

A Comparative Study of Human Resource Management Practices in Sri Lankan and Indian Public Sector Banks

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Abstract

This study was designed to explore and compare Human Resource Management practices in Sri Lankan and Indian Public Sector Banks. Human Resource Management (HRM) is a developed concept. It has tremendous relevance to service sector like Bank. Human input is the single largest input to the banking industry. The level of efficiency/productivity of this input gets reflected in the quality of service offered by the banks to its customers, as also in its ultimate growth, productivity and profitability. Human Resource Management Practices have been studied extensively among Manufacturing, Service and Small Medium Enterprises. However only a few studies have addressed the banking industry. Even these researchers have not compared Human Resource Management Practices in Sri Lankan Public Sector banks (SLPBs) and Indian Public Sector Banks (IPSBs).

The investigation is based on a questionnaire survey of 730 employees. It consists 281 responses from SLPSBs and 449 responses from IPSBs. . To measure the HRM Practices, a structured questionnaire was used to collect data. The key area of analysis includes staffing, training, compensation, performance appraisal, and employee relations. Data were analyzed employing descriptive statistics and t-test with the help of SPSS.

The study result reveals that Public Sector Banks in both countries practice HRM but the extent of practices vary from one another. Further, the statistical results show a number of similarities and differences in HRM systems of Sri Lankan and Indian public sectors Banks. Against the established idea, the results of this study reveal that the gap between Sri Lankan and Indian public sector banks HRM practices is very significant. Moreover, in one of the HR functional area (compensation), Sri Lankan public sector Banks show to adopt a more rational approach than their counterparts.