Professionalisation of Management: A Case Study of Urban Cooperative Banks of Delhi State

Dr. Abdul Wahid Farooqi
Asstt. Prof. Dept. of Commerce, Zakir Husain Delhi College
(University of Delhi)

ABSTRACT
Professionalization of management in cooperative banks are now a days a burning issue in the way of competing their counter parts. The present study deals with the effectiveness of training and development programmes of these banks. There are 19 Cooperative banks including Urban Cooperative Banks of Delhi State. The main objective of the study is to identify the institutional framework for imparting training and developments programmes to all levels of management in these banks. Since the composition of Board of Directors in these Banks are not as per the requirement of RBI and directives of Registrar of Cooperative Societies. They are even not graduate and belongs to the some political parties. The present study also discloses the problems in the way of professionalization of management in these banks in detail.

KEYWORDS: Professionalisation of Management, Urban Cooperative Banks, Training and Development Programmes.

INTRODUCTION: Genesis and growth of Urban Cooperative Banks of the Delhi State can be traced from the establishment of Delhi Provincial Cooperative Bank in 1921 which later become the Delhi State Cooperative Union Territory of Delhi now the state. It is the banker’s bank and it is the patron of all Urban Cooperative bank of Delhi State Efficiency or Competency of the management can be realized if suitable types of persons at different levels are given right type of training and education. Such professionalization of management means education and training to all members at each level of management in an organization such as General Body, Board of Directors, Chief Executive Officer and its sub committees for the performance of their functions efficiently.

OBJECTIVES OF THE STUDY:
Following are the objective of the present study:

a. To analyse present scenario of professionalization of management in Cooperative banks of Delhi State.

b. To examine the training and educational framework of various institutions involved in imparting training and development of these banks.

c. To measure the effectiveness of training and development programme at all levels of management in Cooperative banks of Delhi State.

RESEARCH METHODOLOGY
The research methodology used for this study comprised of descriptive-cum-analytical research with case study. For this purpose primary and secondary data and information have been collected and the application of economic reasoning, accounting theory, statistical methods and management principles have been made to illuminate the problem.

In order to collect the primary information, structured non-disguised questionnaires were developed for officials of RBI, Training Institutes and individuals Urban Cooperative Banks Separately and through detailed interview as well as discussion on various aspects related to this study. The annual reports of various Cooperative banks, journals and magazines relating to Cooperative sector Government department reports have been analyzed various committee reports like Mclagan Committee, Narasimhan Committee, Khusro Committee, Madhav Das Committee, Marathe Committee etc. were utilized.
INSTITUTIONAL FRAMEWORK IN PROFESSIONALISATION OF MANAGEMENT

The infrastructure for imparting training to all categories of cooperative personnel has been planned and developed as a result of far-reaching recommendations made by various committees and groups. These include the Mclagan Committee on Cooperation (1915), the Royal Commission on Agriculture (1928), the Cooperative Planning Committee (1945), the Central Committee for Cooperative Training (1953), the Study Team on Cooperative Training (1960), and the informal expert group on Cooperative education training & Research (1974).

- Reserve Bank of India
- National Council for Cooperative Training
- National Federation of Urban Cooperative Banks and Credit Society Ltd. (NAFCUB)
- National Bank for Agriculture and Rural Development (NABARD)
- International Cooperative Alliance (ICA), N.Delhi
- Delhi State Cooperative Training Centre
- Bank Themselves
- National Cooperative Union of India (NCUI)
- VAMMCOM, PUNE
- Registrar of Cooperative Societies (RCS)

PROBLEMS IN PROFESSIONALISATION OF MANAGEMENT

Following problems are traced out during the course of the present study relating to professionalization of management in cooperative banks of Delhi State.

- The Urban Cooperative banks do not spare their staff for training as they do not have sufficient staff to manage their normal work in absence of so-called deputed trainees and have no financial stability to pay their salaries during training period.
- It is also found that right type of adequate number of qualified personnel i.e. lecturers, Instructor etc. are not available in the training institute.
- Lack of proper facilities and infrastructure create the academic hindrances for full utilization of these work of these training institutes.
- There is a lack of coordination between training institute at the state level i.e. DSCTC and training institute at national level i.e. NCCT.
- The duration of the training programmes conducted by DSCTC is very short, for instance 13 weeks and 16 weeks.
- The training institutes / centres do not get copies of the circulars or orders well in advance issued by RCS and RBI from time to time regarding training programmes.
- The Cooperative banks do not have a body of knowledge of its own which is a stepping stone toward professionalism. The Urban Cooperative banks of Delhi State are not exception of this.
- The unwarranted and unnecessary interference of the RCS and his role in the prevailing administrative set up is the hindrance in the way of making the management of cooperatives more professionalized.
- In the absence of clear cut demarcation of the roles, functions and powers of Board of Directors, CEOs and paid executive the Urban Cooperative Bank fail to introduce professionalisation of management.
- The service condition, work environment, lack of welfare facilities at various levels of the management, absence of better customer services, computer less functioning etc. are various factors that contribute in poor functioning and performance of these banks.
- There is no prescribed educational qualification for the Board of Directors. They are not even graduates. They are not familiar with the principles and practice of banking business and its legal requirements.
Some of them are from political background, social workers, school and college teachers, agriculture sector etc. not having knowledge of management, business and banking.

1. It has been revealed from the facts that the participation of paid management in various seminars, training programmes, time bound courses and workshop etc. is absolutely nil because of the lack of interest and indifference of these policy makers towards such programmes.

m. The minimum educational qualification prescribed for clerical staff in many urban cooperative banks of Delhi state is generally a secondary school certificate and graduation for the post of officers. The faculty recruitment policy for paid management do not attract the efficient and competent in the bank.

n. It has been found the lack of accountability at each level of management due to their inherent weakness is also affecting adversely the management of these banks.

o. One of the main problem confronting the Urban Cooperative banks is that well qualified and experienced professionals do not enter in these banks because of low pay and perks, lesser freedom and autonomy, too much of external interference in their day-to-day functioning, improper work culture, absence of conductive environment, non adherence to the established rules and regulations, absence of prompt decision making etc.

It is evident from the above discussion that professionalization of management in Urban Cooperative banks has been a neglect aspects which is mainly responsible for poor state of affairs in these banks.

FINDING AND CONCLUSIONS

In the context of promoting professional management, the study finds that there should be a continuous emphasis on training and retraining of bank staff and their exposure to latest trends in banking will be an essential component in promoting operational efficiency in Urban Cooperative banks of Delhi State. The management of such banks have to be trained in proper appraisal of loan application and follow up utilization of loan application and follow up utilization of such loans for the specified objectives. Professional manages will have to think globally and act locally by focusing their attention on competition with institutions in the banking industry. There is a need for recruiting trained and professional staff in the Board of Directors and CEOs.

While interviewing with the staff of the banks it has been found that whenever they find a better career prospects in some other organisation with high rank, they leave the former organisation and join the later. This attitude does not develop the interest for training amongst the staff. It has also been observed during the survey of these banks that most of the supervisory and subordinate level staff of the urban cooperative banks of Delhi state have not been provided the training as per the training module developed by Delhi State Co-operative training Centre, New Delhi.

A thorough analysis of the working of urban cooperative banks of Delhi state shows that there are a number of obstacles in the way of the professionalization of management of banks owned by financially weaker sections and therefore, the elected management is expected to render the service of managing and controlling the affairs of the bank without any remuneration. In the absence of proper education and training and clear demarcation of functions between the Board of Directors and the Chief Executive Officer, the Chairman and Directors sometimes conduct operational parts of management also leading to their involvement in the day-to-day execution of the policies. It leads to confrontation with salaried management and also the involvement of vested interests. Inspite of all efforts made by Delhi State Co-operative Training Centre, New Delhi, at state level and National Council for Co-operative Training at national level, the education and training programmes to various levels of management of these banks could not be fully utilised. These banks do not spare their staff for training as they do not have sufficient staff to manage their normal work. It has also been found that adequate numbers of qualified personnel ie. lecturers and instructors are not available at the training centres. Lack of proper training facilities and infrastructure and the co-ordination between the training institute at state level i.e., Delhi State Co-operative Training Centre, New Delhi, and national level i.e., National Council for Co-operative Training also cause a problem in professionalization of their management. The management information system is not effective in urban co-operative banks of Delhi state and problems arise in respect of
proper and timely reporting and there is no efficient monitoring cell in these banks to look after the reports and data.

In order to overcome or minimise the above stated problems and obstacles it is necessary to provide better, result oriented and improved training facilities. Training institutes should also have adequate physical facilities, training equipments, teaching aids, proper material, relevant literature and above all congruent atmosphere. Trainers must possess adequate knowledge of the subject they teach, ability to deliver, aptitude for teaching and use of techniques appropriate to the subjects and to the trainees.

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