

## **The Study of Effect of Work Culture on Productivity of District Central Cooperative Banks**

**Manvinder Kaur,**

Research Scholar,  
IKG Punjab technical University,  
Jalandhar, India.

**Dr. Rohan Sharma,**

Assistant Professor,  
IH Group of Institutions,  
Jalandhar, India.

### **ABSTRACT**

*Management has to get the work done through people. It has to manage people. Core content of the management is to manage the man, to get the desired results from him. This is a very difficult job because different people have different emotions, feelings, aspirations, etc. Similarly, the same person may have different emotions at different times. So, management is a very complex job. Probably the most important task a manager will face when dealing with the people under his direction is that of bringing out the best in them. Unlocking people potential is often seen as the key to any business's success. When an employee's talents are not channelized correctly, their behavior can seriously compromise the success of an organization.*

*However, productivity, especially in the short term is decisively affected by the employee's attitude towards work, which in turn is clearly determined by the manner in which their work places are organized and run by management. Here-in lies the importance of work culture of the organizations, i.e. work related activities in the framework of norms and values regarding work, the effect of work culture on productivity of District Central Cooperative Banks in Punjab has been evaluated.*

**Keywords:** District central cooperative Banks, Work culture, Productivity.

### **INTRODUCTION:**

“Before the Industrial Revolution, production was carried on without machinery. It was at the cottage level and on a small scale. Goods were produced by handicraftsmen as per order and usually for local and limited market. Foreign trade was only in luxury articles. Under such circumstances, all business activities were generally carried on by sole trading and partnership organizations as needs of capital, ability and skill were limited and all these could be fully satisfied by such simple organizations.

The Industrial and Transport Revolutions brought about radical changes in the system of production and commerce. With the advent of factory system, large-scale organizations and mass-scale production came into being. With the change in the scale of production from small-scale to large-scale and with the widening of the market from local to national and world boundaries, sole trader and firms as forms of organization naturally outlived their utility. In the second-half of the 19th century a new organization in the form of Joint Stock Company was introduced in many countries” (Sherlekar & Sherlekar, 1990).

Introduction of “Mass Production” model created necessity of engaging labour to handle it. It separated managerial function from ownership of enterprises. As a result, concept of management came into existence. Instead of self-managed business houses professionals entered into management roles. “Management is the art of getting things done through and with people in formally organised groups.” (Harold Koontz)

## **LITERATURE REVIEW:**

Pathania & Singh (1992), conducted “A Study of Performance of H.P State Co-operative bank” and evaluated the share capital, deposits, advances and working capital position of the bank. They concluded that, the performance of H.P State Co-operative Bank had improved during the period of their study, but on the other hand recovery was poor and NPA have increased very sharply. Unprofessional approach of manpower and lack of training were another areas of concern identified by researchers.

Kaur (2000), in her study “Rural Credit in Punjab- Existing Gaps” found that 64% of rural households depended on both formal and informal sources of credit in districts- Patiala and Kapurthla. Co-operative Banks as a formal source covered 62% of total households and balance was covered by commercial banks. Informal system of rural lending was dominating specially in area of consumption loans.

Singh (2006), in his thesis entitled “Performance Evaluation of Co-operative Banks in Punjab” found that Co-operative banks were still sticking to their traditional banking operations of taking deposits and providing loans. Of late they were diversifying their business in high yield NFs loans area. Non fund Income was very poor. Assets utilization had improved and there was a position shift during the period of study.

Nanda (2007), in her key note address in a national conference, stressed the role of Co-operative Credit system for success of financial inclusion in rural India. He had a better opinion about long term Co-operative credit system in many states of India. The financial support, legal reforms, computerization and development of human resources were some areas, identified by him, to improve performance of Co-operative Banking system.

Singh and Kaur (2007), in their research paper “Retail Lending: A Case Study of Co-operative Banks in Punjab” examined the state of retail loan schemes in Co-operative banks of Punjab. They found that revolving cash credit limit to farmers had the highest share in total retail advances of these banks. Housing Loan, Personal Loan and Consumer durable loans were recording a high growth rate in these banks.

Findings of above study clearly shows, researchers had tried to study various performance contours of Co-operative banking system in different parts of the country. But none of them had taken pains to study working culture of these banks.

To fill that gap, we have planned this research “The Study Of Effect Of Work Culture On Productivity Of District Central Cooperative Banks”.

## **OBJECTIVE:**

When an employee's talents are not channelized correctly, their behaviour can seriously compromise the success of an organization. The main objective of this research was to study the effect of work culture on productivity of District Central Cooperative Banks in Punjab .

## **RESEARCH METHODOLOGY:**

The sample of the study was based on multi-stage purposive-cum-random sampling technique. Punjab is divided into 3 socio-cultural regions i.e. Malwa, Majha and Doaba region. There were 20 District Centre Co-operative Banks in Punjab at the time of planning of the study. These banks had a network of 802 branches throughout the state. More than 4200 employees were working in these organisations. As much as 25 employees from each District Centre Co-operative Bank were taken for interview as per the need of the objectives of the study. In this way, total number of selected employees was 500. From 13 DCCBs in Malwa region, 325 bank employees were taken, from 3 DCCBs in Majha region, 75 bank employees were taken and from 4 DCCBs in Doaba region, 100 employees were taken.

Primary data were collected on a well structured pre-tested questionnaire from selected employees of these banks through personal interview method.

## **RESULTS AND DISCUSSIONS:**

### **Effect of Different Factors of Work Culture on Productivity of DCCBs:**

The effect of different factors of work culture on productivity of DCCBs was evaluated by asking the bank officials about the effect in terms of ‘positive’, ‘no effect/neutral’, ‘can’t say’ and ‘negative’. These attributes were assigned score in the respective order of, 4, 3, 2 and 1. The weighted average scores of effect were calculated to in order to have an overall view of the effect of work culture on productivity of DCCBs. The results so obtained have been presented in Table1.

**Table 1: Effect of different factors of work culture on productivity of DCCBs in Punjab**

Factor	Malwa		Majha		Doaba		F-ratio
	Av. Score	Overall	Av. Score	Overall	Av. Score	Overall	
Result-oriented leadership	3.71	Positive	3.64	Positive	3.84	Positive	0.87
Efficiency and human development	3.71	Positive	3.87	Positive	3.67	Positive	1.14
Good work environment	2.74	Can't say	2.67	Can't say	2.82	Can't say	1.01
Innovative and competitive	3.58	Positive	3.81	Positive	3.78	Positive	1.27
Rule of the law	3.87	Positive	3.71	Positive	3.67	Positive	1.43
Overall Work Culture	3.61	Positive	3.74	Positive	3.56	Positive	1.09

There came to be 5 factors of work culture through factor analysis. It is clear from Table1 that the effect of result-oriented leadership was positive on productivity in the three regions as the average scores of effect worked at 3.71, 3.64 and 3.84 in Malwa, Majha and Doaba region respectively, which were found to be nearer to 4 i.e. positive. Similarly, the effect of efficiency & human development, innovative & competitive and rule of the law was positive on productivity of DCCBs in all the three regions. However, the bank officials could say nothing about the effect of good work environment on productivity of DCCBs. The effect of overall work culture on productivity of DCCBs was also found to be positive in all the 3 regions.

#### **Productivity Index of DCCBs:**

The bank officials were asked to register their opinion about the productivity of DCCBs in terms of 'excellent', 'very good', 'good', 'poor' and 'very poor'. These attributes were assigned score in the respective order of 5, 4, 3, 2 and 1. Then weighted average scores were worked out to see the overall index of productivity of DCCBs. The results have been presented in Table2

**Table 2: Productivity index of DCCBs as reported by the bank officials**

Attribute	Malwa		Majha		Doaba	
	No.	%age	No.	%age	No.	%age
Excellent	34	10.46	7	9.33	9	9.00
Very Good	77	23.69	20	26.67	22	22.00
Good	169	52.00	37	49.33	53	53.00
Poor	23	7.08	9	12.00	10	10.00
Very Poor	22	6.77	2	2.67	6	6.00
Mean	3.24		3.28		3.18	
SD	1.04		0.98		1.13	
F-ratio			1.24			

A perusal of Table 2 indicated the highest proportion i.e. 52.00, 49.33 and 53.00 percent of bank officials was of the opinion that productivity of DCCBs was good in Malwa, Majha and Doaba region respectively. This was followed by very good productivity as reported by 23.69 percent in Malwa region, 26.67 percent in Majha region and 22.00 percent in Doaba region. As much as 10.46, 9.33 and 9.00 percent of bank officials in Malwa, Majha and Doaba region respectively opined that the productivity of DCCBs was excellent. However, 13.85 percent in Malwa region, 14.67 percent in Majha region and 16.00 percent in Doaba region reported that productivity of DCCBs was either poor or very poor.

The average score of productivity came to be 3.24, 3.28 and 3.18 in Malwa, Majha and Doaba region respectively, which indicated that the productivity of DCCBs was good in all the three regions. Hence the variation in productivity of DCCBs across 3 regions was non-significant as indicated by the F-ratio of 1.24.

#### **Table 3 Relationship of Work Culture Index with Productivity**

The work culture index for each selected DCCB was worked out by averaging out the scores assigned by bank officials to all the statements related to work culture and computing percentage out of a maximum score of 5. Productivity index for each DCCB was calculated by averaging out the score assigned by the bank officials to

the performance of productivity in each selected DCCB as shown in Table 3. The relationship between work culture and productivity was worked at by calculating the coefficient of correlation (r-value) between the both. The results are shown in Table 4.4.3.

**Table 3: Relationship between work culture index and productivity of bank**

Work Culture Index	No. of Banks	Productivity Index
25% to 50%	5	2.34
50% to 75%	9	3.41
>75%	6	4.17
r-value	20	0.759**

The Table 3 clearly showed that there were 5 DCCBs whose work culture index was 25 percent to 50 percent, productivity index was 2.34 i.e. poor, while in 9 DCCBs with work culture index 50 percent to 75 percent came up with productivity index of 3.41 i.e. good. Similarly 6 DCCBs with work culture index above 75 percent witnessed a productivity index of 4.17 i.e. excellent. This showed that the productivity index increased with the increase in work culture index. The coefficient of correlation (0.759) also supported this finding. This revealed that work culture and productivity are positively correlated with each other in DCCBs.

## CONCLUSION:

The effect of overall work culture on productivity of DCCBs was also found to be positive in all the 3 regions. The productivity of DCCBs was good in all the three regions. The productivity index increased with the increase in work culture index. The coefficient of correlation (0.759) also supported this finding. This revealed that work culture and productivity are positively correlated with each other in DCCBs.

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