Role of Human Resource Credit Risk Identification Process of Selected Public And Private Sectors Banks

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Abstract

This study made an attempt to appraise the role of human resource in the credit risk identification process of selected public and private sector banks in the area of Haryana and Delhi (including NCR). The primary data were collected with the help of a pre-tested structured questionnaire on five-point Likert scale and analyzed with the help of various statistical techniques such as frequency, percentage, mean and standard deviation. To validate the results, t-statistic and ANOVA techniques have been used. The bank-wise ANOVA results in case of public sector banks show that there is a significant difference among the bankers' viewpoint with regard to adequacy of training support and user documentation for the system, flexibility/discretionary powers to the branch level in the implementation of credit risk management policies and formalized credit appraisal process for clearly spelling out roles and responsibilities of staff; whereas there is no significant difference among the bankers' viewpoint with regard to the adequacy of staff with required knowledge and skills to deal with the technical complexities of credit risk management and delegation of authority to approve credit within the policy limit to individual credit officers. On the other hand, there is also a significant difference among the viewpoint of respondents towards the adequacy of training support and user documentation for the system, delegation of authority to approve credit within the policy limit to individual credit officers and approval of credit extensions; whereas there is no significant difference among the viewpoint of respondents of private sector banks towards the adequacy of staff with required knowledge and skills to deal with the technical complexities of credit risk management, regular reporting system, flexibility/discretionary powers to the branch level in the implementation of credit risk management policies and formalized credit appraisal process for clearly spelling out roles and responsibilities of staff. The results of t-test shows that there is a significant difference

among the viewpoint of respondents of public and private sector banks towards the adequacy of staff with required knowledge and skills to deal with the technical complexities of credit risk management; whereas there is no significant difference among the viewpoint of respondents of public and private sector banks towards adequacy of training support and user documentation for the system, delegation of authority to approve credit within the policy limit to individual credit officers, approval of credit extensions, regular reporting system, flexibility/discretionary powers to the branch level in the implementation of credit risk management policies and formalized credit appraisal process for clearly spelling out the roles and responsibilities of staff.

Key words: Adequacy of Staff, Training Support, User Documentation, Credit Appraisal.

In the post liberalization era, sea changes have been witnessed in the Indian banking sector. Expanding business arena, deregulation and globalization of financial activities emergence of new financial products and increased level of competition has necessitated a need for an effective and structured risk management in financial institutions. The risk management framework and sophistication of the process, and internal controls used to manage risks depends on the nature, size and complexity of institutions activities. In a bank's portfolio, losses stem from outright default due to inability or unwillingness of a customer or counterparty to meet commitments in relation to lending, trading, settlement and other financial transactions. The intensity of the need of risk management can be well understood by the depth and severity of the crisis which were amplified by weaknesses in the banking sector such as excessive leverage, inadequate and low-quality capital, and insufficient liquidity buffers. Risk management in banking sector seeks to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy. There is a need for comprehensive set of reforms measures to strengthen the regulation, supervision and risk management, and governance of the Indian banking sector, which in turn will improve the banking sector's ability to absorb shocks arising from financial and economic stress. In this backdrop, it is imperative that banks must have a robust credit risk identification practices which is sensitive and responsive to these factors. The effective credit risk identification practices is a critical component of comprehensive of credit risk management and is essential for the long term success of banking organisation.

REVIEW OF LITERATURE

Various articles on different aspects of credit risk management appeared in different journals and/or magazines, but they are restrictive in nature. Singh (2013) concluded that credit risk management policy of the bank dictates the credit risk strategy. These policies spell out the target

markets, risk acceptance/avoidance levels, risk tolerance limits, prefer levels of diversification and concentration, credit risk measurement, monitoring and controlling mechanisms. The ever-improving risk management practices in the bank will result in bank emerging stronger, which in turn would confer competitive advantage in the market. Nabil (2012) intended to propose a new dynamic mechanism to the risk management industry for calculating probabilities of default (PD) and calculated the realized probability of defaults and Bayesian estimates in the initial phase and then using these estimates as inputs for the core model, it generated implied Probability of Default (PD) through actuarial estimation tools and different probability distributions. This mechanism was specialized to work best for Low Default Portfolios (LDPs). Abadi et al (2011) concluded that banks need to manage the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions. Banks should also consider the relationships between credit risk and other risks. This research also studied the relationship between credit risk indices and borrower's timely payback in the bank. Financial indexes that are used to study the barrower's situation are different in credit time and one can divide them in two sets i.e. short-run and long-run. Fabio (2011) found that risk premium on government debt will likely be higher and more volatile than in the past. In some countries, sovereign debt has already lost its risk-free status; it may do so in the future in others. It did not assess actual sovereign risk and its impact on bank stability in individual countries at the present juncture. Srinvas et al (2011) focused on the design and development of the credit rating model for public sector banks in India. The need to enhance the existing model and to realize the impact of BASEL II Norms was the reason for the development of the models. It was concluded that the weighted average model can be used for predicting the credit worthiness of the clients because it has higher predictive power. Salvador (2010) discussed a methodology, the steps needed to design the model and the assessment and validation process that can be applied in the business area, in particular, to establish an interest rate policy with customers. How the model can be used to develop credit risk management under the Basel II IRB approaches was also explained.

The foregoing review reveals that most of these studies were conducted in the context of foreign banks, based on small sample with a limited number of variables and analyzed different forms of relationships without comparing their relative performance. The present study is an improvement over earlier studies. Firstly, it includes large number of banks for the purpose of investigation. Secondly, a comparison between leading public sector banks in India with good standing in the market and undertaking considerable business in the market is made.

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Research Metodology

Scope of Study

The present study covers some of the credit risk identification practices of selected public and private sector banks namely State Bank of India, Syndicate Bank, Punjab National Bank, Union Bank of India, Bank of Baroda, Andhra Bank, Oriental Bank of Commerce, IDBI, ICICI Bank, Axis Bank Limited and HDFC in the area of Haryana and Delhi (including NCR).

Objectives of Study

The main objective of the study is to analyze the role of human resource in the credit risk identification process of selected public and private sector banks in India. In this broader framework, the following are the specific objectives of the study:

1. To analyze the adequacy of staff with required knowledge and skills to deal with the technical complexities of credit risk management.
2. To appraise adequacy of training support and user documentation for the system.
3. To examine the delegation of authority to approve credit within the policy limit to individual credit officers.
4. To analyze the formalized credit appraisal process for clearly spelling out the roles and responsibilities of staff.

Research Hypotheses

To validate the results of the study, the following hypotheses have been formulated and tested:

H_{01} There is no significant difference among the banker's viewpoint regarding the adequacy of staff with required knowledge and skills to deal with the technical complexities of credit risk management in selected banks.

H_{02} There is no significant difference among the banker's viewpoint regarding the adequacy of training support and user documentation for the system in selected banks.

H_{03} There is no significant difference among the banker's viewpoint in the capability of an internal control system in dealing swiftly with credit risk arising from changes in the environment in selected banks.

H_{04} There is no significant difference among the banker's viewpoint regarding formalized credit appraisal process for clearly spelling out roles and responsibilities of staff in selected banks.

Sample Profile

The population for the present study is the Indian banking sector, which is divided into two categories i.e. public and private banks. Further, State Bank of India (SBI), Syndicate Bank (SYNDI), Punjab National Bank (PNB), Union Bank of India (UNION), Bank of Baroda (BARODA), Andhra Bank (ANDHRA), Oriental Bank of Commerce (OBC) and IDBI were selected from the public sector banks, and ICICI Bank, Axis Bank Limited and HDFC were selected from the private sector banks. A sample of 50 respondents was selected from each bank on the basis of judgement sampling.

Data Collection and Data Analysis

The present study is of descriptive nature and therefore used both primary data as well as secondary data. The primary data were collected through pre-tested structured questionnaire on five point Likert scale i.e. strongly disagree (SD), disagree (D), neutral (N), agree (A), and strongly agree (SA) from the officials working at managerial level in credit risk management department in the selected banks. Though 550 questionnaires were distributed, but 502 questionnaires i.e. SBI (45), IDBI (42), OBC (47), ANDRA (45), PNB (42), UNION (47), BARODA (44), SYNDI (48), HDFC (48), AXIS (47) and ICICI (47) were found complete and considered for further analysis. Secondary data were collected from various Journals, Annual Reports and Performance Highlights of the selected banks, RBI publications, IBA Bulletins, etc.

The collected data is analysed with the help of various statistical techniques such as frequency, percentage, mean and standard deviation. To validate the results, t-statistic and ANOVA techniques have been used.

Results And Discussions

The analysis of responses obtained from the bankers regarding the role of human resource in the credit risk identification process of the selected public and private sector banks is as follows:

1. Adequacy of Staff with Required Knowledge and Skills to Deal with the Technical Complexities of Credit Risk Management

The analysis of bankers' viewpoint with regard to adequacy of staff with the required knowledge and skills to deal with the technical complexities of credit risk management is given in Table 1, which shows that most of the respondents in all the banks either agree or strongly agree with the existence of adequacy of staff with the required knowledge and skills to deal with the technical complexities of credit risk management. Comparatively, ANDRA is put at the 1st place (Mean = 4.09, SD = 0.82) in public sector banks, followed by SYNDI (Mean = 4.02, SD = 0.76), PNB (Mean = 4.00, SD = 0.73), IDBI (Mean = 3.98, SD = 0.90), BARODA (Mean = 3.89, SD = 0.75), UNION (Mean = 3.89, SD = 1.02), SBI (Mean = 3.80, SD = 0.84) and OBC (Mean = 3.74, SD = 1.09). On the other hand, AXIS is assigned the 1st rank (Mean = 4.32, SD = 0.63) followed by ICICI (Mean = 4.11, SD = 0.76) and HDFC (Mean = 4.04, SD = 0.77) in private sector banks. The sector-wise analysis of bankers' viewpoint exhibits that most of them either agree or strongly agree in both the categories of banks with the exception of 24.7 percent and 17.6 percent who fall under neutral category in public and private sector banks, respectively. Comparatively, private sector is assigned the 1st rank (Mean = 4.15 and SD = 0.73) followed by public sector (Mean = 3.93 and SD = 0.88) in terms of adequacy of staff with the required knowledge and skills to deal with the technical complexities of credit risk management.

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Bank-wise ANOVA results show that there is no significant difference among the bankers' viewpoint with regard to adequacy of staff with the required knowledge and skills to deal with the technical complexities of credit risk management in public and private sector banks as p-value is more than 0.05, therefore the null hypothesis (H_{01}) is accepted. Analytically, the results of t-test show the bankers' viewpoint towards adequacy of staff with the required knowledge and skills to deal with the technical complexities of credit risk management among selected public and private banks, which is found significantly different, therefore the null hypothesis (H_{01}) is rejected at 0.05 level of significance (Sig. = 0.006, df = 1) and alternative hypothesis (H_{a1}) is accepted.

2. Adequacy of Training Support and User Documentation for the System

The analysis of bankers' viewpoint with regard to existence of adequacy of training support and user documentation for the system is given in Table 2, which shows that most of the respondents in all the banks either agree or strongly agree with the existence of adequacy of training support and user documentation for the system. Comparatively, SYNDI is put at the 1st place (Mean = 4.17, SD = 0.60) in public sector banks, followed by ANDRA (Mean = 4.13, SD = 0.63), IDBI (Mean = 4.05, SD = 1.06), PNB (Mean = 4.02, SD = 0.75), UNION (Mean = 3.79, SD = 1.32), SBI (Mean = 3.76, SD = 0.77), BARODA (Mean = 3.75, SD = 0.78) and OBC (Mean = 3.62, SD = 0.03). On the other hand, AXIS is put at the 1st place (Mean = 4.30, SD = 0.66) followed by ICICI (Mean = 3.94, SD = 0.92) and HDFC (Mean = 3.65, SD = 0.76) in private sector banks.

The sector-wise analysis of bankers' viewpoint exhibits that most of them either agree or strongly agree in both the categories of banks with the exception of 29.6 percent and 25.6 percent who fall under neutral category in private and public sector banks, respectively. Comparatively, private sector is assigned the 1st rank (Mean = 3.96 and SD = 0.82) followed by public sector (Mean = 3.91 and SD = 0.91) in terms of adequacy of training support and user documentation for the system.

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Bank-wise ANOVA results show that there is a significant difference among the bankers' viewpoint with regard to adequacy of training support and user documentation for the system in public and private sector banks as p-value is less than 0.05, therefore the null hypothesis (H_{02}) is rejected and alternative hypothesis (H_{a2}) is accepted. Analytically, the results of t-test show the bankers' viewpoint towards the adequacy of training support and user documentation for the system among selected public and private banks, which is not found significantly different, therefore the null hypothesis (H_{02}) is accepted at 0.05 level of significance (Sig. = 0.574, df = 1).

3. Delegation of Authority to Approve Credit within the Policy Limit to Individual Credit Officers

The analysis of bankers' viewpoint with regard to the delegation of the authority by the board to approve credit within the policy limit to the individual credit officers based on their credit expertise, experience and independence of judgment is given in Table 3, which shows that most of the respondents in all the banks either agree or strongly agree with regard to the delegation of the authority by the board to approve credit within the policy limit to the individual credit officers. Comparatively, SBI is put at the 1st place (Mean = 4.16, SD = 0.56) in public sector banks, followed by UNION (Mean = 4.11, SD = 0.96), OBC (Mean = 4.09, SD = 0.62), ANDRA (Mean = 3.96, SD = 0.78), SYNDI (Mean = 3.96, SD = 0.94), BARODA (Mean = 3.95, SD = 0.83), IDBI (Mean = 3.88, SD = 0.74) and PNB (Mean = 3.81, SD = 0.71). On the other hand, AXIS is put at the 1st place (Mean = 4.26, SD = 0.71) followed by HDFC (Mean = 3.97, SD = 0.70) and ICICI (Mean = 3.87, SD = 0.74) in private sector banks.

The sector-wise analysis of bankers' viewpoint exhibits that most of them either agree or strongly agree in both the categories of banks with the exception of 22.5 percent and 17.8 percent who fall under neutral category in private and public sector banks, respectively. Comparatively, private sector is assigned the 1st rank (Mean = 4.04 and SD = 0.73) followed by public sector (Mean = 3.99 and SD = 0.78) in terms of delegation of the authority by the board to approve credit within the policy limit to the individual credit officers.

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Bank-wise ANOVA results show that there is no significant difference among the bankers' viewpoint with regard to the delegation of the authority by the board to approve credit within the policy limit to the individual credit officers in public sector banks as p-value is more than 0.05, therefore the null hypothesis (H_{03}) is accepted. On the contrary, it is found that there is a significant difference among the viewpoint of respondents of private sector banks as p-value is less than 0.05. Therefore, the null hypothesis (H_{03}) is rejected and alternative hypothesis (H_{a3}) is accepted. Analytically, the results of t-test show the bankers' viewpoint towards the delegation of the authority by the board to approve credit within the policy limit to the individual credit officers among selected public and private banks, which is not found significantly different, therefore the null hypothesis (H_{03}) is accepted at 0.05 level of significance (Sig. = 0.543, df = 1).

4. Formalized Credit Appraisal Process for Clearly Spelling out Roles and Responsibilities of Staff

The analysis of bankers' viewpoint with regard to existence of formalized credit appraisal process for clearly spelling out roles and responsibilities of staff is given in Table 4, which shows that most of the respondents in all the banks either agree or strongly agree with the existence of formalized credit appraisal process for clearly spelling out roles and responsibilities of staff. Comparatively, ANDRA is put at the 1st place (Mean = 4.49, SD = 0.72) in public sector banks, followed by OBC (Mean = 4.32, SD = 0.56), UNION (Mean = 4.32, SD = 0.66), BARODA (Mean = 4.16, SD = 0.71), PNB (Mean = 4.14, SD = 0.78), IDBI (Mean = 3.95, SD = 0.85), SBI (Mean = 3.93, SD = 0.75) and SYNDI (Mean = 3.65, SD = 0.76). On the other hand, HDFC is put at the 1st place (Mean = 4.23, SD = 0.78) followed by ICICI (Mean = 4.06, SD = 0.89) and AXIS (Mean = 3.94, SD = 0.84) in private sector banks.

The sector-wise analysis of bankers' viewpoint exhibits that most of them either agree or strongly agree in both the categories of banks with the exception of 27.5 percent and 18.9 percent who fall under neutral category in private and public sector banks, respectively. Comparatively, public sector is assigned the 1st rank (Mean = 4.12 and SD = 0.76) followed by private sector

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(Mean = 4.08 and SD = 0.84) in terms of formalized credit appraisal process for clearly spelling out roles and responsibilities of staff.

Bank-wise ANOVA results show that there is a significant difference among the bankers' viewpoint with regard to formalized credit appraisal process for clearly spelling out roles and responsibilities of staff in public sector banks as p-value is less than 0.05, therefore the null hypothesis (H_{04}) is rejected and alternative hypothesis (H_{a4}) is accepted. On the contrary, it is found that there is no significant difference among the viewpoint of respondents of private sector banks as p-value is more than 0.05. Therefore, the null hypothesis (H_{04}) is accepted. Analytically, the results of t-test show the bankers' viewpoint towards the formalized credit appraisal process for clearly spelling out roles and responsibilities of staff among selected public and private banks, which is not found significantly different, therefore the null hypothesis (H_{04}) is accepted at 0.05 level of significance (Sig. = 0.591, df = 1).

Conclusions

To sum up, bank-wise ANOVA results of various public sector banks show that there is a significant difference among the bankers' viewpoint with regard to adequacy of training support and user documentation for the system and formalized credit appraisal process for clearly spelling out the roles and responsibilities of staff; whereas there is no significant difference among the bankers' viewpoint with regard to the adequacy of staff with required knowledge and skills to deal with the technical complexities of credit risk management and delegation of authority to approve credit within the policy limit to individual credit officers. On the other hand, there is also a significant difference among the viewpoint of respondents of private sector banks towards the adequacy of training support and user documentation for the system and delegation of authority to approve credit within the policy limit to individual credit officers; whereas there

is no significant difference among the viewpoint of respondents of private sector banks towards the adequacy of staff with required knowledge and skills to deal with the technical complexities of credit risk management and formalized credit appraisal process for clearly spelling out roles and responsibilities of staff. However, the results of t-test shows that there is a significant difference among the viewpoint of respondents of public and private sector banks towards the adequacy of staff with required knowledge and skills to deal with the technical complexities of credit risk management; whereas there is no significant difference among the viewpoint of respondents of public and private sector banks towards adequacy of training support and user documentation for the system, delegation of authority to approve credit within the policy limit to individual credit officers and formalized credit appraisal process for clearly spelling out roles and responsibilities of staff.

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Table - 1: Adequacy of Staff with Required Knowledge and Skills to Deal with the Technical Complexities of Credit Risk Management

SECTOR	BANK	N/%	SD	D	N	A	SA	Total	Mean	Ranks	S.D	ANOVA (Sig.)	t-test (Sig.)
PUBLIC SECTOR BANKS	SBI	N	0	3	12	21	9	45	3.80	7	0.84	0.583 (df = 07, 352)	0.006 (df = 1)
		%	0.0	6.7	26.7	46.7	20.0	100.0					
	IDBI	N	1	0	11	17	13	42	3.98	4	0.90		
		%	2.4	0.0	26.2	40.5	31.0	100.0					
	OBC	N	2	3	14	14	14	47	3.74	8	1.09		
		%	4.3	6.4	29.8	29.8	29.8	100.0					
	ANDRA	N	0	1	10	18	16	45	4.09	1	0.82		
		%	0.0	2.2	22.2	40.0	35.6	100.0					
	PNB	N	0	0	11	20	11	42	4.00	3	0.73		
		%	0.0	0.0	26.2	47.6	26.2	100.0					
	UNION	N	1	5	6	21	14	47	3.89	6	1.02		
		%	2.1	10.6	12.8	44.7	29.8	100.0					
	BARODA	N	0	0	15	19	10	44	3.89	5	0.75		
		%	0.0	0.0	34.1	43.2	22.7	100.0					
	SYNDI	N	0	1	10	24	13	48	4.02	2	0.76		
		%	0.0	2.1	20.8	50.0	27.1	100.0					
	TOTAL	**N**	**4**	**13**	**89**	**154**	**100**	**360**	**3.93**		**0.88**		
		%	**1.1**	**3.6**	**24.7**	**42.8**	**27.8**	**100.0**					
PRIVATE SECTOR	HDFC	N	0	0	13	20	15	48	4.04	3	0.77	0.152 (df = 02,	
		%	0.0	0.0	27.1	41.7	31.3	100.0					

BANKS	AXIS	N	0	0	4	24	19	47	4.32	1	0.63	139)	
		%	0.0	0.0	8.5	51.1	40.4	100.0					
	ICICI	N	0	1	8	23	15	47	4.11	2	0.76		
		%	0.0	2.1	17.0	48.9	31.9	100.0					
	TOTAL	**N**	**0**	**1**	**25**	**67**	**49**	**142**	**4.15**		**0.73**		
		%	**0.0**	**0.7**	**17.6**	**47.2**	**34.5**	**100.0**					

N= Number of Respondents, % = Percent, SD = Standard Deviation
Source: Survey (Processed and analyzed through IBM SPSS 19.0 version)

Table - 2: Adequacy of Training Support and User Documentation for the System

SECTOR	BANK	N/%	SD	D	N	A	SA	Total	Mean	Ranks	S.D	ANOVA (Sig.)	t-test (Sig.)
PUBLIC SECTOR BANKS	SBI	N	0	0	20	16	9	45	3.76	6	0.77	0.020 (df = 07, 352)	0.574 (df = 1)
		%	0.0	0.0	44.4	35.6	20.0	100.0					
	IDBI	N	1	2	10	10	19	42	4.05	3	1.06		
		%	2.4	4.8	23.8	23.8	45.2	100.0					
	OBC	N	0	8	13	15	11	47	3.62	8	0.03		
		%	0.0	17.0	27.7	31.9	23.4	100.0					
	ANDRA	N	0	0	6	27	12	45	4.13	2	0.63		
		%	0.0	0.0	13.3	60.0	26.7	100.0					
	PNB	N	0	0	11	19	12	42	4.02	4	0.75		
		%	0.0	0.0	26.2	45.2	28.6	100.0					
	UNION	N	4	5	7	12	19	47	3.79	5	1.32		
		%	8.5	10.6	14.9	25.5	40.4	100.0					
	BARODA	N	0	0	20	15	9	44	3.75	7	0.78		

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		%	0.0	0.0	45.5	34.1	20.5	100.0				
	SYNDI	N	0	0	5	30	13	48	4.17	1	0.60	
		%	0.0	0.0	10.4	62.5	27.1	100.0				
	TOTAL	**N**	**5**	**15**	**92**	**144**	**104**	**360**	**3.91**		**0.91**	
		%	**1.4**	**4.2**	**25.6**	**40.0**	**28.9**	**100.0**				
PRIVATE SECTOR BANKS	HDFC	N	0	1	22	18	7	48	3.65	3	0.76	0.000 (df = 02, 139)
		%	0.0	2.1	45.8	37.5	14.6	100.0				
	AXIS	N	0	0	5	23	19	47	4.30	1	0.66	
		%	0.0	0.0	10.6	48.9	40.4	100.0				
	ICICI	N	1	0	15	16	15	47	3.94	2	0.92	
		%	2.1	0.0	31.9	34.0	31.9	100.0				
	TOTAL	**N**	**1**	**1**	**42**	**57**	**41**	**142**	**3.96**		**0.82**	
		%	**0.7**	**0.7**	**29.6**	**40.1**	**28.9**	**100.0**				

N= Number of Respondents, % = Percent, SD = Standard Deviation
Source: Survey (Processed and analyzed through IBM SPSS 19.0 version)

Table - 3: Delegation of Authority to Approve Credit within the Policy Limit to Individual Credit Officers

SECTOR	BANK	N/%	SD	D	N	A	SA	Total	Mean	Ranks	S.D	ANOVA (Sig.)	t-test (Sig.)
PUBLIC SECTOR BANKS	SBI	N	0	0	4	30	11	45	4.16	1	0.56	0.410 (df = 07, 352)	0.543 (df = 1)
		%	0.0	0.0	8.9	66.7	24.4	100.0					
	IDBI	N	1	0	8	27	6	42	3.88	7	0.74		
		%	2.4	0.0	19.0	64.3	14.3	100.0					
	OBC	N	0	0	7	29	11	47	4.09	3	0.62		

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		%	0.0	0.0	14.9	61.7	23.4	100.0					
	ANDRA	N	0	2	9	24	10	45	3.96	4	0.78		
		%	0.0	4.4	20.0	53.3	22.2	100.0					
	PNB	N	0	0	15	20	7	42	3.81	8	0.71		
		%	0.0	0.0	35.7	47.6	16.7	100.0					
	UNION	N	1	3	4	21	18	47	4.11	2	0.96		
		%	2.1	6.4	8.5	44.7	38.3	100.0					
	BARODA	N	1	0	10	22	11	44	3.95	6	0.83		
		%	2.3	0.0	22.7	50.0	25.0	100.0					
	SYNDI	N	0	5	7	21	15	48	3.96	5	0.94		
		%	0.0	10.4	14.6	43.8	31.3	100.0					
	TOTAL	**N**	**3**	**10**	**64**	**194**	**89**	**360**	**3.99**		**0.78**		
		%	**0.8**	**2.8**	**17.8**	**53.9**	**24.7**	**100.0**					
PRIVATE SECTOR BANKS	HDFC	N	0	1	9	28	10	48	3.97	2	0.70	0.030 (df = 02, 139)	
		%	0.0	2.1	18.8	58.3	20.8	100.0					
	AXIS	N	0	0	7	21	19	47	4.26	1	0.71		
		%	0.0	0.0	14.9	44.7	40.4	100.0					
	ICICI	N	0	0	16	21	10	47	3.87	3	0.74		
		%	0.0	0.0	34.0	44.7	21.3	100.0					
	TOTAL	**N**	**0**	**1**	**32**	**70**	**39**	**142**	**4.04**		**0.73**		
		%	**0.0**	**0.7**	**22.5**	**49.3**	**27.5**	**100.0**					

N= Number of Respondents, % = Percent, SD = Standard Deviation

Source: Survey (Processed and analyzed through IBM SPSS 19.0 version)

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Table - 4: Formalized Credit Appraisal Process for Clearly Spelling out Roles and Responsibilities of Staff

SECTOR	BANK	N/%	SD	D	N	A	SA	Total	Mean	Ranks	S.D	ANOVA (Sig.)	t-test (Sig.)
PUBLIC SECTOR BANKS	SBI	N	0	0	14	20	11	45	3.93	7	0.75	0.000 (df = 07, 352)	0.591 (df = 1)
		%	0.0	0.0	31.1	44.4	24.4	100.0					
	IDBI	N	0	1	13	15	13	42	3.95	6	0.85		
		%	0.0	2.4	31.0	35.7	31.0	100.0					
	OBC	N	0	0	2	28	17	47	4.32	2	0.56		
		%	0.0	0.0	4.3	59.6	36.2	100.0					
	ANDRA	N	0	1	3	14	27	45	4.49	1	0.72		
		%	0.0	2.2	6.7	31.1	60.0	100.0					
	PNB	N	0	0	10	16	16	42	4.14	5	0.78		
		%	0.0	0.0	23.8	38.1	38.1	100.0					
	UNION	N	0	0	5	22	20	47	4.32	3	0.66		
		%	0.0	0.0	10.6	46.8	42.6	100.0					
	BARODA	N	0	0	8	21	15	44	4.16	4	0.71		
		%	0.0	0.0	18.2	47.7	34.1	100.0					
	SYNDI	N	0	4	13	27	4	48	3.65	8	0.76		
		%	0.0	8.3	27.1	56.3	8.3	100.0					
	TOTAL	**N**	**0**	**6**	**68**	**163**	**123**	**360**	**4.12**		**0.76**		
		%	**0.0**	**1.7**	**18.9**	**45.3**	**34.2**	**100.0**					
PRIVATE SECTOR BANKS	HDFC	N	0	0	10	17	21	48	4.23	1	0.78	0.237 (df = 02, 139)	
		%	0.0	0.0	20.8	35.4	43.8	100.0					
	AXIS	N	0	0	18	14	15	47	3.94	3	0.84		

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		%	0.0	0.0	38.3	29.8	31.9	100.0				
	ICICI	N	0	2	11	16	18	47	4.06	2	0.89	
		%	0.0	4.3	23.4	34.0	38.3	100.0				
	TOTAL	**N**	**0**	**2**	**39**	**47**	**54**	**142**	**4.08**		**0.84**	
		%	**0.0**	**1.4**	**27.5**	**33.1**	**38.0**	**100.0**				

N= Number of Respondents, % = Percent, SD = Standard Deviation
Source: Survey (Processed and analyzed through IBM SPSS 19.0 version)