

# Participative Decision Making Process in Banks: A Case Study of Corporation Bank and Syndicate Bank

Dr. Ashalatha K. \*

Financial System is the most important institutional and functional vehicle for economic transformation of any country. Banking sector is reckoned as a hub and barometer of the financial system. As a growth facilitator of the economy, it plays a predominant role in the economic development of the country. The geographical pervasiveness coupled with the range and depth of banking services makes the banking system an indispensable medium in every day financial transactions. Although banks do not create new wealth, their borrowing, lending and related activities facilitate the process of production, distribution exchange and consumption of wealth. Banks are also special as they not only accept and deploy large amounts of uncollateralized public funds in a fiduciary capacity, but also leverage such funds through credit creation. Evidence from across the world suggests that a sound and evolved banking system is *sine quo non* for sustained and more inclusive economic development.

The development of a sound banking industry depends on the continuous flow of information. The availability of timely, reliable and systemic information enables efficient and effective decision making process of the

Managers and adaptability of the banking staff to the changing global scenario. The relationship between the informational role of manager, viz a viz participative decision making and creativity of employees affect the overall effectiveness of banking system. The participative decision making is one of the many important strategies that help effective decision making process in the banking transactions. Similarly creativity of subordinates is important for every organization to improve problem solving in general and finding non standard solutions in particular. Without appropriate information, which comes as a result of an effective informational role of managers, employees in turn cannot participate in decision making effectively. So long as banking transactions are handled by the people, informational role of managers and sharing of information among the staff, thus, remain an important area of major concern.

### Rationale for the Study

The Indian Banking industry has traditionally remained a protected space. Regulated deposit and lending rates and restrictions on competition have enabled comfortable spreads. The role of information was limited. With liberalization and

---

\* Associate Professor, JKSHIM, Nitte. The article is based on her Ph.D. Thesis submitted to Mangalore University.

revolutionary changes in banking technology, the banks are now compelled to change the old ways of doing business. The banks are required to work in a more competitive and market driven environment. Ready accessibility to information and knowledge would enable the bank managers to become better decision makers and lead their banks to achieve much-sought after competitive edge. Moreover, the globalization of banking operations has thrown several challenges to banking sector in India. In the fast changing environment, information symmetry and creativity among the managers and staff can minimize credit and operational risks and ensure competitiveness and sustainable viability of the banking business. In the backdrop of emerging competitive and globalization scenarios, informational role of bank managers in decision making therefore assumes greater significance.

Participative decision making is also considered as one of the important methods of decentralized decision making. Well informed staff and creativity of employees are invaluable assets for the banking system as they provide sufficient built-in internal strength to counter act the ill-effects of any threats from the environment. Participative decision making has to therefore become a widely practiced strategy in the decision making process in the banking system.

The banking sector is going through major changes as a consequence of economic reforms. Existing products need to be delivered in an innovative and cost effective

way by taking the full advantage of the available information of emerging technologies. In this context, the availability of information affects the quality of managerial decision. Thus information plays a very pivotal role. The survival and the success of the bank in this competitive era are based on the various decisions taken by the managers based on the available information of the fast changing market scenario. Even though a couple of research studies of the concepts of information, creativity and participative decision making are available pertaining to the organization, no research in banks has been done. Against this backdrop, a comprehensive study of the Impact of Information availability on the quality of managerial decision in Banks is a unique one and assumes greater significance.

A comprehensive review of literature on information, creativity, participation and decision making in banking reveals that much of the research in the field of banking relates to the areas of financial performance of banks, human relations in banks, bank marketing and social banking with particular focus on co-operative and rural banking. No study has touched upon the informational role of bank managers and its impact on the quality of managerial decision.

### **Objectives and Scope of the Study**

Against this back-drop, this study aims at providing an insight into informational role of managers on decision making and the participation and the creativity of the employees in the banking sector. The specific

objectives of the study are:

- To examine the effectiveness of existing informational role of bank managers.
- To know the factors determining the effectiveness of informational role of bank managers. The study would identify various external influences on decision making in banks such as economy, technological changes, the legal system and social and cultural influences.
- To examine the relationship between informational role of the managers and participative decision making in banks.
- To examine the relationship between the informational role of the bank managers and creativity of the employees.

Based on the empirical findings of the above, the study would make appropriate recommendations to improve the overall contribution of information to the benefit of decision making for Managers in the bank. At the outset, it is important to remember that the study is based on the premises that information and decision plays a significant role in improving the participation and creativity of the employees and also in enabling their development within the bank, which goes a long way towards raising their confidence, commitment, morale and increasing their loyalty to the bank. However, there are a few impediments to the attainment of optimal decision effectiveness. A Systematic and comprehensive scrutiny of managers' perception towards decision making will highlight such impediments and

facilitate the formulation of strategies to obviate these obstacles and to increase the effectiveness of the decision.

The scope of the study is restricted to two public sector banks viz. Corporation Bank and Syndicate Bank. 500 Managers with sample of 250 Managers each from Corporation and Syndicate Bank in Udupi and Dakshina Kannada Districts were selected based on non-probability and judgment sampling methodology. Structured questionnaire were used through personal interview for collection of requisite data. The definitional explanations of some of the key words used are given in the Annexure.

### **Informational and Managerial Role in Banks**

The manager in bank branch is a decision maker and therefore plays a crucial role in the affairs of the bank. The day-to-day banking business involves credit risks, liquidity risks, operational risks and market risks. The branch manager and bank staff are required to be well informed about the clients and environment. Otherwise the bank business will be in jeopardy. In the modern globalised competitive era, the banks are seeking to scale great heights. They have to cope with extreme competition, complexity of business or turbulence in the external environment. In such a situation, the quality and creativity of its managers make a vital difference. The bank managers also require ensuring that all bank staff is also well equipped with information and knowledge of changing dimensions of banking business.

Participative decision making does not mean individual decision. It includes consensus of different ideas for a particular problem. Sharing of information is the most important factor in the participative decision making. Effective informational role of managers are highly addicted for the participative decision making and it is seen as a positive relationship between the effectiveness of managerial informational role and participative decision making. The value of all available information lies solely on its ability to affect behavior, decision or outcome.

Creativity is a must for a bank to survive in a competitive environment. The predominant effect of change on any banking business is the necessity it creates for a bank to effect change in itself; change of products and services, technology, business structure, employee relations or any other facets of banking business. Creativity and stability, which are the outcome of an effective decision, are needed in bank. An effective and efficient bank achieves a balance of the two. If the bank has no creativity, it will not rejuvenate itself with improved methods and new goals. Without stability the bank cannot put its ideas into effect.

A rational decision maker always needs creativity and stability, where the ability lies to produce novel and useful ideas. Appropriate flow of information is essential at each stage of decision making. The availability of requisite information is dependent upon effective information management. Information thus destined to occupy a

prominent role in the banks to help the managers to take the right decision at right time.

### **Profile of Managers studied**

There are certain key characteristics which govern the informational role of bank managers and staff. They include *inter alia* age, gender category, qualifications and previous work experience. All these factors have significant influence on the behavior of bank managers and employees at work. With a view to understand the profile of bank managers who play key role in day-to-day decision making, an attempt is made to analyze the survey data on these key parameters.

**Age:** Age is an important determinant as it reflects number of years of experience in the bank service. Table 1 sets out the comparative data on the age profile of sample bank managers studied of Syndicate bank and Corporation Bank.

From the table, it is clear that the majority of the bank managers (53 percent) belong to the age group of 55 years and above. 36 percent of the bank managers belong to the age group of 45 to 55 years and 11 percent of them are of 35 to 45 years. Bank-wise data analysis shows almost similar pattern of age profile of bank managers. The observed differences in age groups are only marginal. In Corporation Bank, out of 250 bank managers studied, 179 (52 percent) are in the age group of 55 and above years, while in the case of Syndicate Bank 135 (54 percent) out of 250 belong this age group. However, comparatively, Corporation Bank has higher

**Table No.1**  
**Age Profile of Selected Bank Managers**

Age of the employees (Years)	Corporation Bank		Syndicate Bank		Total	
	Number	Percent	Number	Percent	Number	Percent
35 to 45	34	13.60	23	9.20	57	11.40
45 to 55	87	34.80	92	36.80	179	35.80
55 and above	129	51.60	135	54.00	264	52.80
<b>Total</b>	<b>250</b>	<b>100.00</b>	<b>250</b>	<b>100.00</b>	<b>500</b>	<b>100.00</b>

proportion of managers belonging to younger age group than Syndicate Bank. Corporation Bank has 14 percent of managers in the age group of 35 to 45 years as against only 9 percent in the case of Syndicate Bank.

**Gender Composition:** Gender is another key characteristic which may have some influence on the behavior of the bank manager. The gender-wise composition of the sample managers selected for the study is shown in Table 2.

The analysis of data in the table shows that most of the bank managers are males and only 12 percent of the sample managers are females. The gender composition of the managers in both the banks is almost similar. Of the total 500 respondents, 439(88 percent) are males and only 61(12percent) are females. In corporation bank out of 250 respondents, 218(87percent) are males and 32(13percent) are females. As against this, in Syndicate Bank, 221(88 percent) out of 250 are males

**Table No.2**  
**Gender wise classification of Managers**

Gender	Corporation Bank		Syndicate Bank		Total	
	Number	Percent	Number	Percent	Number	Percent
Male	218	87.20	221	88.40	439	87.80
Female	32	12.80	29	11.60	61	12.20
<b>Total</b>	<b>250</b>	<b>100.00</b>	<b>250</b>	<b>100.00</b>	<b>500</b>	<b>100.00</b>

Chi-Square Tests

	Value	df	p
Chi-Square	.168	1	.682
			NS

$$X^2_{(1)} = 0.168 \text{ P} = 0.682(\text{NS})$$

and 29(12 percent) are females. *Chi-square* test shows that there is no significant difference between the banks with respect to gender ( $P=0.682$  NS).

**Academic and Professional Qualification:** Academic and professional qualification matters in acquisition of skill, understanding of information and effective decision making process in the banking business. Academic experience enhances the ability of the managers to use information as an effective tool in decision making process as well as to judge implications of the decision scenarios in a better way. Moreover, it contributes significantly on creativity in the decision making process. In Table 3, an attempt is made to analyze the bank-wise data on academic and professional qualifications of the sample managers studied.

Majority of the bank managers (Syndicate Bank – 63.6 percent and Corporation Bank – 68.4 percent) are graduates in both the banks. About one-third of bank managers are post-graduates. Since CAIIB (Certified Associate of the Indian Institute of Bankers) is

considered as an essential qualification for bank managers, most of them are found with professional qualification of CAIIB. Very few of them have other special certified qualifications. Comparatively, Syndicate has higher professionally qualified managers. The percentages of bank managers with post graduation and other professional qualifications are higher in the case of Syndicate Bank compared to Corporation Bank. Syndicate Bank has 36 percent of managers with post-graduation and 58 percent with CAIIB as against 32 percent and 52 percent respectively in the case of Corporation Bank. Similarly, 15 percent of Syndicate Bank managers have other professional qualifications compared to only 9 percent in the case of Corporation Bank.

**Skills and Knowledge of Managers in Banking Operations:**

The opinion survey was also carried out to examine the skills and knowledge of the bank managers in banking operations. The objective of this is to gauge the extent of effective transfer of learning to the work situation. Skill

**Table No. 3**  
**Bank wise Academic and Professional Qualification**

Qualification		Corporation Bank		Syndicate Bank	
		Number	Percent	Number	Percent
Academic	Graduates	171	68.40	159	63.60
	Post-Graduates	79	31.60	91	36.40
Professional	CAIIB	129	51.60	144	57.60
	Special (Certified)	23	9.20	37	14.80

and knowledge in banking operations is acquired mainly through job-oriented training and learning by doing experience. Table 4 provides the findings of the survey results as regards the skill and knowledge of managers in banking operations.

Since most of the managers have number of years experience in the various operations of banking and undergone job-oriented training, it was observed that almost all managers in the sample studied in both the banks have requisite knowledge and skill in banking operations. Out of sample of 250 studied, only 7 in the case of Corporation Bank and 3 in the case of Syndicate Bank have reported that they have no requisite training and skill in the jobs they are doing. Chi square test shows that there is no significant difference between the banks as regards the

knowledge and skills of managers in banking operations (P=0.154NS).

### Contribution of Information in Decision Making

Information plays crucial role in various dimensions of banking decision making process. It benefits the bank in various ways. Unless the managers and the banking staff are well informed in the various operations of the banking business as well as new developments, the effective and efficient banking functions cannot take place. With a view to ascertain the contribution of information in the decision making to the benefit of banking, an attempt is made to identify areas which will be affected and benefitted as a result of effective information in the decision making process of bank managers. Though there are number of

**Table No. 4**  
**Skills and Knowledge in Banking Operation**

Skill and Knowledge	Corporation bank		Syndicate Bank		Total	
	Number	Percent	Number	Percent	Number	Percent
Yes	243	97.60	247	99.20	490	98.4
No	7	2.40	3	0.80	10	1.60
Total	250	100.00	250	100.00	500	100.00

#### Chi-Square Tests

	Value	df	p
Chi-Square	2.033	1	.154 NS

Source : Survey results

$X^2_{(1)} = 2.0333$

P=0.154 (NS)

banking areas which benefit from effective information in decision making, the study focuses on seven key areas viz. reduce number of staff, decrease cost of operations, increase staff satisfaction, increase user satisfaction, provision of valid information, accurate information and extensive information. Though, the relative importance of these areas from the banking point of view also varies widely, for the study purpose, they are considered as of equal importance for the bank. To compile data in the field study, respondents were asked whether they strongly disagree, disagree, moderate, agree and strongly agree with respect to contribution of information on these key areas. The findings of the field study are summarized in Table 5.

The majority of the managers of both the banks (54 percent) do not agree on the benefit of information on decision making to reduce the staff. Even out of 46 percent of respondents who agreed, only 4 percent mentioned strong agreement on the benefits of information in staff reduction decision making process. Nearly 25 percent of respondents reported strong disagreement on the benefit of information of staff reduction. Against this, interestingly, 92 percent of the respondents reported agreement on the benefit of information in cost reduction decision making process. While nearly 23 percent of them indicated their strong agreement, 24 percent have reported moderate agreement. Only 8 percent of the bank managers studied

**Table No 5**  
Benefits of Information to Decision Making in Banks.

		Strongly disagree	Disagree	Moderate	Agree	Strongly agree	Total	Mean	S.D	Percentage mean
Reduce number of staff	Number	125	143	158	53	21	500	2.40	1.10	48.08
	%	25.0%	28.6%	31.6%	10.6%	4.2%	100.0%			
Decrease cost of operations	Number .	10	30	120	226	114	500	3.81	.92	76.16
	%	2.0%	6.0%	24.0%	45.2%	22.8%	100.0%			
Increase staff satisfaction	Number .	7	12	110	223	148	500	3.99	.86	79.72
	%	1.4%	2.4%	22.0%	44.6%	29.6%	100.0%			
Increase user satisfaction	Number .	7	12	94	220	167	500	4.06	.86	81.12
	%	1.4%	2.4%	18.8%	44.0%	33.4%	100.0%			
Valid Information	Number	2	9	97	278	114	500	3.99	.73	79.72
	%	.4%	1.8%	19.4%	55.6%	22.8%	100.0%			
Accurate Information	Number .	3	4	111	248	134	500	4.01	.76	80.24
	%	.6%	.8%	22.2%	49.6%	26.8%	100.0%			
Extensive Information	Number .	3	7	107	267	116	500	3.97	.75	79.44
	%	.6%	1.4%	21.4%	53.4%	23.2%	100.0%			

ANOVA: F(6,2994) = 337.69, p=0.000,HS

Note: A-Reduce number of staff, B-Decrease cost of production, C-Increase staff satisfaction, D- Increase user satisfaction, E-Valid Information, F-Accurate information and G- Extensive information.



reported disagreement in this regard. As regards increase in staff satisfaction, out of 500 bank managers studied, 481 (96 percent) have given positive response and only 9 bank managers (4 percent) have given negative response. Even in this case, 30 percent have reported strong agreement on the benefit of this parameter on cost reduction decision making process. Surprisingly, similar pattern of response was found in the case of contribution of information in increase in user satisfaction. 96 percent of the respondents in the sample have reported the benefit of information in increasing user satisfaction in bank's decision making process. Similarly, the benefit of information on other three areas viz. valid information, accurate information and extensive information is found to be significant. Only less than 2 percent of the bank managers studied have reported negative impact. The majority have reported positive impact in these areas.

#### **Factors of Information contributing to Decision Making**

The contribution of information for the benefit of the banking business can be realized only by strengthening the key factors causing the same. The factors contributing to the information flow in the banking are numerous and their degree of importance also varies widely. In view of the critical importance of the factors channeling information to benefit the banking business transactions, an attempt is made to compile the responses of the bank managers of both the banks on the same. At

the outset, it should be noted that no attempt has been made in this study to quantify and evaluate the relative importance of the various factors identified. The factors considered for the study are explained below:

- A. They are well informed about the organizational objectives, ways and means to achieve objectives
- B. Employees are encouraged for finding new Information relating to organizational effectiveness
- C. The leaders receive information in time regularly
- D. The leader in their unit is capable of dealing with diverse information in a given situation
- E. Superior in their unit sends them updated information
- F. The culture in the unit fosters information sharing
- G. Effective information sharing in utilization of systems and procedures
- H. Managers always support and are available in dealing with outside agencies
- I. Managers are well aware of the business in the organization
- J. Managers are well aware of the skills and capabilities of the subordinates

Table 6 presents the analysis of responses of the sample bank managers on factors contributing to information in decision making process in two banks studied.

**Table No. 6**  
**Factors of information contributing to Decision Making**

		Strongly disagree	Disagree	Moderate	Agree	Strongly agree	Total	Mean	S.D	Percentage mean
A. Well informed about the organizational objectives, ways and means to achieve objectives	No. subjects	33	29	133	178	127	500	3.68	1.10	73.69
	%	6.6%	5.8%	26.6%	35.6%	25.4%	100.0%			
B. Employees are encouraged for finding new information relating to organizational effectiveness	No. of subjects	19	62	148	190	81	500	3.50	1.03	70.04
	%	3.8%	12.4%	29.6%	38.0%	16.2%	100.0%			
C. Leaders are to receive information in time	No. of subjects	20	40	172	166	102	500	3.58	1.03	71.65
	%	4.0%	8.0%	34.4%	33.2%	20.4%	100.0%			
D. Leader made capable of dealing with diverse information in a given situation	No. of subjects	20	58	165	158	99	500	3.53	1.05	70.52
	%	3.6%	11.6%	33.1%	31.7%	19.9%	100.0%			
E. Superior sends updated information	No. of subjects	29	36	142	197	96	500	3.59	1.06	71.77
	%	5.8%	7.2%	28.4%	39.4%	19.2%	100.0%			
F. Culture in the unit fosters information sharing	No. of subjects	20	39	178	187	76	500	3.52	.98	70.36
	%	4.0%	7.8%	35.6%	37.4%	15.2%	100.0%			
G. The systems and procedure in the unit ensure effective information sharing	No. of subjects	10	49	165	188	88	500	3.59	.96	71.85
	%	2.0%	9.8%	33.0%	37.6%	17.6%	100.0%			
H. Managers always support and available in dealing with outside agencies	No. of subjects	17	43	154	202	84	500	3.60	.97	71.93
	%	3.4%	8.6%	30.8%	40.4%	16.8%	100.0%			
I. Managers are well aware of the business in an organization	No. of subjects	13	34	133	221	99	500	3.72	.95	74.34
	%	2.6%	6.8%	26.6%	44.2%	19.8%	100.0%			
J. Managers are well aware of the skills and capabilities of the subordinate	No. of subjects	23	32	148	197	100	500	3.63	1.02	72.65
	%	4.6%	6.4%	29.6%	39.4%	20.0%	100.0%			

Source : Survey Results ANOVA:  $F(9, 4473) = 6.705, p=0.000, HS$

From the analysis of data in the table, it is clear that majority of the managers in both the banks agree that the factors like well informed organizational objectives, encouragement of employees for finding new information, timely receipt of information, capability of leaders to deal with diverse information, Dissemination of updated information by the superiors, fostering information sharing culture, effective information sharing in systems and procedure, managers' support and

availability to deal with outside agencies, and awareness of managers of skills and capabilities of the subordinates are all crucial in obtaining optimum benefit of information for effective banking business transactions. The analyses of variance denotes that the factors of information contributing to decision making are h

Since the factors identified are inter-related, correlation analysis was carried out in Table 7.

**Table 7: Correlation Analysis**

Bank		Decision		
		Pearson Correlation	p value	
Corporation Bank	Well informed about the organizational objectives, ways and means to achieve objectives	.702	.000	sig
	Employees are encouraged for finding new information relating to organizational effectiveness	.538	.000	sig
	Leaders are receive information in time	.618	.000	sig
	Leader is capable of dealing with diverse information in a given situation	.669	.000	sig
	Superior sends updated information	.658	.000	sig
	Culture in the unit fosters information sharing	.606	.000	sig
	The systems and procedure in the unit ensure effective information sharing	.662	.000	sig
	Managers always support and available in dealing with outside agencies	.689	.000	sig
	Managers are well aware of the business in an organization	.640	.000	sig
	Managers are well aware of the skills and capabilities of the subordinate	.700	.000	sig
Syndicate Bank	Well informed about the organizational objectives, ways and means to achieve objectives	.713	.000	sig
	Employees are encouraged for finding new information relating to organizational effectiveness	.516	.000	sig
	Leaders are receive information in time	.600	.000	sig
	Leader is capable of dealing with diverse information in a given situation	.659	.000	sig
	Superior sends updated information	.661	.000	sig
	Culture in the unit fosters information sharing	.593	.000	sig
	The systems and procedure in the unit ensure effective information sharing	.668	.000	sig
	Managers always support and available in dealing with outside agencies	.684	.000	sig
	Managers are well aware of the business in an organization	.659	.000	sig
Managers are well aware of the skills and capabilities of the subordinate	.729	.000	sig	

If correlation coefficient is 0.7 and above, the relationship of a factor of information on decision making is considered as strong. If the value is greater than 0.6 and lesser than 0.7, the correlation is considered good. If the value is more than 0.4 and less than 0.6, it is a moderate correlation. When the value is less than 0.4, it is a weak correlation. In both the banks, two factors viz. well informed about the organizational objectives and ways and means to achieve these objectives, and if the managers well aware of the skills and capabilities of subordinates have correlation coefficient 0.7 and above reflecting strong correlation. Except one factor viz. employees are encouraged to find new information relating organizational effectiveness, all other factors are found to have correlation coefficients above 0.6 and below 0.7 showing good correlations. Surprisingly, there are no wide differences in the correlation coefficients observed in case of both banks.

### Effects of various Factors of Informational Role

With a view to identify the effects of various factors of informational role on decision making, regression analysis was carried out. In the regression analysis, the factors of information are the independent variables and the decision factors are

dependent variable.

Results of the Regression Analysis demonstrate that 65 percent of the decision in Corporation Bank is influenced by the factors of information identified. Further in Syndicate Bank 66 percent of decisions are influenced by the factors of information. This signifies the importance of the factors in decision making in the banking system.

### Summary of Findings

The major finding of the empirical study based on primary data compiled for Corporation Bank and Syndicate Bank can be summarized as follows:

- Majority of the managers of the bank branches as revealed in the sample study, fall in the age group of 55 years and above.
- The gender composition shows that majority of the branch managers are males.
- Though majority of the managers are Graduates, nearly twenty percent were found to have post-graduation and almost all have professional CAIIB qualification.
- Most of the managers have number of years banking experience and have worked in various departments under various capacities in their career in the bank.
- Information benefits the decision-making mainly by reducing the cost of

**Table No.8**

**Summary of Regression Analysis**

Bank	Model	R	R Square	Adjusted R Square
Corporation Bank	1	.807	.652	.637
Syndicate Bank	1	.818	.669	.655

operation, resulting in the increase of staff's satisfaction and user's satisfaction.

- Managers are well informed about the organisational objectives and employees are encouraged to find new information relating to organisational effectiveness

- It is found out that the superiors in the unit send the updated information and there is a culture of information sharing. Systems and procedures in the unit ensure effective information sharing.

- Well awareness of the organizational objectives, ways and means to achieve the same and the bank business operations and skills and capabilities of their subordinates go a long way in effective decision making process for successful operation of the bank.

The study has evidently shown that there are no wide differences between the banks with regard to knowledge, skill and capabilities of bank managers. The banking industry is now facing newer challenges in

terms of narrowing spreads, new banking products and players and mergers and acquisitions. Adoption of risk management tools and new information technology is no more a choice but a business compulsion. Technology product innovation, sophisticated risk management systems, generation of new income streams, building business volumes and cost efficiency will be the key to success of the banks in the new era. In the present environment where change is invisible, it is not enough if bank change with the change, but they have to change before the change. They should perceive what customer want and accordingly structure their product and services. In this context, the availability of information affects the quality of managerial decision. Regular information update plays a very pivotal role. The survival and the success of the bank in this competitive era ultimately depend on effective decision taken by the managers at the branch level.

#### REFERENCES:

- Chester I Barnard, *"The functions of the executive"*, Harvard University Press, Cambridge, Mass, 1938, p14.
- Choo, Chun Wei(1996) The Knowing Organization: how organizations use information to construct meaning, create knowledge and make decisions, *International Journal of Information management*, 16(5),23-40.
- Choo, Chun Wei(1996) "The Knowing Organization: how organizations use information to construct meaning, create knowledge and make decisions", *International Journal of Information management*, 16(5),23-40. – Inc, Irvin – Dorsey Limited; Ontario,1981,pp117
- Goodman, Susan K.(1993), " Information needs for Management Decision Making" ,*Records Management Quarterly*, October,21-22.
- Goodman, Susan K.(1993), " Information needs for Management Decision Making" ,*Records Management Quarterly*, October,21-22.
- Hamel.G., and Prahalad C.K.,1994, " *Competing for the Future Bottom*", MA, Harvard Business School Press.
- Henry Mintzberg, Duru palsin Ghani and Andre Theoret, "The Structure of Unstructured Decision processes", *Administrative science Quarterly*, June 1976, pp.246-275.
- Herbert A Simon, *"The New Science of Management Decision"*, Harper, New York,1960,p2.
- Pai, D T "Indian banking Changing Scenario", *IBA Bulletin*, XXIII(3), March 2001,20-23.
- Richard D Irwin Daft , Richard .L. and Lengel, Robert .H. (1984) " Information richness: a new approach to managerial behavior and organization design", *Research in Organizational Behavior*,6,191-233.