



THE PARTICULARITIES OF THE EFFICIENT MANAGEMENT OF BANKING STAFF

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Abstract *This article acknowledges the importance of banking staff involvement in improving the quality of services offered to banking customers. The important role in promoting the quality of banking products is attributed to banking staff. And without these qualified cadres, the bank's management can not practically implement any theory or idea formulated and supported by the top leadership of the bank. Of course, the bank's operational staff must be properly motivated and well-motivated in the field of quality. Team culture also plays an important role. Without feeling part of the team, without being familiar with the culture of quality, and without receiving a message from the management, the bank staff will not be trained in the process of quality improvement.*

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The pillar on which policies in the field of efficient staff management are based remains - the ability of human resources to benefit the company where it operates. The categories of staff working in a bank are clearly identified and practically at each level are set objectives, tasks and responsibilities that the latter need to know and meet. Economies that are constantly in crisis, and where financial institutions are working hard enough, with regular deviations from legislation, with violations that are highlighted, is complicated by pursuing the effect of implementing new strategies and new policies that should bring radical effects to the work them. Gaps that need to address staff management, such as the number of staff required by a bank to do business; their qualification at the time of employment and during the activity, not the final role belongs to the organizational structure of the bank where the position of each bank worker within the bank is clearly identified. A bank's strategy remains to be the promotion and sale of

banking products and services, where banking staff possess skills and competencies that bring bankruptcy to the bank, then this well-qualified and efficient staff within the bank.

Any activity within the bank is influenced by stress. Clients are quite nervous, unpredictable, with major claims and expectations from the bank. Banking staff have a mission when they need to provide competitive, easy-to-use services with accurate, concise explanations and to promote the bank's image. The categories of staff fulfill their obligations set out in the job description and promote the whole range of banking products and services. Priority of bank management remains to improve the quality of bank positions to avoid staff duplication and to identify the degree of ability of each bank vacancy for conscientious fulfillment of the bonds. If we identify the objectives facing bankers we have the following drawing:

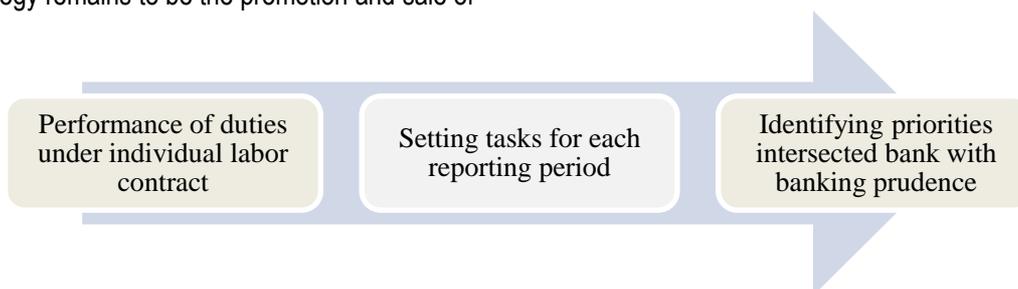


Figure 1. The objectives of bank staff.

The management of permanent staff requires major changes especially in a financial institution, where every year there are changes related to top management. The correspondence of the activity with the legislation in force remains one of the highest priorities, but for the Republic of Moldova the bankruptcy of the three banks has proved that the leading institutions such as the National Bank of Moldova and the legislation in force was not an impediment to record gaps as a result of which, Banca de Economii S.A., BC Banca Sociala S.A., BC Unibank S.A. have gone bankrupt.

Serious regulatory breaches have been reported to those three banks that in turn have compromised the entire banking system. If we are to refer to the number of employees who were made redundant among the three banks, their number was BEM with 570 staff subdivisions of 2151 persons or 21.1% of the total at the banking system level presented in the Annual Report of the bank for 2014. At BC Banca Socială S.A. in 2012 there were 813 people, of which 75% were university graduates and post-university graduates, the average age of the specialists was 38 years, information taken from the Bank's Annual Report for 2012. At BC Unibank S.A. in the situation as of 31.12.13 there were 5 branches, 43 agencies, according to the Annual Report for 2013, lacking the number of staff employed.

Although the staff policy of these banks was satisfactory, it turned out that the hierarchical level of responsibilities where deviations from the bank policy set for the year were not followed. If we are to reschedule these listed banks, they are in the liquidation phase and the staff re-invested in the banks in the banking system, most of them being taken over by BC Moldova Agroindbank S.A., BC Victoriabank S.A. and BC Moldindconbank S.A. the largest banks in the national banking system.

Besides, these 3 banks are under the early intervention regime, which does not allow customers to have full confidence in the banking system. Following the measures listed by the NBM for the recovery of the financial situation per entire banking system, we can mention that the input of the external auditors was and is an opinion that is taken into account in annihilating the situation created in the banking system, for the conviction that banks in the banking system will become strong in the shocks the NBM remains close to pursuing their activity, so if we are to refer to their lending activity, they report daily to the NBM to avoid excessive crediting of affiliated persons, bank employees or the largest 10 debtors of the bank.

The Bank's strategy on efficient bank staff management proposes new management modalities, such as:

- their professional skills and abilities;

- technical skills and abilities, they have to be trained in the process of working on the new moments in the activity, about the new technologies that will be implemented by the information system; we mention that cutting-edge information technologies diminish the number of staff in the bank, because banking processes become more technical and do not require decision-making from human resources;

- general staff skills and abilities - every employee of the institution knows exactly his obligations and responsibility in accordance with the bank's general policy and signatures to preserve banking secrecy, as the confidentiality of the information presented to the bank is important both natural and legal persons;

- skills and knowledge of the economic and financial situation of the country - we note that it is important for the banking staff to have clear, precise information about the country's economy, as well as the knowledge of the information presented by the bank management and the information posted on www.bnm.md.

The management of human resources at international level has gained a special importance, where human resources are valued as the most valuable asset of a company. Human resources are unique in terms of their potential for growth and development, as well as the ability to know and overcome their own limits. Lately, due to the rapid development of the market, but also due to the fierce competition, we are facing a great demand of banking specialists. Starting from demand-offer play, labor migration from one bank to another is very high, and every financial sector employer would like to be able to achieve such a human resource management that would allow its stability of strength work, loyalty to the best employees, reducing the cost of training new staff.

The community no longer reacts so painfully to banks bankruptcy, and closed bank staff find training or retraining opportunities to find a job. We mention that even the largest banks in banking systems face shortcomings in their activity when customers are not receptive to banking products and services proposing them to them. And in order to attract new customers, the bank does not have enough strength because in the competition field several financial institutions with the same financial activities and practically the same spectrum of banking products and services are identified.

Collaboration of banking staff with clients needs to be tightened so that they can turn to their bank services again. It is clear that the skills of the bank employee greatly influence decisions made by the client in choosing the product or the banking service. *The issue faced by banks regarding the management of human resources refers to the following coordinates:*

- **development and retention.** The financial and banking sector is a dynamic, fast growing field, which changes the expectations of qualified staff.

- **motivation.** Compensation and motivation, as an essential component of human resource management, must be real and competitive.

- **geographical location.** Managing territorially-spread resources raises issues of data fragmentation and centralized management as well as management costs.

- **cost control.** In a highly competitive environment, where profit is more and more difficult to obtain, and between active and passive interest margins sometimes only 2 percentage points, it raises the issue of streamlining the processes and optimum use of the workforce.

- **effective training.** The need for training increases with the growth and sophistication of the market and the products offered. It is necessary to be able to carry out this training as efficiently and cost-effectively as possible.

- **reporting.** Perhaps most ad-hoc reporting requests are related to human resources. Human Resources departments in banks have to cope with both internal and external demand.

- **legislative amendments.** In the field of human resources, legislative changes imply the need for rapid adaptation and minimal effort.

Starting with the year 2010, with the similarity of banking products and services, quality has become an increasingly important factor in the choice of customers by the commercial bank. Customers have begun to have access to information more and more, have become increasingly demanding and have started preferring to pay more for quality. In order to maintain its position on the banking market, and in order to increase its market share, the bank's management has appropriated the law of exchange of mentality, that is, from quantity to quality. However, this change is fruitful only if it is made entirely by the bank, at the level of each department, of each individual. the bank's management must also take into At

present, it is extremely important to explain to the bank's employees why quality is emphasized, what are the advantages of qualitative "sales", which also implies the consequences of lack of quality - non-quality - in the sale and after-sales process. Of the 11 remaining banks in Moldova, it is difficult to predict which of them will remain in the position of "leader", we mention that small banks encounter problems with raising capital or attracting new clients.

In the process of continuous improvement of the quality of services, all staff should be involved using various incentives that inevitably improve the bank's activity and increase the quality of the services provided:

- *a way to encourage staff* to participate in proposals to improve the quality of banking products and services, banking processes and procedures;

- *launching individual competitions* and competitions between agencies within a bank.

- *regular meetings and presentations* of presentations are extremely beneficial and have the role of encouraging the bank's employees to communicate their ideas to the audience, to make them cross the barrier of "emotivity", which also helps them in their relationship with customers.

These competitions must be completed with prizes, both in the form of large amounts of money for employees, money for the benefit of employees (organizing festive masses, teambuilding) and in the form of various bonuses (promotional materials with the bank logo: pens, briefcases, backpacks, key rings, cups, etc.). Prizes must be awarded in an official format, handed over by a person in the bank's senior management (chairman, general manager), with a positive impact on staff.

These elements are related to the bank's activity and are traced back to corporate governance where changes are continually made to improve the banking business. The staff must feel the comfort at work and then the profitability of their work will rise a lot, but the link between comfort - incentives and motivation is direct, and the scheme would look like this:

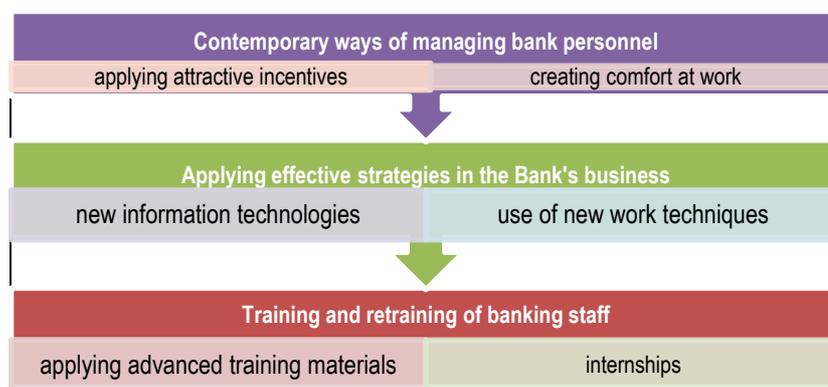


Figure 2. Contemporary ways of managing bank staff.

In the literature, the issue of the study of creativity in the field of management focuses mainly on the decision-making process, on solving some problems, using methods and techniques that stimulate creativity. The main stages of creating a favorable climate for creativity are:

1. preparing the staff for favorable attitudes;
2. optimal creation and sizing of creative groups;
3. recruiting and promoting creative people in leadership positions, on the premise that they can properly assess the value of creative ideas and behave appropriately;
4. specifying the degree of involvement of the members of the creative group and encouraging the full involvement of the members in the joint action to solve the problems of the bank;
5. the establishment of a high degree of independence, autonomy that the creative group has to hold with the bank.

Here are the methods that are quite efficient for use in banking activity to promote the bank's image:

- *teamwork* - joint activity;
- *Delphi method* - Feedback usage;
- *Philips 66* - method is a variation of brainstorming; the number of participants in the discussion is 6 and the time for discussion is 6;
- *the morphological method* aims at identifying all the possibilities of solving some problems;
- *Frisco method* - 2 teams; an investigation team and one of highly qualified specialists;
- *method of value analysis* - identification and realization of functions of existing products;
- *the innovative process through the Kaizen position* - the involvement of each employee; the coverage of all activities within the bank; is a state of mind,

- *Oracle Human Resource Management* - addresses all of these challenges and covers the full range of human resource management processes: centralized multidimensional management, wage management, competence and qualification management, evaluation process management, full recruitment and employment process, analysis complete, multifunctional, workforce. In addition, Oracle HRMS offers a complete and customized blended learning solution, both self-paced and synchronous, which allows delivering courses to the intern (to bank employees) or externally (to customers, an example being training to use the solution of Internet Banking). Self-service module reduces costs as well as 24X7 global access.

All of these methods are used successfully in banking, but it is important for the bank to intelligently select the best resource from the market by using:

- performance tests;
- assessment centers;
- computerized Adaptive Testing;
- the initial interview.

Coaching and mentoring activities to develop the capabilities and skills of employees for the development of the bank. Quality work implies high efficiency for the bank and this is practical and represents the interest of the bank for the employee. *Finally*, we point out that the above-mentioned ideas are directly influenced by the bank's overall strategy and the objectives it has set for the year. The most important resource through which profitability can be raised is the banking staff of the characteristics and activity to which it depends.

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