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CHANGING PLANES IN MANAGING HUMAN RESOURCES IN HIGH PERFORMING INDIAN BANKING ORGANIZATIONS: ATTRACT, RETAIN AND MOTIVATE

ABSTRACT

Sensitive to change, human resource (HR) function plays a crucial role in dealing with globally competitive marketplace. Banking sector in a developing country like India is no different. There is an urgent need to revolutionize HR practices in Indian banking. This paper, as part of a larger research, studies high performing banking organizations in India and proposes a changing pattern of HR for the Indian banking organizations through the attract, retain, and motivate (ARM) framework. Further, the paper examines through exploratory factor analysis (EFA) whether and to what extent the changing pattern in HR practices in case of public and private sector banks supports the proposed conceptual framework. Thus, the paper presents empirical evidences (412 employee respondents) for the changing pattern of HR practices. The paper exhibits differences in the extent to which HR practices are changing in the public and private sector banks. Decisions to improve the HR priorities and practices can lay foundations for high-performing organizations. The paper examines an important issue for managerial decision-making in identifying the right blend of ARM to become high performing banking organization.

Key Words: changing HR practices, high performing banks, managing talent, attract, retain and motivate talent, high performing HR practices

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INTRODUCTION

In changing and challenging times in the Indian banking sector, the importance of transforming human resource management (HRM) practices has grown manifold. The Indian banking sector is undergoing change owing to the advent of newer banks (Business Standard, 2015; Indian Bank Association, 2010; Reddy, 2005; Shirai, 2001). Change is leading to a shift in gears in the human resource (HR) practices to meet new challenges of the banking organisations (Al-Hawary and Sharma, 2011; Khandelwal, 2007; Leeladhar, 2005).

According to *Business Today's* report by Master (2012), the Indian banks have gradually evolved themselves into universal banks; banks that are experimenting with various business models, exerting efforts towards improving their functioning, and building scalability and profitability. Also, technology is playing a very important role in the way the Indian banking has evolved and is functioning today. The landscape of the evolution has also expanded to regional levels in the country. According to a report by Ernst & Young (2014), Indian banking sector is working towards new ideas requiring focus on banking and payment channels, technology platforms, and regulatory. The India Brand Equity Foundation's (IBEF) report (2016) mentioned that the Indian economy is on the brink of a major transformation, with several policy initiatives. Along with the country's economic growth, enhanced spending on infrastructure, speedy implementation of projects and continuation of reforms are expected to provide further impetus to growth of the banking industry in India. The above changes also suggest that India's banking sector is preparing itself for robust growth with the rapidly growing business. Thus, in the given context, change in the HRM practices need focus (Bhasin, 2011; Chakrabarty, 2012; Deolalkar, 1999; Rajendraprasad and Manjunath, 2015). Change has consumed both private and public sector banks in India (Majumdar, 2010; Mishra and Goyal, 2006; Rajan, 2014), and it is crucial for Indian banking organizations to embrace change and revamp HR initiatives (Balasubramanian et al., 2005; Deolalkar, 1999; Kamath et al., 2003).

Application of a distinctive combination of practices or a consistent set of human resource practices (Guest et al., 2003) is a recipe for effective HRM. And changing HR practices have an important role to play in managing change and sustainably develop banks (Uppal, 2011). According to Udeshi (2004), Indian banks need good human resource like the ARM where A stands for: Attract the best resource, R stands for: Retain them, and M stands for: Motivate them. Banks need multi-faceted and advanced HR approaches for attracting fresh talent, optimally using them, retaining the talent, and for effectively changing

management (Subbarao, 2008). According to Kera (2010), there are differences in the HR approaches that are adopted by banks in the foreign sector, private sector, and public sector.. There is an urgent need to revolutionize HR practices, to attract, hire, retain, and develop the best talent (Majumdar, 2010) in both public and private banking sector in India. Thus, it is interesting and relevant to explore the extent of change taking place in the HR practices and the pattern of changing HR practices being applied in the high performing banking organizations in India.

The above literature highlights the difference in the HR approaches being adopted by the banks. Hence, based on the literature review and inputs received from the subject matter experts, this paper proposes the ARM framework of change, that is, changing pattern of HR practices in high performing banking organizations in India. The present research also tests whether factors that emerge from the factor analysis acknowledge and support the factors that are proposed in the framework of changing pattern of HR practices. Additionally, this research attempts to examine the difference, if any, between public sector and private sector banks regarding the extent of change in the HR practices and regarding the changing pattern of HR practices being practiced in these banks.

In the following sections, the paper begins with a systematic review of literature is presented highlighting the HR activities studied in this paper. Secondly, literature review is further summarized into the proposed framework. Thirdly, an outline of the study is presented. This section also covers methodology of the research employed. Finally, the results are presented and discussed along with their implications.

HUMAN RESOURCE PRACTICES TO ATTRACT, RETAIN, AND MOTIVATE HUMAN RESOURCES

The sync between right HR, right HR efforts, at right time, with the context, would contribute in developing HR capabilities to manage the business (Uppal, 2011). Researchers have presented clusters of HR practices that are important for organizations. Pfeffer (1994) proposed the concept of *best practices* for HRM that entails comprehensive philosophy, employment security, employing selectively incentive payments, high incomes, staff ownership, sharing of the information, participation, teamwork and redesigning the job, training and development, and promotion. Schuler and Jackson's (1987) five important HR practices are performance appraisal, recruitment and selection, planning, compensation and development. Cunningham and Rowley (2010) identified organization planning, recruitment, compensation, development, performance evaluation and communication. Other important

HR practices have been highlighted in research such as information sharing, behavior judgment and labor-management participation (Huselid, 1995), job safety, worker voice and extensive job description (Delery and Doty, 1996) and flexible job design, reduced organizational hierarchies, team working, and empowerment (Stiles et al., 2006).

The following literature review is organized in a manner that helps in exploring the HR practices which essentially contribute to *Attract* or *Retain* or *Motivate* (ARM) people in organizations as the ARM framework proposed. Change being the context, the present study attempts to explore the changing HR practices and the pattern of changing HR practices in high performing banking organizations.

Attract

Human resource planning involves initial employment planning and forecasting for successful recruitment. HR planning activities are the blueprints that influence the process of attracting the right talent from the right resources, and consequently matching its goals to the ability of the employees (Lam and Schaubroeck, 1998). It is critical that an employer's recruitment process attracts potential job applicants (Barber, 1998) and reaches out, searches for, attracts interested applicants, and chooses competent candidates (Banjoko, 1996). Primary aim of a recruitment and selection process is to identify and select the right individual for the right position (Dale, 1999).

HR reputation reflects a similar evaluation of a company's HR philosophies, policies, and practices (Hannon and Milkovich, 1996). HRM philosophies play a crucial role in attracting talent as it acts as a declaration of the purpose and reputation of excellence (Ready, Hill, and Conger, 2008). It serves as a signal about the working conditions, enhanced self-esteem in organization and thus attracting a higher quantity and quality of human resources (Turban and Cable, 2003; Turban and Greening, 1997).

Retain

Training and development plays a significant role in an organization (Curtis and Wright, 2001; Marchington and Wilkinson, 2002). An improvement in training enhances employee commitment and it helps in preserving talent. Organizations must be careful in providing career paths that help retain people (Igbaria, Kassiech, and Silver, 1999) as it plays an important role in the willingness of people in staying with an organization. Organizational commitment has also been predicted by the career management practices of an organization (Sturges et al., 2002). Compensation can be used to both attract and retain employees. Pay

and other benefits (Curtis and Wright, 2001) and merit-centered reward systems (Ready et al., 2008) can help organizations to retain employees. Performance management is also one of the high performing work practices which play an important role in retaining talent (Huselid, 1995). The measure of performance appraisal is a crucial element of performance management and it also has a bearing on the retention and the performance at workplace (Delery and Doty, 1996).

Tannenbaum (1990) defines human resource information system (HRIS) as a technology-based system which is used to acquire HR and managing them. HRIS manages HR with its applications in areas of employee selection and placement, improving administrative efficiency (DeSanctis, 1986), and in enabling HR management (Shrivastava and Shaw, 2003). It also helps in retaining and implementing organization development efforts to develop today's young generation workforce (Stone, Garza, and Borden, 2004). This makes the role of HRIS crucial in managing and retaining employees. Effect of employee-employer cooperation has been studied to have an impact on organizational performance (Katz, Kochan, and Weber, 1985; Kochan and Gobeille, 1983). It has a bearing on the workplace culture and environment, thereby promoting workers' welfare and productivity (Ajala, 2007). Concerted efforts towards enabling labor reforms that focus on enriching human capital help public sector banks and old private sector banks to become more competitive (Balasubramanian et al., 2005). Programs that assist employees in managing their work and family improve and develop workforce commitment (Osterman, 1995). Job tenure and employee assistance programs are statistically significant and positively related (French et al., 1997).

Motivate

It is important for successful organizations to be learning organizations. Learning organizations attempt to find the factors which enable and motivate their employees to continuously learn and to take advantage of this new (learned) knowledge (Osteraker, 1999). Especially in current scenario, learning opportunities improve the motivation of the knowledge workforce (Pool, 2000), thus it is an important source of motivation.

Renewed initiatives (to cope with changes) are inevitable necessity of organizations to improve their capabilities to cope with changes in its external environment. Organizational change affects motivation, which also affects performance of an organization (Burke and Litwin, 1992). Change initiatives improve employees' motivation along with the commitment and job satisfaction (Sanposh, 2011).

Participation positively influences power equalization and overall organizational effectiveness (Bartolke et al., 1982). Locke and Schweiger (1979) presented worker participation designs like information sharing, employee suggestion program, self-directed work groups. Cognitive and motivational mechanisms of participative decision-making produce high morale and performance (Spector, 1986; Locke and Schweiger, 1979). Hence, it highlights the significant role of employees' participation in motivation of employees.

Douglas (1999) showed the effect of redesigning activities in job on the job satisfaction and motivation of employees. Rediscovering role, significance, and identification in work is the key for today's workforce. This calls for job redesigning and restructuring which impact the motivation level of workers (Igbaria et al., 1999). In the context of change, redesigning activities in a job has become even more relevant to motivate workforce in organizations.

THE PROPOSED FRAMEWORK

The literature review and consultation with subject matter experts, (as also explained below) yielded the structure of the proposed framework (see Table 1). This framework entails 14 HR practices as part of three dimensions (i.e., attract, retain, and motivate). HR, HR philosophies' Reputation, HR Planning, and Recruitment & Selection Practices were identified as part of *attracting* talent. The *Retain* dimension entailed performance management, career development opportunities, training & development, compensation practices HR information systems, other assistance, employee-employer relations. The third dimension, *motivate* included renewed initiatives to cope with changes, developing learning environment, job design/redesign, improvement in level of participation. Table 1 presents the proposed framework which is the pattern of change in the fourteen HR practices in the high performing Indian banking organizations.

Table 1. Proposed framework (pattern) of change in HR practices in Indian banking

Attract	Retain	Motivate
HR/ HR philosophies' reputation	Performance management	Renewed initiatives to cope with changes
HR planning	Career development opportunities	Developing learning Environment
Recruitment & selection practices	Training & development	Job design/redesign
	Compensation practices	Improvement in level of participation
	HR information systems	
	Other assistance	
	Employee-employer relations	

EMPIRICAL TEST

Objective

How high performing organizations are managing HR practices in the changing times is a very relevant information. The study attempts to examine high performing banks in Southern Rajasthan, India. One of the objectives of this study is to explore the changing pattern (framework) of HR practices being applied, as would emerge after the data analyses, are similar to or different from the proposed framework of change in HR practices in the high performing banks. Also, the objective is to understand how employment of HR practices is changing in high performing public sector and private sector banks, and the difference between them, if any. Secondly, the objective is to assess the difference between perception of employees belonging to the public sector and the private sector banks, regarding the extent of change that HR practices have undergone in the banks.

Methodology

Based on literature review, HR practices that have an established contribution towards "Attracting, Retaining and Motivating" people were identified and thus helped in developing a proposed theoretical framework. The framework was presented to subject matter experts (SMEs) for their comments and suggestions. Two senior banking officials and one professor in the area of banking and finance were approached for consultation. Their suggestions were appropriately incorporated. Finally, HR practices were identified under ARM to finalise the proposed framework. Hence, both literature review and SMEs' suggestions helped in developing the proposed theoretical ARM framework of the changing pattern of HR practices being practised.

For fulfilling the objectives as mentioned above, the data was subjected to an exploratory factor analysis using principal component analysis method which resulted in

three pattern for overall banks, public sector banks, and private sector banks, respectively. KMO and Bartlett test values approved of measure of sampling adequacy and test of sphericity for factor analysis. Oblimin rotation was used and cumulative percentage of variance explained by the factors was also analyzed. Cronbach alpha was also calculated for each factor that resulted from factor analysis. With the sample size of 412 respondents, t-test for independent sample was employed to assess employees' perception regarding the extent of change in the HR practices and the difference between public and private sector banks. Mean scores were also calculated and analyzed for the study.

Sample

High performing banks were identified based on the performance-ranking of the banks reported in Business Standard based on all the factors such as Total Assets, Capital, Net worth, Deposits, Advances, Investments, Net Profit, Total Income, Interest Income, Fee Income, and Net NPA. Based on the ranking, top ten performing banks were filtered. Some of the banks mentioned in the top rankings, such as State Bank of Patiala, Indian Overseas Bank, Bank of Punjab, and Bank of Karnataka had very little chance across South Rajasthan. Thus, presence of high performing banks in south Rajasthan did influence the final selection of the six banks. Public sector banks were State Bank of India (SBI), State Bank of Bikaner & Jaipur (SBBJ), and Bank of Baroda (BOB) and private sector banks were ICICI Bank, HDFC Bank and Bank of Rajasthan (BOR, part of ICICI) The bank offices/branches of each of the banks identified above were randomly identified from the five districts in south Rajasthan.

A questionnaire was developed to gauge employees' perception about the extent to which HR practices have undergone change in the banks. The HR practices proposed in the framework were used to compose items of the questionnaire. As per the objectives the questionnaire of the present research had fourteen items in it. Respondents were asked to report the extent to which the HR practices (in question, as mentioned in the tables) have undergone change in their banks. Responses were captured on a scale: 1- Not at all, 2- to a very little extent, 3- to a small extent 4- to a great extent, 5- to a very great extent.

Across the five districts of South Rajasthan around 53 % of the main branches and offices were covered for the study. In South Rajasthan, not all bank offices had HR department, so main branches having the HR department were purposely considered as part of the sample. Size of the banks/branches in Rajasthan ranged between 13 (in rural area) and 42 employees (in semi-urban area). 433 employees (both HR and non-HR)

participated in the study. Finally, 412 questionnaires in total, 204 (public) and 208 (private) were considered for the analysis. Respondents belonged to different age groups - 20% (20-30 yrs.), 25.7 % (30-40 yrs.), 22.9% (40-50 yrs.) and 34.42% (more than 50 yrs.). Of the total respondents, 86.6% were male and 13.3% were female.

RESULTS

Exploratory factor analysis (EFA) of the data resulted in the frameworks showcasing the changing pattern of HR practices applied in high performing banking organizations. Table 2, 3, and 4 depict ARM pattern of change in HR practices in overall (both public and private sector) banks, public sector banks, and private sector banks, respectively.

In case of overall banks, tests were conducted to measure sampling adequacy and sphericity which resulted in KMO=0.77 and Bartlett=0.00, respectively. Items with factor loadings of more than 0.49 were considered for factor analysis which resulted in three factors. These three factors explained the cumulative variance of 70.1%.

Table 2. ARM framework emerged for overall (public and private sector banks)

For overall banks: Exploratory Factor Analysis (Principal Component Analysis, Oblimin Rotation)	Attract	Retain	Motivate
Renewed Initiatives to Cope With Changes			.920
Developing Learning Environment			.859
Employee-Employer Relations		.446	.807
Job Design/Redesign			.787
Other Assistance			.771
Improvement in Level of Participation		.490	.570
Training & Development		.831	
Career Development Opportunities		.829	
Performance Management		.818	
Compensation Practices		.754	
HR Information Systems	-.475	.689	.577
HR/ HR Philosophies' Reputation	-.858		
Recruitment & Selection Practices	-.855		
HR Planning	-.828		.560

For public sector banks, test to measure of sampling adequacy and test of sphericity came out to be KMO=0.69 and Bartlett=0.00, respectively. Items with factor loadings more

than 0.51 were considered for the factor analysis which resulted in three factors that explained variance of 73.6%.

Table 3. ARM framework emerged for public sector banks

For public sector banks: Exploratory Factor Analysis (Principal Component Analysis, Oblimin Rotation)	Attract	Retain	Motivate
Recruitment & Selection Practices		.870	
Performance Management		.850	
Career Development Opportunities		.772	
Training & Development		.763	
HR/ HR Philosophies' Reputation		.660	
HR Planning		.637	
Improvement in Level of Participation		.625	
HR Information Systems		.506	-.438
Renewed Initiatives to Cope With Changes			-.964
Developing Learning Environment			-.922
Other Assistance			-.883
Employee-Employer Relations			-.751
Job Design/Redesign			-.679
Compensation Practices	.866		

For public sector banks, test to measure of sampling adequacy and test of sphericity came out to be KMO=0.72 & Bartlett=0.00, respectively. Items with factor loadings of more than 0.72 were considered for the analysis which resulted in three factors and explained the cumulative variance of 81.8%.

Table 4. ARM & E framework emerged for private sector banks

For private sector banks: Exploratory Factor Analysis (Principal Component Analysis, Oblimin Rotation)	Attract	Retain	Motivate	Engage
Compensation Practices			.962	
Training & Development			.863	
Career Development Opportunities			.839	
HR Information Systems			.839	
Performance Management			.731	
Employee-Employer Relations		-.442	.576	
HR/ HR Philosophies' Reputation	.860			
HR Planning	.821			
Recruitment & Selection Practices	.780			
Other Assistance				-.941
Improvement in Level of Participation				-.761
Job Design/Redesign		-.855		
Developing Learning Environment		-.783		
Renewed Initiatives to Cope with Changes		-.716		

Results of t-test for independent sampling (see Table 5) depict the difference in the extent of change the HR practices (14) have undergone in public and private banking sectors.

Hypothesis 1: There is no significant difference in the extent of change brought about in the HR practices (14) perceived by employees of the public and private sector banks.

Table 5. Mean values and t-test

Changes in HR Initiatives	Overall Sector (Mean)	Public Sector (Mean)	Private Sector (Mean)	T-test (Difference between Public and Private sector banks)
HR/ HR Philosophies?	3.71	3.40	4.02	.00 **
Reputation				
HR Planning	3.74	3.55	3.92	.00 **
Recruitment & Selection Practices	3.89	3.43	4.34	.00 **
Performance Management	3.57	3.47	3.66	.04 *
Career Development Opportunities	3.32	3.38	3.25	.11
Training & Development	3.66	3.59	3.73	.08
Compensation Practices	3.21	3.11	3.30	.68
HR Information Systems	3.45	3.31	3.58	.02*
Other Assistance	3.46	3.32	3.59	.00 **
Employee-Employer Relations	3.33	3.27	3.39	.98
Renewed Initiatives to Cope with Changes	3.42	3.34	3.49	.08
Job Design/Redesign	3.44	3.32	3.55	.00**
Developing Learning Environment	3.42	3.35	3.49	.73
Improvement in Level of Participation	3.40	3.28	3.52	.03*

* p <0.05, **p <0.01

Both public and private sector banks are significantly different (see Table 5) in the extent of change the HR practices have undergone, except for six practices. In the case of six HR practices, null hypothesis has been accepted. These six HR practices are: career development opportunities, training and development initiatives, compensation practices, employee-employer relations, renewed Initiatives to cope with changes, and developing learning environment.

DISCUSSION AND CONCLUSION

The mean values of the changes in HR practices draw attention to the current HRM practices in the Indian banking sector. While exploring the changes in the HR practices, results also help to uncover the underlying challenges that the high performing banks are facing today. The paper discusses the changing pattern of HR practices in high performing

banks. At the same time, the paper uses the analysis of t-test to draw inferences about the extent of change in the HR practices in the public sector and private sector banks.

Change in the HR practices to attract talent

Change in the HR practices with respect to the factor *attract* in case of the overall banking sector, and private sector is similar which is also supported in the research by Narasimhan (2011). It is important to note a striking change which has been seen in the compensation approach used in public sector banks to attract talent. Compensation to attract talent has emerged in the result as an important concern in the public sector banks. Time and public sector banks' leaders have highlighted that public sector banks have not been taking enough initiatives to attract talent, and that the employees' competitive pay packages need to be addressed (D'Souza, 2002). According to Borate and Banerjee's (2011) compensation policy, pay in particular is compressed in public sector banks relative to the private sector banks. Public sector banks have been unable to match the compensation packages paid by their newer private sector counterparts, and consequently, talent pool of the public sector has been subjected to raiding by the private banks (Anto, 2015).

According to public sector bank chiefs, if public sector banks have not performed as private banks have, like ICICI Bank and HDFC Bank, it is because they cannot pay enough to attract the right talent (Pathak and Bubna, 2006). According to Xavier (2010), the private sector banks are ahead of the public sector banks in terms of supporting and addressing changes in the compensation strategies which are of great importance. This significant and widening compensation difference between private sector and public sector banks has affected public sector banks in terms of erosion of specialist skills (Bandyopadhyay, 2007). However, looking at the mean scores (see Table 5), the high performing public sector banks are trying to attract talent using competitive compensation as one of their tools and thus trying to be at par with the private sector banks. As a result, public sector banks in the country are on a hiring spree to keep pace with their business expansion even as private banks are shrinking jobs (Patanayak and Swain, 2010).

Change in the HR practices to retain talent

The results highlight that there has been a change in the key HR practices in the private sector banks and overall high performing banks. HR practices which help in maintaining stable workforce have changed. Such practices are: career development, HR information systems, performance management, training and development, and compensation practices.

The private sector banks need to provide more and better career opportunities to their employees to retain them, as also supported by Nijhawan and Nijhawan (2014). Change in the employee-employer relationship, particularly in the private sector, is another important area that has undergone change contributing towards retaining employees. However, in case of the overall banking sector and the public sector banks, the practice related to employee-employer relationship appears under *Motivate* factor. This can be attributed to less influential role the union-management relations play in the private sector banks as compared to public sector banks where unions have a strong history of influence (D'Souza, 2002). According to Ghosh (2015), the problem of HR in public sector banks is linked to the presence of trade unions. However, there has been an attitudinal change amongst unions. In public sector banks, HR efforts towards addressing the image and reputation of public sector HR philosophies have changed and are contributing in retaining the talent. Also, changes in practices like HR planning, recruitment and selection practices are undergoing change which contribute in retaining the workforce in the public sector banks. However, compensation is part of *Attract* mode in the public sector banks and thus, differs from private sector and overall banking sector, as discussed above. In the absence of appropriate HR policies, it is difficult for the public sector banks to ultimately retain talent. Hence, this further underlines the need to refocus on the structure and positioning of the HR policies banking systems (Jyothi and Jyothi, 2009); as a result, it is one of the concerns for the public sector banks.

Bhaskaran (2010) advocated the changes in HR policies in the public sector banks. As per the framework that emerged for the public sector banks, level of participation is a part of retention strategy. And banks that promote HRM strategies and business strategies are performing better in the present times as a result of which banks like Panjab National Bank, HDFC Bank and Bank of Rajasthan Ltd. have improved their performance (Sharma and Mehlawat, 2011). Also, information technology (IT) has become a much needed change for the banks' operations (Jha, Gupta, and Yadav, 2008). Banking today is a thriving industry in India which is dependent on the technological innovations. Digital transformations are the biggest focus areas for deploying technology, generating intensive solutions, enhancing customer experience, optimizing cost structure, and managing enterprise risk. These technological innovations draw implications for the HR practitioners to acquire technology orientation in their practices. It further impacts banks to improve their capabilities. Both public and private sector banks realize the importance of IT (see Table 5), however, private sector banks have a slight edge over their other industrial counterparts. This result has found

its support in the work of Chandrasekhar and Sonar (2008). HRIS demonstrates superior performance which seems to work for early adopters of technology such as private sector banks (see Table 5) and foreign banks. Performance can be measured in terms of productivity, returns on equity, and market share, as compared to the late or passive adopters in public sector banks (Saxena and Rishi, 2004).

Change in the HR practices to motivate talent

Deciphering what keeps employees motivated on a long-run can help organizations in retaining talent. Result underlines the changing HR practices which pave way to learning and development as one of the major source of motivation for people. Training and development can help to advance an employee's level of self-awareness, talent and motivation. It contributes to superior altitudes of inspiration and inventiveness of people (Marchington and Wilkinson, 2002). Employees find it rewarding to be in a place where they get opportunities to develop their skills and thus are motivated, as compared to the places where employees just have a guaranteed employment (Hall, 1996). The *motivate* pattern of change is similar in overall banks and in case of public sector banks. Results highlight that the change has struck the public sector banks, private sector banks, and the overall banking sector with respect to the HR practices related to job design or redesign, initiatives of developing learning environment and organization development. Results exhibit (see Table 5) that there is no significant difference between public and private sector banks in terms of the HR practices dealing with developing learning environment at workplace.

Human resource policies in public sector banks are very stringent and rigid (Ghosh, 2015). Public sector banks need to ensure that human resource practices are effectively and fairly exercised to enrich one's job (Bajpai and Srivastava, 2004; Shrivastava and Purang, 2009). This need is also supported by the framework emerged for public sector banks. HR practices such as other assistance, is a part of *motivate* pattern in case of the overall banking sector, and in the public sector banks. Studies have discussed the relation between HR practices related to *Other assistance* and occupational stress, flexible working hours, and work life integration, and its impact on employees' self-reported focus, concentration, and motivation (Raabe, 1996; Williams et al., 2000), and increased motivation and productivity (Parus, 2000).

Results show that employees in the public sector banks feel that the changes in employee-employer relationships are part of the *motivate* dimension of HR practices.

However, in case of private sector banks employee-employer relations are part of *retain* dimension. Gradual change in the attitude of the unions have been observed in the Indian banking sector along with the significant impact of competitive pressures created by liberalization and globalization on the Indian economy. Such pressures have impacted the changing nature of employee relations in the Indian firms (Budhwar, 2003; D'Souza, 2002; Srivastava, 1994).

New factor in private sector- engage talent

Only in case of the private sector banks, a new fourth factor (not as proposed) has emerged as a pattern of change in HR initiatives. This fourth factor was named as *engage*. This factor entails practices related to other assistance and level of participation. Researchers have highlighted the need of assistance provided to employees to manage their work and life. It is essential for the Indian banks to provide a good work climate that fosters work-life balance for their employees (Abraham, 2011) which improves job satisfaction (Ghosh et al., 2010). Employees perceive job security to be more important in the public sector banks as compared to the private sector bank (Bhatt, 2011; Shrivastava and Purang, 2009). Private sector banks follow hire and fire policy as against public sector where employees feel considerably safer and secure (D'Souza, 2002, Jha et al., 2008; Singh and Kohli, 2006; Thakur, 2007). In the context of stressful and demanding jobs, maintaining work-life balance is really critical and plays a very important role in improving employee engagement in India (Namita, 2014). Along with the opportunities to balance work and life, processes which allow employees' participation have also undergone change. Participation in management entail high-involvement work practices that develop the positive beliefs and attitudes associated with employee engagement (Konrad, 2006; Sen, 2012). HR initiatives related to work and working environment conducive to employee participation are important for employees. Thus, in private sector banks, both balancing the work-life and improved participation of people contribute in engaging employees at work.

Performance of private and foreign banks has been stronger than that of public sector banks (Rebello, 2013). Better performance of private sector banks, as compared to public sector banks (Ghosh, 2015) can be related with the seemingly proactive approach towards change (D'Souza, 2002). Also, from the results it can be inferred that in terms of the extent of change in HR practices, private sector banks have an edge over the public sector banks (see Table 5). Hence, highlight the proactive approach of private sector banks to manage change.

The major challenge now for the banks is to develop HR architecture which is a quintessential driver of change in the Indian banking sector. As discussed, the ARM architecture of HRM practices helps to understand the HR focus areas of private and public sector banks to develop their capabilities. Success of Indian banking services relies on the ARM rubric where performance is a function of change in the organization's ability to Attract (A), Retain (R), Motivate (M) and Engage (E, as in case of private sector) people at work. Fostering these variables will enhance better use of the employee potential. HR capacity building initiatives are now increasingly becoming an important parameter to assess institutional quality. As both the sectors have seen to be performing differently, the pattern of performance of the banks can be seen in relation with the changing pattern of HR practices in high performing banks. The results also highlight practical implications for the HR visionaries and HR managers to understand how HR paradigm is changing and to deploy the HR practices in a pattern that actually makes HRD effective in delivering results. Thus, brings to surface key HR practices employed in public or private high performing banking sectors. Cross-sectional studies and variations in the criterion groups may focus on the issues raised in this research. The enquiry approaches could be reoriented to get more insights. Further, study could be extended to the foreign and cooperative banks in India.

The results highlight how HR paradigm is changing (the pattern). Resultant factors such as the pattern of change draws attention to the war that HR leaders in the Indian banking organizations are fighting on talent management front and to the contained challenges to reinvent HRD towards attracting, retaining, motivating, and engaging (in private sector banks) workforce in high performing banking organisations. The changing patterns of HR practices such as ARM and ARME indicate the mechanism deployed by banking organizations to continue being high performing organizations. However, other aspiring banking organizations need to be careful about their own ARM or ARME pattern to meet the challenges of change and to become high performing. Effective deployment of human resources depends on the simultaneous application of a distinctive combination of the HR practices such as ARM or AMRE. While such pattern is put to use, it should complement other functional systems an organization. The solution to the changing HRD paradigm in high performing banking organizations is not in the blind adoption of practices; instead, a careful orchestration of the HR initiatives.

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