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Testing The Sector-Wise Variation In The Delegating Skill Of Bank Managers In Kerala:

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ABSTRACT

This research compares the variation in the delegating skill of managers of the three prominent banking sectors-The Public Sector, The Old Private Sector and The new Private Sector- in Kerala. A multi-stage stratified random sampling technique was applied for the selection of sample bank managers from the complete list of bank managers in Kerala. The examination based on the 350 responses collected from the bank managers across the three sectors from the three prominent districts of the state, finds that there exists significant variation in the Delegating skill of the managers. The variation was tested by using One-Way ANOVA in which the F value is found to be validated statistically at one percent level of significance**.** The results of the study reveals that the delegating skill of the bank managers selected for the purpose of study varies considerably according to the sector of the bank (public sector/old private sector/new private sector) where in they work. The delegating skill of old private sector bank managers are the highest among the three sectors followed by public sector and new private sector bank managers. This research would be relevant for bank managers as they may identify the gaps in their Delegating skill and work on the improvements. The findings of this research will also provide the necessary groundwork for the Administrators in the Banking sector to further explore the reasons for the variation in the Delegating skill among the managers working in the three different sectors.

Keywords: Delegating, delegating process, delegating skill, delegating methods, delegating techniques,

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1. INTRODUCTION

Delegation is a vital management skill. But for some, it's the hardest to put into practice. To be successful, the basic skill a manager should master is the art of delegating the works of the organisation among his subordinates. Effective managers know what responsibilities to delegate to allow them time to plan, to collaborate with others in the organisation and to monitor the performance of their employees, making sure to give them adequate feedback and development opportunities. Delegation is not about giving orders and expects everyone to get along but a two-way process that needs careful thought to succeed. Because it depends on people, care needs to be taken to understand their views to get buy-in. If managed well, it can improve efficiency and productivity in the workplace, increased staff retention, better relationships and trust amongst employees. On the contrary, if managed badly, it can lead to low staff morale, poor performance and non-delivery (Cooper, 2013).Before any work or project can be done, managers need to identify the people with the right skills and are competent in the job. This might be done using job design processes followed by observations, interviews and questionnaires to bring in the right talent (Cascio, 2013).Delegation is an enabler in organisations, yet managers still struggle with how to use it effectively to get maximum value. There are many definitions of delegation and what it tries to achieve; at the heart of it, delegation is about giving power and authority to work on assigned tasks. It deals with how power should be handed over for delegated tasks to be completed successfully. Since there are no guarantees that delegated tasks will be delivered as expected and on time, there is a need to understand the success factors of delegation (Mathebula, Benedict & Barnard, Brian 2020). Models, frameworks and management theories of effective delegation have been developed and researched over the years including game theory which puts an emphasis on the manager (principal) and subordinate (agent) to make their own decisions (Bendor, Hammond, & Glazer, 2011).In this context, this research paper is an attempt to test the variation in the Delegating skill of managers working in various banking sectors in Kerala.

2. REVIEW OF LITERATURE

Delegation is defined as an intentional transfer of tasks from one person to another. It states that delegation is an appropriate way of decreasing workload from the manager to the subordinate. Research has proved that employees are capable of handling tasks delegated to them (Riisgaard, Nexøe, Le, Søndergaard, & Ledderer, 2016). Stonehouse (2015) further defines delegation as getting work done through others by giving them authority and control of the work. This is founded on authority and responsibility and the relationship between the person delegating the work and the one doing it. By giving responsibility, the person doing the work has the duty to do it based on trust; relationship and competency. Managers monitor the delegated tasks and feedback mechanisms to get comfort that delegated tasks will be done as per the original requirements. Organisational hierarchy, job design and organisational culture can impact delegation success. (Mathebula, Benedict & Barnard, Brian 2020). Delegation allows involving subordinates in decision making and transfer of power from manager to subordinates. It enables subordinates to influence and steer the direction and course of action. Giving power to subordinates is beneficial to the organisation and a form of effective management, because it enhances the quality and speed of delivery. Delegating provides learning experiences and increases responsiveness and knowledge sharing (Liberman & Boehe, 2011).

Bass said, "Delegation implies that one has been empowered by one's superior to take responsibility for certain activities" (Bass, 1990, p. 437). Delegation is closely related to empowerment. Empowerment is a motivational concept related to self-efficacy. People experience psychological empowerment when they feel responsible for meaningful tasks. They also feel empowered when they believe they are competent and make a difference. In earlier works empowerment was conceptualized as a leader behaviour that was similar to delegation (e.g., Locke and Schweiger, 1979; Miller and Monge, 1986; Cotton, 1988, 1993), but more recently it has been defined as a constellation of psychological states experienced by employees (e.g., Sigler and Pearson, 2000; Niehoffff et al., 2001; Randolph and Kemery, 2011; Frazier and Fainshmidt, 2012; Maynard et al., 2014). When responsibility or authority is delegated to employees they usually find that they are faced with a challenging, complex task to tackle independently; the task may require a high level of skill and may have significance. Thus delegation may make subordinates feel that their job is meaningful and they are responsible for work outcomes. Managers are more likely to delegate to subordinates who have worked for them for a relatively long time and are particularly competent; they are also more willing to delegate to subordinates who are also managers (Yukl and Fu, 1999). Therefore, when subordinates are delegated, they may feel trusted, organisationally important, and higher status within organization (Gardner et al., 2004; Chen and Aryee, 2007). Delegation may also boost subordinates' self-esteem and make them believe that they are capable of performing tasks successfully and that their behaviour makes a difference. Delegation enables subordinates to exercise self-direction and control, provides employees with meaning, perceptions of self-efficacy and self-determination and the perception that they make an impact, all of which have been identified as key ingredients of empowerment (Thomas and Velthouse, 1990; Spreitzer, 1995).

Kvancz (2016) states that managers need to have intrinsic leadership qualities to delegate effectively. He emphasized respect and appreciation for others as the intrinsic factors for a successful leader. A leader would be remembered for how he treated those around him compared to the fancy projects he delivered. For a leader to command respect, he should always strive for fairness, consistency, soliciting feedback, performance and goal setting. Wang and Poutziouris (2010) argued that leaders who cling to power and do not let go, end up doing most of the work, run organisations in an autocratic way and have a low degree of delegation. Leaders who are people oriented, open and consider all stakeholders have a high degree of delegation. The transfer of power from manager to subordinate is at the core of delegation.(Somek, 2015). Somek argued that delegation is not a binding relationship, but a relationship built on trust. If there is no trust, authoritarian rule takes over. Lack of trust means giving little information, which creates a chain of delegation because the manager is not transparent with his subordinates. This can create disobedience because any person in the position of power wants things to be done their way and at most will communicate that obeying them is in the best interest of the subordinates (Somek, 2015). Delegating through obedience is not effective but an authoritarian way which can backfire (Somek, 2015). Delegation should be a private agreement between the delegator and delegatee where both parties share the success of the outcome.

Research has proved that there is a relationship between delegation and job satisfaction (Jha, 2004). Job satisfaction depends on the characteristics of the job including variety, task identity, autonomy, flexibility, feedback, dealing with others and friendship. Effective delegation is about the amount of delegation, the process of delegation and facilitating factors (Jha, 2004). Delegation empowers subordinates more than simply participating (Jha, 2004). Satisfaction depends on the competency of the subordinate, the willingness of the manager to share information as well as the relationship between the manager and subordinate (Yukl & Fu, 1999). Research done by Tietjen and Myers (1998) concluded that satisfaction is dependent on the variety of factors which includes autonomy, challenge and interest which enables subordinates to experience their own personal success. On the other hand, Glisson and Durick (1988) found that role mismatch and conflict might affect job satisfaction negatively. Managers need to invest time with their subordinates who increase the quality of their relationships and trust (Schyns, Maslyn, & Weibler, 2010). Communication rules and strategies should be agreed upfront to keep the relationship intact. Research has shown that mutual trust and support from subordinates creates an environment for openness which leads to higher quality of output (Lee, 1998). Trust is earned when leaders show interest in the development of others and motivates them to succeed. Delegation succeeds when subordinates are given meaningful work, responsibility, autonomy and challenge (Evenden & Anderson, (1992).Moss and Warnaby (1998) stressed the importance of communication in delegation to make sure the message is received and understood as well as making sure that tasks and activities are done expeditiously. Fluid and dynamic work conditions may result in heavy information loads. Stacking is a cognitive skill that improves information handling but can adversely impact quality. Stacking can be prevalent in delegation and must be managed accordingly (Anthony & Vidal, 2010).

On review of the previous studies in this field, no studies have been found focussing on the “sector-wise comparison” of the variation in Delegating skill of the bank managers. In this context, this research paper is an attempt to compare the variation in the Delegating skill of managers of the three prominent banking sectors-The Public Sector, The Old Private Sector and The new Private Sector- in Kerala. This research would be relevant for bank managers as they may identify the gaps in their Delegating skill and work on the improvements. The findings of this research will provide the necessary groundwork for the Administrators in the Banking sector to further explore the reasons for the variation in the Delegating skill among the managers working in the three different sectors.

3. Data and methodology

3.1 sample and data

The study is based on the primary data collected from the selected bank managers of Kerala by using a structured questionnaire. A multi-stage stratified random sampling technique was applied for the selection of sample bank managers from the complete list of bank managers in Kerala. The population for the bank managers in Kerala is very large. In this context, by applying the Multi-stage stratified random sampling method, in the first stage, divided the State of Kerala into three regions: South, Central and North, and the banks were stratified as public sector, old private sector and new private sector. One district was selected at random from each region: Trivandrum, Ernamkulam and Malappuram. In the second stage, 50 per cent banks from each sector were selected from each district (Trivandrum, Ernamkulam and Malappuram). In the third stage, the managers were selected proportionately from each bank from each district to constitute the required sample size (350)

3.2 Distribution of the sample size

Table no.1 below represents the distribution of sample size of bank managers selected for the study by adopting multi stage random sampling. The sample size 350 is constituted by 228(65%) managers from public sector, 92(26%) from old private sector banks and 30 (9%) from new private sector banks.

Table .1. Distribution of sample size

Sl. No.	Name of bank	(Sample size 350)		
		TVM	**EKLM**	**MAL**
	Public sector banks			
1	Bank of Baroda Ltd.	2	4	0
2	Bank of India Ltd.	4	7	0
3	Canara Bank Ltd.	10	8	3
4	Central Bank of India Ltd.	6	3	0
5	IDBI Bank Ltd.	17	3	11
6	Indian Bank Ltd.	4	3	1
7	Indian Overseas Bank Ltd.	11	5	0
8	Punjab National Bank Ltd.	2	5	4
9	Syndicate Bank Ltd.	4	5	1
10	UCO Bank Ltd.	1	3	0
11	Union Bank of India Ltd.	5	13	1
12	State Bank of India Ltd.	13	19	1
13	State Bank of Travancore	23	20	6
	TOTAL	**102**	**98**	**28**
Old private sector banks				
1	Catholic Syrian Bank Ltd.	4	9	3
2	Dhanalakshmi Bank Ltd.	4	5	2
3	Federal Bank Ltd	11	23	7
4	ING Vysya Bank Ltd.	0	1	0

5	Karur Vysya Bank Ltd.	0	1	0
6	South Indian Bank Ltd.	6	14	1
7	Tamilnad Mercantile Bank Ltd.	1	0	0
	TOTAL	**26**	**53**	**13**
New private sector banks				
1	Axis Bank Ltd.	1	3	0
2	HDFC Bank Ltd.	3	8	1
3	ICICI Bank Ltd.	4	7	1
4	IndusInd Bank Ltd.	1	1	0
	TOTAL	**9**	**19**	**2**

Source: Bank Ifsccode.com

*Trivandram District ; ** Ernamkulam District; *** Malappuram District.

3.3 Demographics of the Bank managers.

Some descriptive statistics on the demographics of the sampled managers are given in Table 2.The representation of male managers comes around 80 per cent of the total. Most of the managers hail from rural areas and are graduates. Around 40 per cent of the managers in the group are in the age group 41-50, although representation from other age groups is also significant in number. A big majority of the managers are married and live in nuclear family and around 60 per cent follow Hindu religion.

Table 2. Descriptive of the sample respondents

Demographic variable	**Category**	**No of respondents**	**%**
Gender	Male	278	79.4
	Female	72	20.6
Area	Urban	119	34
	Semi-urban	74	21.1
	Rural	157	44.9
Educational Qualification	Graduate	213	60.9
	PG	137	39.1
Age(years)	21-30	39	11.1
	31-40	110	31.4
	41-50	139	39.7
	51-60	62	17.7
Marital Status	Married	310	88.6
	Unmarried	36	10.3
	Widow/widower	4	1.1
Religion	Hindu	212	60.6
	Muslim	50	14.3
	Christian	88	25.1

Family Type	Nuclear	580	80.0
	Joint	70	20.0
family members(number)	3	51	14.6
	4	168	48.0
	5	62	17.7
	6	35	10.0
	7	29	8.3
	8	5	1.4

Source: survey data

4. Results and discussion

4.1 Chi-square tests

The results of the chi-square test (table3) indicate that there is no significant association between gender of the managers and the banking sector where in they work. It is further inferred that (table 4) no statistically significant relationship exists between educational qualification of the managers and the banking sector in which they work, p value being greater than 0.05 in both the cases.

Table 3 Chi-square tests (Gender and sector)

	Value	**df**	**sig.**
Likelihood Ratio	3.204	2	0.201
Pearson Chi-square	3.117	2	0.210

Note: Source: Survey data

Table 4 Chi-square tests (Education and sector)

	Value	**df**	**sig.**
Likelihood Ratio	2.114	2	0.354
Pearson Chi-square	2.076	2	0.348

Note: Source: Survey data

4.2 Comparison of the Delegating skill of the managers:

To test the variation in Delegating skill of the managers of public sector and private sector banks in Kerala, One Way ANOVA was attempted. The results of the analysis are presented in Tables 5, and 6 below.

Table 5. Sector-wise estimated marginal means of Delegating skill.

PUBLIC/PRIVATE SECTOR				
Dependent Variable: Delegating skill				
		Std.		99% Confidence Interval

Public/private sector	Mean	deviation	Std. Error	Lower Bound	Upper Bound
Public sector	34.1316.	2.87481	.19039	33.7564	34.5067
Old private sector	**35.3478**	2.24556	.23412	34.8828	35.8129
New private sector	33.9333	2.63836	.48170	32.9482	34.9185
Total	34.4343	2.75139	.14707	34.1450	34.7235

Source: Survey Data

Table 6: ONE WAY ANOVA

Tests of Between-Subjects Effects					
Dependent Variable: Delegating skill					
Source	Sum of Squares	df	Mean Square	F	Sig.
Between sectors	105.200	2	52.600	7.195	**.001**
Within sectors	2536.789	347	7.311		
Total	2641.989	349			

Note:*Significant at five per cent level; Source: survey data

From Tables 5and 6 given above, it may be observed that the Delegating skill of the managers varies considerably according to the sector of the banks in which they work. The mean scores of delegating skill are **34.1316, 35.3478** and **33.9333** respectively for public sector, old private sector and new private sector bank managers. The mean variation is statistically significant at one per cent level **(value of F 7.195 with p=0.001<0.01).** The mean scores reveal that the delegating skill of old private sector bank managers is the highest among the three sectors followed by public sector and new private sector bank managers.

5. Conclusions

This paper compares the delegating skill of managers of the three prominent banking sectors in Kerala, a relatively higher literate state of India. These sectors include public sector, old private sector and new private sector. The study based on the 350 responses collected from the bank managers across the three sectors from the three prominent districts of the state, finds that there exists significant variation in the delegating skill of the managers. The variation was tested by using One-Way ANOVA in which the F value is found to be validated statistically at five percent level of significance**.** The results show that the delegating skill of the bank managers selected for the purpose of study varies considerably according to the sector of the bank (public sector/old private sector/new private sector) where in they work. The delegating skill of old private sector bank managers are the highest among the three sectors followed by public sector and new private sector bank managers. This research would be relevant for bank managers as they may identify the gaps in their delegating skill and work on the improvements. The findings of this research will also provide the necessary groundwork for the Administrators

in the Banking sector to further explore the reasons for the variation in the Delegating skill among the managers working in the three different sectors.
However, we can attribute many limitations to the study. This research compares the delegating skill of the bank managers solely based on a survey among 350 selected respondents from a small state like Kerala, which is not exhaustive to make a final judgment. Moreover many other factors may cause the variation in the Delegating skill of the managers. The findings of the research are based on classical parametric test one way ANOVA. Using alternative statistical designs and covering larger samples from other states of India for information on more relevant variables warrant better inferential claims and validation of the existing findings on the issue.

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