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Human Resource Management Practices and Organizational Commitment in Indian Context

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Organizational commitment has emerged as a key concept in the study of employee work attitudes and behaviour. In order to be effective in the rapidly changing markets, the organizations have increasingly realized the need to be flexible and adaptable, for which their human resource management is desired to be commitment oriented rather than control oriented. The present study examines the linkage between selected HR practices and organizational commitment. Regression analysis reveals that the significant predictors of organizational commitment are performance appraisal, training and development, and selection and staffing. Training and development, selection and staffing, work-life balance and career development have been found to be significant predictors of affective commitment. However, training and development has been found to be the only HR practice that significantly predicts continuance commitment.

Benchmarking Credit Risk Management Operations and Systems at Transaction Level: An Evaluation of Indian Commercial Banks

Anju Arora

The credit risk arises in commercial banks from the inherent nature of the banking business, and has diffusibility and hidden features, if not timely controlled, will have a negative impact on the national economy. Therefore, it is necessary to design and implement Credit Risk Management (CRM) operations and systems at transaction level, the first line of defense, to put in place a strong CRM framework. Further, risk management practices and bank supervision have both evolved over their long histories; also innovations in information technology have increased the importance of credit risk rating framework significantly over the past two decades. This paper proposes an inventory of benchmark practices regarding CRM operations and systems at transaction level. The paper also presents an illustration of CRM practices followed by the commercial banks in India with regard to CRM operations and systems. Further, the paper makes an assessment of the extent to which Indian commercial banks were following benchmark practices and identifies the focus areas of improvement in near future.

**Determinants of Customers' Satisfaction in
ATM Service Setting: Empirical Evidences from India**

Vijay M Kumbhar

The aim of this paper is to provide a preliminary investigation of the factors affecting the customer satisfaction in ATM service. For this investigation primary data was collected from 150 respondents through a structured questionnaire from public and private sector banks. Collected data was analyzed using reliability test, factor analysis and regression analysis. In factor analysis we used principal component analysis with varimax rotation indicates that System Availability, E-Fulfilment, Cost Effectiveness, Security and Responsiveness, Efficiency, Easiness and Convenience and Contact are most important service quality dimensions of ATM service. Regression analyses were used to identify predicting ability of the service quality, brand perception and perceived value in customers' satisfaction in ATM service setting. Regression results indicate that service quality is most important factor, brand perception is second and perceived value is third predictors of customer satisfaction in ATM service. This study provides useful direction for bank managers and policy makers to enhance customers' satisfaction in ATM service to concentrate their efforts.

Brief Articles, Notes and Comments

**India-European Free Trade Agreement:
Comparison of the Banking Regulations at Macro Level**

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India and European Union (EU) are negotiating a Free Trade Agreement (FTA) which will not only cover trade in goods but also investments in banking services. EU is seeking greater market access and national treatment of European banks through cross-border supply and direct investments. While the foreign banks are free to undertake any banking activity in India, Indian banks operating in EU countries will have to follow the countries regulatory norms unless they are especially relaxed under FTA norms or by negotiations. The objective of the study is to explore the differences in the regulations and infer its consequences. The paper discusses the critical differences in the regulatory norms in the banking sector in India and EU member states. The research fundamentally is descriptive in nature and based on the secondary data. The study contributes to the scarce literature available in this area.

Book Review

Dare to Lead – The Transformation of Bank of Baroda

Anil Khandelwal

New Delhi, SAGE Response, 2011, xxviii+403 pp, Rs.795.00

Reviewed by Dr Deepa Mazumdar, *Professor*, National Institute of Bank Management, Pune.

Telegraphic Reviews