



A Study of Strategies for Retaining Employees in the Indian Private Banking Sector

¹Pritesh Rana, ²Dr. Reema Singh, ³Dr. Namita Vajpayee, ⁴Kritika Choudhary

¹Research Scholar, University of Technology, Jaipur and

^{2,3,4}University of Technology, Jaipur and

ABSTRACT

Employee retention is important because it involves organisational challenges such training time and investment, knowledge loss, insecure employees, and an expensive candidate hunt. As a result, losing a key employee is a costly prospect for a company. In most companies, the loss of a middle management may cost up to five times his salary. Employers who are astute understand the value of keeping top employees and the study which discussed about history of banking, Indian banking structure, Role of reserve bank of India, Methods of retention, Retention strategies used by banks to keep employees, Retention techniques using motivational techniques.

Keyword: bank, strategies

INTRODUCTION

Individual savings have been encouraged, and these resources have been pooled in successful areas, thanks to the banking industry. The financial sector's performance, in fact, determines the global economy's success. Until the banks were nationalized in 1991, the public sector banks had a massive advantage over private sector banks. The development and marketing of private sector banks were aided by deregulation, outsourcing, and globalization philosophy. In the current environment, the whole banking sector is undergoing significant changes and must contend with significant challenges as a result of shifting expectations targeted at alleviating their cash shortages. (Jain, S., & Jain, R. (2015) The law, on the other hand, establishes rules and regulations that enable them to operate in accordance with international standards, so improving the financial sector and ensuring that change occurs. In addition to these rigorous guidelines, there are considerable differences in operational techniques. If banks want to keep up with a competitive company, they must eliminate flaws.

LITERATURE REVIEW

Mr. Satyam Prakash Srivastava(2019) Banking has undergone enormous changes and large sections are dependent on the architecture of the facilities. In the last few decades, the banking reforms have changed greatly so that they can provide professional services to the clients in a much better way. At present, the study examines operation quality and the satisfaction of private and public banking customers. The service gaps or differences between private and public banks and why they define and meet consumer needs are also considered. The study shows that private sector banks have better qualities of operation than government banks.

Shukla (2014) Realized studies on public and private sector banks' job retention practices in India. The findings of the study showed that banks in the public sector had no established executive retention policy while private banks promote talent retention and their HRM activities seek to maintain their organizations' best talent.

OBJECTIVES

- Investigate the approaches used in the banking sector to hire employees.
- To determine the factors of executive attrition and turnover in the banking sector.
- Investigate how incentives/rewards, both monetary and non-monetary, influence the level of engagement among employees.
- To investigate the connection between employee engagement and attrition in the Indian banking industry.
- To create an appropriate model for Indian banks' human capital recruiting and retention.

RESEARCH METHODOLOGY

The following graphic depicts the study's research approach, which incorporates quantitative and qualitative methodologies. Use of questionnaires to acquire empirical data is the most common form of data collection. SPSS statistical software was used to examine the results. The findings of the study are put to good use in formulating hypotheses, making suggestions, and implementing strategies to boost staff retention.

DATA ANALYSIS

The data was analyzed in the following manner: all incomplete surveys were discarded. There were a total of 454 completed questionnaires, which were then processed for data analysis. SPSS (Statistical Package for the Social Sciences) was used as the software for data analysis. SPSS was used to handle and analyze the acquired data.

Methods of Retention

Private sector banks more or less follow the following retention strategies:

Alternative work schedule: Effective workforce management includes identifying and resolving workplace issues that improve workers' productivity and the organization's bottom line. Alternative scheduling is an effective management strategy that can have a positive effect on recruitment, employee retention and overall job satisfaction. However, businesses that provide flexible work schedules must have regulations and processes in place to keep control of the process, otherwise scheduling changes and flexibility might have a negative impact on the company's operations.

Table 1: Retention Strategies Used by Banks to Keep Employees

Retention Strategies	Mean	S.D.
Alternative work schedule	2.59	1.379
Work schedule reduction on a voluntary basis	2.77	1.309
Work-at-Home/Telecommuting	2.85	1.491
Wellness Program	3.78	0.621
Mentoring/coaching	3.55	0.882
New assignments and job rotation	4.41	0.526
Help with career planning	2.84	1.209
Daycare is available on-site.	2.99	0.836
Recognition and rewards (e.g., service awards, employee of the year)	3.89	0.94
Suggestion Program for Employees	3.41	1.183
Opportunities for education	4.09	0.69
Job-related training opportunities	4.78	3.381
Annual Performance Evaluation	2.78	1.068

Table 2: Retention Techniques Using Motivational Techniques

Motivational Techniques	Mean	Std. Deviation
Monetary rewards (bonus)	3.58	1.527
Mentoring programs	4.13	0.706
Promotional opportunities	3.99	0.961
Challenging work assignments	3.44	1.096
Interesting work assignments	3.74	0.594
Recognition awards for performance	3.56	0.808
Increased responsibility	3.90	0.552
Achievement awards	4.65	5.95
Communication from executives	3.75	1.045
Enhanced retirement packages	3.58	1.279
Career development schemes	4.05	2.553

CONCLUSION

For public sector banks, employment agency procurement is more significant than for private sector banks when it comes to hiring new staff. Recruitment exams in private sector banks and in public sector banks are the most typical methods used to obtain workers in the private sector. In both public and private sector banks, nominating current staff is the least used technique of procuring. In a nutshell, with a few differences, the procurement methods used by private sector banks are almost identical. Workers of private sector banks are happier with the recruiting process than employees of public sector banks, according to a study of satisfaction levels. At the same time, a small number of public sector bank workers are unsatisfied with the hiring practices used by their institutions. As a result, public sector banks should investigate why workers are dissatisfied and make changes to their recruiting process where they can. When asked about dependent employment, respondents in public sector banks say yes which indicates that they agree that dependent employment is conceivable in the banks, however in private sector banks, it is less likely. When asked about bank dependant employment, workers at public and private sector banks answered quite differently. The banks' customer retention practices are scrutinized in this research. Employees in the public and private sectors had different answers to the issue of what they want to do in the future. Seventy-eight percent of public sector respondents and one hundred percent of private sector bank respondents said they have no immediate intentions to retire or quit their present jobs. Until they reached their natural retirement age, they would continue to work for the company. Only 21.8% of those polled at public sector banks said they expect to retire in the next 6-10 years.

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