment you are required to use (for example, PeopleSoft, any other ERP package, computers, etc).

_____

_____

_____

8.   Do you require a high degree of technical knowledge for your job? ☐ Yes ☐ No

9. How do you work? Please circle

Alone   Part of a team   Other (specify below)

_____

10. If you work as part of a team, do you perform the same or different work to members of your team?

_____

_____

11. To what extent does your job require you to work closely with other people, such as customers, clients, or people in your organization? Please circle.

Very little   Moderately   A lot

……..

12. How much autonomy is there in your job, ie, to what extent do you decide how to proceed with your work? Please circle.

Very little   Moderately   A lot

……..

13. How much variety is there in your job, i.e., to what extent do you do different things at work, using several skills and talents? Please circle.

Very little   Moderately   A lot

……..

Training Needs

14. To perform your current job: What training do you still need (either on-the-job or a formal course) to perform your current job competently (e.g., Excel, bookkeeping, English as a second language, etc)?

_____

_____

_____

15. To perform other jobs in the organization: What other roles in the organization would you be interested in doing if a vacancy became available (e.g., transfer to another section, supervisor position, etc)?

_____

_____

_____

16. To perform other jobs in the organization: What training or experience would be required (e.g., software operation, negotiation skills, Communication, Business Acumen, Managing Change, People development, etc.)?

_____

_____

_____

Future Development Needs

17.   What are your career aspirations?

_____
_____
_____

18.   What training or development do you need to help make this happen (e.g., external degree study, formal meeting procedures, leadership training, etc)?

_____
_____
_____

Recognition of Prior Learning

19.   What training have you attended within the last three years? (This will help identify if any training sessions have been missed or if any refresher training is required.) How did the training help in your current job?

_____
_____
_____

20.   What training or skills have you acquired outside your current job that may be relevant to the wider organization?

_____
_____
_____

Action Plan

Agreed training and development to be provided over the next 12 months:

(Record the details of training courses, on-the-job experiences, buddy systems, or mentor arrangements, and include the recommended dates the staff member can expect these to occur.)

Training   **Date**

………

………

………

………

………

………

………

………

………

Signature of Staff Member

Name: ………………………………………… Date: ……………………………………………………………

Signature of Supervisor

Name: ………………………………………… Date: ……………………………………………………………

SECTION 2

1. Competency of HRD Staff and the Department

As a part of the Management Survey conducted, respondents were asked to keep their HR manager or the HR team that they interact with in mind. The questionnaire designed had 3 parts to it. **The first part required to score the HR team based on the percentage of the HR team having each of the 10 competencies and indicating their scores in column 2 below**

> 5 = All (90% to 100 %) of the HR staff have this competence
> 4 = Most (70 to 80%) of them have this competence to an acceptable level
> 3 = Some (around 50% or 40 to 60%) of them have this competence
> 2 = Only a few (20% to 30%) of the current staff have this competence
> 1 = None (0 to 10%) have this competence. Those who have it are negligible

The second part of the questionnaire required the respondents to keep the same competency in mind and indicate in Column 3, the extent to which those who have this competence have this too:

4 = An extraordinary level

3 = To a good level

2 = To a satisfactory level

1 = Whosoever has it has is not up to mark or satisfactory level

0 = Competency is very Negligible or not present

The scores obtained in the survey based on responses from 1020 respondents as shared below

1 Competency Definition	2 % HR Staff having this competency	3 Level/Depth to which they have this competence	4 Score Total (Multiply score in column 2 with the score in column 3)
1. Business Knowledge: · Knowledge of business (products, services, customers, technology, competitors, developments, R&D) · All functions (Sales and marketing, Production and Operations, Finance, systems, MIS, logistics, services, etc.) · Knowledge of Business capital (intellectual+++), its constituents, and methods of building Business capital	4.75	3.75	17.81
2. Functional Excellence: · HR Knowledge,	3.20	1.80	5.76

· HR Delivery including culture sensitivity, empathy, coaching, and facilitation,			
3. Leadership and Change management: · Communication · Initiative · Creativity · Change management	3.55	3.04	10.79
4. Strategic Thinking · Analytical Ability · Cost and quality, sensitivity · Ability to spot opportunities, anticipate and find alternate ways to solve problems	3.65	2.55	9.30
5. Personal credibility	2.75	2.00	5.50
6. Technology Savvy, including HR technology and Research Methods	2.86	1.76	5.03
7. Personnel Management and Administrative skill	3.01	3.55	10.69
8. The vision of the function and Entrepreneurship	3.01	3.22	9.69
9. Learning Attitude and Self management · Self-awareness and desire to learn · Time management, · Networking · Research and analytical skills	3.25	3.00	9.75
10. Execution Skills: · Planning and Monitoring skills · Cultural sensitivity · Persuasive skills · Behavior modification techniques and group dynamics · Ability to craft interventions for implementation · Cost and quality sensitivity	4.33	3.66	15.85

The third part of the questionnaire looked at assessing the credibility of the HRD department.

2. Credibility of the HRD Department

As a part of the management survey, after rating the competency of the HRD staff, the same respondents were also asked to fill an 8-item questionnaire on the credibility of the HR team.

They had to rate the extent to which the HRD Department, and its activities had a credible image in the Bank. Credibility is the extent to which employees rely on, respect, and believe in what is said. Credibility includes trust, faith, trustworthiness, and a positive image and attitude to that aspect. The respondents had to use the following scale:

5 = Very much true

4 = Mostly true

3 = Somewhat true

2 = Only a little true

1 = Not at all true

Management Survey Findings

| HRD Staff and Department Dimension	Your Rating
1. HR staff is relied upon what they say. They are trusted to speak the truth.	3.22
2. HR staff are seen as Professionally competent	2.50
3. HR department staff are seen as humane and helpful	3.50
4. HR policies are viewed by employees with respect and positively	3.00
5. HR staff are seen as genuine and not indulging in politics	1.75
6. HR policies are seen as unbiased and not favoring any one group or team	2.00
7. HR communications are trusted for what they say	3.75
8. HR systems and practices are viewed with interest and taken seriously	3.50

3. Top Management Styles-Developmental

As a part of the recently conducted Leadership Development Program based on 360 Degree Feedback, the Leadership (Supervisory) styles of the top executives were surveyed. The Leadership style inventory was used and all the direct reports (team members or subordinates) of the executives filled the inventory using a web-based platform. A total of 20 DGMs were included in this 360 Degree Feedback survey conducted by an external consultant. The scores given by the direct reports were converted into percentage scores characterizing the entire team of 20 Executives assessed by 80 Direct Reports. The average of the scores obtained by these 20 Executives is presented below.

SUMMARY OF LEADERSHIP (supervisory) STYLES

Sr.	Leadership Style	Avg. Scores
1	Benevolent	21
2	Critical	25
3	Developmental	54

100

Summary of Leadership Styles

Benevolent 21%

Critical 25%

Developmental 54%
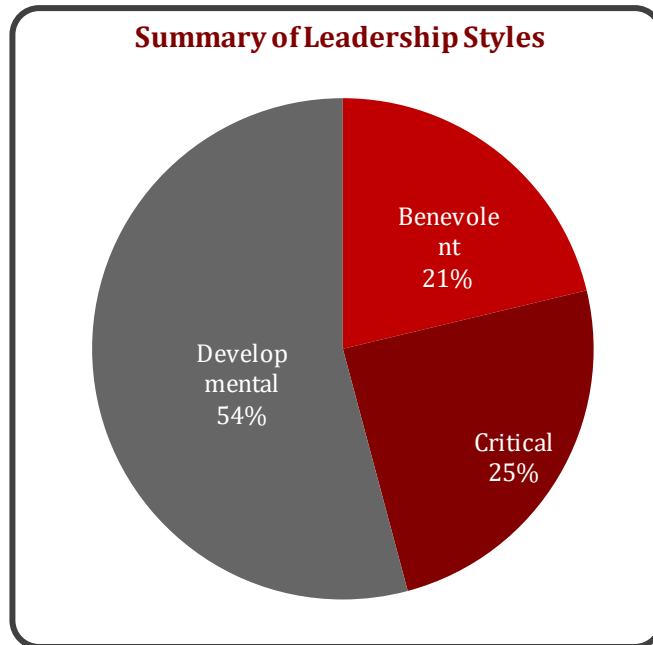
(Please note: The Leadership or Supervisory Style questionnaire used was a modified version of the instrument published on Page 223 of the HRD Audit Book. 10 out of the 12 dimensions were taken)

		Average Scores
I	**Belief about subordinates**	
a.	Believes that subordinates should be treated with warmth, constantly guided and helped, and, therefore, gives instructions regularly	17
b.	Believes that subordinates tend to avoid work unless they are closely supervised, and, therefore, keeps a close watch on them	38
c.	Believes that subordinates are capable of working on their own, and, therefore, leaves them to work on their own most of the time, providing support only if needed.	46

II	**Organisational and personal goals**	
a.	Shows concern for the individual needs and personal goal of fellow employees; takes trouble to help them achieve the personal gods	42
b.	Excessively concerned with immediate tasks and organisational goals; has no concern for individual needs and goals	17
c.	Is readily willing to sacrifice personal goals for organisational goals and sets an example for others; helps employees see linkage between personal and organisational goals.	42

III	**Support**	
a.	Expects subordinates to come to him/her whenever they are in difficulty and solve their problems	46
b	Treats subordinates as a problem and grudgingly provides help whenever they ask	13
c.	Expects subordinates to develop competencies by working through their difficulties and by learning to solve their own problems but readily provides support when they need.	42

IV	**Managing Mistakes**	
a	Tolerates mistakes and salvages the situation; protects subordinates as far as possible	38
b	Cannot tolerate mistakes; gets emotional at times even for minor mistakes	42
c	Encourages subordinates to use mistakes as learning opportunities, discusses mistakes with them, educates them and helps them become more competent.	21

		Average Scores
V.	**Managing Conflicts**	
a.	Gives a judgement on who is right or wrong when conflicts arise. Employees normally look up to him/her for such decisions	8
b.	When conflicts arise, complains to others/takes action to pull up the erring side	42
c.	When conflicts arise, calls the parties together and tries to help them solve the problems in a manner that enhances mutual understanding and builds their competencies for resolving conflicts.	50

VI.	**How does (s)he take Decisions?**	
a.	Prefers to take most decisions him/herself and informs only those who are loyal or close to him/her; prefers that subordinates consult him/her before they take any decision themselves	21
b.	Takes all decisions by him/herself as (s)he does not have confidence in the ability of the subordinates to take decisions	38
c.	Prefers that subordinates take most decisions on their own; however, consults people in critical decisions and keeps them Informed, giving them a sense of involvement and identification with the organisation.	42

VII.	**Assignment of tasks**	
a.	Assigns tasks on the basis of personal preferences	21
b.	Assigns tasks purely according to the organisational norms without any flexibility or concern for people	13
c.	Assigns tasks in such a way that they match the competencies of subordinates and at the same time provides them opportunities for developing their competencies.	67

		Average Scores
VIII	**Communication**	
a.	Shares information about company policies, environmental changes, technology, strategies, etc., selectively with those close to him/her or whom (s)he considers dependable	8
b.	Keeps all information to himself or herself and uses it as a source of power to control people	8
c.	Takes subordinates into confidence and keeps them informed of company plans, policies, changes in environment, technology, strategies, etc., with a view to get them involved or prepare them for future challenges.	83

IX.	**Inspiration**	
a.	Is interested in maintaining good relationships; highly relationship oriented	8
b.	Is quite task oriented and cannot tolerate any delays or deviation; has no concern for people and their difficulties	17
c.	Inspires people to give their best to the organisation; creates conditions to help people enjoy their work	75

X.	**Initiative**	
a.	Gives freedom and opportunity for employees to take initiative; encourages a few who are close and loyal to take initiative	4
b.	Prefers employees/subordinates to conform strictly to the rules. regulations, procedures and norms and enforces them, even with some coercion if required	21
c.	Encourages all employees to take initiative; believes that employees cannot develop unless they have some freedom to take initiative and experience personal worth	75

4. Line Managers Attitudes to Learn

SOURCES OF LEARNING BY LINE MANAGERS

The survey data are based on the information supplied by line managers from across the four zones. 70% of them were field functionaries while the rest were in Zonal offices and HO. The line managers were asked to rate the learning tendency of line managers in the bank based on the information available to them using the following rating scale

> 5 = Line mangers use this source very well and effectively
>
> 4 = Line managers use this source most of the time or quite effectively
>
> 3 = Line managers use this source some times and somewhat effectively
>
> 2 = Line managers may use this source occasionally or once in a while.
>
> 1 = Line managers either don't use this source that effectively

The data given below reports the percentage of respondents mentioning the item as a source of learning from them. For example, 50% of them stated that they use PMS as a source of learning.

For very important sources of learning like the Internet, Department meetings, etc. double the Weightage was given and hence the raw scores obtained were doubled.

Source of Learning	The extent to which this source is being used for learning
1. Performance Planning and Review discussions	4.50
2. Departmental meetings, in-house communications	6.50
3. Reading Books	2.00
4. Internet	7.00
5. Project reports, including consultancy reports, diagnostic studies	3.00
6. Outside Visitors and others	1.50
7. Each other through presentations, discussions, meetings etc.	5.05
8. Newspapers and magazines of business	2.50
9. Functional journals and other literature	2.00

10.	Training Programs: In-house programs and Seminars	8.50
11.	Training programs; Outside programs	6.00
12.	Seniors and mentors from inside the company or outside	3.00
13.	Mistakes	4.50
14.	Other sources	1.50

5. Extent to Which Workmen Have Positive Attitudes to Learn

Please rate the extent to which they take the following activities seriously and are willing to learn from them. Rate the extent to which they exhibit a learning orientation in each of these activities. Use the following scale

5= To a Very Great Extent
4 = To a Large Extent
3 = To Some Extent
2 = To a Little Extent
1 = Negligible Extent

Source of Learning	The extent to which this source is being used for learning
1. Training- in-house	3.25
2. Training- outside	3.65
3. Multi-skilling activities.	2.15
4. Job rotation, Cross-Functional teams, and workgroups	1.87
5. Health, safety, and environment-related activities including training	2.09
6. Quality circles shop floor councils and such other small group activities (not meant or skills up-gradation	1.55
7. Suggestions schemes	1.90
8. Communications from HRD, top management, etc.	2.06
9. Self-initiated activities of the union and other bodies	1.08
10. Other activities- unique to your organization	2.06

SECTION 3

Values and Culture

1. OCTAPACE Values of Line Managers

As a part of the Management Audit, a survey was conducted focusing on the Values and Culture of the Bank, to gain a deeper understanding of the experiences of the employees at the Bank and therefore a clearer picture of the culture at the Bank, particularly employees actual and perceived ability to report wrongdoing without the threat of retaliation. The results would also help the leaders at the Bank in their ongoing efforts to ensure that it continues to provide an open and ethical environment for learning and work.

The following rating scale was used to assess the values and culture at the Bank.

5 = Practiced all the time
4 = Practiced most of the time
3 = Practiced sometimes
2 = Practiced occasionally
1 = Never or rarely practiced
NA = Not Applicable/I do not have sufficient information on this

ORGANIZATIONAL VALUES	Score
1. Caring for People	3.50
2. People are treated fairly in the bank irrespective of their age, ethnic background, religion, gender, disability, etc.	3.20
3. Commitment to excellence	4.20
4. Openness: Employees are encouraged to freely express their views, opinions and exhibit their talent	3.90
5. Collaboration and Teamwork: Employees at all levels work as a team, help, and collaborate.	3.20
6. Trust, Trustworthiness & Integrity: People trust each other and keep up their promises. They practice what they preach	4.20
7. Authenticity: People speak what they mean (they do not say things merely to please each other).	2.60
8. Proactivity and Initiative: Employees take initiative and do things without having to be directed all the time	2.90
9. Autonomy: Employees have the freedom to do things on their own.	2.10
10. Confrontation: Employees face issues and confront rather than hide the issues	2.90
11. Experimentation: Employees are encouraged to experiment and try out new ideas	4.00

2. Organizational Culture

The employees were asked to rate 13 dimensions of culture given below on the extent to which the dimension under consideration was a characteristic of the Bank using the following scale:

> 9-10 = Extremely characteristic
>
> 7-8 = Highly characteristic/characterizes most of the time and in most parts of the organization
>
> 5-6 = Somewhat characteristic of the organization or some parts have this culture and others don't.
>
> 3-4 = This is a little characteristic or in a few sections this is present or practiced while most of the organization does not characterize this.
>
> 0-2 = This is totally absent to present to a small degree.

ORGANIZATIONAL CULTURE	Score
1. **Communication:** Communication mechanisms are good and meet the needs of employees, and there are adequate upward and downward communications, formal and informal communication, and verbal and written communication to meet employee needs and make them feel a part of the organization.	5.60
2. **Decision Making:** Decision-making is participative, logical and analytical, objective, and timely and ensures the interests of the organization.	5.00
3. **Consistency in Decisions, Policies, and Goals:** There is consistency and not favoritism in decision making, where goal setting is objective, follows norms and rules, based on dialogues and SMART.	4.90
4. **Control:** There are adequate direction and supervision of work, systems are used to ensure checks and there are internal controls.	6.20
5. **Shared Values:** There are well-articulated values of the organization, they are shared across the organization, and they are transmitted to new recruits and employees across various levels and departments share the values.	7.20
6. **Quality Orientation:** There is quality consciousness across the organization and quality systems are used	7.00
7. **Rewards and Recognition:** There are adequate mechanisms to recognize and reward desired behavior and efficacy or effectiveness, rewards, and recognition systems are administered with objectivity.	6.10

8. **Information:** Information is shared across various levels and departments of the organization, and people maintain confidentiality where necessary and there are systems and mechanisms for sharing	6.90
9. **Leadership Climate:** Leaders manage the mistakes of juniors, manage their conflicts, provide resources, and support the juniors and respond to their failures. Leaders protect those expressing dissent and disagreement and provide safety for those expressing differing viewpoints and confront problems.	5.90
10. **Openness to Change:** The top management and senior managers are open and receptive to change, they are aware of the need to change, are open to change and have formal mechanisms and facilitators to manage change.	4.90
11. **Corporate Social Responsibility:** Employees are sensitive to their environment and surroundings and exhibit a high degree of social responsibility and citizenship that extends beyond our organization to the local community and the country where located.	8.30
12. **Health & Safety:** Our climate emphasizes health and promotes healthy living. Employees here are health conscious. **Safety:** Employees here are tuned to ensure the safety and security of themselves and each other. Our culture is tuned to ensure the safety, and physical and mental security of employees	8.90
13. **Work Satisfaction and Motivation**: Employees are satisfied and are motivated to work. There are mechanisms to motivate employees, the employees are encouraged to talk about one's responsibilities with enthusiasm and regard, there is a high commitment to work and there is an inspiration to work	6.70

A climate survey was conducted in April 2017 for the Bank by a premier Management school. The Bank facilitated the conducting of the study. A total of 3069 employees from Scale III to VII took the survey. The rating scale used was as follows:

5 = This is true. I strongly agree with this statement Practiced all the time
4 = This is somewhat true. I agree with the statement
3 = I neither agree nor disagree with this statement
2 = This is not true. I disagree with this statement
1 = This is just not true. I strongly disagree with the statement

The scores were converted into percentages using the formula (Score-1) X 25

	GENERAL FEEDBACK	Score (%)
1	I am proud to be an employee of the bank	95.75
2	Employees in this bank always keep the interest of the Bank in focus	94.24
3	The bank has prepared itself to meet future challenges by developing competencies/skills of Top Management	72.43
4	Senior employees in this bank have a good understanding of the perceptions and views of their juniors on their behavior and leadership styles	69.21
5	The work facilities in this bank are excellent	74.26
6	Technological support in this bank is of a high order	73.27
7	Employees in this bank are highly customer-driven	85.58
8	The bank is well equipped in terms of employee competencies to fight the growing competition.	74.26
9	The bank is well equipped in terms of its HR policies and practices to fight the growing competition and future challenges in the banking sector.	56.69
10	There is a high degree of collaboration and teamwork among all sections of employees in this bank	65.45
	ROLE CLARITY AND TASK ASSIGNMENTS	
11	Employees are very clear about their role and what they are expected to do.	67.54

12	I am very clear about my tasks and targets and what I am expected to accomplish	90.43
13	The bank has adequate processes/ mechanisms in place to help employees understand what is expected of them.	53.21
14	Employees are assigned challenging tasks	70.45
15	Employees in this bank are under-utilized	27.31
16	My skills are underutilized.	32.13
17	The bank can get a lot more work done by its staff with appropriate HR policies	79.33
18	Better discipline should be enforced for the effective functioning of the bank.	58.68
19	The restrictive work practices are affecting the progress of the bank	47.45
20	Employees work more for the bank than for pursuing their other narrow interests.	84.31
21	Employees here are willing to sacrifice their interests for the sake of the bank and its future.	77.61
	PERSONNEL POLICIES	
22	The personnel policies in this bank are highly employee-driven	39.11
23	The personnel policies of the bank are so liberal that many employees have taken undue advantage of the same	20.32
24	For the future of the bank, the policies need to be reviewed and revisited	80.61
25	The bank should enforce accountabilities of all employees if it has to grow in this competitive world	66.78
26	The HR policies are hindering the bank from growth	31.87
	PROMOTIONS AND TRANSFERS	
27	I am happy with the current system of promotions and transfers	52.09
28	Transfer policies help in ensuring high motivation and commitment of employees in the bank	56.48
29	The Transfer policy in The National Bank is transparent	62.66
30	Transfer and promotion policies are not helping interested employees to contribute their best.	49.52
31	There is a lot of adhocism in the way transfers are affected	42.14
32	Transfers are at times affected at inappropriate times	59.24
33	Compulsory, outside the state posting, is desirable in the bank for preparing for future	60.20

34	Bank officers should be exposed to other states and culture if we have to build a national level bank	74.27
35	Seniority is not given due weightage in promotions	63.42
36	The central office staff seem to be favored for promotions	68.36
37	Some employees get sidelined due to the favoritism of senior officers at times.	70.25
38	Personal prejudice affects transfers and promotions.	60.19
	CAREER AND SUCCESSION PLANNING	
39	Employees are clear about the career opportunities and growth path in this bank	73.38
40	The career paths and growth paths are well laid out in this bank	62.08
41	I am satisfied with the current system of career progression of employees in this bank	54.32
42	Succession planning for critical jobs and positions are done well	41.44
	FREEDOM AND AUTONOMY	
43	Branch managers need to be given more freedom and autonomy in personnel policies than they have at present	53.55
44	Regional offices don't have adequate say in transfers	60.11
45	The branches need more say in transfers of staff	64.05
	CHANGE MANAGEMENT	
46	The Bank is quick at adapting to change	79.47
47	Employees of the Bank proactively participate in the change process and enable the bank to meet the challenges of competition	79.71
48	Employees with long years of service and posted at the places of their choice work hard and act as role models in adopting change.	62.34
49	Senior employees at lower levels set an example by proactively promoting change and enable the bank to become more responsive to customer needs.	56.21
50	The Officers associated always plays a proactive and supportive role in facilitating change and enabling the bank to move forward	83.72
51	The staff unions play a proactive and supportive role in facilitating change and enabling the bank to move forward	61.41
	OPERATING ENVIRONMENT	

52	The CBS operating environment will reduce the workload and will improve the level of customer service in the long run.	66.32
53	Our Bank is capable of providing excellent customer services comparable to any other private bank in the country.	91.06
54	Our Bank is well prepared currently to meet the challenges offered by the highly competitive market. The existing marketing set-up available in Branches is sufficient to compete with our peers	44.16
55	Engagement of Direct Selling Agents (DSAs) as a marketing initiative will improve the working environment in the Branches	44.37
56	Our employees are having the necessary positive attitude to change to meet the changing market environment	87.40
57	Our current personnel policies facilitate employee responsiveness to changing environments and market competition.	57.51

SECTION 4

HRD Impact and Business Linkages

A survey was conducted to assess the extent to which HRD efforts (tools, processes, culture, etc) are driven to achieve business or organizational goals like business excellence including profitability and other outcomes the organization is expected to achieve including the formation of intellectual capital and operational efficiencies.

1. Impact on Talent

Assess the extent to which the following dimensions are impacted by HRD systems, processes, and practices in your organization based on your recent experiences.

Use the following Seven Point rating Scale:

> 5 = To a great extent
> 4 = To a significant extent
> 3 = To some extent
> 2 = To a small extent
> 1 = To a very small extent
> 0 = Not at all
> -1= The reverse is perhaps true to a marginal degree. (There is a minimal negative impact)
> -2 = The reverse is true to a noticeable extent (There's been a significant negative impact).

Impact of HRD systems, processes and practices on Talent	Score
1. Talent Attraction and Acquisition Our HRD practices have resulted in getting the right kind of people, who are competent to handle the banking business.	4.54
2. Talent Management-Induction and Integration Our HR processes and systems have ensured that newcomers, transferees and promoted employees (officers and other staff) settle down fast and start contributing to a high level of adjustment to new roles.	4.12
3. Talent Management-Human Resource Utilization and Employee Engagement (PMS, Placements, Incentives, etc. Performance management, Mentoring & Coaching, Feedback) Our HRD Systems and Practices have resulted in effective human resource utilization. We can use our competent employees very well.	3.97
4. Talent Management-HR Development or Competency Building and Renewal HRD Practices have resulted in talent development at all levels. Developing competent people who are productive and responsible.	3.15
5. Retention and Separations Management Our HRD Culture had a visible impact on the motivation of our employees and the bank gets a high degree of employee engagement, satisfaction, and commitment.	1.85

2. Impact on Intellectual capital Formation

Using the same scale, assess the following

Impact on Intellectual Capital	Score
1. **Intellectual Capital Formation & Structural Capital** Over the years, the bank has a highly established and loyal customer base.	4.43
2. **Intellectual Capital: Impact on Structural Capital formation attributable to HR Interventions.** We have highly established systems and processes that make our bank known for its reliability, consistency, and efficiency in servicing our customers (both depositors and lenders)	4.22
3. **Intellectual Capital Formation: Contributions to Human Capital Formation** Over the years, our HR practices have enhanced the capabilities of all our employees and have resulted in the bank having competent, reliable, and ethical employees.	4.15
4. **Intellectual Capital Formation: Contributions to Social Capital** Our HRD practices and culture reflect a high degree of Corporate Social Responsibility and have resulted in development assistance to local communities and groups (villages, farmers, poor, etc.).	4.67
5. **Intellectual Capital: Contributions to Emotional Capital** Our HR systems and practices in recent times have resulted in enhanced employee commitment, motivation, and emotional attachment to our bank and its customers.	2.96
6. **Intellectual Capital: HR Contributions to Relationship Capital** Our HR policies and practices have resulted in our senior officers, managers, and other employees establish and maintain a good relationship with various bodies like Indian Banks Association, CII, Bank employees associations, government agencies, other banks, RBI, and other institutions.	4.00
7. **Intellectual capital: Contributions to Knowledge Capital Formation** Our HR policies and practices resulted in the development of new services, banking products, and other products that we can claim to have added to the knowledge of banking and financial services in India.	3.51

3. Impact on Financial Performance

Financial Performance Indicators Attributable to HR

	Impact on Financial Performance	Score
A	Cost reductions in the bank attributable to (departmental or individual) competencies developed thorough HR Interventions	
1	Our HRD Practices and systems contributed to cost savings in a perceivable way in recent times.	2.10
2	Our HRD Systems and Practices have resulted in enhancing the reliability or predictability of our services and reducing transaction costs.	2.56
3	Our HRD Practices have contributed to reduced bureaucracy and enhanced speed of delivery of services	3.15
B	Degree of Financial Literacy among employees	
4	Our HR systems and practices have made employees cost-conscious and profit-centric. They have enhanced financial literacy and sensitivity on the part of our employees.	2.00
C	Impact on Profits and market value	
5	Year after year, we have been increasing our business (in deposits and advances) per employee attributable to HR Interventions	3.36
6	We have increased our Market value to book value attributable to HR (Image and Brand Building due to Competent Managers and Leadership Development)	3.21
7	Our company is known for its culture and it has resulted in enhancing the brand value of our company in the minds of the public or the minds of prospective employees.	3.87
8	HRD Systems and Practices have contributed to enhancing the shareholder value of this company as the company is known for its talent and it is ascribable to the various HR systems like PMS, Training, Succession Planning.	2.67

| Exhibit 10 | Retirement Data Across Managerial Levels |

Forms, Formats, Reports & Manuals

Year	Junior Management		Middle Management		Top Management		Others	Total
	Assistant Manager	Associate Manager	Manager	Asst. GMs	GMs	Chief Officers	Clerks /support Staffs	
2020	10	35	7	19	2	0	28	**101**
2021	19	40	28	22	2	1	29	**141**
2022	20	38	25	30	1	1	35	**150**
2023	40	56	30	35	1	1	60	**223**
2024	61	42	40	20	0	1	85	**249**
2025	55	38	30	25	0	1	87	**236**
Total 2025	**205**	**249**	**160**	**151**	**6**	**5**	**324**	**1100**

Exhibit **11**	**The National Bank Newsletter**
	Forms, Formats, Reports & Manuals

Some of the practices

The National Bank publishes a newsletter that is brought out by employees and sponsored by the company. The newsletter has news meant for families and children. Each issue focuses on one contemporary area relevant for the staff- How to manage your retirement, career choices for children, Higher education abroad, stress management, home management, leisure management, wealth management are some of the topics covered. The employee families look forward to the issue every month it has some useful information. It also connects families with people.

The Chairman and regional managers keep giving messages in the newsletter about developments in the bank, employee transfers, structural changes, banking scenario in the region, etc. Employees are encouraged to participate in local festivals and community activities.

The bank runs a program for enhancing the employment skills of local communities in select areas where poverty is higher. It is reported that because of the programs assisted by the bank every year, around 500 youth get employed and a few of them self employed.

In a survey conducted recently by an HR summer trainee covering about 50 % of the Bank staff from all levels, the following was found:

Extent to which

Question	% of Managers agreeing with the item	
	Senior managers	**Other employees**
Top management walk the talk	80.97	76.19
My work is stimulating every day	60.13	50.21
I feel that my contributions impact the Bank's performance	60.54	60.32
I am proud to work for the Bank	68.13	70.90
I am happy with my co-workers	80.22	80.11
The company ensures my competency building and utilization	60.21	54.21
I have a great and supportive boss	60.45	58.78
I learn a lot from my seniors	55.12	55.15

Question	% of Managers agreeing with the item	
	Senior managers	Other employees
Every employee in the bank is quality conscious	60.33	60.45
I am very quality conscious	67.41	75.12
Customer satisfaction surveys are taken very seriously in the bank	70.98	78.97
Customer satisfaction surveys are conducted regularly	76.57	70.13
Employee satisfaction surveys are conducted regularly, and the data is utilized effectively	45.64	35.21
HR systems help employees improve their effectiveness and contributions	59.91	35.22
Employees at all levels give their best to the company	68.01	67.20
My talent could be used better by the bank	55.37	76.99