Introduction

Globalization, Technological change, Increased Competition has been posing challenge to organizations globally; Indian Organizations are also facing similar challenges. These challenges have induced the organizations to change their way of functioning. There has been continuous development in the functioning of the Organization. Every organization wants to distinguish itself from the competitor to sustain in this dynamic environment.

One of the way by which an organization can make the difference through its Human resource which is unique in every organization and essential element for sustained organization growth and development. Due to which as expected, HR research has been fast gaining its due importance at corporate level because of its strategic relevance in achievement of organizational strategic objectives.

The rapidly changing business environment and continuing insights into organizational value, organizations are thinking acutely on how organizations can realize their plan. Once the goals and objectives are defined by the organization the necessary system needs to be in place. To accomplish the set objective there has to be disciplined approach for successful implementation of strategies framed. At the same time organizations have also to cope with the changes occurring in the business environment. To withstand the above challenges organizations need to retain and attract talent in the organization, so as to execute plans and strategies.

As we are aware of the competition in the labor market, high attrition, easy employee mobility within and outside the industry it becomes important to carry the employee along for longer duration, which could be done if the employee is satisfied. This is where the importance of organizational culture and HRM practices is realized. The organizations need to determine what are the most effective policies and practices and also fore sight the need to bring effective changes in the culture so as to motivate and maximize the value of Human Resource. This will help build a HIGH PERFORMANCE ORGANIZATION CULTURE AND AN EMPLOYER BRAND.

As Human Resource Management being one of the most important areas of focus to achieve operational excellence, the study is to be conducted to understand the effect of organization culture and HRM practices on organizational performance and retaining and attracting new talent
in the organization. “To examine the impact of organization culture in terms of shared values, belief, attitude, and HRM practices in creating an employer Brand”.

**Indian Banking Industry**

Indian Banking sector is growing rapidly and is expected to enjoy even greater growth opportunities in future. With the growing competition in the banking sector Indian banks have been pursuing global strategies so as to compete with global banks which have changed the Banking business environment in India. The competition is not only for the share in the consumer market but also in the employee market. As it is very important to retain current organization talent and not lose to the competitors, it is also important to keep on increasing the current level of talent in the organization i.e. attracting potential employee.

Over and above internal competition all banks are under pressure to change the way they do business. They face challenge not only from their competitors banks but also from non banking financial institution. In an annual survey February 2010 **FEDERATION OF INDIAN CHAMBERS OF COMMERCE & INDUSTRY** has also recognized Human Resource Management as one of challenge faced by Indian banking industry. **Dy. Governor RBI Shri V. Leeladhar**, further adds in his speech, “explosive growth in IT has changed the way individual interact with the banks and the way banks respond. In the changed scenario, success will depend on the ability of banks to leverage the human potential and capabilities. In order to achieve organizational goals and objective they will have to develop strategies to retain and attract best staff, build capacities, nurture resource and develop them to bring necessary changes to achieve the vision and strategic goals.

A report published by **Mckinsey** on a survey conducted on Indian banks stated that Indian banks will have pay urgent attention on Recruitment, people development, and retention of employee. The survey examined three drivers of organizational performance: alignment, execution, and renewal.

Former Governor, RBI, Dr. Bimal Jalan has rightly pointed out “Capital and technology are replicable but not the human resource which needs to be viewed as valuable resource for achievement of competitive advantage”. This make it important for the banks to develop a culture aligned to the business strategies so as to utilize opportunities that prevail in the market. The HRM practices should further promote the organization culture among employees understanding its business importance; HR should also develop policies in such a way that it
aligns individual goals and objective with the organization goals. Alignment here indicates shared understanding of where organization is headed, what is the No index entries found, purpose and strategy is, and how supportive its internal environment is, including culture and interactions, to help employees achieve its overall vision and aspirations. Strong alignment is one of the key attributes of an effective organization. Hence, the purpose of Human Resource Management is essentially to enhance the efficiency of the organization, to allow and indeed nurture the personal growth and well-being of the staff and to create a facilitating environment and an organizational culture that removes impediments and irritants and fosters a feeling of pride and belonging – an internal brand building.

According to **ANNUAL SURVEY February 2010 FEDERATION OF INDIAN CHAMBERS OF COMMERCE & INDUSTRY** Indian banks all Public, private and foreign are face similar challenges on the HR front of which the most important of all is difficulty in hiring the qualified youngsters followed by poaching skilled staff, high attrition rate, and high staff cost overhaeads.

Hence to keep the organization competitive, An organizational culture that fosters trust, openness fairness and what is alluded to in institutional economics as a ‘security of expectations’, goes a long way in employee satisfaction and a congenial atmosphere at the workplace. This in turn helps attract and retain talent suggested by Dy. Governor RBI Shri V. Leeladhar. Human Resources Development would be another key factor defining the characteristics of a successful banking institution. Employing and retaining skilled workers and specialists, re-training the existing workforce and promoting a culture of continuous learning would be a challenge for the banking institutions (**S C GUPTA 2003**).

Indian Banking Industry is divided in four different verticles, namely Commercial banks, Cooperative banks, Financial institution, Non-Bank financial companies.

Currently in Indian banking industry there are 79 scheduled banks out of which 28 are public sector banks, 23 are private banks and 28 are foreign banks. The employment in banking as per the IMaCS report is 11, 00,000 to 12, 00,000 which is about 25% of total population employed in financial sector. As per the regional distribution of human resource the major concentration of employement in banking sector is in the urban & semi urban region. The concentration of human resource in Indian banking sector in top 5 states is 47%. In Maharashtra alone the human resource is 13%of the total workforce in banking sector which highest from any state then
followed by Uttar Pradesh 10%, Tamilnadu 9% and so on. Further the projected human resource requirement in the banking sector is to increase number of people employed in banking sector is by at least 25% as per RBI/IMACS analysis (estimated data 2008 – 2022).

Banking sector in India is strength of the economy and a considerable support to the businesses, so as to sustain Indian banks will require highly committed and high performing employee base, there is strong need to understand the activities undertaken by Indian banks to align organization culture with organization strategies so as to achieve their goals and objectives. Also, how HRM practices aligned with organization culture, create a highly motivated and committed human resource towards organization vision.